

**Stock Code : 1215**



**CHAROEN POKPHAND ENTERPRISE (TAIWAN)  
CO., LTD.**

**2023 Annual General Shareholders' Meeting**

**Meeting Handbook**

**June 15, 2023**

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# **CHAROEN POKPHAND ENTERPRISE (TAIWAN) CO., LTD.**

## **2023 Annual General Shareholders' Meeting**

### **Agenda**

- I. Means of Meeting Convention : Physical shareholders meeting.
- II. Time : 10:00 a.m., Thursday, June 15, 2023
- III. Location : Conference Room at Nantou plant of the Company  
No. 17, Gongye E. Rd., Nangang Industrial Park, Nantou City, Nantou County,  
Taiwan
- IV. Meeting Procedures
  1. Call the Meeting to Order
  2. Chairman Takes Chair
  3. Chairman Remarks
  4. Management Reports
    - (1) 2022 Business Report.
    - (2) Audit Committee's Review Report on the 2022 Financial Statements and Records.
    - (3) Report of Distribution of 2022 Employees' Compensation.
    - (4) Report of Distribution of 2022 Cash Dividends.
  5. Proposals
    - (1) Adoption of the 2022 Business Report and Financial Statements.
    - (2) Adoption of the Proposal for 2022 Distribution of Surplus Earnings.
  6. Election  
Re-election of Directors (including Independent Directors).
  7. Questions and Motions
  8. Meeting Adjournment

## Management Reports

1. 2022 Business Report (Please refer to page 8, Attachment 1)
2. Audit Committee's Review Report on the 2022 Financial Statements and Records (Please refer to page 9, Attachment 2)
3. Report of Distribution of 2022 Employees' Compensation
  - (1) In accordance with Article 29-1 of the Company's Articles of Incorporation, employees' compensation shall be distributed at least 1% of profits of the current year.
  - (2) The 2022 employees' compensation is NT\$19,500,000 which was approved by the meeting of the Board of Directors on Apr. 24, 2023, and totally distributed in cash.
4. Report of Distribution of 2022 Cash Dividends
  - (1) In accordance with Article 29 of the Company's Articles of Incorporation, when the distributable dividends is paid in cash, the proposal shall be resolved by a majority vote at a meeting of the Board of Directors attended by two-thirds of the total number of directors of the Company, and reported to the Annual General Shareholders' Meeting.
  - (2) The 2022 Cash Dividends is at NT\$ 3.5 per share, amounting to NT\$ 1,031,765,343 in total which was resolved by the meeting of the Board of Directors on Apr. 24, 2023. The cash dividend distribution will be rounded down to the nearest NT dollar and the sum of the cash dividend with a value less than NT\$1 will be recognized as the Company's other income.
  - (3) The Proposal has been resolved by the Board of Directors and authorized the Chairman to set up the ex-dividend record date and payment date for the shareholders' cash dividend. If the proposed dividend distribution rate is affected by the number of outstanding shares due to the buyback of shares or other reasons, the Chairman is authorized to adjust the changes.

## Proposals

### Item 1

Proposed by the Board

**Proposal:** Adoption of the 2022 Business Report and Financial Statements.

#### **Explanation :**

1. CPE's 2022 Financial Statements, including the Balance Sheets, Statements of Comprehensive Income, Statements of Changes in Equity, and Statements of Cash Flows, were audited by independent auditors. Such Financial Statements together with Business Report had been resolved by the Board of Directors and reviewed by the Audit Committee.
2. The aforementioned report and statements are attached hereto as page 8~28, Attachments 1, 3 and 4. Please ratify.

#### **Resolution :**

### Item 2

Proposed by the Board

**Proposal:** Adoption of the Proposal for 2022 Distribution of Surplus Earnings.

#### **Explanation :**

Table of 2022 Distribution of Surplus Earnings was prepared in accordance with Article 29 of the Company's Articles of Incorporation, and had been resolved by the Board of Directors and reviewed by the Audit Committee. The aforementioned Table is attached hereto as page 29, Attachments 5. Please ratify.

#### **Resolution :**

## **Election**

### **Item 1**

Proposed by the Board

**Proposal:** Re-election of Directors (including Independent Directors).

### **Explanation :**

1. The original term of the Company's Boards of Directors (including Independent Directors) is commencing from July 22, 2021 and expiring on July 21, 2024. It is proposed to be re-elected at the Annual General Shareholders' Meeting on June 15, 2023 in accordance with Article 199-1 of the Company Act. The current directors will be dismissed after the election of the Newly-elected directors.
2. In accordance with the Article 18 of the Company's Articles of Incorporation, eight directors (including 3 independent directors) shall be elected with three-year tenure, commencing on June 15, 2023 and expiring on June 14, 2026.
3. The directors of the Company shall be elected by adopting candidates nomination system; and the shareholders shall elect the directors from among the nominees listed in the roster of director candidates, whose education, experience, other relevant information as well as the rationale for nomination of independent director who has served for three or more consecutive terms are listed below:

Director Candidates					
Name	Education	Experience	Present Position	Shareholding	Name of represented juristic person
Prasert Poongkumarn	Honorary Doctorate of Prince of Songkla University, Thailand	Vice Chairman of CP Group (Thailand)	Director of the Company	54,193,826 shares	Charoen Pokphand Foods Public Company Limited (Thailand)
Wu Yeh Cheng	Honorary Doctorate of Agricultural Sciences, NPUST	Senior Executive Vice President of Chia Tai Group	1. Chairman of the Company 2. Director of Plenty Type Limited (Cayman Islands) 3. Director of Charoen Pokphand (Taiwan) Corp., Ltd. 4. Supervisor of Arbor Acres (Taiwan) Co., Ltd.	54,193,826 shares	Charoen Pokphand Foods Public Company Limited (Thailand)
Chu Hsiung Lin	Bachelor of Foreign Language Dept., Tamkang University	Senior Vice President of Chia Tai Group	1. Director of the Company 2. Senior Vice President of the Company 3. Director of Plenty Type Limited (Cayman Islands) 4. Chairman of Charoen Pokphand (Taiwan) Corp., Ltd. 5. Chairman of Arbor Acres (Taiwan) Co., Ltd.	54,193,826 shares	Charoen Pokphand Foods Public Company Limited (Thailand)
Thong Chotirat	Bachelor of Rajamangala University of Technology, Thailand	Vice Chairman of Chia Tai (China) Argro-Industry	1. Director of the Company 2. CEO of the Company 3. Director of Charoen Pokphand (Taiwan) Corp., Ltd. 4. Director of Arbor Acres (Taiwan) Co., Ltd.	54,193,826 Shares	Charoen Pokphand Foods Public Company Limited (Thailand)
Monchai Leelaharat	MBA of Kasetsart University	CFO of Chia Tai Group (China Area)	1. Director of the Company 2. CFO and CGO (Adjunct) of the Company 3. Director of Plenty Type Limited (Cayman Islands) 4. Director of Rui Mu Foods Co., Ltd. 5. Director of Rui Fu Foods Co., Ltd. 6. Chairman of Sheng Da Foods Co., Ltd. 7. Supervisor of Charoen Pokphand (Taiwan) Corp., Ltd. 8. Supervisor of Feng Sheng Livestock Co., Ltd. 9. Chairman of Ta Chung Investment Co., Ltd. 10. Chairman of Chun Ta Investment Co., Ltd. 11. Director of Perfect Companion (Taiwan) Co., Ltd.	54,193,826 shares	Charoen Pokphand Foods Public Company Limited (Thailand)

Independent Directors Candidates				
Name	Education	Experience	Present Position	Shareholding
Yen Sung Li	Master of Accounting Dept., Soochow University	<ol style="list-style-type: none"> <li>1. Vice Chairman of PwC, Taiwan</li> <li>2. Chairman of Taipei CPA Association</li> <li>3. Director of Accounting Research and Development Foundation</li> <li>4. Director of Taiwan Accounting Association</li> </ol>	<ol style="list-style-type: none"> <li>1. Member of the Company's Audit Committee</li> <li>2. Member of the Company's Remuneration Committee</li> <li>3. Independent Director of Sincere Navigation Corporation</li> <li>4. Independent Director of Taiwan FamilyMart Co., Ltd.</li> <li>5. Independent Director of Chicony Electronics Co., Ltd.</li> <li>6. Supervisor of Real Estate Agents Transaction Guaranty Foundation</li> </ol>	0 share
Tsu M. Ongg	Master of Illinois Institute of Technology, USA	<ol style="list-style-type: none"> <li>1. Chairman of Chun Ta Investment Co., Ltd.</li> <li>2. Chairman of Hoy Engineering Consultants, Ltd.</li> <li>3. Director of Chunghwa Chemical Synthesis &amp; Biotech Co. Ltd.</li> </ol>	<ol style="list-style-type: none"> <li>1. Member of the Company's Audit Committee</li> <li>2. Member of the Company's Remuneration Committee</li> <li>3. Head of Habitech Architects</li> <li>4. Director of Career Consulting Co., Ltd.</li> <li>5. Supervisor of Fubon Real Estate Management</li> </ol>	0 share
Jin-Shong Yang	Master, East Texas State University, USA	<ol style="list-style-type: none"> <li>1. Chief Compliance Officer of the Export-Import Bank of the Republic of China.</li> <li>2. Vice President of the Export-Import Bank of the Republic of China.</li> </ol>	<ol style="list-style-type: none"> <li>1. Member of the Company's Audit Committee</li> <li>2. Member of the Company's Remuneration Committee</li> </ol>	0 share

Rationale for nomination of independent director who has served for three or more consecutive terms:

Mr. Yen Sung Li, with an excellent accounting professional background and wealthy practical experience, and familiar with relevant laws and regulations, can provide precise advices for the Company. Considering that the Company still relies on his professional expertise and performing supervisory functions for Board of Directors and providing advices, thus Mr. Yen Sung Li is nominated again to serve as an independent director of the Company.

#### **Voting Results :**

## **Questions and Motions**

## **Meeting Adjournment**

## Attachment 1

# CHAROEN POKPHAND ENTERPRISE (TAIWAN) CO., LTD.

## 2022 Business Report

### 1. Operating Principles

For a long time, we have been dedicated to the agriculture, livestock, and food core business. We aggressively established a business model to integrate upper, middle, and lower stream of the industry, including feed manufacturing, livestock breeding, electric slaughtering, fresh frozen meat, meat processing food, egg products, etc. In addition, implementing our marketing strategies of brands enhancement, intensive physical e-commerce channels, procurement and R&D strategies, and also the most rigorous quality control operation, we insist on a fully control of quality and completed traceability from raw material supply chain management, processing, warehousing to products delivering in order to ensure the food safety. Our consistent business philosophy is to provide consumers with high-quality meat which is safe, hygienic, convenient, healthy, and highly qualified with reasonable price.

### 2. Implementation Overview

In 2022, the Company has shown progress on various business indicators compared with the previous years, including production and marketing cost control, breeding management, livestock breeding rates, breeder egg production rates, brand management, physical marketing channels, strengthened R&D and production of food processing, e-commerce channel development, etc. Under the impact of the Covid-19 epidemic, thanks to the efforts of all colleagues, the Company still had an operating performance of EPS NT\$ 5.28

### 3. Operating Performance

According to the Company's 2022 Parent Company Only Financial Statements, the operating revenue was NT\$26,895,450 thousands, the operating profit was NT\$2,003,193 thousands, the profit before income tax was NT\$1,930,272 thousands, and the earnings per share before income tax was NT\$6.55.

### 4. Budget Implementation

In accordance with the "Regulations Governing the Publication of Financial Forecast of Public Companies", the Company does not have to prepare financial forecasts to the public in 2022. However, the overall business performance is generally in line with the company's internal operating plan.

### 5. Profitability Analysis (Based on the Company's 2022 Parent Company Only Financial Statements)

Return on total assets	7.47%
Return on owners' Equity	18.16%
Ratio of profit before income tax to paid-in capital	65.48%
Profit margin	5.78%
Earnings Per Share	NT\$ 5.28

### 6. Research and Development

- (1) Develop a variety of Chinese-style, exotic, and egg cuisines, such as Pepper Salt Taiwanese Fried Chicken, Crispy German Pork Knuckle, Pork Knuckle with Basil, Massaman Curry Chicken, Korean spice pork with Rice, Japanese-style Fried Egg, Deep-fried eggs with Thai sweet chill sauce, Mushrooms and Vegetables Omelette, etc., for consumers to enjoy delicious meal anytime anywhere in a more convenient and simple way.
- (2) Targeting the needs and trends for high-protein diets, further develop more flavored chicken breast salad products, such as European Curry, Provence-flavored, and Truffled Chicken Breast, and expand the sales market shares of each channel.

Chairman: Wu Yeh, Cheng

CEO: Thong Chotirat

Chief Accountant: Su Hua Lee

## **Attachment 2**

### **CHAROEN POKPHAND ENTERPRISE (TAIWAN) CO., LTD.**

#### **Audit Committee's Review Report**

The Board of Directors has submitted the Company's Business Report, Financial Statements and Proposal for Distribution of Surplus Earnings for the year 2022 to Audit Committee. The CPA firm of PricewaterhouseCoopers, Taiwan had audited the Financial Statements and issued the Audit Report. The aforementioned Business Report, Financial Statements and Proposal for Distribution of Surplus Earnings had been reviewed by the Audit Committee and deemed that it is complied with the Company Act, related laws and regulations. In accordance with the Article 14-4 of the Securities and Exchange Act and the Article 219 of the Company Act, we hereby submit the report.

To:

The 2023 Annual General Shareholders' Meeting of the Company

CHAROEN POKPHAND ENTERPRISE (TAIWAN) CO., LTD.

Convener of Audit Committee: Li, Yen Sung

Date: April 24, 2023

## Attachment 3

### INDEPENDENT AUDITORS' REPORT (Parent Company Only Financial Statements)

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

#### *Opinion*

We have audited the accompanying parent company only balance sheets of Charoen Pokphand Enterprise (Taiwan) Co., Ltd. (the "Company") as at December 31, 2022 and 2021, and the related parent company only statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the parent company only financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying parent company only financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2022 and 2021, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

#### *Basis for opinion*

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and generally accepted auditing standards in the Republic of China. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the parent company only financial statements section of our report. We are independent of the Company in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### *Key audit matters*

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Company's 2022 parent company only financial statements. These matters were addressed in the context of our audit of the parent company only financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters for the Company's 2022 parent company only financial statements are stated as follows:

#### **Evaluation of net realisable value of inventories**

##### Description

Refer to Note 4(12) for accounting policies adopted for the valuation of inventories, Note 5(2) for uncertainty of accounting estimates and assumptions of valuation of inventories, and Note 6(5) for details of inventories. As at December 31, 2022, the carrying amount of inventories and allowance for inventory valuation losses amounted to NT\$2,447,937 thousand and NT\$5,000 thousand, respectively.

The main activities of the Company are the manufacturing and sales of animal feeds, fresh and processed meat products. As the market prices are affected by changes in macro-economic environment, there is a higher risk of inventory valuation losses. In addition, the evaluation of net realisable value of inventories is subject to management's judgement, and considering that feeds, fresh and processed meat products comprise most of the Company's inventories which is significant to the financial statements, the evaluation of net realisable value of inventories was identified as a key audit matter.

##### How our audit addressed the matter

We performed the following audit procedures in respect of the above key audit matter:

1. Based on our understanding of the Company's operations and related industry, assessed the reasonableness of related policies and procedures applied to the net realisable value of inventories and ascertained the consistent application.
2. Obtained statements of net realisable value of inventories as at the balance sheet date, validated source data of merchandise prices and recalculated the provision for inventory valuation losses in order to confirm consistent application of respective procedures and policies.

## Measurement of biological assets

### Description

Refer to Note 4(14) for accounting policies adopted for biological assets, Note 5(2) for uncertainty of accounting estimates and assumptions in measuring fair value of biological assets, and Note 6(7) for details of biological assets. As at December 31, 2022, the carrying amount of biological assets amounted to NT\$2,345,044 thousand.

The Company's biological assets is mainly comprised of broiler chicken, breeder chicken, fattening swine and breeder swine, etc. Except when the fair value cannot be reliably measured, biological assets are measured at fair value less costs to sell on initial recognition and at the end of each reporting period. As the market prices of fresh, processed meat, livestock and poultry are affected by animal epidemic and market demand in Taiwan, biological assets with active market prices have a higher risk of fluctuations in fair value. Since the amount of biological assets is significant to the financial statements and the methods adopted in measuring each category of biological assets, market prices applied and items accounted for as costs to sell are all subject to management's judgement and with high uncertainty, the measurement of biological assets was identified as a key audit matter.

### How our audit addressed the matter

We performed the following audit procedures in respect of the above key audit matter:

1. Based on our understanding of the Company's operations and related industry, assessed the reasonableness of related policies and procedures applied in measuring biological assets, and ascertained the consistent application.
2. As at the balance sheet date, ascertained that all the active market prices information are available and reliable for biological assets measured at fair value less costs to sell. Also, validated source data of active market prices and the reasonableness of the major components of costs to sell.

### ***Responsibilities of management and those charged with governance for the parent company only financial statements***

Management is responsible for the preparation and fair presentation of the parent company only financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed by the Financial Supervisory Commission, and for such internal control as management determines is necessary to enable the preparation of parent company only financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the parent company only financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including the Audit Committee, are responsible for overseeing the Company's financial reporting process.

### ***Auditors' responsibilities for the audit of the parent company only financial statements***

Our objectives are to obtain reasonable assurance about whether the parent company only financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these parent company only financial statements.

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the parent company only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the disclosures, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the parent company only financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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Lin, Yi-Fan

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Liao, Fu-Ming

For and on Behalf of PricewaterhouseCoopers, Taiwan

March 13, 2023

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The accompanying parent company only 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 parent company only 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.  
PARENT COMPANY ONLY BALANCE SHEETS  
DECEMBER 31, 2022 AND 2021  
(Expressed in thousands of New Taiwan dollars)

Assets	Notes	December 31, 2022		December 31, 2021		
		AMOUNT	%	AMOUNT	%	
<b>Current assets</b>						
1100	Cash and cash equivalents	6(1)	\$ 122,778	-	\$ 126,478	1
1150	Notes receivable, net	6(4)	375,832	2	394,952	2
1160	Notes receivable - related parties	7	-	-	3,951	-
1170	Accounts receivable, net	6(4)	2,413,462	10	2,104,778	10
1180	Accounts receivable - related parties	7	127,147	1	112,548	1
1200	Other receivables		50,746	-	17,775	-
1210	Other receivables - related parties	7	207	-	64	-
1220	Current income tax assets		6,284	-	6,284	-
130X	Inventories, net	6(5)	2,472,937	10	1,722,877	8
1400	Biological assets - current	6(7)	1,842,955	8	1,474,698	7
1410	Prepayments	7	393,245	2	392,699	2
1470	Other current assets	6(1) and 8	9,650	-	9,650	-
11XX	<b>Total current assets</b>		<u>7,815,243</u>	<u>33</u>	<u>6,366,754</u>	<u>31</u>
<b>Non-current assets</b>						
1517	Non-current financial assets at fair value through other comprehensive income	6(3)	972,692	4	941,589	4
1550	Investments accounted for using equity method	6(6)	2,413,926	10	2,307,812	11
1600	Property, plant and equipment, net	6(8) and 8	11,388,585	48	10,267,826	49
1755	Right-of-use assets	6(9)	340,373	2	339,095	2
1780	Intangible assets	6(10)	3,126	-	3,476	-
1830	Biological assets - non-current	6(7)	502,089	2	444,841	2
1840	Deferred income tax assets	6(25)	50,427	-	58,711	-
1900	Other non-current assets		118,456	1	107,799	1
15XX	<b>Total non-current assets</b>		<u>15,789,674</u>	<u>67</u>	<u>14,471,149</u>	<u>69</u>
1XXX	<b>Total assets</b>		<u>\$ 23,604,917</u>	<u>100</u>	<u>\$ 20,837,903</u>	<u>100</u>

(Continued)

**CHAROEN POKPHAND ENTERPRISE (TAIWAN) CO., LTD.**  
**PARENT COMPANY ONLY BALANCE SHEETS**  
**DECEMBER 31, 2022 AND 2021**  
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity	Notes	December 31, 2022		December 31, 2021		
		AMOUNT	%	AMOUNT	%	
<b>Current liabilities</b>						
2100	Short-term borrowings	6(11)	\$ 3,651,097	15	\$ 2,771,030	13
2110	Short-term notes and bills payable	6(12)	938,148	4	989,319	5
2120	Current financial liabilities at fair value through profit or loss	6(2)	11,791	-	-	-
2150	Notes payable		590,631	3	431,664	2
2160	Notes payable - related parties	7	188	-	4,255	-
2170	Accounts payable		874,711	4	775,496	4
2180	Accounts payable - related parties	7	19,314	-	26,249	-
2200	Other payables		822,697	3	734,295	3
2220	Other payables - related parties	7	27,109	-	23,615	-
2230	Current income tax liabilities		218,477	1	164,002	1
2280	Current lease liabilities		29,442	-	24,751	-
2320	Long-term liabilities, current portion	6(13)	648,095	3	200,000	1
21XX	<b>Total current liabilities</b>		<u>7,831,700</u>	<u>33</u>	<u>6,144,676</u>	<u>29</u>
<b>Non-current liabilities</b>						
2540	Long-term borrowings	6(13) and 8	6,391,905	27	6,130,000	29
2570	Deferred income tax liabilities	6(25)	41,930	-	29,036	-
2580	Non-current lease liabilities		299,974	2	301,884	2
2600	Other non-current liabilities	6(14)	42,440	-	103,215	1
25XX	<b>Total non-current liabilities</b>		<u>6,776,249</u>	<u>29</u>	<u>6,564,135</u>	<u>32</u>
2XXX	<b>Total liabilities</b>		<u>14,607,949</u>	<u>62</u>	<u>12,708,811</u>	<u>61</u>
<b>Equity attributable to owners of parent</b>						
Share capital						
3110	Common stock	6(15)	2,947,901	12	2,679,910	13
Capital surplus						
3200	Capital surplus	6(16)	6,640	-	4,666	-
Retained earnings						
3310	Legal reserve	6(17)	1,181,684	5	1,044,641	5
3350	Unappropriated retained earnings		3,713,594	16	3,332,757	16
Other equity interest						
3400	Other equity interest		1,147,149	5	1,067,118	5
3XXX	<b>Total equity</b>		<u>8,996,968</u>	<u>38</u>	<u>8,129,092</u>	<u>39</u>
Significant contingent liabilities and unrecognised contract commitments						
Significant events after the balance sheet date						
3X2X	<b>Total liabilities and equity</b>		<u>\$ 23,604,917</u>	<u>100</u>	<u>\$ 20,837,903</u>	<u>100</u>

The accompanying notes are an integral part of these parent company only financial statements.  
Chairman: Wu Yeh, Cheng      CEO: Thong Chotirat      Chief Accountant: Su Hua Lee

**CHAROEN POKPHAND ENTERPRISE (TAIWAN) CO., LTD.**  
**PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME**  
**YEARS ENDED DECEMBER 31, 2022 AND 2021**  
(Expressed in thousands of New Taiwan dollars, except for earnings per share amounts)

Items	Notes	Year ended December 31				
		2022		2021		
		AMOUNT	%	AMOUNT	%	
4000	Operating revenue	6(18) and 7	\$ 26,895,450	100	\$ 23,272,864	100
5000	Operating costs	6(4)(24) and 7	( 23,254,925)	( 87)	( 20,036,192)	( 86)
5950	Net operating margin		<u>3,640,525</u>	13	<u>3,236,672</u>	14
	Operating expenses	6(24) and 7				
6100	Selling and marketing expenses		( 976,648)	( 4)	( 893,721)	( 4)
6200	General and administrative expenses		( 682,635)	( 2)	( 652,493)	( 3)
6450	Expected credit impairment gain (loss)	12(2)	442	-	( 1,252)	-
6000	Total operating expenses		( 1,658,841)	( 6)	( 1,547,466)	( 7)
6500	Other income and expense, net	6(7)(19)	21,509	-	( 12,738)	-
6900	Operating profit		<u>2,003,193</u>	7	<u>1,676,468</u>	7
	Non-operating income and expenses					
7100	Interest income	6(20)	504	-	265	-
7010	Other income	6(21) and 7	33,578	-	24,036	-
7020	Other gains and losses	6(22)	( 4,947)	-	49,590	-
7050	Finance costs	6(23)	( 131,394)	-	( 72,523)	-
7070	Share of profit of associates and joint ventures accounted for using equity method	6(6)	<u>29,338</u>	-	<u>20,527</u>	-
7000	Total non-operating income and expenses		( 72,921)	-	21,895	-
7900	<b>Profit before income tax</b>		<u>1,930,272</u>	7	<u>1,698,363</u>	7
7950	Income tax expense	6(25)	( 374,892)	( 1)	( 342,711)	( 1)
8200	<b>Profit for the year</b>		<u>\$ 1,555,380</u>	6	<u>\$ 1,355,652</u>	6
	<b>Other comprehensive income</b>					
	<b>Components of other comprehensive income that will not be reclassified to profit or loss</b>					
8311	Other comprehensive income, before tax, actuarial gain on defined benefit plan	6(14)	\$ 41,468	-	\$ 18,346	-
8316	Unrealised gain or loss on financial assets at fair value through other comprehensive income	6(3)	31,103	-	( 57,955)	( 1)
8330	Share of other comprehensive loss of associates and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss	6(6)	( 103,980)	-	( 257,735)	( 1)
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(25)	( 14,514)	-	7,922	-
8310	Other comprehensive loss that will not be reclassified to profit or loss		( 45,923)	-	( 289,422)	( 2)
	<b>Components of other comprehensive income that will be reclassified to profit or loss</b>					
8361	Currency translation differences of foreign operations	6(6)	<u>160,418</u>	-	( 36,291)	-
8360	Other comprehensive loss that will be reclassified to profit or loss		<u>160,418</u>	-	( 36,291)	-
8300	<b>Total other comprehensive loss for the year</b>		<u>\$ 114,495</u>	-	<u>( \$ 325,713)</u>	( 2)
8500	<b>Total comprehensive income for the year</b>		<u>\$ 1,669,875</u>	6	<u>\$ 1,029,939</u>	4
	Earnings per share (in dollars)	6(26)				
9750	Basic earnings per share		\$ 5.28		\$ 4.60	
9850	Diluted earnings per share		\$ 5.27		\$ 4.59	

The accompanying notes are an integral part of these parent company only financial statements.  
Chairman: Wu Yeh, Cheng      CEO: Thong Chotirat      Chief Accountant: Su Hua Lee

**CHAROEN POKPHAND ENTERPRISE (TAIWAN) CO., LTD.**  
**PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY**  
**YEARS ENDED DECEMBER 31, 2022 AND 2021**  
(Expressed in thousands of New Taiwan dollars)

	Notes	Share capital - common stock	Capital surplus	Retained Earnings		Other equity interest		Amount
				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	
<b>2021</b>								
Balance at January 1, 2021		\$ 2,679,910	\$ 3,957	\$ 880,252	\$ 3,332,669	(\$ 132,921)	\$ 1,541,119	\$ 8,304,986
Profit for the year		-	-	-	1,355,652	-	-	1,355,652
Other comprehensive income (loss)		-	-	-	15,367	(36,291)	(304,789)	(325,713)
Total comprehensive income (loss)		-	-	-	1,371,019	(36,291)	(304,789)	1,029,939
Appropriations of 2020 earnings:	6(17)							
Legal reserve		-	-	164,389	(164,389)	-	-	-
Cash dividends		-	-	-	(1,205,959)	-	-	(1,205,959)
Capital surplus - dividends not received by shareholders		-	1,161	-	-	-	-	1,161
Change in ownership interests in subsidiaries		-	(452)	-	(583)	-	-	(1,035)
Balance at December 31, 2021		\$ 2,679,910	\$ 4,666	\$ 1,044,641	\$ 3,332,757	(\$ 169,212)	\$ 1,236,330	\$ 8,129,092
<b>2022</b>								
Balance at January 1, 2022		\$ 2,679,910	\$ 4,666	\$ 1,044,641	\$ 3,332,757	(\$ 169,212)	\$ 1,236,330	\$ 8,129,092
Profit for the year		-	-	-	1,555,380	-	-	1,555,380
Other comprehensive income (loss)		-	-	-	34,464	160,418	(80,387)	114,495
Total comprehensive income (loss)		-	-	-	1,589,844	160,418	(80,387)	1,669,875
Appropriations of 2021 earnings:	6(17)							
Legal reserve		-	-	137,043	(137,043)	-	-	-
Cash dividends		-	-	-	(803,973)	-	-	(803,973)
Stock dividends		267,991	-	-	(267,991)	-	-	-
Capital surplus - dividends not received by shareholders		-	1,974	-	-	-	-	1,974
Balance at December 31, 2022		\$ 2,947,901	\$ 6,640	\$ 1,181,684	\$ 3,713,594	(\$ 8,794)	\$ 1,155,943	\$ 8,996,968

The accompanying notes are an integral part of these parent company only financial statements.  
Chairman: Wu Yeh, Cheng      CEO: Thong Chotirat      Chief Accountant: Su Hua Lee

CHAROEN POKPHAND ENTERPRISE (TAIWAN) CO., LTD.  
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS  
YEARS ENDED DECEMBER 31, 2022 AND 2021  
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31	
		2022	2021
<b><u>CASH FLOWS FROM OPERATING ACTIVITIES</u></b>			
Profit before tax		\$ 1,930,272	\$ 1,698,363
Adjustments			
Adjustments to reconcile profit (loss)			
Expected credit impairment (gain) loss	12(2)	( 442 )	1,252
Depreciation	6(8)(24)	818,696	692,831
Depreciation of right-of-use assets	6(9)(24)	49,439	42,259
Amortization	6(24)	5,846	4,531
Interest income	6(20)	( 504 )	( 265 )
Dividend income	6(2)(21)	( 24,463 )	( 14,712 )
Interest expense	6(23)	131,394	72,523
Gain on reversal of loss on inventory market price decline	6(5)		
		( 1,120 )	( 880 )
Change in fair value less cost to sell of biological assets	6(7)(19)	( 21,509 )	12,738
Share of profit or loss of associates and joint ventures accounted for using equity method	6(6)		
		( 29,338 )	( 20,527 )
(Gain) loss on disposal of property, plant and equipment	6(22)	( 4,285 )	3,346
Gain arising from lease modifications	6(22)	( 201 )	-
Gain of financial assets at fair value through other comprehensive profit or loss		11,791	( 888 )
Changes in operating assets and liabilities			
Changes in operating assets			
Notes receivable		19,120	( 130,018 )
Notes receivable - related parties		3,951	( 3,951 )
Accounts receivable		( 308,242 )	( 405,717 )
Accounts receivable - related parties		( 14,599 )	( 83,000 )
Other receivables		( 32,971 )	( 5,694 )
Other receivables - related parties		( 143 )	( 64 )
Inventories		( 748,940 )	( 536,810 )
Biological assets		( 403,996 )	( 247,276 )
Prepayments		( 574 )	22,606
Changes in operating liabilities			
Notes payable		158,967	( 109,370 )
Notes payable - related parties		( 4,067 )	3,785
Accounts payable		99,215	83,449
Accounts payable - related parties		( 6,935 )	16,365
Other payables		118,117	43,907
Other payables - related parties		3,494	16,267
Net defined benefit liability		( 19,308 )	( 18,576 )
Cash inflow generated from operations		1,728,665	1,136,474
Cash paid for income tax		( 313,753 )	( 418,869 )
Refund of income tax		-	6,314
Net cash flows from operating activities		<u>1,414,912</u>	<u>723,919</u>

(Continued)

CHAROEN POKPHAND ENTERPRISE (TAIWAN) CO., LTD.  
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS  
YEARS ENDED DECEMBER 31, 2022 AND 2021  
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31	
		2022	2021
<b><u>CASH FLOWS FROM INVESTING ACTIVITIES</u></b>			
Acquisition of financial assets at fair value through profit or loss		\$ -	(\$ 138,653 )
Proceeds from disposal of financial assets at fair value through profit or loss		-	139,541
Acquisition of investment accounted for using the equity method		( 51,000 )	( 102,000 )
Return of capital from investments accounted for using the equity method		-	150,012
Decrease in other current assets		-	38,284
Acquisition of financial assets at fair value through other comprehensive income		-	( 999,544 )
Acquisition of property, plant and equipment	6(27)	( 1,976,977 )	( 1,713,296 )
Proceeds from disposal of property, plant and equipment		9,378	6,368
Acquisition of intangible assets	6(10)	( 1,151 )	( 4,017 )
Increase in other non-current assets		( 15,003 )	( 12,186 )
Cash receipt for interest		504	265
Cash receipt for dividends		55,126	46,509
Net cash flows used in investing activities		( 1,979,123 )	( 2,588,717 )
<b><u>CASH FLOWS FROM FINANCING ACTIVITIES</u></b>			
Increase in short-term borrowings		880,067	678,314
(Decrease) increase in short-term notes and bills payable		( 51,171 )	389,893
Proceeds from long-term borrowings		8,280,000	7,030,000
Payment of long-term borrowings		( 7,570,000 )	( 4,850,000 )
Cash payment for interest		( 128,652 )	( 71,096 )
Cash dividends paid to owners of parent	6(17)	( 803,973 )	( 1,205,959 )
Payment of lease liabilities	6(9)	( 47,734 )	( 42,048 )
Capital surplus - dividends not received by shareholders		1,974	1,161
Net cash flows from financing activities		560,511	1,930,265
Net (decrease) increase in cash and cash equivalents		( 3,700 )	65,467
Cash and cash equivalents at beginning of year	6(1)	126,478	61,011
Cash and cash equivalents at end of year	6(1)	\$ 122,778	\$ 126,478

The accompanying notes are an integral part of these parent company only financial statements.  
Chairman: Wu Yeh, Cheng      CEO: Thong Chotirat      Chief Accountant: Su Hua Lee

## Attachment 4

### INDEPENDENT AUDITORS' REPORT (CONSOLIDATED FINANCIAL STATEMENTS)

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

#### *Opinion*

We have audited the accompanying consolidated balance sheets of Charoen Pokphand Enterprise (Taiwan) Co., Ltd. and its subsidiaries (the "Group") as at December 31, 2022 and 2021, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2022 and 2021, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission.

#### *Basis for opinion*

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and generally accepted auditing standards in the Republic of China. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the consolidated financial statements section of our report. We are independent of the Group in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### *Key audit matters*

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Group's 2022 consolidated financial statements. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters for the Group's 2022 consolidated financial statements are stated as follows:

#### **Evaluation of net realisable value of inventories**

##### Description

Refer to Note 4(13) for accounting policies adopted for the valuation of inventories, Note 5(2) for uncertainty of accounting estimates and assumptions of valuation of inventories, and Note 6(5) for details of inventories. As at December 31, 2022, the carrying amount of inventories and allowance for inventory valuation losses amounted to NT\$2,658,028 thousand and NT\$9,953 thousand, respectively.

The main activities of the Group are the manufacturing and sales of animal feeds, fresh and processed meat products. As the market prices are affected by changes in macro-economic environment, there is a higher risk of inventory valuation losses. In addition, the evaluation of net realisable value of inventories is subject to management's judgement, and considering that feeds, fresh and processed meat products comprise most of the Group's inventories which is significant to the financial statements, the evaluation of net realisable value of inventories was identified as a key audit matter.

##### How our audit addressed the matter

We performed the following audit procedures in respect of the above key audit matter:

1. Based on our understanding of the Group's operations and related industry, assessed the reasonableness of related policies and procedures applied to the net realisable value of inventories, and ascertained the consistent application.

2. Obtained statements of net realisable value of inventories as at the balance sheet date, validated source data of merchandise prices and recalculated the provision for inventory valuation losses in order to confirm consistent application of related procedures and policies.

## **Measurement of biological assets**

### Description

Refer to Note 4(15) for accounting policies adopted for biological assets, Note 5(2) for uncertainty of accounting estimates and assumptions in measuring fair value of biological assets, and Note 6(6) for details of biological assets. As at December 31, 2022, the carrying amount of biological assets amounted to NT\$2,559,662 thousand.

The Group's biological assets is mainly comprised of broiler chicken, breeder chicken, fattening swine and breeder swine, etc. Except when the fair value cannot be reliably measured, biological assets are measured at fair value less costs to sell on initial recognition and at the end of each reporting period. As the market prices of fresh, processed meat, livestock and poultry are affected by animal epidemic and market demand in Taiwan, biological assets with active market prices have a higher risk of fluctuations in fair value. Since the amount of biological assets is significant to the financial statements and the methods adopted in measuring each category of biological assets, market prices applied and items accounted for as costs to sell are all subject to management's judgement and with high uncertainty, the measurement of biological assets was identified as a key audit matter.

### How our audit addressed the matter

We performed the following audit procedures in respect of the above key audit matter:

1. Based on our understanding of the Group's operations and related industry, assessed the reasonableness of related policies and procedures applied in measuring biological assets, and ascertained the consistent application.
2. As at the balance sheet date, ascertained that all the active market prices information are available and reliable for biological assets measured at fair value less costs to sell. Also, validated the source data of active market prices and the reasonableness of the major components of costs to sell.

## **Other matter – Parent company only financial reports**

We have audited and expressed an unqualified opinion on the parent company only financial statements of Charoen Pokphand Enterprise (Taiwan) Co., Ltd. as at and for the years ended December 31, 2022 and 2021.

## **Responsibilities of management and those charged with governance for the consolidated financial statements**

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including the Audit Committee, are responsible for overseeing the Group's financial reporting process.

## **Auditors' responsibilities for the audit of the consolidated financial statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgement and professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
2. Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal controls.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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Lin, Yi-Fan

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Liao, Fu-Ming

For and on Behalf of PricewaterhouseCoopers, Taiwan

March 13, 2023

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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**  
**DECEMBER 31, 2022 AND 2021**  
(Expressed in thousands of New Taiwan dollars)

ASSETS	Notes	December 31, 2022		December 31, 2021		
		AMOUNT	%	AMOUNT	%	
<b>Current assets</b>						
1100	Cash and cash equivalents	6(1)	\$ 311,085	1	\$ 187,008	1
1150	Notes receivable, net	6(4)	411,234	2	416,032	2
1160	Notes receivable due from related parties, net	7	2,756	-	3,951	-
1170	Accounts receivable, net	6(4)	2,730,874	10	2,370,841	10
1180	Accounts receivable - related parties	7	66,171	-	55,707	-
1200	Other receivables		54,377	-	18,665	-
1210	Other receivables - related parties	7	228	-	-	-
1220	Current income tax assets		6,284	-	6,284	-
130X	Inventories, net	6(5)	2,648,075	10	1,877,226	8
1400	Biological assets - current	6(6)	2,057,573	8	1,614,838	7
1410	Prepayments	7	412,472	2	407,566	2
1470	Other current assets	6(1) and 8	9,650	-	9,650	-
11XX	<b>Total current assets</b>		<u>8,710,779</u>	<u>33</u>	<u>6,967,768</u>	<u>30</u>
<b>Non-current assets</b>						
1517	Non-current financial assets at fair value through other comprehensive income	6(3)	2,659,785	10	2,575,015	11
1550	Investments accounted for using equity method	6(7)	94,713	-	100,160	-
1600	Property, plant and equipment, net	6(8) and 8	13,789,365	52	12,471,603	54
1755	Right-of-use assets	6(9)	366,762	1	371,480	2
1780	Intangible assets	6(10)	3,155	-	3,530	-
1830	Biological assets - non-current	6(6)	502,089	2	444,841	2
1840	Deferred income tax assets	6(27)	130,607	1	121,044	-
1900	Other non-current assets		136,490	1	122,031	1
15XX	<b>Total non-current assets</b>		<u>17,682,966</u>	<u>67</u>	<u>16,209,704</u>	<u>70</u>
1XXX	<b>Total assets</b>		<u>\$ 26,393,745</u>	<u>100</u>	<u>\$ 23,177,472</u>	<u>100</u>

(Continued)

**CHAROEN POKPHAND ENTERPRISE (TAIWAN) CO., LTD. AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
**DECEMBER 31, 2022 AND 2021**  
(Expressed in thousands of New Taiwan dollars)

LIABILITIES AND EQUITY	Notes	December 31, 2022		December 31, 2021		
		AMOUNT	%	AMOUNT	%	
<b>Current liabilities</b>						
2100	Short-term borrowings	6(11)	\$ 4,265,097	16	\$ 3,301,031	14
2110	Short-term notes and bills payable	6(12)	987,963	4	1,039,203	4
2120	Current financial liabilities at fair value through profit or loss	6(2)	11,791	-	-	-
2150	Notes payable		681,467	3	504,775	2
2160	Notes payable - related parties	7	13,389	-	10,673	-
2170	Accounts payable		1,002,088	4	850,500	4
2180	Accounts payable - related parties	7	19,185	-	21,893	-
2200	Other payables	6(13)	895,378	3	810,907	4
2220	Other payables - related parties	7	30,574	-	26,771	-
2230	Current income tax liabilities		228,618	1	170,971	1
2280	Current lease liabilities		35,888	-	31,158	-
2320	Long-term liabilities, current portion	6(14) and 8	703,597	3	239,750	1
21XX	<b>Total current liabilities</b>		<u>8,875,035</u>	<u>34</u>	<u>7,007,632</u>	<u>30</u>
<b>Non-current liabilities</b>						
2540	Long-term borrowings	6(14) and 8	7,639,663	29	7,129,750	31
2570	Deferred income tax liabilities	6(27)	43,046	-	29,802	-
2580	Non-current lease liabilities		308,529	1	314,024	1
2600	Other non-current liabilities	6(15)	39,708	-	103,257	1
25XX	<b>Total non-current liabilities</b>		<u>8,030,946</u>	<u>30</u>	<u>7,576,833</u>	<u>33</u>
2XXX	<b>Total liabilities</b>		<u>16,905,981</u>	<u>64</u>	<u>14,584,465</u>	<u>63</u>
<b>Equity attributable to owners of parent</b>						
	Share capital	6(16)				
3110	Common stock		2,947,901	11	2,679,910	12
	Capital surplus	6(17)				
3200	Capital surplus		6,640	-	4,666	-
	Retained earnings	6(18)				
3310	Legal reserve		1,181,684	5	1,044,641	5
3350	Unappropriated retained earnings		3,713,594	14	3,332,757	14
	Other equity interest					
3400	Other equity interest		1,147,149	4	1,067,118	4
31XX	<b>Equity attributable to owners of the parent</b>		<u>8,996,968</u>	<u>34</u>	<u>8,129,092</u>	<u>35</u>
36XX	Non-controlling interest		490,796	2	463,915	2
3XXX	<b>Total equity</b>		<u>9,487,764</u>	<u>36</u>	<u>8,593,007</u>	<u>37</u>
	Significant contingent liabilities and unrecognised contract commitments	9				
	Significant events after the balance sheet date	11				
3X2X	<b>Total liabilities and equity</b>		<u>\$ 26,393,745</u>	<u>100</u>	<u>\$ 23,177,472</u>	<u>100</u>

The accompanying notes are an integral part of these consolidated financial statements.  
Chairman: Wu Yeh, Cheng      CEO: Thong Chotirat      Chief Accountant: Su Hua Lee

CHAROEN POKPHAND ENTERPRISE (TAIWAN) CO., LTD. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME  
YEARS ENDED DECEMBER 31, 2022 AND 2021

(Expressed in thousands of New Taiwan dollars, except for earnings per share amounts)

Items	Notes	Year ended December 31				
		2022		2021		
		AMOUNT	%	AMOUNT	%	
4000	Operating revenue	6(19) and 7	\$ 28,959,220	100	\$ 24,841,345	100
5000	Operating costs	6(5)(25)(26) and 7	( 25,082,443)	( 87)	( 21,441,119)	( 87)
5950	Net operating margin		3,876,777	13	3,400,226	13
	Operating expenses	6(25)(26) and 7				
6100	Selling and marketing expenses		( 1,151,245)	( 4)	( 1,067,159)	( 4)
6200	General and administrative expenses		( 750,752)	( 2)	( 719,783)	( 3)
6450	Expected credit impairment gain (loss)	12(2)	7,390	-	( 9,006)	-
6000	Total operating expenses		( 1,894,607)	( 6)	( 1,795,948)	( 7)
6500	Other income and expenses, net	6(6)(20)	21,509	-	( 12,738)	-
6900	Operating profit		2,003,679	7	1,591,540	6
	Non-operating income and expenses					
7100	Interest income	6(21)	711	-	359	-
7010	Other income	6(22) and 7	74,880	-	88,904	-
7020	Other gains and losses	6(23) and 7	1,853	-	45,705	-
7050	Finance costs	6(24)	( 147,433)	( 1)	( 82,038)	-
7060	Share of (loss) profit of associates and joint ventures accounted for using equity method	6(7)	( 5,447)	-	280	-
7000	Total non-operating income and expenses		( 75,436)	( 1)	53,210	-
7900	<b>Profit before income tax</b>		1,928,243	6	1,644,750	6
7950	Income tax expense	6(27)	( 378,069)	( 1)	( 331,093)	( 1)
8200	<b>Profit for the year</b>		\$ 1,550,174	5	\$ 1,313,657	5

(Continued)

CHAROEN POKPHAND ENTERPRISE (TAIWAN) CO., LTD. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME  
YEARS ENDED DECEMBER 31, 2022 AND 2021

(Expressed in thousands of New Taiwan dollars, except for earnings per share amounts)

	Items	Notes	Year ended December 31				
			2022		2021		
			AMOUNT	%	AMOUNT	%	
	<b>Other comprehensive income</b>						
	<b>Components of other comprehensive income that will not be reclassified to profit or loss</b>						
8311	Other comprehensive income, before tax, actuarial gains on defined benefit plans	6(15)	\$ 43,974	-	\$ 19,705	-	
8316	Unrealised gain or loss on financial assets at fair value through other comprehensive income		( 74,167)	-	( 316,380)	( 1)	
8349	Income tax related to components of other comprehensive (loss) income that will not be reclassified to profit or loss	6(27)	( 15,015)	-	7,650	-	
8310	Other comprehensive loss that will not be reclassified to profit or loss		( 45,208)	-	( 289,025)	( 1)	
	<b>Components of other comprehensive income that will be reclassified to profit or loss</b>						
8361	Currency translation differences of foreign operations		160,418	1	( 36,291)	-	
8360	Other comprehensive income (loss) that will be reclassified to profit or loss		160,418	1	( 36,291)	-	
8300	<b>Total other comprehensive income (loss) for the year</b>		\$ 115,210	1	(\$ 325,316)	( 1)	
8500	<b>Total comprehensive income for the year</b>		\$ 1,665,384	6	\$ 988,341	4	
	Profit (loss) attributable to:						
8610	Owners of the parent		\$ 1,555,380	5	\$ 1,355,652	5	
8620	Non-controlling interest		( 5,206)	-	( 41,995)	-	
			\$ 1,550,174	5	\$ 1,313,657	5	
	Comprehensive income (loss) attributable to:						
8710	Owners of the parent		\$ 1,669,875	6	\$ 1,029,939	4	
8720	Non-controlling interest		( 4,491)	-	( 41,598)	-	
			\$ 1,665,384	6	\$ 988,341	4	
	Earnings per share (in dollars)	6(28)					
9750	Basic earnings per share		\$ 5.28		\$ 4.60		
9850	Diluted earnings per share		\$ 5.27		\$ 4.59		

The accompanying notes are an integral part of these consolidated financial statements.  
Chairman: Wu Yeh, Cheng      CEO: Thong Chotirat      Chief Accountant: Su Hua Lee

**CHAROEN POKPHAND ENTERPRISE (TAIWAN) CO., LTD. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**  
**YEARS ENDED DECEMBER 31, 2022 AND 2021**  
(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
		Share capital - 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		
<b>2021</b>										
Balance at January 1, 2021		\$ 2,679,910	\$ 3,957	\$ 880,252	\$ 3,332,669	(\$ 132,921)	\$ 1,541,119	\$ 8,304,986	\$ 428,500	\$ 8,733,486
Profit (loss) for the year		-	-	-	1,355,652	-	-	1,355,652	( 41,995 )	1,313,657
Other comprehensive income (loss)		-	-	-	15,367	( 36,291 )	( 304,789 )	( 325,713 )	397	( 325,316 )
Total comprehensive income (loss)		-	-	-	1,371,019	( 36,291 )	( 304,789 )	1,029,939	( 41,598 )	988,341
Appropriations of 2020 earnings :	6(18)									
Legal reserve		-	-	164,389	( 164,389 )	-	-	-	-	-
Cash dividends		-	-	-	( 1,205,959 )	-	-	( 1,205,959 )	-	( 1,205,959 )
Capital surplus - dividends not received by shareholders		-	1,161	-	-	-	-	1,161	-	1,161
Change in ownership interests in subsidiaries		-	( 452 )	-	( 583 )	-	-	( 1,035 )	1,035	-
Cash receipt from non-controlling interest of a subsidiary through capital increase in cash		-	-	-	-	-	-	-	98,000	98,000
Change in non-controlling interests		-	-	-	-	-	-	-	( 22,022 )	( 22,022 )
Balance at December 31, 2021		\$ 2,679,910	\$ 4,666	\$ 1,044,641	\$ 3,332,757	(\$ 169,212)	\$ 1,236,330	\$ 8,129,092	\$ 463,915	\$ 8,593,007
<b>2022</b>										
Balance at January 1, 2022		\$ 2,679,910	\$ 4,666	\$ 1,044,641	\$ 3,332,757	(\$ 169,212)	\$ 1,236,330	\$ 8,129,092	\$ 463,915	\$ 8,593,007
Profit (loss) for the year		-	-	-	1,555,380	-	-	1,555,380	( 5,206 )	1,550,174
Other comprehensive income (loss)		-	-	-	34,464	160,418	( 80,387 )	114,495	715	115,210
Total comprehensive income (loss)		-	-	-	1,589,844	160,418	( 80,387 )	1,669,875	( 4,491 )	1,665,384
Appropriations of 2021 earnings :	6(18)									
Legal reserve		-	-	137,043	( 137,043 )	-	-	-	-	-
Cash dividends		-	-	-	( 803,973 )	-	-	( 803,973 )	-	( 803,973 )
Stock dividends	6(16)	267,991	-	-	( 267,991 )	-	-	-	-	-
Capital surplus - dividends not received by shareholders		-	1,974	-	-	-	-	1,974	-	1,974
Cash receipt from non-controlling interest of a subsidiary through capital increase in cash		-	-	-	-	-	-	-	49,000	49,000
Change in non-controlling interests		-	-	-	-	-	-	-	( 17,628 )	( 17,628 )
Balance at December 31, 2022		\$ 2,947,901	\$ 6,640	\$ 1,181,684	\$ 3,713,594	(\$ 8,794)	\$ 1,155,943	\$ 8,996,968	\$ 490,796	\$ 9,487,764

The accompanying notes are an integral part of these consolidated financial statements.  
Chairman: Wu Yeh, Cheng      CEO: Thong Chotirat      Chief Accountant: Su Hua Lee

**CHAROEN POKPHAND ENTERPRISE (TAIWAN) CO., LTD. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**YEARS ENDED DECEMBER 31, 2022 AND 2021**  
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31	
		2022	2021
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before tax		\$ 1,928,243	\$ 1,644,750
Adjustments			
Adjustments to reconcile profit (loss)			
Expected credit impairment (gain) loss	12(2)	( 7,390 )	9,006
Depreciation	6(8)(25)	895,140	752,396
Depreciation of right-of-use assets	6(9)(25)	58,994	50,473
Amortization	6(25)	5,870	4,551
Interest income	6(21)	( 711 )	( 359 )
Interest expense	6(24)	147,433	82,038
Dividend income	6(3)(22)	( 66,108 )	( 82,101 )
Gain on reversal of loss on inventory market price decline	6(5)	( 1,681 )	( 127 )
Change in fair value less cost to sell of biological assets	6(6)(20)	( 21,509 )	12,738
Share of profit or loss recognised under equity method	6(7)	5,447	( 280 )
(Gain) loss on disposal of property, plant and equipment	6(23)	( 4,392 )	3,088
Gain arising from lease modifications	6(23)	( 201 )	-
Gain of financial asset at fair value through other comprehensive profit or loss		11,791	( 888 )
Changes in operating assets and liabilities			
Changes in operating assets			
Notes receivable		4,798	( 135,265 )
Notes receivable - related parties		1,195	( 3,951 )
Accounts receivable		( 352,643 )	( 476,456 )
Accounts receivable - related parties		( 10,464 )	( 55,707 )
Other receivables		( 35,712 )	( 5,170 )
Other receivables - related parties		( 228 )	-
Inventories		( 769,168 )	( 560,707 )
Biological assets		( 478,474 )	( 239,262 )
Prepayments		( 5,043 )	37,160
Changes in operating liabilities			
Notes payable		176,692	( 95,303 )
Notes payable - related parties		2,716	10,673
Accounts payable		151,588	104,216
Accounts payable - related parties		( 2,708 )	20,620
Other payables		116,571	59,156
Other payables - related parties		3,803	19,423
Net defined benefit liability		( 19,575 )	( 18,912 )
Cash inflow generated from operations		1,734,274	1,135,800
Cash paid for income tax		( 331,756 )	( 442,837 )
Refund of income tax		-	6,314
Net cash flows from operating activities		1,402,518	699,277

(Continued)

**CHAROEN POKPHAND ENTERPRISE (TAIWAN) CO., LTD. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**YEARS ENDED DECEMBER 31, 2022 AND 2021**  
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31	
		2022	2021
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Acquisition of financial assets at fair value through profit or loss		\$ -	( \$ 138,653 )
Proceeds from disposal of financial assets at fair value through profit or loss		-	139,541
Decrease in other current assets		-	38,284
Acquisition of financial assets at fair value through other comprehensive income		-	( 999,544 )
Acquisition of property, plant and equipment	6(29)	( 2,255,295 )	( 2,326,005 )
Proceeds from disposal of property, plant and equipment		11,245	6,960
Acquisition of intangible assets	6(10)	( 1,151 )	( 4,089 )
Increase in other non-current assets		( 18,803 )	( 17,699 )
Cash receipt of interest		711	359
Cash receipt of dividends	6(3)(22)	66,108	82,101
Net cash flows used in investing activities		( 2,197,185 )	( 3,218,745 )
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Increase in short-term borrowings		964,066	641,316
(Decrease) increase in short-term notes and bills payable		( 51,240 )	439,777
Proceeds from long-term borrowings		8,758,510	7,684,250
Payment of long-term borrowings		( 7,784,750 )	( 5,043,250 )
Payment of lease liabilities	6(9)	( 54,840 )	( 51,953 )
Cash payment for interest		( 143,856 )	( 80,255 )
Cash dividends paid	6(18)	( 803,973 )	( 1,205,959 )
Cash receipt from non-controlling interest of a subsidiary through capital increase establishment		49,000	98,000
Cash dividends paid to non-controlling interest		( 17,628 )	( 22,022 )
Capital surplus - dividends not received by shareholders		1,974	1,161
Net cash flows from financing activities		917,263	2,461,065
Effects of changes in foreign exchange rate		1,481	( 2,268 )
Net increase (decrease) in cash and cash equivalents		124,077	( 60,671 )
Cash and cash equivalents at beginning of year	6(1)	187,008	247,679
Cash and cash equivalents at end of year	6(1)	\$ 311,085	\$ 187,008

The accompanying notes are an integral part of these consolidated financial statements.  
Chairman: Wu Yeh, Cheng      CEO: Thong Chotirat      Chief Accountant: Su Hua Lee

**Attachment 5****CHAROEN POKPHAND ENTERPRISE (TAIWAN) CO., LTD.****Table of Distribution of Surplus Earnings  
Year 2022**

Unit: NTD

Items	Amount	Note
Beginning retained earnings	2,123,750,375	
Add: Adjustment to 2022 retained earnings	34,464,115	
Adjusted un-appropriated retained earnings	2,158,214,490	
Add: 2022 net profit after tax	1,555,379,878	
Less: 10% legal reserve	(158,984,400)	
Distributable surplus earnings	3,554,609,968	
Distributable items:		
Cash dividend to shareholders	1,031,765,343	NT\$ 3.5 per share
Un-appropriated retained earnings after distribution	2,522,844,625	

Chairman: Wu Yeh, Cheng

CEO: Thong Chotirat

Chief Accountant: Su Hua Lee

## Appendix

### CHAROEN POKPHAND ENTERPRISE (TAIWAN) CO., LTD.

#### Rules of Procedure for Shareholders Meetings

Approved by the General Shareholders' Meeting on June 18, 2002

1. Shareholders' Meeting of the Company (the "Meeting") shall be conducted in accordance with the Rules of Procedure, except as otherwise provided by the relevant laws and regulations.
2. The Company shall furnish the attending shareholders with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in.  
The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in.
3. Attendance and voting at the Meeting shall be calculated based on the number of shares.
4. The venue for a shareholders meeting shall be the premises of the Company, or a place easily accessible to shareholders and suitable for a shareholders meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m.
5. If a shareholders meeting is convened by the Board of Directors, the meeting shall be chaired by the chairman of the Board. When the chairman of the Board is on leave or for any reason unable to exercise the powers of the chairman, the chairman shall appoint one of the directors to act as chair. Where the chairman does not make such a designation, the directors shall select from among themselves one person to serve as chair.  
If a shareholders meeting is convened by a party with power to convene but other than the Board of Directors, the convening party shall chair the meeting.
6. The Company may appoint its attorneys, certified public accountants, or related persons to attend a shareholders meeting. Persons handling administrative affairs of a shareholders meeting shall wear identification cards or arm bands.
7. The Company shall make an uninterrupted audio and video recording for the whole process of the Meeting. The recorded materials shall be retained for at least one year.
8. The chairman shall call the meeting to order at the appointed meeting time. However, when the attending shareholders do not represent a majority of the total number of issued shares, the chairman may announce a postponement, provided that no more than two such postponements, for a combined total of no more than 1 hour, may be made. If the quorum is not met after two postponements, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act.  
When, prior to conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the chairman may resubmit the tentative resolution for a vote by the shareholders meeting pursuant to Article 174 of the Company Act.
9. If a shareholders meeting is convened by the Board of Directors, the meeting agenda shall be set by the Board of Directors. The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders meeting.  
The provisions of the preceding paragraph apply mutatis mutandis to a shareholders meeting convened by a party with the power to convene that is not the Board of Directors.  
The chairman may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extraordinary motions), except by a resolution of the shareholders meeting.  
The shareholders cannot designate any other person as chairman and continue the Meeting in the same or other place after the Meeting is adjourned. In the event that the chairman declares the meeting adjourned in violation of the Rules of Procedure, the attending

shareholders may elect a new chairman by agreement of a majority of the votes represented by the attending shareholders, and then continue the meeting.

10. Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chairman.  
A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail.  
When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chairman and the shareholder that has the floor; the chairman shall stop any violation.
11. Except with the consent of the chairman, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 5 minutes. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chairman may terminate the speech.
12. When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the Meeting.  
When a juristic person shareholder appoints two or more representatives to attend a shareholders meeting, only one of the representatives so appointed may speak on the same proposal.
13. After an attending shareholder has spoken, the chairman may respond in person or direct relevant personnel to respond.
14. When the chairman is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chairman may announce the discussion closed and call for a vote.
15. Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chairman, provided that all monitoring personnel shall be shareholders of the Company. The results of the voting shall be announced on-site at the meeting, and a record made of the vote.
16. When a meeting is in progress, the chairman may announce a break based on time considerations.
17. Except as otherwise provided in the Company Act and in the Company's Articles of Incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders.  
The resolution shall be deemed adopted and shall have the same effect as if it was voted by casting ballots if no objection is voiced after solicitation by the chairman.
18. When there is an amendment or an alternative to a proposal, the chairman shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejection, and no further voting shall be required.
19. The chairman may direct the proctors or security personnel to help maintain order at the meeting place. When proctors or security personnel help maintain order at the meeting place, they shall wear an identification card or armband bearing the word "Proctor."
20. The Rules of Procedure and any amendments shall be implemented after adoption by shareholders meetings.

# CHAROEN POKPHAND ENTERPRISE (TAIWAN) CO., LTD.

## Articles of Incorporation

Approved by the General Shareholders' Meeting on June 23, 2022

### Chapter I- General Provisions

#### Article 1

The Company is incorporated, as a company limited by shares, under the Company Act of the Republic of China. The Company's Chinese name is 台灣卜蜂企業股份有限公司 and its English name is CHAROEN POKPHAND ENTERPRISE (TAIWAN) CO., LTD.

#### Article 2

The scope of business of the Company is as follows:

- 1 A401010 Operation of Livestock Farm
- 2 A401020 Animal Husbandry
- 3 A401040 Livestock Farming
- 4 C101010 Slaughter
- 5 C103050 Canned, Frozen, Dehydrated Food Manufacturing
- 6 C199030 Instant Food Manufacturing
- 7 C199990 Other Food Manufacturing Not Elsewhere Classified
- 8 C201010 Prepared Animal Feeds Manufacturing
- 9 F101040 Wholesale of Animal Husbandry
- 10 F101050 Wholesale of Aquatic Products
- 11 F102170 Wholesale of Food and Grocery
- 12 F103010 Wholesale of Animal Feeds
- 13 F201020 Retail sale of Husbandry Products
- 14 F201030 Retail Sale of Aquatic Products
- 15 F202010 Retail Sale of Animal Feeds
- 16 F203010 Retail Sale of Food and Grocery
- 17 F401010 International Trade
- 18 I101070 Agriculture, Forestry, Fishing and Animal Husbandry Consultancy
- 19 I101090 Food Consultancy
- 20 I103060 Management Consulting Services
- 21 IG01010 Biotechnology Services
- 22 F501060 Restaurants
- 23 F501990 Other Eating and Drinking Places Not Elsewhere Classified
- 24 C105010 Edible Oil and Fat Manufacturing
- 25 F102020 Wholesale of Edible Fat and Oil
- 26 F101130 Wholesale of Vegetables and Fruits
- 27 F101990 Wholesale of Other Agricultural, Livestock and Aquatic Products
- 28 F121010 Wholesale of Food Additives
- 29 F201010 Retail Sale of Agricultural Products
- 30 F201990 Retail Sale of Other Agricultural, Livestock and Aquaculture Products
- 31 F221010 Retail of Food Additives
- 32 F301020 Supermarkets
- 33 F399010 Convenience Stores
- 34 F399040 Retail Sale No Storefront
- 35 ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.

#### Article 2-1

The total amount of the Company's investment in other business shall be without the restriction of forty percent (40%) of the Company's paid-in capital.

#### Article 3

The Company has its head office in Taipei City. When it is necessary and with a resolution by the Board of Directors, the Company may set up branch offices and plants domestically and abroad.

#### Article 4

The Company may provide endorsements and guarantees to its subsidiaries or a company related to its business.

### **Chapter II - Shares**

#### Article 5

The authorized capital of the Company is 3,579,000,000 New Taiwan Dollars, divided into 357,900,000 shares with a par value of ten New Taiwan Dollars (NT\$10) per share. All the shares may be issued in installments with a resolution by the Board of Directors.

#### Article 6

The share certificates of the Company shall be affixed with the signatures or personal seals of the director representing the company, serially numbered, indicated the particulars in accordance with Article 162 of the Company Act and shall be duly certified or authenticated by the bank which is competent to certify shares under the laws before issuance.

#### Article 6-1

When issuing new shares, the Company may print a share certificate in respect of the full number of shares to be issued at that time, and arrange for the share certificate to be kept by a centralized securities depository enterprise.

The Company may be exempted from printing any share certificates for the shares issued, and the company shall register the issued shares with a centralized securities depository enterprise.

#### Article 7

The transfer of shares, pledge of rights, loss, succession, gift, loss of seal, amendment of seal, change of address or similar stock affairs conducted by shareholders of the Company, shall follow the Regulations Governing the Administration of Shareholder Services of Public Companies promulgated by the competent authority, unless otherwise provided in laws and securities regulations.

#### Article 8

(Deleted)

#### Article 9

The alteration in the shareholders' roster shall be suspended within sixty (60) days prior to the date of a general shareholder's meeting, thirty (30) days prior to the date of a special shareholders' meeting, or five (5) days prior to the target date fixed by the Company for distribution of dividends, bonuses, or other benefits.

#### Article 10

Shareholders shall submit the seal specimen to the Company. The Company shall verify the seal used by a shareholder for claiming dividends or written exercising rights in compliance with seal specimen kept in the Company.

### **Chapter III– Shareholders' Meetings**

#### Article 11

There are two kinds of shareholders' meetings, the general meetings and the special meetings.

1. General meetings shall be convened by the Board of Directors within six (6) months after the close of each fiscal year.
2. Special meetings shall be convened when necessary in accordance with the laws and regulations.

When the Company holds a shareholders' meeting, the meeting can be held by means of visual communication network, or other methods promulgated by the central competent authority.

#### Article 12

Unless otherwise provided in the Company Act, the Chairman of Board of Directors shall preside at each meeting of shareholders. In case that the Chairman is on leave or absence or cannot exercise his power and authority for any cause, the Chairman of Board of Directors shall designate either the Vice Chairman or one of the directors to act on his behalf in accordance with the Company Act. The shareholders' meeting shall be conducted in accordance with the Rules and Procedures of Shareholders' Meeting of the Company.

#### Article 13

A notice to convene a general meeting of shareholders shall be given to each shareholder no later than thirty (30) days prior to the scheduled meeting date. A notice to convene a special meeting of shareholders shall be given to each shareholder no later than fifteen (15) days prior to the scheduled meeting date. The date, place of the meeting and the causes or subjects of a shareholders' meeting to be convened shall be indicated in the individual notice to be given to shareholders.

#### Article 14

Unless otherwise provided in the Company Act, resolutions at a shareholders' meeting shall be adopted by a majority vote of the shareholders present, who represent more than one-half of the total number of voting shares.

#### Article 15

Except in the circumstances otherwise provided in laws and regulations, a shareholder shall have one voting power in respect of each share in his/her/its possession.

#### Article 16

If a shareholder is unable to attend a shareholders' meeting, he/she/it may appoint a proxy to attend a shareholders' meeting in his/her/its behalf by executing a power of attorney form printed by the Company and stating the scope of power authorized to the proxy.

The proxies to be used for attendance at a shareholders' meeting, unless otherwise provided in the Company Act, shall be in accordance with the Regulations Governing the Use of Proxies for Attendance at Shareholders' Meetings of Public Companies promulgated by the competent authority.

#### Article 17

Resolutions adopted at a shareholders' meeting shall be recorded in the minutes of the meeting, which shall be affixed with the signature or seal of the Chairman of the meeting and shall be distributed to all shareholders of the company within twenty (20) days after the close of the shareholders' meeting in accordance with the Company Act.

The minutes of shareholders' meeting shall record the date and place of the meeting, the name of the chairman, the method of adopting resolutions, and a summary of the essential points of the proceedings and the results of the meeting. The minutes shall be kept persistently throughout the life of the Company. The attendance list bearing the signatures of shareholders present at the meeting and the powers of attorney of the proxies shall be kept by the Company for a minimum period of at least one year.

However, if a lawsuit has been instituted by any shareholder in accordance with the provisions of Article 189 of the Company Act, the minutes of the shareholders' meeting involved shall be kept by the Company until the legal proceedings of the foregoing lawsuit have been concluded.

### **Chapter IV – Directors and Managerial Personnel**

#### Article 18

There are eight directors of the Company, who shall be elected by the shareholders' meeting from among the persons with disposing capacity. The term of office of a director shall be three years, and a director may be eligible for re-election. The independent directors shall not be less than three in number and not less than one-fifth of the total number of directors. The election of directors is adopted by candidate nomination system. The election of independent directors and non-independent directors shall be held together, and the elected members of independent directors and non-independent directors shall be calculated separately.

The percentage of shareholdings of all directors shall be in accordance with the Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies promulgated by the competent authority.

#### Article 19

The Board of Directors is composed of the entirety of directors, in conducting business, shall act in accordance with laws and ordinances, the Articles of Incorporation, and the resolutions adopted at the meetings of shareholders.

#### Article 20

The Company has a Chairman and may have a Vice Chairman; the Board of Directors shall elect a Chairman and/or a Vice Chairman from among the directors in accordance with the Company Act. The Chairman shall externally represent the Company.

#### Article 21

Meetings of the Board of Directors, unless otherwise provided for in the Company Act, shall be convened by the Chairman of the Board of Directors.

Unless otherwise provided for in the Company Act, or other laws and ordinances, resolutions of the Board of Directors shall be adopted by a majority of the directors at a meeting attended by a majority of the directors.

#### Article 22

The Chairman of Board Directors shall preside at the meetings of Board of Directors. In case that the Chairman is on leave or absence or cannot exercise his power and authority for any cause, the Chairman of Board of Directors shall designate either the Vice Chairman or one of the directors to act on his behalf in accordance with the Company Act. In case that a director cannot attend the meeting for any cause whatsoever, he/she may appoint another director to attend a meeting of the Board of Directors in his/her behalf.

In case a meeting of the Board of Directors is proceeded via visual communication network, then the directors taking part in such a visual communication meeting shall be deemed to have attended the meeting in person.

In the case of emergency, the meeting of the Board of Directors may be convened at any time. A notice for calling a meeting of the Board of Directors may be effected by means of written, electronic transmission or facsimile.

#### Article 23

The Company establishes an Audit Committee in compliance with Articles 14-4 of the Securities and Exchange Act. The Audit Committee and its independent director members shall exercise the power and authority in accordance with the provisions regarding supervisors in the Company Act, the Securities and Exchange Act, other laws and regulations.

#### Article 24 (Deleted)

#### Article 25

The Company has one Chief Executive Officer (CEO). The CEO is empowered by the Board of Directors, responsible for the business and employee recruit.

#### Article 26

Appointment and discharge of the CEO shall be nominated by the Chairman and be decided in accordance with the resolution of the Board of Directors.

### **Chapter V – Accounting**

#### Article 27

The Company's fiscal year is starting from January 1 until December 31 of every calendar year. The final account closing shall be conducted at end of every fiscal year.

#### Article 28

After the final account closing of every fiscal year, the Board of Directors, in accordance with the Company Act, shall submit the following reports and statements to a general meeting of shareholders for ratification:

1. Business report;
2. Financial statements;
3. Surplus earning distribution or loss off-setting proposals.

#### Article 29

The Company is in the stage of stable growth, considering the capital demand of the Company and the cash inflow that the shareholders desire, while the Company has profit as a result of the annual final accounting, shall pay all taxes and dues pursuant to laws, offset its accumulated losses, and then set aside 10% of such profits as legal reserve. Where such legal reserve amount has reached the Company's paid-in capital, this provision shall not apply. The Company then set aside or reverse special reserve in accordance with the laws and regulations requested by the competent authority. The remaining surplus profits together with the un-appropriated retained earnings of the previous years shall be distributed as shareholders' dividends proposed by the Board of Directors. Cash dividends shall not be less than 10% of the total distributed

dividends. While the cash dividends per share is less than NT\$0.1, the cash dividends shall be distributed in the form of stock dividends.

The distributable dividends and bonuses, or the legal reserve and capital reserve provided in the Paragraph 1 of Article 241 of the Company Act, in whole or in part, may be paid in cash after a resolution has been adopted by a majority vote at a meeting of the Board of Directors attended by two-thirds of the total number of directors of the Company; and in addition thereto a report of such distribution shall be submitted to the shareholders' meeting. In the case of distribution in the form of new issued shares, shall be conducted by a resolution adopted at a shareholders' meeting.

#### Article 29-1

When the Company has profit of the current year, at least 1% or more shall be distributed as employees' bonuses. In case that the Company has accumulative losses, a sufficient amount shall be reserved to offset its accumulative losses in advance.

#### Article 30 (Deleted)

#### Article 31

The remuneration for the chairman and directors is according to the individual merit for the degree of participation and contribution in the operation of the Company, in view of the standards of international and local industry, the Board of Directors is authorized to determine the aforesaid remuneration. In case that a shareholder or a director acts as a managerial officer or staff/employee of the Company, he/she shall be deemed as a general staff/employee and be paid for the salary.

### **Chapter VI – Supplementation**

#### Article 32

The organizational rules and the detailed procedures of business operation of the Company shall be separately determined by the Board of Directors.

#### Article 33

Any matters not provided for in these Articles of Incorporation shall be governed by the Company Act.

#### Article 34 (Deleted)

#### Article 35

These Articles of Incorporation were stipulated on July 30, 1977. The first Amendment was made on August 20, 1978, the second Amendment on June 10, 1979, the third Amendment on September 30, 1980, the fourth Amendment on December 31, 1980, the fifth Amendment on March 6, 1981, the sixth Amendment on June 10, 1981, the seventh Amendment on June 30, 1981, the eighth Amendment on May 29, 1982, the ninth Amendment on March 15, 1983, the tenth Amendment on May 2, 1984, the eleventh Amendment on September 30, 1984, the twelfth Amendment on May 28, 1985, the thirteenth Amendment on November 17, 1986, the fourteenth Amendment on July 29, 1987, the fifteenth Amendment on December 8, 1987, the sixteenth Amendment on April 1, 1988, the seventeenth Amendment on September 24, 1988, the eighteenth Amendment on April 17, 1989, the nineteenth Amendment on June 11, 1990, the twentieth Amendment on May 17, 1991, the twenty-first Amendment on June 4, 1992, the twenty-second Amendment on June 8, 1993, the twenty-third Amendment on May 23, 1994, the twenty-fourth Amendment on June 13, 1995, the twenty-fifth Amendment on June 5, 1996, the twenty-sixth Amendment on May 28, 1997, the twenty-seventh Amendment on June 5, 1998, the twenty-eighth Amendment on May 26, 2000, the twenty-ninth Amendment on June 18, 2002, the thirtieth Amendment on June 14, 2005, the thirty-first Amendment on June 20, 2006, the thirty-second Amendment on June 28, 2007, the thirty-third Amendment on June 18, 2010, the thirty-fourth Amendment on June 21, 2012, the thirty-fifth Amendment on June 19, 2014, the thirty-sixth Amendment on June 17, 2015, the thirty-seventh Amendment on June 17, 2016, the thirty-eighth Amendment on June 15, 2017, the thirty-ninth Amendment on June 26, 2019, the fortieth Amendment on June 23, 2022. Any amendment to the Articles of Incorporation of the Company shall be in accordance with the resolution adopted at a shareholders' meeting, and be submitted to the competent authority.

## **CHAROEN POKPHAND ENTERPRISE (TAIWAN) CO., LTD.**

### **Rules for Election of Directors**

Approved by the General Shareholders' Meeting on July 22, 2021

1. Except as otherwise provided by law and regulation or by the Company's articles of incorporation, the election of directors shall be conducted in accordance with these Rules.
2. In the election of directors of the Company, each share shall have voting rights in number equal to the directors to be elected, and may be cast for a single candidate or split among multiple candidates. The election of independent directors and non-independent directors shall be held together, however, the number of independent directors and non-independent directors elected shall be calculated separately.
3. The Company shall prepare separate ballots for directors in numbers corresponding to the directors to be elected. The number of voting rights associated with each ballot shall be specified on the ballots, which shall then be distributed to the attending shareholders at the shareholders meeting.
4. Before the election begins, the Chairman shall appoint a number of persons with shareholder status to perform the respective duties of vote monitoring and counting personnel.
5. The Company shall prepare the ballot boxes for the election of directors and publicly checked by the vote monitoring personnel before voting commences.
6. A ballot is invalid under any of the following circumstances:
  - (1) The ballot was not prepared by a person with the right to convene the meeting.
  - (2) A blank ballot is placed in the ballot box.
  - (3) The writing is unclear and indecipherable or has been altered.
  - (4) The candidate whose name is entered in the ballot does not conform to the director candidate list.
  - (5) Other words or marks are entered in addition to the number of voting rights allotted.
7. In the election of independent directors and non-independent directors of the Company, the number of directors will be as specified in this Corporation's articles of incorporation, with voting rights separately calculated for independent and non-independent director positions. Those receiving ballots representing the highest numbers of voting rights will be elected sequentially according to their respective numbers of votes. When two or more persons receive the same number of votes, thus exceeding the specified number of positions, they shall draw lots to determine the winner, with the Chairman drawing lots on behalf of any person not in attendance.
8. The voting rights shall be calculated on site immediately after the end of the poll, and the results of the calculation shall be announced by the Chairman on the site of meeting.
9. The Company shall issue notifications to the persons elected as directors.
10. These Rules and any amendments hereto shall be implemented after approval by a shareholders meeting.

**CHAROEN POKPHAND ENTERPRISE (TAIWAN) CO., LTD.**  
**Shareholding of All Directors**

List of Directors

Record Date : April 17, 2023

Position	Name	Date Elected	Shareholding While Elected			Current Shareholding			Remarks
			Type	Shares	Shareholding Ratio%	Type	Shares	Shareholding Ratio%	
Chairman	Wu Yeh, Cheng	July 22, 2021	Common Shares	26,802,733	10.00%	Common Shares	29,483,006	10.00%	
Director	Prasert Poongkumarn								
Director	Chu Hsiung, Lin								
Director	Thong Chotirat								
Director	Monchai Leelaharat								
Independent Director	Yen Sung, Li	July 22, 2021	Common Shares	0	0.00%	Common Shares	0	0.00%	
Independent Director	Tsu M. Ongg	July 22, 2021	Common Shares	0	0.00%	Common Shares	0	0.00%	
Independent Director	Jin-Shong Yang	June 23, 2022	Common Shares	0	0.00%	Common Shares	0	0.00%	
Total				26,802,733			29,483,006		

Total issued shares on July 22, 2021: 267,990,998 Shares

Total issued shares on April 17, 2023: 294,790,098 Shares

Note : The minimum required combined shareholding of all directors by law: 12,000,000 shares

The combined shareholding of all directors on April 17, 2023: 29,483,006 shares

CPE has established Audit Committee that minimum required combined shareholding of all supervisors by law is not applicable.