

**CHAROEN POKPHAND ENTERPRISE
(TAIWAN) CO., LTD. AND SUBSIDIARIES
CONSOLIDATED FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REVIEW REPORT
MARCH 31, 2024 AND 2023**



INDEPENDENT AUDITORS' REVIEW REPORT

To the Board of Directors and Shareholders of Charoen Pokphand Enterprise (Taiwan) Co., Ltd.

Introduction

We have reviewed the accompanying consolidated balance sheets of Charoen Pokphand Enterprise (Taiwan) Co., Ltd. and subsidiaries (the “Group”) as at March 31, 2024 and 2023, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the three-month periods then ended, and notes to the consolidated financial statements, including a summary of material accounting policies. Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with “Regulations Governing the Preparation of Financial Reports by Securities Issuers” and International Accounting Standard 34, “Interim Financial Reporting” as endorsed by the Financial Supervisory Commission. Our responsibility is to express a conclusion on these consolidated financial statements based on our reviews.

Scope of Review

We conducted our reviews in accordance with the Standard on Review Engagements 2410, “Review of Financial Information Performed by the Independent Auditor of the Entity” of the Republic of China. A review of consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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Conclusion

Based on our reviews, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as at March 31, 2024 and 2023, and of its consolidated financial performance and its consolidated cash flows for the three-month periods then ended in accordance with “Regulations Governing the Preparation of Financial Reports by Securities Issuers” and International Accounting Standard 34, “Interim Financial Reporting” as endorsed by the Financial Supervisory Commission.



Lin, Yi-Fan

For and on Behalf of PricewaterhouseCoopers, Taiwan

May 6, 2024



Liao, Fu-Ming

The accompanying consolidated financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying consolidated financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

CHAROEN POKPHAND ENTERPRISE (TAIWAN) CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
MARCH 31, 2024, DECEMBER 31, 2023 AND MARCH 31, 2023
(Expressed in thousands of New Taiwan dollars)

ASSETS	Notes	March 31, 2024		December 31, 2023		March 31, 2023		
		AMOUNT	%	AMOUNT	%	AMOUNT	%	
Current assets								
1100	Cash and cash equivalents	6(1)	\$ 332,257	1	\$ 275,585	1	\$ 260,477	1
1150	Notes receivable, net	6(3)	300,275	1	358,295	1	359,465	2
1160	Notes receivable due from related parties, net	7	172	-	1,558	-	29,502	-
1170	Accounts receivable, net	6(3)	2,633,510	10	2,577,965	10	2,227,262	9
1180	Accounts receivable - related parties	7	83,370	-	74,101	-	52,537	-
1200	Other receivables		25,854	-	18,848	-	32,960	-
1210	Other receivables - related parties	7	35	-	43	-	206	-
130X	Inventories, net	6(4)	2,420,561	9	2,378,872	9	2,530,403	10
1400	Biological assets - current	6(5)	1,912,731	7	1,988,992	7	2,036,987	8
1410	Prepayments		222,346	1	364,262	1	242,114	1
1470	Other current assets	6(1) and 8	9,650	-	9,650	-	9,650	-
11XX	Total current assets		<u>7,940,761</u>	<u>29</u>	<u>8,048,171</u>	<u>29</u>	<u>7,781,563</u>	<u>31</u>
Non-current assets								
1517	Non-current financial assets at fair value through other comprehensive income	6(2)	2,434,507	9	2,620,673	10	2,295,417	9
1550	Investments accounted for using equity method	6(6)	88,977	-	91,399	-	93,061	-
1600	Property, plant and equipment, net	6(7) and 8	15,548,429	57	15,332,016	56	14,002,850	55
1755	Right-of-use assets	6(8)	352,936	1	355,367	1	355,592	1
1780	Intangible assets	6(9)	30,643	-	35,216	-	2,714	-
1830	Biological assets - non-current	6(5)	555,028	2	541,214	2	507,043	2
1840	Deferred income tax assets		206,270	1	185,953	1	158,653	1
1900	Other non-current assets		144,663	1	159,788	1	141,320	1
15XX	Total non-current assets		<u>19,361,453</u>	<u>71</u>	<u>19,321,626</u>	<u>71</u>	<u>17,556,650</u>	<u>69</u>
1XXX	Total assets		<u>\$ 27,302,214</u>	<u>100</u>	<u>\$ 27,369,797</u>	<u>100</u>	<u>\$ 25,338,213</u>	<u>100</u>

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CHAROEN POKPHAND ENTERPRISE (TAIWAN) CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
MARCH 31, 2024, DECEMBER 31, 2023 AND MARCH 31, 2023
(Expressed in thousands of New Taiwan dollars)

	LIABILITIES AND EQUITY	Notes	March 31, 2024		December 31, 2023		March 31, 2023	
			AMOUNT	%	AMOUNT	%	AMOUNT	%
	Current liabilities							
2100	Short-term borrowings	6(10)	\$ 3,515,630	13	\$ 3,561,041	13	\$ 3,292,000	13
2110	Short-term notes and bills payable	6(11)	1,028,247	4	1,028,150	4	1,067,938	4
2150	Notes payable		129,948	-	738,747	3	494,938	2
2160	Notes payable - related parties	7	17,983	-	25,465	-	7,348	-
2170	Accounts payable		1,220,666	4	846,988	3	1,119,796	5
2180	Accounts payable - related parties	7	19,769	-	23,300	-	37,117	-
2200	Other payables	6(12)	804,871	3	1,084,003	4	636,123	3
2220	Other payables - related parties	7	34,651	-	12,254	-	55,782	-
2230	Current income tax liabilities		494,572	2	387,605	2	330,913	1
2280	Current lease liabilities		54,602	-	30,721	-	34,404	-
2320	Long-term liabilities, current portion	6(13) and 8	681,375	3	365,488	1	742,476	3
21XX	Total current liabilities		<u>8,002,314</u>	<u>29</u>	<u>8,103,762</u>	<u>30</u>	<u>7,818,835</u>	<u>31</u>
	Non-current liabilities							
2540	Long-term borrowings	6(13) and 8	8,487,562	31	8,676,756	32	7,579,284	30
2570	Deferred income tax liabilities		33,371	1	44,639	-	45,446	-
2580	Non-current lease liabilities		284,444	1	298,413	1	299,373	1
2600	Other non-current liabilities		18,711	-	23,810	-	34,630	-
25XX	Total non-current liabilities		<u>8,824,088</u>	<u>33</u>	<u>9,043,618</u>	<u>33</u>	<u>7,958,733</u>	<u>31</u>
2XXX	Total liabilities		<u>16,826,402</u>	<u>62</u>	<u>17,147,380</u>	<u>63</u>	<u>15,777,568</u>	<u>62</u>
	Equity attributable to owners of parent							
	Share capital	6(15)						
3110	Common stock		2,947,901	11	2,947,901	11	2,947,901	12
	Capital surplus	6(16)						
3200	Capital surplus		10,458	-	10,534	-	6,640	-
	Retained earnings	6(17)						
3310	Legal reserve		1,340,668	5	1,340,668	5	1,181,684	5
3350	Unappropriated retained earnings		5,154,173	19	4,786,803	17	4,133,856	16
	Other equity interest							
3400	Other equity interest		501,854	1	667,418	2	809,204	3
31XX	Equity attributable to owners of the parent		<u>9,955,054</u>	<u>36</u>	<u>9,753,324</u>	<u>35</u>	<u>9,079,285</u>	<u>36</u>
36XX	Non-controlling interest		520,758	2	469,093	2	481,360	2
3XXX	Total equity		<u>10,475,812</u>	<u>38</u>	<u>10,222,417</u>	<u>37</u>	<u>9,560,645</u>	<u>38</u>
	Significant contingent liabilities and unrecognised contract commitments	9						
	Significant events after the balance sheet date	11						
3X2X	Total liabilities and equity		<u>\$ 27,302,214</u>	<u>100</u>	<u>\$ 27,369,797</u>	<u>100</u>	<u>\$ 25,338,213</u>	<u>100</u>

The accompanying notes are an integral part of these consolidated financial statements.

CHAROEN POKPHAND ENTERPRISE (TAIWAN) CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
THREE MONTHS ENDED MARCH 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

	Items	Notes	Three months ended March 31			
			2024		2023	
			AMOUNT	%	AMOUNT	%
4000	Operating revenue	6(18) and 7	\$ 6,912,107	100	\$ 7,232,070	100
5000	Operating costs	6(4)(24)(25) and 7	(5,822,404)	(84)	(6,207,122)	(86)
5950	Net operating margin		<u>1,089,703</u>	<u>16</u>	<u>1,024,948</u>	<u>14</u>
	Operating expenses	6(24)(25) and 7				
6100	Selling and marketing expenses		(335,484)	(5)	(311,996)	(4)
6200	General and administrative expenses		(227,652)	(3)	(174,839)	(3)
6450	Expected credit impairment loss	12(2)	(565)	-	(2,156)	-
6000	Total operating expenses		<u>(563,701)</u>	<u>(8)</u>	<u>(488,991)</u>	<u>(7)</u>
6500	Other income and expenses, net	6(5)(19)	(11,880)	-	25,487	1
6900	Operating profit		<u>514,122</u>	<u>8</u>	<u>561,444</u>	<u>8</u>
	Non-operating income and expenses					
7100	Interest income	6(20)	207	-	63	-
7010	Other income	6(21) and 7	2,549	-	3,442	-
7020	Other gains and losses	6(22)	5,006	-	7,521	-
7050	Finance costs	6(23)	(55,769)	(1)	(56,544)	(1)
7060	Share of loss of associates and joint ventures accounted for using equity method	6(6)	(2,422)	-	(1,652)	-
7000	Total non-operating income and expenses		<u>(50,429)</u>	<u>(1)</u>	<u>(47,170)</u>	<u>(1)</u>
7900	Profit before income tax		<u>463,693</u>	<u>7</u>	<u>514,274</u>	<u>7</u>
7950	Income tax expense	6(26)	(93,658)	(2)	(103,448)	(1)
8200	Profit for the period		<u>\$ 370,035</u>	<u>5</u>	<u>\$ 410,826</u>	<u>6</u>

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CHAROEN POKPHAND ENTERPRISE (TAIWAN) CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
THREE MONTHS ENDED MARCH 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

Items	Notes	Three months ended March 31			
		2024		2023	
		AMOUNT	%	AMOUNT	%
Other comprehensive income					
Components of other comprehensive income that will not be reclassified to profit or loss					
8316	Unrealised gain or loss on financial assets at fair value through other comprehensive income	(\$ 236,027)	(3)	(\$ 348,409)	(5)
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	18,271	-	26,799	-
8310	Other comprehensive loss that will not be reclassified to profit or loss	(217,756)	(3)	(321,610)	(5)
Components of other comprehensive income that will be reclassified to profit or loss					
8361	Currency translation differences of foreign operations	52,192	1	(16,335)	-
8360	Other comprehensive income (loss) that will be reclassified to profit or loss	52,192	1	(16,335)	-
8300	Total other comprehensive loss for the period	<u>(\$ 165,564)</u>	<u>(2)</u>	<u>(\$ 337,945)</u>	<u>(5)</u>
8500	Total comprehensive income for the period	<u>\$ 204,471</u>	<u>3</u>	<u>\$ 72,881</u>	<u>1</u>
Profit (loss) attributable to:					
8610	Owners of the parent	\$ 369,093	5	\$ 422,306	6
8620	Non-controlling interest	942	-	(11,480)	-
		<u>\$ 370,035</u>	<u>5</u>	<u>\$ 410,826</u>	<u>6</u>
Comprehensive income (loss) attributable to:					
8710	Owners of the parent	\$ 203,529	3	\$ 84,361	1
8720	Non-controlling interest	942	-	(11,480)	-
		<u>\$ 204,471</u>	<u>3</u>	<u>\$ 72,881</u>	<u>1</u>
Earnings per share (in dollars) 6(27)					
9750	Basic earnings per share	\$	1.25	\$	1.43
9850	Diluted earnings per share	\$	1.25	\$	1.43

The accompanying notes are an integral part of these consolidated financial statements.

CHAROEN POKPHAND ENTERPRISE (TAIWAN) CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
THREE MONTHS ENDED MARCH 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

	Equity attributable to owners of the parent									
	Notes	Retained Earnings				Other Equity Interest			Non-controlling interest	Total equity
		Common stock	Capital surplus	Legal reserve	Unappropriated retained earnings	Financial statements translation differences of foreign operations	Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income	Total		
<u>Three months ended March 31, 2023</u>										
Balance at January 1, 2023		\$ 2,947,901	\$ 6,640	\$ 1,181,684	\$ 3,713,594	(\$ 8,794)	\$ 1,155,943	\$ 8,996,968	\$ 490,796	\$ 9,487,764
Profit (loss) for the period		-	-	-	422,306	-	-	422,306	(11,480)	410,826
Other comprehensive income (loss)		-	-	-	-	(16,335)	(321,610)	(337,945)	-	(337,945)
Total comprehensive income (loss)		-	-	-	422,306	(16,335)	(321,610)	84,361	(11,480)	72,881
Change in ownership interests in subsidiaries		-	-	-	(2,044)	-	-	(2,044)	2,044	-
Balance at March 31, 2023		\$ 2,947,901	\$ 6,640	\$ 1,181,684	\$ 4,133,856	(\$ 25,129)	\$ 834,333	\$ 9,079,285	\$ 481,360	\$ 9,560,645
<u>Three months ended March 31, 2024</u>										
Balance at January 1, 2024		\$ 2,947,901	\$ 10,534	\$ 1,340,668	\$ 4,786,803	(\$ 10,807)	\$ 678,225	\$ 9,753,324	\$ 469,093	\$ 10,222,417
Profit for the period		-	-	-	369,093	-	-	369,093	942	370,035
Other comprehensive income (loss)		-	-	-	-	52,192	(217,756)	(165,564)	-	(165,564)
Total comprehensive income (loss)		-	-	-	369,093	52,192	(217,756)	203,529	942	204,471
Change in other capital surplus		-	(76)	-	-	-	-	(76)	-	(76)
Change in ownership interests in subsidiaries	6(28)	-	-	-	(1,723)	-	-	(1,723)	1,723	-
Change in non-controlling interests		-	-	-	-	-	-	-	49,000	49,000
Balance at March 31, 2024		\$ 2,947,901	\$ 10,458	\$ 1,340,668	\$ 5,154,173	\$ 41,385	\$ 460,469	\$ 9,955,054	\$ 520,758	\$ 10,475,812

The accompanying notes are an integral part of these consolidated financial statements.

CHAROEN POKPHAND ENTERPRISE (TAIWAN) CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
THREE MONTHS ENDED MARCH 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

	Notes	Three months ended March 31	
		2024	2023
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Profit before tax		\$ 463,693	\$ 514,274
Adjustments			
Adjustments to reconcile profit (loss)			
Expected credit impairment loss	12(2)	565	2,156
Depreciation	6(7)(24)	252,070	239,450
Depreciation of right-of-use assets	6(8)(24)	16,079	14,955
Amortisation	6(24)	5,583	1,600
Interest income	6(20)	(207)	(63)
Interest expense	6(23)	55,769	56,544
Provision for loss on inventory	6(4)	44,342	5,014
Change in fair value less cost to sell of biological assets	6(5)(19)	11,880	(25,487)
Share of profit or loss recognised under equity method	6(6)	2,422	1,652
Loss (gain) on disposal of property, plant and equipment	6(22)	1,726	(759)
Changes in operating assets and liabilities			
Changes in operating assets			
Financial assets at fair value through other comprehensive income		-	(11,791)
Notes receivable		58,020	51,769
Notes receivable - related parties		1,386	(26,746)
Accounts receivable		(56,110)	501,456
Accounts receivable - related parties		(9,269)	13,634
Other receivables		(6,982)	21,417
Other receivables - related parties		8	22
Inventories		(86,031)	112,658
Biological assets		50,567	41,119
Prepayments		141,139	170,595
Changes in operating liabilities			
Notes payable		(608,799)	(186,529)
Notes payable - related parties		(7,482)	(6,041)
Accounts payable		373,678	117,708
Accounts payable - related parties		(3,531)	17,932
Other payables		(142,329)	(244,372)
Other payables - related parties		22,397	25,208
Net defined benefit liability		(5,099)	(5,078)
Cash inflow generated from operations		575,485	1,402,297
Cash paid for income tax		(5)	-
Refund of income tax		-	6,284
Net cash flows from operating activities		<u>575,480</u>	<u>1,408,581</u>

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CHAROEN POKPHAND ENTERPRISE (TAIWAN) CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
THREE MONTHS ENDED MARCH 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

	Notes	Three months ended March 31	
		2024	2023
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Acquisition of property, plant and equipment	6(29)	(\$ 602,315)	(\$ 467,716)
Proceeds from disposal of property, plant and equipment		1,253	1,650
Decrease (increase) in other non-current assets		14,115	(5,989)
Cash receipt of interest		183	63
Net cash flows used in investing activities		(586,764)	(471,992)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Decrease in short-term borrowings		(45,411)	(973,097)
Increase in short-term notes and bills payable		97	79,975
Proceeds from long-term borrowings		2,550,000	1,600,000
Payment of long-term borrowings		(2,423,307)	(1,621,500)
Payment of lease liabilities	6(8)	(9,611)	(14,425)
Cash payment for interest		(55,067)	(57,774)
Cash receipt from non-controlling interest of a subsidiary through capital increase		49,000	-
Other financing activities		(76)	-
Net cash flows from (used in) financing activities		65,625	(986,821)
Effects of changes in foreign exchange rate		2,331	(376)
Net increase (decrease) in cash and cash equivalents		56,672	(50,608)
Cash and cash equivalents at beginning of period	6(1)	275,585	311,085
Cash and cash equivalents at end of period	6(1)	\$ 332,257	\$ 260,477

The accompanying notes are an integral part of these consolidated financial statements.

CHAROEN POKPHAND ENTERPRISE (TAIWAN) CO., LTD. AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
THREE MONTHS ENDED MARCH 31, 2024 AND 2023

(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

1. HISTORY AND ORGANISATION

Charoen Pokphand Enterprise (Taiwan) Co., Ltd. (the “Company”) was incorporated on August 22, 1977 as a company limited by shares under the Statute for Investment by Overseas Chinese and the provisions of the Company Act of the Republic of China. The main activities of the Company and its subsidiaries (collectively referred herein as the “Group”) are the manufacture and sales of animal feeds, livestock, chicken and processed meat products. The Company’s common stock has been traded on the Taiwan Stock Exchange since July 27, 1987. The ultimate parent company, Charoen Pokphand Foods Public Company Limited (“CPF”), which was incorporated in Thailand, directly and indirectly holds 39% equity interest in the Company.

2. THE DATE OF AUTHORISATION FOR ISSUANCE OF THE CONSOLIDATED FINANCIAL STATEMENTS AND PROCEDURES FOR AUTHORISATION

These consolidated financial statements were authorised for issuance by the Board of Directors on May 6, 2024.

3. APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS

(1) Effect of the adoption of new issuances of or amendments to International Financial Reporting Standards (“IFRS[®]”) Accounting Standards that came into effect as endorsed by the Financial Supervisory Commission (“FSC”)

New standards, interpretations and amendments endorsed by the FSC and became effective from 2024 are as follows:

<u>New Standards, Interpretations and Amendments</u>	<u>Effective date by International Accounting Standards Board</u>
Amendments to IFRS 16, ‘Lease liability in a sale and leaseback’	January 1, 2024
Amendments to IAS 1, ‘Classification of liabilities as current or non-current’	January 1, 2024
Amendments to IAS 1, ‘Non-current liabilities with covenants’	January 1, 2024
Amendments to IAS 7 and IFRS 7, ‘Supplier finance arrangements’	January 1, 2024

The above standards and interpretations have no significant impact to the Group’s financial condition and financial performance based on the Group’s assessment.

(2) Effect of new issuances of or amendments to IFRS Accounting Standards as endorsed by the FSC but not yet adopted by the Group

None.

(3) IFRS Accounting Standards issued by IASB but not yet endorsed by the FSC

New standards, interpretations and amendments issued by IASB but not yet included in the IFRS Accounting Standards endorsed by the FSC are as follows:

<u>New Standards, Interpretations and Amendments</u>	<u>Effective date by International Accounting Standards Board</u>
Amendments to IFRS 10 and IAS 28, ‘Sale or contribution of assets between an investor and its associate or joint venture’	To be determined by International Accounting Standards Board
IFRS 17, ‘Insurance contracts’	January 1, 2023
Amendments to IFRS 17, ‘Insurance contracts’	January 1, 2023
Amendment to IFRS 17, ‘Initial application of IFRS 17 and IFRS 9 – comparative information’	January 1, 2023
IFRS 18, ‘Presentation and disclosure in financial statements’	January 1, 2027
Amendments to IAS 21, ‘Lack of exchangeability’	January 1, 2025

The above standards and interpretations have no significant impact to the Group’s financial condition and financial performance based on the Group’s assessment.

IFRS 18, ‘Presentation and disclosure in financial statements’

IFRS 18, ‘Presentation and disclosure in financial statements’ replaces IAS 1. The standard introduces a defined structure of the statement of profit or loss, disclosure requirements related to management-defined performance measures, and enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes.

4. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The principal accounting policies adopted are consistent with Note 4 in the consolidated financial statements for the year ended December 31, 2023, except for the compliance statement, basis of preparation, basis of consolidation and additional policies as set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(1) Compliance statement

A. The consolidated financial statements of the Group have been prepared in accordance with the “Regulations Governing the Preparation of Financial Reports by Securities Issuers” and the International Accounting Standard 34, ‘Interim Financial Reporting’ as endorsed by the FSC.

B. These consolidated financial statements are to be read in conjunction with the consolidated financial statements for the year ended December 31, 2023.

(2) Basis of preparation

A. Except for the following items, the consolidated financial statements have been prepared under the historical cost convention:

(a) Financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.

(b) Financial assets at fair value through other comprehensive income.

(c) Defined benefit liabilities recognised based on the net amount of pension fund assets less present value of defined benefit obligation.

(d) Biological assets measured at fair value less costs to sell.

B. The preparation of financial statements in conformity with International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the FSC (collectively referred herein as the “IFRSs”) requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

(3) Basis of consolidation

A. Basis for preparation of consolidated financial statements:

The basis for preparation of these consolidated financial statements is consistent with those for the year ended December 31, 2023.

B. Subsidiaries included in the consolidated financial statements:

Name of investor	Name of subsidiary	Main business activities	Ownership (%)			Note
			March 31, 2024	December 31, 2023	March 31, 2023	
The Company	Plenty Type Limited (Cayman Islands)	Management of producing and non-producing business investments	100.00	100.00	100.00	
The Company	Charoen Pokphand (Taiwan) Corp., Ltd.	Management of importing and exporting business	90.00	90.00	90.00	
The Company	Arbor Acres (Taiwan) Co., Ltd.	Husbandry, management of chickens to produce breeder chicken and daily chicken	50.00	50.00	50.00	Note 1
The Company	Rui Mu Foods Co., Ltd.	Management of layers and related business	68.00	68.00	68.00	
The Company	Rui Fu Foods Co., Ltd.	Management of layers and related business	51.00	51.00	51.00	Note 2
Plenty Type Limited (Cayman Islands)	Chia Tai Lianyungang Co., Ltd.	Management of producing and non-producing business investments	99.99	99.99	99.99	
Rui Fu Foods Co., Ltd.	Sheng Da Foods Co., Ltd.	Management of eggs and related business	83.33	80.77	81.82	Note 3 Note 4

Note 1: The Company's direct or indirect shareholding ratio does not exceed 50%. However, the Company holds more than half of the seats of the Board of Directors. Thus, the subsidiary was included in the consolidation.

Note 2: Rui Fu Foods Co., Ltd. increased its capital by cash in March 2024, and the Company subscribed ordinary shares proportionately to its ownership in the amount of 5,100 thousand shares, equivalent to \$51,000.

Note 3: Sheng Da Foods Co., Ltd. increased its capital by cash in January 2023 and September 2023, and the subsidiary, Rui Fu Foods Co., Ltd., subscribed 6,000 thousand and 3,000 thousand ordinary shares for a total amount of \$60,000 and \$30,000, respectively. The shareholding ratio increased to 81.82% from 75% and decreased to 80.77% from 81.82%, respectively. The registration for the changes had been completed.

Note 4: Sheng Da Foods Co., Ltd. increased its capital by cash in March 2024, and the subsidiary, Rui Fu Foods Co., Ltd., subscribed 4,000 thousand ordinary shares for a total amount of \$40,000. The shareholding ratio increased to 83.33% from 80.77%.

- C. Subsidiaries not included in the consolidated financial statements: None.
- D. Adjustments for subsidiaries with different balance sheet dates: None.
- E. Significant restrictions: None.
- F. Subsidiaries that have non-controlling interests that are material to the Group: None.

(4) Income tax

The interim period income tax expense is recognised based on the estimated average annual effective income tax rate expected for the full financial year applied to the pretax income of the interim period, and the related information is disclosed accordingly.

5. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND KEY SOURCES OF ASSUMPTION UNCERTAINTY

There have been no significant changes as of March 31, 2024. Refer to Note 5 in the consolidated financial statements for the year ended December 31, 2023.

6. DETAILS OF SIGNIFICANT ACCOUNTS

(1) Cash and cash equivalents

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Cash on hand and revolving funds	\$ 8,744	\$ 11,119	\$ 5,750
Checking accounts	4,715	4,807	5,356
Demand deposits	<u>318,798</u>	<u>259,659</u>	<u>249,371</u>
	<u>\$ 332,257</u>	<u>\$ 275,585</u>	<u>\$ 260,477</u>

A. The Group transacts with a variety of financial institutions all with high credit quality to disperse credit risk, so it expects that the probability of counterparty default is remote.

B. As of March 31, 2024, December 31, 2023 and March 31, 2023, the Group has restricted cash and cash equivalents pledged as collateral totalling \$9,650, classified as other current financial assets and shown as 'other current assets'. Refer to Note 8 for details.

(2) Financial assets at fair value through other comprehensive income

<u>Items</u>	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Non-current items:			
Equity instruments			
Listed stocks	\$ 2,005,408	\$ 1,985,574	\$ 1,505,456
Valuation adjustment	<u>429,099</u>	<u>635,099</u>	<u>789,961</u>
	<u>\$ 2,434,507</u>	<u>\$ 2,620,673</u>	<u>\$ 2,295,417</u>

- A. Amounts recognised in profit or loss and other comprehensive income in relation to the financial assets at fair value through other comprehensive income are listed below:

	<u>For the three-month periods ended March 31,</u>	
	<u>2024</u>	<u>2023</u>
<u>Equity instruments at fair value through other comprehensive income</u>		
Fair value change recognised in other comprehensive income	(\$ <u>217,756</u>)	(\$ <u>321,610</u>)

- B. The Company and the subsidiary, Plenty Type Limited (Cayman Islands), holds CPF's shares, which are traded on the Thailand Stock Exchange. CPF is the ultimate parent company of the Group.
- C. The Group has elected to classify equity investments that are considered to be strategic investments and steady dividend income as financial assets at fair value through other comprehensive income. The fair value of such investments amounted to \$2,434,507, \$2,620,673 and \$2,295,417 as at March 31, 2024, December 31, 2023 and March 31, 2023, respectively.

(3) Notes and accounts receivable

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Notes receivable	\$ <u>300,275</u>	\$ <u>358,295</u>	\$ <u>359,465</u>
Accounts receivable	\$ 2,665,122	\$ 2,609,012	\$ 2,237,136
Less: Allowance for uncollectible accounts	(<u>31,612</u>)	(<u>31,047</u>)	(<u>9,874</u>)
	<u>\$ 2,633,510</u>	<u>\$ 2,577,965</u>	<u>\$ 2,227,262</u>

A. The ageing analysis of accounts and notes receivable is as follows:

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Current	\$ 2,726,854	\$ 2,734,361	\$ 2,390,974
Up to 120 days	211,612	212,119	202,933
121 to 365 days	21,993	15,926	551
Over one year	4,938	4,901	2,143
	<u>\$ 2,965,397</u>	<u>\$ 2,967,307</u>	<u>\$ 2,596,601</u>

The above ageing analysis was based on past due date.

B. As of March 31, 2024, December 31, 2023 and March 31, 2023, accounts receivable and notes receivable were all from contracts with customers. As of January 1, 2023, the balance of accounts receivable and notes receivable from contracts with customers amounted to \$3,150,495.

C. The credit quality of accounts receivable was in the following category based on the Group's Credit Quality Control Policy:

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
With guarantee	\$ 226,296	\$ 218,358	\$ 210,868
Without guarantee	2,438,826	2,390,654	2,026,268
	<u>\$ 2,665,122</u>	<u>\$ 2,609,012</u>	<u>\$ 2,237,136</u>

The Group holds commercial papers, real estate, guarantee deposits and deposits as collateral for accounts receivable.

D. As at March 31, 2024, December 31, 2023 and March 31, 2023, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the Group's notes receivable were \$300,275, \$358,295 and \$359,465, respectively, while the amount that best represents the Group's accounts receivable were \$2,633,510, \$2,577,965 and \$2,227,262, respectively.

E. Information relating to credit risk of accounts receivable (including related parties) and notes receivable is provided in Note 12(2).

(4) Inventories

	March 31, 2024		
	Cost	Allowance for valuation loss	Book value
Raw materials	\$ 1,229,814	(\$ 967)	\$ 1,228,847
Packing supplies	44,468	(119)	44,349
Work in progress	54,295	-	54,295
Finished goods	1,087,136	(50,600)	1,036,536
General merchandise	59,213	(13,965)	45,248
Inventory in transit	11,286	-	11,286
	<u>\$ 2,486,212</u>	<u>(\$ 65,651)</u>	<u>\$ 2,420,561</u>
	December 31, 2023		
	Cost	Allowance for valuation loss	Book value
Raw materials	\$ 1,235,177	(\$ 186)	\$ 1,234,991
Packing supplies	44,021	(118)	43,903
Work in progress	54,482	-	54,482
Finished goods	1,000,658	(8,382)	992,276
General merchandise	57,691	(12,623)	45,068
Inventory in transit	8,152	-	8,152
	<u>\$ 2,400,181</u>	<u>(\$ 21,309)</u>	<u>\$ 2,378,872</u>
	March 31, 2023		
	Cost	Allowance for valuation loss	Book value
Raw materials	\$ 1,574,551	\$ -	\$ 1,574,551
Packing supplies	41,771	(267)	41,504
Work in progress	55,245	-	55,245
Finished goods	812,533	(7,391)	805,142
General merchandise	52,171	(7,309)	44,862
Inventory in transit	9,099	-	9,099
	<u>\$ 2,545,370</u>	<u>(\$ 14,967)</u>	<u>\$ 2,530,403</u>

The cost of inventories recognised as expense for the year:

	For the three-month periods ended March 31,	
	2024	2023
Cost of goods sold	\$ 5,777,485	\$ 6,201,012
Loss on decline in market value	44,342	5,014
Others	577	1,096
	<u>\$ 5,822,404</u>	<u>\$ 6,207,122</u>

- A. The cost of goods sold includes the cost of selling biological assets.
- B. Others pertain mainly to gain or loss on physical inventory count and loss from disposal of leftovers and scraps.

(5) Biological assets

A. Biological assets

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
<u>Biological assets - current</u>			
Consumable biological assets	\$ 1,504,212	\$ 1,489,772	\$ 1,542,877
Consumable biological assets - changes in fair value less costs to sell	85,768	97,648	85,226
Bearer biological assets	1,127,435	1,153,813	1,058,722
Bearer biological assets - accumulated depreciation	(804,684)	(752,241)	(649,838)
	<u>\$ 1,912,731</u>	<u>\$ 1,988,992</u>	<u>\$ 2,036,987</u>
<u>Biological assets - non-current</u>			
Bearer biological assets	\$ 695,902	\$ 672,921	\$ 614,109
Bearer biological assets - accumulated depreciation	(140,874)	(131,707)	(107,066)
	<u>\$ 555,028</u>	<u>\$ 541,214</u>	<u>\$ 507,043</u>

Consumable biological assets are those that are to be harvested as agricultural products or sold as biological assets. Bearer biological assets are those other than consumable biological assets.

B. Movements of biological assets are as follows:

	<u>For the three-month periods ended March 31,</u>	
	<u>2024</u>	<u>2023</u>
At January 1	\$ 2,530,206	\$ 2,559,662
Purchases	394,123	419,141
Costs and expenses input	2,320,111	2,411,960
Sales	(1,111,928)	(1,207,754)
(Loss) gain on changes in fair value less costs to sell	(11,880)	25,487
Transferred to inventories	(1,642,814)	(1,657,915)
Others	(10,059)	(6,551)
At March 31	<u>\$ 2,467,759</u>	<u>\$ 2,544,030</u>

- C. Biological assets are comprised of broiler chicken, breeder chicken, fattening swine, and breeder swine, etc. Biological assets, other than fattening swine which are measured at fair value less costs to sell at each reporting date, are measured at cost less accumulated depreciation and impairment losses. The fair value of fattening swine is measured using quoted market prices as references.

The market prices or fair values at the present condition of breeders are unavailable; the market prices or fair values at present condition of broiler chickens are difficult to obtain during each breeding period due to short production cycle. The valuation based on a discounted cash flow method is considered unreliable given the uncertainty with respect to external factors such as climate and diseases, etc. Therefore, breeders and broiler chicken are measured using the cost approach. Cost of biological assets includes all costs incurred during the growth cycle such as costs of new-born animals, feeds, and other farm costs. Bearer biological assets are depreciated using the straight-line method through the productive period of each biological asset. The productive period of breeder swine is approximately 24 ~ 36 months; the productive period of breeder chickens is approximately 30 ~ 52 weeks. For the three-month periods ended March 31, 2024 and 2023, depreciation expense on biological assets amounted to \$222,040 and \$121,080, respectively.

D. Estimates of physical quantities of biological assets are as follows:

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Livestock production:			
Estimates of physical quantities (Units: heads)	<u>5,989,574</u>	<u>6,035,294</u>	<u>4,684,358</u>

E. Financial risk management policies

The Group is exposed to commodity risks arising from changes in market prices of chickens and swine. The Group does not anticipate that the prices of the agricultural products will decline significantly in the foreseeable future and there is no available derivative or other contracts. The Group reviews the predictions of the prices of the agriculture products regularly, and considers such predictions in assessing financial risk.

(6) Investment accounted for using equity method – joint ventures

The carrying amount of the Group's interests in all individually immaterial joint ventures and the Group's share of the operating results are summarised below:

As of March 31, 2024, December 31, 2023 and March 31, 2023, the carrying amount of the Group's individually immaterial joint ventures amounted to \$88,977, \$91,339 and \$93,061, respectively.

	<u>For the three-month periods ended March 31,</u>	
	<u>2024</u>	<u>2023</u>
Loss for the year from continuing operations	(\$ 2,422)	(\$ 1,652)
Other comprehensive income, net of tax	-	-
Total comprehensive loss	<u>(\$ 2,422)</u>	<u>(\$ 1,652)</u>

(7) Property, plant and equipment

	Land	Land improvements	Buildings and structures	Machinery and equipment	Transportation equipment	Leasehold improvements	Other equipment	Construction in progress and equipment to be inspected	Total
<u>At January 1, 2024</u>									
Cost	\$ 3,489,711	\$ 349,421	\$ 6,010,902	\$ 5,338,895	\$ 590,742	\$ 1,074,364	\$ 1,506,302	\$ 3,591,056	\$ 21,951,393
Accumulated depreciation	-	(119,891)	(1,892,361)	(2,810,683)	(296,495)	(802,549)	(697,398)	-	(6,619,377)
	<u>\$ 3,489,711</u>	<u>\$ 229,530</u>	<u>\$ 4,118,541</u>	<u>\$ 2,528,212</u>	<u>\$ 294,247</u>	<u>\$ 271,815</u>	<u>\$ 808,904</u>	<u>\$ 3,591,056</u>	<u>\$ 15,332,016</u>
<u>2024</u>									
Opening net book amount as at January 1	\$ 3,489,711	\$ 229,530	\$ 4,118,541	\$ 2,528,212	\$ 294,247	\$ 271,815	\$ 808,904	\$ 3,591,056	\$ 15,332,016
Additions	-	-	-	-	253	-	-	465,335	465,588
Disposals	-	-	-	(234)	(850)	-	(1,895)	-	(2,979)
Reclassifications	111,846	34,667	86,427	32,176	10,732	3,607	5,190	(278,771)	5,874
Depreciation	-	(6,750)	(80,221)	(90,686)	(21,410)	(18,768)	(34,235)	-	(252,070)
Closing net book amount as at March 31	<u>\$ 3,601,557</u>	<u>\$ 257,447</u>	<u>\$ 4,124,747</u>	<u>\$ 2,469,468</u>	<u>\$ 282,972</u>	<u>\$ 256,654</u>	<u>\$ 777,964</u>	<u>\$ 3,777,620</u>	<u>\$ 15,548,429</u>
<u>At March 31, 2024</u>									
Cost	\$ 3,601,557	\$ 384,088	\$ 6,096,888	\$ 5,366,294	\$ 604,409	\$ 1,076,403	\$ 1,508,175	\$ 3,777,620	\$ 22,415,434
Accumulated depreciation	-	(126,641)	(1,972,141)	(2,896,826)	(321,437)	(819,749)	(730,211)	-	(6,867,005)
	<u>\$ 3,601,557</u>	<u>\$ 257,447</u>	<u>\$ 4,124,747</u>	<u>\$ 2,469,468</u>	<u>\$ 282,972</u>	<u>\$ 256,654</u>	<u>\$ 777,964</u>	<u>\$ 3,777,620</u>	<u>\$ 15,548,429</u>

	Land	Land improvements	Buildings and structures	Machinery and equipment	Transportation equipment	Leasehold improvements	Other equipment	Construction in progress and equipment to be inspected	Total
<u>At January 1, 2023</u>									
Cost	\$ 3,282,805	\$ 326,303	\$ 5,613,834	\$ 5,124,119	\$ 519,730	\$ 1,036,366	\$ 1,416,229	\$ 2,379,583	\$ 19,698,969
Accumulated depreciation	-	(96,659)	(1,660,864)	(2,567,834)	(250,102)	(740,992)	(593,153)	-	(5,909,604)
	<u>\$ 3,282,805</u>	<u>\$ 229,644</u>	<u>\$ 3,952,970</u>	<u>\$ 2,556,285</u>	<u>\$ 269,628</u>	<u>\$ 295,374</u>	<u>\$ 823,076</u>	<u>\$ 2,379,583</u>	<u>\$ 13,789,365</u>
<u>2023</u>									
Opening net book amount as at January 1	\$ 3,282,805	\$ 229,644	\$ 3,952,970	\$ 2,556,285	\$ 269,628	\$ 295,374	\$ 823,076	\$ 2,379,583	\$ 13,789,365
Additions	3,402	4,010	17,281	21,953	12,900	951	12,478	380,851	453,826
Disposals	-	-	-	(63)	(695)	(77)	(56)	-	(891)
Reclassifications	2,762	2,416	134,707	70,787	12,294	-	3,549	(226,515)	-
Depreciation	-	(6,272)	(75,218)	(88,088)	(18,430)	(19,671)	(31,771)	-	(239,450)
Closing net book amount as at March 31	<u>\$ 3,288,969</u>	<u>\$ 229,798</u>	<u>\$ 4,029,740</u>	<u>\$ 2,560,874</u>	<u>\$ 275,697</u>	<u>\$ 276,577</u>	<u>\$ 807,276</u>	<u>\$ 2,533,919</u>	<u>\$ 14,002,850</u>
<u>At March 31, 2023</u>									
Cost	\$ 3,288,969	\$ 331,866	\$ 5,751,853	\$ 5,196,967	\$ 537,350	\$ 1,036,892	\$ 1,431,151	\$ 2,533,919	\$ 20,108,967
Accumulated depreciation	-	(102,068)	(1,722,113)	(2,636,093)	(261,653)	(760,315)	(623,875)	-	(6,106,117)
	<u>\$ 3,288,969</u>	<u>\$ 229,798</u>	<u>\$ 4,029,740</u>	<u>\$ 2,560,874</u>	<u>\$ 275,697</u>	<u>\$ 276,577</u>	<u>\$ 807,276</u>	<u>\$ 2,533,919</u>	<u>\$ 14,002,850</u>

- A. Amount of borrowing costs capitalised as part of property, plant and equipment and the range of the interest rates for such capitalisation are as follows:

	For the three-month periods ended March 31,	
	2024	2023
Amount capitalised	\$ 11,396	\$ 5,662
Interest rate range	1.39%~1.91%	1.10%~1.86%

- B. Information about the property, plant and equipment that were pledged to others as collateral is provided in Note 8.
- C. As of March 31, 2024, December 31, 2023 and March 31, 2023, the Group held 219 parcels, 203 parcels and 202 parcels of agricultural land, respectively. The carrying amounts of land registered under the title of others amounted to \$1,281,533, \$1,169,687 and \$1,066,675 respectively. The titles of these parcels of land are registered under the title of individuals, however, the Group has agreements with those individuals to pledge these agricultural land to the Group.
- D. The subsidiary, Sheng Da Foods Co., Ltd., acquired the right-of-use assets that had not yet been fully depreciated in January 2024 and reclassified them into transportation equipment of fixed assets with a net carrying amount of \$5,874.

(8) Leasing arrangements - lessee

- A. The Group leases various assets including land, buildings, cargo trucks, and other equipment. Rental contracts are typically made for periods of 1 to 40 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose covenants, but leased assets may not be used as security for borrowing purposes.
- B. The carrying amount of right-of-use assets and the depreciation charge are as follows:

	Carrying amount		
	March 31, 2024	December 31, 2023	March 31, 2023
Land	\$ 290,908	\$ 290,221	\$ 285,956
Buildings	38,596	40,876	37,226
Transportation equipment (Cargo truck)	6,784	12,173	16,833
Other equipment	16,648	12,097	15,577
	<u>\$ 352,936</u>	<u>\$ 355,367</u>	<u>\$ 355,592</u>

	Depreciation charge	
	For the three-month periods ended March 31,	
	2024	2023
Land	\$ 8,870	\$ 7,606
Buildings	3,747	3,535
Transportation equipment (Cargo truck)	1,001	1,694
Other equipment	2,461	2,120
	<u>\$ 16,079</u>	<u>\$ 14,955</u>

- C. For the three-month periods ended March 31, 2024 and 2023, the additions to right-of-use assets were \$19,695 and \$4,654, respectively.
- D. The Group has no significant profit or loss in relation to lease contracts for the three-month periods ended March 31, 2024 and 2023.
- E. For the three-month periods ended March 31, 2024 and 2023, the Group's total cash outflow for leases were \$9,611 and \$14,425, respectively.

(9) Intangible assets

	For the three-month periods ended March 31,	
	2024	2023
Software		
At January 1		
Cost	\$ 65,530	\$ 15,891
Accumulated amortisation and impairment	(30,314)	(12,736)
	<u>\$ 35,216</u>	<u>\$ 3,155</u>
At January 1	\$ 35,216	\$ 3,155
Amortisation	(4,573)	(441)
At March 31	<u>\$ 30,643</u>	<u>\$ 2,714</u>
At March 31		
Cost	\$ 65,530	\$ 15,891
Accumulated amortisation and impairment	(34,887)	(13,177)
	<u>\$ 30,643</u>	<u>\$ 2,714</u>

(10) Short-term borrowings

<u>Type of borrowings</u>	<u>March 31, 2024</u>	<u>Interest rate range</u>	<u>Collateral</u>
Unsecured borrowings	\$ 3,385,000	1.76%~2.52%	None
Letters of credit	130,630	6.20%~6.43%	None
	<u>\$ 3,515,630</u>		
<u>Type of borrowings</u>	<u>December 31, 2023</u>	<u>Interest rate range</u>	<u>Collateral</u>
Unsecured borrowings	\$ 3,561,041	1.76%~2.42%	None
<u>Type of borrowings</u>	<u>March 31, 2023</u>	<u>Interest rate range</u>	<u>Collateral</u>
Unsecured borrowings	\$ 3,292,000	1.62%~2.39%	None

(11) Short-term notes and bills payable

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Commercial paper payable	\$ 1,030,000	\$ 1,030,000	\$ 1,070,000
Less: Unamortised discounts	(1,753)	(1,850)	(2,062)
	<u>\$ 1,028,247</u>	<u>\$ 1,028,150</u>	<u>\$ 1,067,938</u>
Interest rate range	1.29%~1.80%	1.31%~1.80%	1.00%~1.80%

The short-term notes and bills payable were guaranteed by certain financial institutions.

(12) Other payables

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Accrued salary	\$ 293,718	\$ 527,456	\$ 255,842
Payables for machinery and equipment	24,995	161,722	23,638
Payables for promotional fees	61,373	79,791	61,204
Payables for shipping expenses	62,992	60,562	57,863
Others	361,793	254,472	237,576
	<u>\$ 804,871</u>	<u>\$ 1,084,003</u>	<u>\$ 636,123</u>

(13) Long-term borrowings

Type of borrowings	Borrowing period	Interest rate range	March 31, 2024
Secured loans	2019.04.03~2037.10.11	0.595%-2.305%	\$ 1,920,937
Unsecured credit loans	2021.09.29~2030.10.03	0.50%-2.375%	7,248,000
			9,168,937
Less: Current portion			(681,375)
			<u>\$ 8,487,562</u>

Type of borrowings	Borrowing period	Interest rate range	December 31, 2023
Secured loans	2019.04.03~2037.10.11	0.595%-2.18%	\$ 1,962,744
Unsecured credit loans	2021.09.29~2030.10.03	0.50%-2.25%	7,079,500
			9,042,244
Less: Current portion			(365,488)
			<u>\$ 8,676,756</u>

Type of borrowings	Borrowing period	Interest rate range	March 31, 2023
Secured loans	2019.04.03~2037.10.11	0.595%-2.31%	\$ 2,081,760
Unsecured credit loans	2021.09.29~2028.09.29	1.63%-2.25%	6,240,000
			8,321,760
Less: Current portion			(742,476)
			<u>\$ 7,579,284</u>

Information on collaterals pledged for long-term borrowings is provided in Note 8.

(14) Pensions

A. Defined benefit plans

- (a) The Company and its domestic subsidiaries have defined benefit pension plans in accordance with the Labor Standards Act, covering all regular employees' service years prior to the enforcement of the Labor Pension Act on July 1, 2005 and service years thereafter of employees who chose to continue to be subject to the pension mechanism under the Labor Standards Act. Under the defined benefit plans, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last 6 months prior to retirement. The Company and its domestic subsidiaries contribute monthly an amount equal to specific percentage of the employees' monthly salaries and wages to the retirement fund deposited with the Bank of Taiwan, the trustee, under the name of the independent retirement fund committee. Also, the Company and its domestic subsidiaries would assess the balance in the aforementioned labor pension reserve account by December 31, every year. If the account balances are insufficient

to pay the pension calculated by the aforementioned method to the employees expected to qualify for retirement in the following year, the Company and its domestic subsidiaries will make contributions to cover the deficit by next March.

- (b) For the aforementioned pension plan, the Group recognised pension costs of \$338 and \$420 for the three-month periods ended March 31, 2024 and 2023, respectively.
- (c) Expected contributions to the defined benefit pension plans of the Company and domestic subsidiaries for the year ending December 31, 2024 amount to \$16,134.

B. Defined contribution plans

Effective July 1, 2005, the Company and its domestic subsidiaries have established defined contribution pension plans (the “New Plan”) under the Labor Pension Act (the “Act”), covering all regular employees with R.O.C. nationality. Under the New Plan, the Company and its domestic subsidiaries contribute monthly an amount based on 6% of the employees’ monthly salaries and wages to the employees’ individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment. The pension costs for the aforementioned defined contribution pension plans of the Group for the three-month periods ended March 31, 2024 and 2023 were \$15,100 and \$14,413, respectively.

(15) Common stock

As of March 31, 2024, the Company’s authorised capital was \$3,579,000, consisting of 357,900 thousand shares of common stock, and the paid-in capital was \$2,947,901, consisting of 294,790 thousand shares of common stock with a par value of \$10 (in dollars) per share. All proceeds from shares issuance have been collected.

(16) Capital surplus

Pursuant to the R.O.C. Company Act, capital surplus arising from paid-in capital in excess of par value on issuance of common stocks and donations can be used to cover accumulated deficit or to issue new stocks or cash to shareholders in proportion to their share ownership, provided that the Company has no accumulated deficit. Further, the R.O.C. Securities and Exchange Act requires that the amount of capital surplus to be capitalised mentioned above should not exceed 10% of the paid-in capital each year. Capital surplus should not be used to cover accumulated deficit unless the legal reserve is insufficient.

(17) Retained earnings

- A. Under the Company’s Articles of Incorporation, the current year’s earnings, if any, shall first be used to pay all taxes and offset prior years’ operating losses and then 10% of the remaining amount shall be set aside as legal reserve. A special reserve is set aside or reversed in accordance

with related laws or regulations by the Competent Authority. The remainder, if any, along with the accumulated unappropriated earnings in prior years, shall be distributed as shareholders' bonus as resolved by the shareholders. Cash dividends to shareholders shall account for at least 10% of the total dividends distributed to shareholders. If cash dividend is lower than \$0.1 (in dollars) per share, dividends are distributed using share dividends.

The Board of Directors of the Company may, upon resolution adopted by a majority vote at its meeting attended by two-thirds of the total number of directors, distribute dividends and bonus, or legal reserve and capital surplus, in whole or in part, in accordance with Paragraph 1 of Article 241 of the Company Act in the form of cash, which shall also be reported at the shareholders' meeting, while the proposal for appropriation shall be approved by the shareholders if dividends will be distributed by issuing new shares.

- B. Except for covering accumulated deficit or issuing new stocks or cash to shareholders in proportion to their share ownership, the legal reserve shall not be used for any other purpose. The use of legal reserve for the issuance of stocks or cash to shareholders in proportion to their share ownership is permitted, provided that the distribution of the reserve is limited to the portion in excess of 25% of the Company's paid-in capital.
- C. In accordance with the regulations, the Company shall set aside special reserve from the debit balance on other equity items at the balance sheet date before distributing earnings. When debit balance on other equity items is reversed subsequently, the reversed amount could be included in the distributable earnings.
- D. The appropriations of earnings for 2022 have been resolved at the shareholders' meeting on June 15, 2023 as follows:

	2022	
	Amount	Dividends per share (in dollars)
Legal reserve	\$ 158,984	
Cash dividends	1,031,765	\$ 3.50

The effective date for the above distribution of cash dividends was September 20, 2023.

E. Subsequent events:

The appropriations of earnings for 2023 have been resolved by the Board of Directors on May 6, 2024. The financial report does not reflect the dividends payable.

	2023	
	Amount	Dividends per share (in dollars)
Legal reserve	\$ 226,396	
Cash dividends	1,621,346	\$ 5.50

(18) Operating revenue

	For the three-month periods ended March 31,	
	2024	2023
Revenue from contracts with customers	\$ 6,912,107	\$ 7,232,070

A. Disaggregation of revenue from contracts with customers

The Group derives revenue from the transfer of goods at a point in time.

	For the three-month periods ended March 31,	
	2024	2023
Total segment revenue	\$ 7,144,488	\$ 7,450,539
Inter-segment revenue	(232,381)	(218,469)
Revenue from external customer contracts	\$ 6,912,107	\$ 7,232,070

B. Information on revenue categorised by nature is provided in Note 14(2).

(19) Other income and expenses, net

Other income and expenses, net are gains (losses) on changes in fair value less costs to sell of biological assets.

	For the three-month periods ended March 31,	
	2024	2023
Other income and expenses, net	(\$ 11,880)	\$ 25,487

(20) Interest income

	For the three-month periods ended March 31,	
	2024	2023
Interest income from bank deposits	\$ 207	\$ 63

(21) Other income

	For the three-month periods ended March 31,	
	2024	2023
Rental income	\$ 2,549	\$ 2,802
Royalties income	-	640
	\$ 2,549	\$ 3,442

(22) Other gains and losses

	For the three-month periods ended March 31,	
	2024	2023
(Losses) gains on disposal of property, plant and equipment	(\$ 1,726)	\$ 759
Net foreign exchange (losses) gains	(4,717)	4,590
Losses on financial assets at fair value through profit or loss	- (5,175)
Others	11,449	7,347
	\$ 5,006	\$ 7,521

(23) Finance costs

	For the three-month periods ended March 31,	
	2024	2023
Interest expense:		
Bank borrowings and lease liabilities	\$ 55,769	\$ 56,544

(24) Expenses by nature

	For the three-month period ended March 31, 2024		
	Operating cost	Operating expenses	Total
Employee benefit expense	\$ 427,698	\$ 255,777	\$ 683,475
Depreciation on property, plant and equipment	227,125	24,945	252,070
Depreciation on right-of- use assets	11,944	4,135	16,079
Amortisation	1,109	4,474	5,583
	<u>\$ 667,876</u>	<u>\$ 289,331</u>	<u>\$ 957,207</u>

	For the three-month period ended March 31, 2023		
	Operating cost	Operating expenses	Total
Employee benefit expense	\$ 376,157	\$ 213,218	\$ 589,375
Depreciation on property, plant and equipment	217,622	21,828	239,450
Depreciation on right-of- use assets	10,891	4,064	14,955
Amortisation	1,307	293	1,600
	<u>\$ 605,977</u>	<u>\$ 239,403</u>	<u>\$ 845,380</u>

(25) Employee benefit expense

	For the three-month period ended March 31, 2024		
	Operating cost	Operating expenses	Total
Wages and salaries	\$ 361,065	\$ 229,975	\$ 591,040
Labor and health insurance	39,041	17,508	56,549
Pension costs	9,323	6,115	15,438
Other personnel expenses (note)	18,269	2,179	20,448
	<u>\$ 427,698</u>	<u>\$ 255,777</u>	<u>\$ 683,475</u>

	For the three-month period ended March 31, 2023		
	Operating cost	Operating expenses	Total
Wages and salaries	\$ 316,737	\$ 189,221	\$ 505,958
Labor and health insurance	35,690	15,760	51,450
Pension costs	9,094	5,739	14,833
Other personnel expenses (note)	14,636	2,498	17,134
	<u>\$ 376,157</u>	<u>\$ 213,218</u>	<u>\$ 589,375</u>

Note: Other personnel expenses include meal allowance, training expenses and employee benefits.

- A. According to the Articles of Incorporation of the Company, an amount equal to at least 1% of the Company's distributable profit of the current year should be appropriated as employees' compensation expense. If the Company has an accumulated deficit, earnings should be reserved to cover the accumulated losses in advance.
- B. For the three-month periods ended March 31, 2024 and 2023, employees' compensation was accrued at \$5,095 and \$4,921, respectively. The aforementioned amounts were estimated and accrued based on 1% (as prescribed by the Company's Articles of Incorporation) of distributable profit of current year as of the end of reporting period; while directors' remuneration was accrued at \$7,137 and \$9,447, respectively. The determination of the aforementioned amounts was authorised by the Board of Directors based on directors' extent of participation in the Company's operations and the value of their contribution to the Company, and by reference to the pay levels in the domestic and foreign industries.
- C. For 2023, the difference of (\$131) between employees' compensation of \$28,565 as resolved by the Board of Directors on May 6, 2024 and the amount of \$28,696 recognised in the 2023 financial statements, mainly resulted from a variance in estimation. As of March 31, 2024, the employees' compensation for 2023 has not yet been distributed. Therefore, the financial report does not reflect the adjustment for the estimated difference in employee compensation.
- D. Information about employees' compensation and directors' and supervisors' remuneration of the Company as resolved by the Board of Directors will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(26) Income tax

A. Income tax expense

(a) Components of income tax expense:

	For the three-month periods ended March 31,	
	2024	2023
Current tax:		
Current tax on profits for the period	\$ 106,972	\$ 102,295
Origination and reversal of temporary differences	(13,314)	1,153
Income tax expense	<u>\$ 93,658</u>	<u>\$ 103,448</u>

(b) The income tax relating to components of other comprehensive income is as follows:

	For the three-month periods ended March 31,	
	2024	2023
Changes in fair value of financial assets at fair value through other comprehensive income	(\$ 18,271)	(\$ 26,799)

B. The income tax returns through 2020 of the Company have been assessed and approved by the Tax Authority. The income tax returns through 2022 of the subsidiaries - Charoen Pokphand (Taiwan) Corp., Ltd. and Arbor Acres (Taiwan) Co., Ltd. have been assessed and approved by the Tax Authority. The income tax returns through 2021 of the subsidiaries - Rui Mu Foods Co., Ltd., Rui Fu Foods Co., Ltd. and Sheng Da Foods Co., Ltd. have been assessed and approved by the Tax Authority.

(27) Earnings per share

	For the three-month period ended March 31, 2024		
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders	\$ 369,093	294,790	\$ 1.25
<u>Diluted earnings per share</u>			
Profit from continuing operations attributable to ordinary shareholders	\$ 369,093	294,790	
Assumed conversion of all dilutive potential ordinary shares - employees' compensation	-	344	
Profit attributable to ordinary shareholders plus assumed conversion of all dilutive potential ordinary shares	\$ 369,093	295,134	\$ 1.25

	For the three-month period ended March 31, 2023		
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders	\$ 422,306	294,790	\$ 1.43
<u>Diluted earnings per share</u>			
Profit from continuing operations attributable to ordinary shareholders	\$ 422,306	294,790	
Assumed conversion of all dilutive potential ordinary shares - employees' compensation	-	303	
Profit attributable to ordinary shareholders plus assumed conversion of all dilutive potential ordinary shares	\$ 422,306	295,093	\$ 1.43

(28) Transactions with non-controlling interest

The Group's subsidiary, Sheng Da Foods Co., Ltd., increased its capital by issuing new shares in March 2024 and January 2023. As the Group did not subscribe to the capital increase proportionally to its interest, the Group's equity interest net increased by 2.56% and 6.82% as of March 31, 2024 and 2023, respectively. The transaction resulted to an increase in non-controlling interest by \$1,723 and \$2,044, and decrease in the equity attributable to owners of parent by \$1,723 and \$2,044 for the three-month periods ended March 31, 2024 and 2023, respectively. The effect of changes in interest in Sheng Da Foods Co., Ltd. on the equity attributable to owners of the parent for the three-month periods ended March 31, 2024 and 2023 are shown below:

	For the three-month periods ended March 31,	
	2024	2023
Net increase in the carrying amount of non-controlling interest	\$ 1,723	\$ 2,044
Retained earnings - recognition of changes in ownership interest in subsidiaries	(\$ 1,723)	(\$ 2,044)

(29) Supplemental cash flow information

Investing activities with partial cash payments are as follows:

	For the three-month periods ended March 31,	
	2024	2023
Acquisition of property, plant and equipment	\$ 465,588	\$ 453,826
Add: Opening balance of payable on equipment	161,722	37,528
Less: Ending balance of payable on equipment	(24,995)	(23,638)
Cash paid during the period	<u>\$ 602,315</u>	<u>\$ 467,716</u>

7. RELATED PARTY TRANSACTIONS

(1) Parent and ultimate controlling party

CPF (incorporated in Thailand) directly and indirectly held 39% of the Company's equity shares. The remaining shares were held by the general public. CPG is the major shareholder of CPF.

(2) Names of related parties and relationship

<u>Names of related parties</u>	<u>Relationship with the Group</u>
Charoen Pokphand Foods Public Co., Ltd. (CPF)	Ultimate parent company
Feng Sheng Livestock Co., Ltd.	The Group is a co-venturer of the joint venture
Charoen Pokphand Group Co., Ltd. (CPG)	Other related party
C.P. Consumer Products Company Limited	"
C.P. Merchandising Company Limited	"
Chia Tai Feedmill Pte. Ltd.	"
CPF (India) Private Limited	"
CPF Food Network Co., Ltd.	"
Charoen Pokphand Seeds Co., Ltd.	"
CPF IT Center Company Limited	"
Ta Chung Investment Co., Ltd.	"
Chun Ta Investment Co., Ltd.	"
Perfect Companion (Taiwan) Co., Ltd.	"
Aviagen Incorporation	"
Fu Ding International Corporation	"
Fu Ting Foods Co., Ltd.	"
Li - Chun Farm Product Co., Ltd.	"
Jih Ching Egg Co., Ltd.	"
Chen San Development Co., Ltd.	"
Mu Da Egg Co.	"
Hung Peng-Da	"
Hung Yu-Chun	"
Hung Jin-Zheng	"
Huang Wei-I	"
Lu Yi-Feng	"
Lu Xiang-Da	"
Lu Pei-Lun	"
Lan Fu-Shi	"
Zhang Jian-Wen	"
Chiou Yung-Ching	"

(3) Significant related party transactions and balances

A. Operating revenue

	For the three-month periods ended March 31,	
	2024	2023
Sales of goods:		
Other related parties	\$ 79,572	\$ 94,268
The Group is a co-venturer of the joint venture	115	-
	<u>\$ 79,687</u>	<u>\$ 94,268</u>

Goods are sold based on the price lists in force and terms that would be available to third parties.

B. Purchases

	For the three-month periods ended March 31,	
	2024	2023
Purchases of goods:		
Ultimate parent company	\$ 3,784	\$ -
Other related parties	22,924	45,516
	<u>\$ 26,708</u>	<u>\$ 45,516</u>

Goods are purchased from related parties on normal commercial terms and conditions.

C. Receivables from related parties

	March 31, 2024	December 31, 2023	March 31, 2023
Notes and accounts receivable:			
Other related parties	\$ 83,542	\$ 75,659	\$ 82,039
Other receivables:			
Other related parties	35	43	206
	<u>\$ 83,577</u>	<u>\$ 75,702</u>	<u>\$ 82,245</u>

The receivables from related parties arise mainly from sale transactions. The receivables are unsecured in nature and bear no interest.

D. Payables to related parties

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
Notes and accounts payable:			
Other related parties	\$ 37,752	\$ 48,765	\$ 44,465
Other payables:			
Other related parties	<u>34,651</u>	<u>12,254</u>	<u>55,782</u>
	<u>\$ 72,403</u>	<u>\$ 61,019</u>	<u>\$ 100,247</u>

The payables to related parties arise mainly from purchase transactions. The other payables to related parties arise mainly from technical service expenses, trademarks, the farm-member remuneration for joint collaboration for contractual breeding, freight and processing fees. The payables bear no interest.

E. Property transactions - acquisition of property, plant and equipment

The Company purchased land and buildings from other related party for operational expansion amounting to \$68,660 as resolved by the Board of Directors in August 2022. As of March 31, 2024 and 2023, the remaining unpaid balance amounted to \$10,660.

F. Rental income (shown as ‘Other income’)

	<u>For the three-month periods ended March 31,</u>	
	<u>2024</u>	<u>2023</u>
Rental income:		
Other related parties	<u>\$ 245</u>	<u>\$ 245</u>

The rental receivables are collected annually or monthly based on the contracts.

G. Leasing arrangements — lessee

- (a) The Company’s subsidiaries lease farm buildings and equipment from other related parties.
- (b) For the three-month periods ended March 31, 2024 and 2023, the Group recognised rent expense amounting to \$2,700 and \$2,250, respectively.

H. Joint contractual breeding

- (a) The Company’s subsidiaries signed the joint contractual breeding agreements with other related parties to provide techniques for the husbandry management of layers, as well as farm buildings and equipment for the breeding.
- (b) For the three-month periods ended March 31, 2024 and 2023, the farm-member remuneration for joint collaboration for contractual breeding recognised amounted to \$7,450 and \$8,593, respectively.

I. Technical service agreement

- (a) The Company signed a technical service agreement with CPG since 1996. CPG helps the Company manufacture feeds, raise animals slaughter to process meat products and provide consulting services of related technical skills. The Company pays compensation of THB12 million (net value) for the services annually. The commitment shall not be terminated except when any of the two parties would agree to end the agreement. For the three-month periods ended March 31, 2024 and 2023, the Company recognised technical service expenses amounting to \$3,093 and \$2,807, respectively.
- (b) The Company signed a technical service agreement with CPG in 2015. CPG helps the Company raise animals and provides consulting services of related technical skills, and the Company pays compensation of \$700 for the services monthly. The contract is effective for 5 years. The contract term was extended to five years effective since 2020. For the three-month periods ended March 31, 2024 and 2023, the Company recognised technical service expense amounting to \$2,100.

J. Trademark licensing agreement

The Company signed a trademark license agreement with CPG in 2015. The contract authorises the Company to use ‘CP’ as trademark in the designated area (Republic of China). Royalties are paid monthly based on 1.5% of the net amount of sales. The contract is effective for 5 years. The contract term was extended to five years effective since 2020. For the three-month periods ended March 31, 2024 and 2023, the Company recognised royalties amounting to \$25,393 and \$23,293, respectively.

K. SAP software and maintenance agreement

The Company signed a contract about license and maintenance of SAP software with CPF IT in April 2023. The contract authorises the Company to use the SAP system software and the maintenance agreement amounting to \$8,010 and \$1,322, respectively. The licensing fee is amortised over a period of 3 years. For the three-month period ended March 31, 2024, the Company recognised amortisation amounting to \$460.

(4) Key management compensation

	For the three-month periods ended March 31,	
	2024	2023
Salaries and other short-term employee benefits	\$ 64,844	\$ 49,717
Post-employment benefits	395	389
	<u>\$ 65,239</u>	<u>\$ 50,106</u>

8. PLEDGED ASSETS

The Group's assets pledged as collateral are as follows:

<u>Pledged assets</u>	<u>Book value</u>			<u>Purpose</u>
	<u>March 31,</u> <u>2024</u>	<u>December 31,</u> <u>2023</u>	<u>March 31,</u> <u>2023</u>	
Time deposits (shown as 'Other current assets')	\$ 9,650	\$ 9,650	\$ 9,650	Guarantee deposit
Property, plant and equipment				
Land	1,135,305	1,135,305	1,135,305	Long-term borrowings
Buildings and structures	927,281	940,582	874,692	Long-term borrowings
Machinery and equipment	611,356	497,368	516,370	Long-term borrowings
Construction in progress	<u>376,760</u>	<u>460,101</u>	<u>462,164</u>	Long-term borrowings
	<u>\$ 3,060,352</u>	<u>\$ 3,043,006</u>	<u>\$ 2,998,181</u>	

9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNISED CONTRACT COMMITMENTS

(1) Contingencies

The Group subsequently invested to establish chicken farms in Hualien County starting from 2018, and had submitted an application to the Hualien County Government for approval based on the Group's building and feeding project. However, the Hualien County Government issued a letter on July 10, 2020 to terminate the Group's application for the building of farming facilities on agricultural land without taking into consideration the measures and goodwill that the Group took in order to reach consensus with local residents and resolve controversy. The Group has appointed lawyers and filed an appeal as administrative remedy. For the administrative appeal filed against the administrative action concerning the revocation of the permission letter to use the land in dispute, the Council of Agriculture of Executive Yuan revoked the aforesaid administrative action in accordance with the Appeal Resolution Letter Order No. Nong-Su-Zi-1090727273, dated January 12, 2021. On July 26, 2021, the Hualien County Government sent another letter alleging that the Group did not obtain permission for agricultural use in accordance with the regulations and revoking the permission in accordance with Article 117 of the Administrative Procedures Act. The Group has appointed a lawyer to file an appeal. As for the administrative appeal filed against the administrative action concerning the disapproval Jingzhong Section, Shoufeng Township, Hualien County, the Council of Agriculture of Executive Yuan revoked the aforesaid administrative action in accordance with the Appeal Resolution Letter Order No. Nong-Su-Zi-1090721271, dated January 12, 2021, and requested the Hualien County Government to take other legitimate actions. As of March 31, 2024, the related costs incurred by the Group amounted to \$71,281, excluding the cost of land.

(2) Commitments

- A. As of March 31, 2024, December 31, 2023 and March 31, 2023, the Group had opened unused letters of credit for purchases of raw materials and machinery of \$699,617, \$643,903 and \$695,314, respectively.
- B. As of March 31, 2024, December 31, 2023 and March 31, 2023, the Group had several outstanding construction contracts and equipment purchase agreements amounting to \$1,490,314, \$1,492,728 and \$1,297,073, respectively, which will be paid based on the percentage of completion.

10. SIGNIFICANT DISASTER LOSS

None.

11. SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

The proposal for distribution of 2023 earnings was resolved by the Board of Directors. Refer to Note 6(17) for details.

12. OTHERS

(1) Capital risk management

There were no significant changes in the reporting period. Refer to Note 12 in the consolidated financial statements for the year ended December 31, 2023.

(2) Financial risk of financial instruments

A. Financial instruments by category

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
<u>Financial assets</u>			
Financial assets measured at fair value through other comprehensive income			
Designation of equity instrument	\$ 2,434,507	\$ 2,620,673	\$ 2,295,417
Financial assets at amortised cost			
Cash and cash equivalents	332,257	275,585	260,477
Notes receivable (including related parties)	300,447	359,853	388,967
Accounts receivable (including related parties)	2,716,880	2,652,066	2,279,799
Other receivables (including related parties)	25,889	18,891	33,166
Refundable deposits	49,897	65,961	41,911
Other financial assets - current	9,650	9,650	9,650
	<u>\$ 5,869,527</u>	<u>\$ 6,002,679</u>	<u>\$ 5,309,387</u>

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>March 31, 2023</u>
<u>Financial liabilities</u>			
Financial liabilities at amortised cost			
Short-term borrowings	\$ 3,515,630	\$ 3,561,041	\$ 3,292,000
Short-term notes and bills payable	1,028,247	1,028,150	1,067,938
Notes payable			
(including related parties)	147,931	764,212	502,286
Accounts payable			
(including related parties)	1,240,435	870,288	1,156,913
Other payables			
(including related parties)	839,522	1,096,257	691,905
Long-term borrowings			
(including current portion)	<u>9,168,937</u>	<u>9,042,244</u>	<u>8,321,760</u>
	<u>\$ 15,940,702</u>	<u>\$ 16,362,192</u>	<u>\$ 15,032,802</u>
Lease liability	<u>\$ 339,046</u>	<u>\$ 329,134</u>	<u>\$ 333,777</u>

B. Financial risk management policies

There were no significant changes in the reporting period. Refer to Note 12 in the consolidated financial statements for the year ended December 31, 2023.

C. Financial risks and degrees of financial risks

(a) Market risk

Foreign exchange risk

- i. The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the USD, HKD, CNY, THB, EUR, SGD and JPY. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations.
- ii. Management has set up a policy to require the Group to manage its foreign exchange risk against their functional currency.
- iii. The Group has certain investments in foreign operations, whose net assets are exposed to foreign currency translation risk.

iv. The Group's businesses involve some non-functional currency operations (the Company's and certain subsidiaries' functional currency: NTD; other certain subsidiaries' functional currency: HKD). The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

March 31, 2024				
		Foreign currency amount (in thousands)	Exchange rate	Book value (NTD)
(Foreign currency : functional currency)				
<u>Financial assets</u>				
<u>Monetary items</u>				
USD:NTD	USD	20	31.95	\$ 637
THB:NTD	THB	20,981	0.86	18,128
USD:HKD	USD	1,860	7.80	59,246
CNY:HKD	CNY	685	1.08	3,033
<u>Non-monetary items</u>				
THB:HKD	THB	1,420,800	0.22	\$ 1,248,801
THB:NTD	THB	1,349,184	0.88	1,185,706
<u>Financial liabilities</u>				
<u>Monetary items</u>				
USD:NTD	USD	6,861	32.05	\$ 219,903
EUR:NTD	EUR	74	34.66	2,575
SGD:NTD	SGD	34	23.81	809

December 31, 2023					
		Foreign currency amount			Book value
		(in thousands)	Exchange rate		
				(NTD)	
(Foreign currency : functional currency)					
<u>Financial assets</u>					
<u>Monetary items</u>					
USD:NTD	USD	80	30.66	\$	2,446
THB:NTD	THB	20,946	0.88		18,468
USD:HKD	USD	1,860	7.80		57,035
CNY:HKD	CNY	685	1.10		2,963
<u>Non-monetary items</u>					
THB:HKD	THB	1,505,280	0.23	\$	1,343,613
THB:NTD	THB	1,430,073	0.89		1,277,060
<u>Financial liabilities</u>					
<u>Monetary items</u>					
USD:NTD	USD	5,286	30.76	\$	162,570
EUR:NTD	EUR	79	34.18		2,710
SGD:NTD	SGD	23	23.38		538
March 31, 2023					
		Foreign currency amount			Book value
		(in thousands)	Exchange rate		
				(NTD)	
(Foreign currency : functional currency)					
<u>Financial assets</u>					
<u>Monetary items</u>					
USD:NTD	USD	30	30.40	\$	924
USD:HKD	USD	1,216	7.80		36,888
CNY:HKD	CNY	685	1.14		3,046
<u>Non-monetary items</u>					
THB:HKD	THB	1,628,160	0.23	\$	1,456,720
THB:NTD	THB	938,797	0.89		838,697
<u>Financial liabilities</u>					
<u>Monetary items</u>					
USD:NTD	USD	13,013	30.50	\$	396,903
EUR:NTD	EUR	26	33.35		880
SGD:NTD	SGD	60	23.00		1,374

Note: The functional currency of certain subsidiaries belonging to the Group is HKD. Thus, this information has to be considered when reporting.

- v. Total exchange (loss) gain, including realised and unrealised, arising from significant foreign exchange variation on the monetary items held by the Group for the three-month periods ended March 31, 2024 and 2023 amounted to (\$4,717) and \$4,590 respectively.
- vi. Analysis of foreign currency market risk arising from significant foreign exchange variation:

	For the three-month period ended March 31, 2024		
	Sensitivity analysis		
	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
(Foreign currency : functional currency)			
<u>Financial assets</u>			
<u>Monetary items</u>			
USD : NTD	1%	\$ 6	\$ -
THB : NTD	1%	181	-
USD : HKD	1%	592	-
CNY : HKD	1%	30	-
<u>Non-monetary items</u>			
THB : HKD	1%	\$ -	\$ 12,488
THB : NTD	1%	-	11,857
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD : NTD	1%	(\$ 2,199)	\$ -
EUR : NTD	1%	(26)	-
SGD : NTD	1%	(8)	-

For the three-month period ended March 31, 2023

Sensitivity analysis					
Degree of variation	Effect on profit or loss	Effect on other comprehensive income			
(Foreign currency : functional currency)					
<u>Financial assets</u>					
<u>Monetary items</u>					
USD : NTD	1%	\$	9	\$	-
USD : HKD	1%		369		-
CNY : HKD	1%		30		-
<u>Non-monetary items</u>					
THB : HKD	1%	\$	-	\$	14,567
THB : NTD	1%		-		8,387
<u>Financial liabilities</u>					
<u>Monetary items</u>					
USD : NTD	1%	(\$	3,969)	\$	-
EUR : NTD	1%	(9)		-
SGD : NTD	1%	(14)		-

Price risk

- i. The Group is exposed to equity securities price risk because of investments held by the Group and classified on the consolidated balance sheet as financial assets at fair value through other comprehensive income. Refer to Note 6(2).
- ii. For the Group's strategies for biological assets price risk, refer to Note 6(5).
- iii. The Group's investment in equity securities comprise foreign listed stocks. The prices of equity securities would change due to the change of the future value of investee companies. If the prices of these equity securities had increased/decreased by 1% with all other variables held constant, other equity for the three-month periods ended March 31, 2024 and 2023 would have increased/decreased by \$21,974 and \$21,277, respectively, as a result of post-tax gains/losses on equity securities classified as equity investment at fair value through other comprehensive income.

Cash flow and fair value interest rate risk

- i. The Group's interest rate risk arises from long-term borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk which is partially offset by cash and cash equivalents held at variable rates. Borrowings issued at fixed rates expose the Group to fair value interest rate risk. During the three-month periods ended March 31, 2024 and 2023, the Group's borrowings at variable rate were denominated in NTD.

- ii. The Group analyses its interest rate exposure on a dynamic basis. Various scenarios are simulated taking into consideration refinancing, renewal of existing positions, alternative financing and hedging. Based on these scenarios, the Group calculates the impact on profit and loss of a defined interest rate shift. For each simulation, the same interest rate shift is used for all currencies. The scenarios run only for liabilities that represent the major interest-bearing positions.
- iii. For the three-month periods ended March 31, 2024 and 2023, if interest rates on NTD-denominated borrowings at that date had been 1% higher/lower with all other variables held constant, post-tax profit for the three-month periods ended March 31, 2024 and 2023, would have been \$18,338 and \$16,644 lower/higher, respectively, mainly as a result of higher/lower interest expense on floating rate borrowings.

(b) Credit risk

- i. Credit risk refers to the risk of financial loss to the Group arising from default by the clients or counterparties of financial instruments on the contract obligations. The main factor is the contract cash flows when counterparties could not repay in full the accounts receivable based on the agreed terms.
- ii. The Group manages its credit risk taking into consideration the entire group's concern. According to the Group's credit policy, each local entity in the Group is responsible for managing and analysing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Internal risk control assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Board of Directors. The utilisation of credit limits is regularly monitored.
- iii. Based on the Group's historical experience, if the contract payments were past due over 17 days, there has been a significant increase in credit risk on that instrument since initial recognition. As a result, the Group should strengthen controls and make follow-up procedures.
- iv. The Group pays attention on specific customers whose payments were past due to confirm the debts and recognises the allowance for bad debts when there is a concern about default based on the assessment of customers' credit risk.
- v. The Group classifies credit risks from customers' non-performance in accordance with customer types. The Group applies the simplified approach using loss rate methodology to estimate expected credit loss impairment under the provision matrix basis.

- vi. The Group wrote-off the financial assets, which cannot be reasonably expected to be recovered, after initiating recourse procedures. However, the Group will continue executing the recourse procedures to secure their rights. For the three-month periods ended March 31, 2024 and 2023, the Group's written-off financial assets that are still under recourse procedures and recovered amounted to \$416 and \$1,615, respectively
- vii. The Group used the forecastability of the global economy to adjust historical and timely information to assess the default possibility of accounts receivable in accordance with customers' credit. As of March 31, 2024, December 31, 2023 and March 31, 2023, the expected loss rate is as follows:

	<u>Current</u>	<u>Up to 120 days</u>	<u>121-365 days</u>	<u>Over one year</u>	<u>Total</u>
<u>March 31, 2024</u>					
Expected loss rate	0.05%~0.24%	1.5%~100%	100%	100%	
Total book value	\$ 2,726,854	\$ 211,612	\$ 21,993	\$ 4,938	\$ 2,965,397
Loss allowance	1,520	4,068	21,086	4,938	31,612
	<u>Current</u>	<u>Up to 120 days</u>	<u>121-365 days</u>	<u>Over one year</u>	<u>Total</u>
<u>December 31, 2023</u>					
Expected loss rate	0.05%~0.42%	1.5%~100%	100%	100%	
Total book value	\$ 2,734,361	\$ 212,119	\$ 15,926	\$ 4,901	\$ 2,967,307
Loss allowance	1,570	8,974	15,602	4,901	31,047
	<u>Current</u>	<u>Up to 120 days</u>	<u>121-365 days</u>	<u>Over one year</u>	<u>Total</u>
<u>March 31, 2023</u>					
Expected loss rate	0.05%~0.35%	1.5%~100%	100%	100%	
Total book value	\$ 2,390,974	\$ 202,933	\$ 551	\$ 2,143	\$ 2,596,601
Loss allowance	1,175	5,869	687	2,143	9,874

- viii. Movements in relation to the Group applying the simplified approach to provide loss allowance for notes and accounts receivable are as follows:

	<u>2024</u>
	Notes and accounts receivable (including related parties)
At January 1	\$ 31,047
Provision for impairment	565
At March 31	<u>\$ 31,612</u>

	<u>2023</u>	
	Notes and accounts receivable (including related parties)	
At January 1	\$	8,387
Provision for impairment		2,156
Write-offs	(669)
At March 31	\$	<u>9,874</u>

The provision for impairment loss arising from customers' contracts for the three-month periods ended March 31, 2024 and 2023 amounted to \$565 and \$2,156, respectively.

(c) Liquidity risk

- i. Cash flow forecasting is performed in the operating entities of the Group and aggregated by Group treasury. Group treasury monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs. Such forecasting takes into consideration the Group's financial ratio targets, covenant compliance and applicable external regulatory or legal requirements.
- ii. The table below analyses the Group's non-derivative financial liabilities and net-settled or gross-settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date for non-derivative financial liabilities and to the expected maturity date for derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows.

Non-derivative financial liabilities

March 31, 2024	<u>Less than 1 year</u>	<u>Between 1 and 5 years</u>	<u>Over 5 years</u>
Short-term borrowings	\$ 3,515,630	\$ -	\$ -
Short-term notes and bills payable	1,030,000	-	-
Notes payable (including related parties)	147,931	-	-
Accounts payable (including related parties)	1,240,435	-	-
Other payables (including related parties)	839,522	-	-
Lease liabilities	57,532	150,037	152,180
Long-term borrowings (including current portion)	841,997	8,057,661	633,491

Non-derivative financial liabilities

December 31, 2023	<u>Less than 1 year</u>	<u>Between 1 and</u>	
		<u>5 years</u>	<u>Over 5 years</u>
Short-term borrowings	\$ 3,561,041	\$ -	\$ -
Short-term notes and bills payable	1,030,000	-	-
Notes payable (including related parties)	764,212	-	-
Accounts payable (including related parties)	870,288	-	-
Other payables (including related parties)	1,096,257	-	-
Lease liabilities	32,853	159,691	158,476
Long-term borrowings (including current portion)	524,313	8,223,566	668,301

Non-derivative financial liabilities

March 31, 2023	<u>Less than 1 year</u>	<u>Between 1 and</u>	
		<u>5 years</u>	<u>Over 5 years</u>
Short-term borrowings	\$ 3,292,000	\$ -	\$ -
Short-term notes and bills payable	1,070,000	-	-
Notes payable (including related parties)	502,286	-	-
Accounts payable (including related parties)	1,156,913	-	-
Other payables (including related parties)	691,905	-	-
Lease liabilities	36,660	146,140	173,115
Long-term borrowings (including current portion)	875,970	6,637,915	1,134,717

- iii. The Group does not expect the timing of occurrence of the cash flows estimated through the maturity date analysis will be significantly earlier, nor expect the actual cash flow amount will be significantly different.

(3) Fair value information

A. Details of the fair value of the Group's financial assets and financial liabilities not measured at fair value are provided in Note 12(2) A.

B. The different levels that the inputs to valuation techniques are used to measure fair value of financial and non-financial instruments have been defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. A market is regarded as active where a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The fair value of the Group's investment in listed stocks is included in Level 1.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. The fair value of the Group's investment in derivative instruments and biological assets is included in Level 2.

Level 3: Unobservable inputs for the asset or liability.

C. The related information on financial and non-financial instruments measured at fair value by level based on the nature, characteristics and risks of the assets and liabilities is as follows:

<u>March 31, 2024</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets				
<u>Recurring fair value measurements</u>				
Biological assets	<u>\$ -</u>	<u>\$ 1,196,736</u>	<u>\$ -</u>	<u>\$ 1,196,736</u>
Financial assets at fair value through other comprehensive income:				
Equity securities	<u>\$ 2,434,507</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,434,507</u>
<u>December 31, 2023</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets				
<u>Recurring fair value measurements</u>				
Biological assets	<u>\$ -</u>	<u>\$ 1,183,346</u>	<u>\$ -</u>	<u>\$ 1,183,346</u>
Financial assets at fair value through other comprehensive income:				
Equity securities	<u>\$ 2,620,673</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,620,673</u>

<u>March 31, 2023</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets				
<u>Recurring fair value measurements</u>				
Biological assets	<u>\$ -</u>	<u>\$ 1,272,123</u>	<u>\$ -</u>	<u>\$ 1,272,123</u>
Financial assets at fair value through other comprehensive income:				
Equity securities	<u>\$ 2,295,417</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,295,417</u>

D. The methods and assumptions of the Group used to measure fair value are as follows:

- (a) The instruments the Group used quoted market prices as their fair values (that is, Level 1) are listed stocks, whose quoted market prices are based on the closing prices which are classified as financial assets at fair value through other comprehensive income.
 - (b) The Group takes into account adjustments for credit risks to measure the fair value of financial and non-financial instruments to reflect credit risk of the counterparty and the Group's credit quality.
 - (c) The valuation of derivative financial instruments is based on valuation model widely accepted by market participants, such as present value techniques and option pricing models. Forward exchange contracts are usually valued based on the current forward exchange rate.
 - (d) Details of methods for measuring Level 2 - Biological assets are provided in Note 6(5).
- E. For the three-month periods ended March 31, 2024 and 2023, there was no transfer between Level 1 and Level 2.
- F. For the three-month periods ended March 31, 2024 and 2023, there was no transfer into or out from Level 3.

13. SUPPLEMENTARY DISCLOSURES

(1) Significant transactions information

- A. Loans to others: None.
- B. Provision of endorsements and guarantees to others during the three-month period ended March 31, 2024: None.
- C. Holding of marketable securities at March 31, 2024 (not including subsidiaries, associates and joint ventures):

Securities held by	Marketable securities		Relationship with the securities issuer	General ledger account	As of March 31, 2024				Footnote
	Types	Name			Number of shares	Book value	Ownership	Fair value	
The Company	Common share	Charoen Pokphand Foods Public Company Limited	(Note)	Financial assets at fair value through other comprehensive income	72,962,900	\$ 1,185,706	0.85%	\$ 1,185,706	
Plenty Type Limited (Cayman Islands)	Common share	Charoen Pokphand Foods Public Company Limited	(Note)	Financial assets at fair value through other comprehensive income	76,800,000	1,248,801	0.89%	1,248,801	
The Company	Preferred share	Rui Mu Foods Co., Ltd.	Subsidiary	Financial assets at fair value through profit or loss	15,000,000	144,000	100%	144,000	

Note : Investee company accounted for as financial assets at fair value through other comprehensive income by the Company and Plenty Type Limited (Cayman Islands), which is ultimate parent entity of the Company.

- D. Acquisition or sale of the same security with the accumulated cost exceeding NT\$300,000 or 20% of the Company's paid-in capital during the three-month period ended March 31, 2024: None.
- E. Acquisition of real estate reaching NT\$300,000 or 20% of paid-in capital or more during the three-month period ended March 31, 2024: None.
- F. Disposal of real estate reaching NT\$300,000 or 20% of paid-in capital or more during the three-month period ended March 31, 2024: None.
- G. Purchases or sales of goods from or to related parties reaching NT\$100,000 or 20% of paid-in capital or more during the three-month period ended March 31, 2024: None.
- H. Receivables from related parties reaching NT\$100,000 or 20% of paid-in capital or more as at March 31, 2024: None.
- I. Trading in derivative instruments undertaken during the three-month period ended March 31, 2024: None.
- J. Significant inter-company transactions during the three-month period ended March 31, 2024: The inter-company transactions below 1% of consolidated assets or revenue are not disclosed.

(2) Information on investees

Names, locations and other information of investee companies (not including investees in Mainland China):

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as of March 31, 2024			Investment income		Footnote
				Balance as of March 31, 2024	Balance as of December 31, 2023	Number of shares	Ownership (%)	Book value	Net profit (loss) of the investee	(loss) recognised by the Company	
The Company	Plenty Type Limited (Cayman Islands)	Cayman Islands	Management of producing and non-producing business investments	\$ 470,459	\$ 470,459	57,841,941	100.00	\$ 1,310,879	(\$ 575)	(\$ 575)	Subsidiary (Note 1)
The Company	Charoen Pokphand (Taiwan) Corp., Ltd.	Taiwan	Management of importing and exporting businesses	20,086	20,086	2,443,716	90.00	44,041	2,810	2,529	Subsidiary
The Company	Arbor Acres (Taiwan) Co., Ltd.	Taiwan	Husbandry management of chickens to produce breeder chicken and daily chicken	60,131	60,131	1,600,000	50.00	125,908	15,988	7,994	Subsidiary
The Company	Rui Mu Foods Co., Ltd.	Taiwan	Husbandry management of layers and related business	193,860	193,860	11,831,700	68.00	122,953	(2,439)	(1,658)	Subsidiary
The Company	Rui Fu Foods Co., Ltd.	Taiwan	Husbandry management of layers and related business	459,000	408,000	45,900,000	51.00	319,786	(10,200)	(5,202)	Subsidiary (Note 1)
The Company	Feng Sheng Livestock Co., Ltd.	Taiwan	Electric livestock slaughter	100,000	100,000	10,000,000	50.00	88,977	(4,845)	(2,422)	Investment accounted for using equity method - joint ventures
Plenty Type Limited (Cayman Islands)	Chia Tai Lianyungang Co., Ltd.	Hong Kong	Management of producing and non-producing business investments	HKD 19,910	HKD 19,910	999,999	99.99	3,290	(14)	-	Indirectly owned subsidiary (Note 2)
Rui Fu Foods Co., Ltd.	Sheng Da Foods Co., Ltd.	Taiwan	Husbandry management of eggs and related business	250,000	210,000	2,500,000	83.33	138,371	(8,372)	-	Indirectly owned subsidiary (Note 2)

Note 1: Including recognition of current profit of its investees.

Note 2: Current period income (loss) has been recognised by investee company.

(3) Information on investments in Mainland China: None.

(4) Major shareholders information

<u>Name of major shareholders</u>	<u>Shares</u>	
	<u>Number of shares held</u>	<u>Ownership (%)</u>
Charoen Pokphand Foods Public Co., Ltd (CPF)	83,676,832	28.38
Chun Ta Investment Co., Ltd.	17,120,207	5.80

The above information was provided by Taiwan Depository & Clearing Corporation on March 31, 2024.

14. OPERATING SEGMENT INFORMATION

(1) General information

- A. Management has determined the reportable operating segments based on the reports reviewed by the Chief Operating Decision-Maker that are used to make strategic decision.
- B. The Group's Chief Operating Decision-Maker considers the business from a product type perspective. The main activities of the Group are feeds business, meat processing business, food processing business, management of importing and exporting animal medicine and husbandry business. The reportable segments are as follows:
 - (a) Feeds business: Manufacture and sale of animal feeds and wholesale of commodity;
 - (b) Meat processing business;
 - (c) Food processing business; and
 - (d) Husbandry business: Husbandry management of chickens to produce eggs and meat.
- C. There is no material change in the basis for formation of entities and division of segments in the Group or in the measurement basis for segment information in this year.

(2) Segment information

The segment information provided to the Chief Operating Decision-Maker for the reportable segments is as follows:

For the three-month period ended March 31, 2024

	<u>Feeds</u>	<u>Meat processing</u>	<u>Food processing</u>	<u>Husbandry</u>	<u>Others</u>	<u>Total</u>
Revenues from third parties	\$ 3,481,392	\$ 1,584,221	\$ 1,277,756	\$ 548,094	\$ 20,644	\$ 6,912,107
Revenues from the Group	<u>88,262</u>	<u>58,949</u>	<u>625</u>	<u>70,246</u>	<u>14,299</u>	<u>232,381</u>
Total segment revenue	<u>\$ 3,569,654</u>	<u>\$ 1,643,170</u>	<u>\$ 1,278,381</u>	<u>\$ 618,340</u>	<u>\$ 34,943</u>	<u>\$ 7,144,488</u>
Segment income (loss)	<u>\$ 482,524</u>	<u>(\$ 38,287)</u>	<u>\$ 98,434</u>	<u>\$ 5,655</u>	<u>(\$ 24,147)</u>	<u>\$ 524,179</u>

For the three-month period ended March 31, 2023

	<u>Feeds</u>	<u>Meat processing</u>	<u>Food processing</u>	<u>Husbandry</u>	<u>Others</u>	<u>Total</u>
Revenues from third parties	\$ 3,742,147	\$ 1,801,896	\$ 1,115,708	\$ 554,647	\$ 17,672	\$ 7,232,070
Revenues from the Group	<u>104,446</u>	<u>40,934</u>	<u>358</u>	<u>58,103</u>	<u>14,628</u>	<u>218,469</u>
Total segment revenue	<u>\$ 3,846,593</u>	<u>\$ 1,842,830</u>	<u>\$ 1,116,066</u>	<u>\$ 612,750</u>	<u>\$ 32,300</u>	<u>\$ 7,450,539</u>
Segment income (loss)	<u>\$ 406,317</u>	<u>\$ 167,566</u>	<u>\$ 55,929</u>	<u>(\$ 29,955)</u>	<u>(\$ 28,454)</u>	<u>\$ 571,403</u>

(3) Reconciliation for segment income (loss)

- A. Sales between segments are carried out at arm's length. The operating revenue from external customers reported to the Chief Operating Decision-Maker is measured in a manner consistent with that in the statement of comprehensive income.
- B. A reconciliation of reportable segment income to the income before tax from continuing operations for the three-month periods ended March 31, 2024 and 2023 is provided as follows:

	For the three-month periods ended March 31,	
	2024	2023
Reportable segment income	\$ 548,326	\$ 599,857
Other segment loss	(24,147)	(28,454)
Total segment	524,179	571,403
Interest expense	(55,769)	(56,544)
Foreign exchange (losses) gains, net	(4,717)	4,590
Losses on financial assets at fair value through profit or loss	-	(5,175)
Income before tax from continuing segment	<u>\$ 463,693</u>	<u>\$ 514,274</u>