CHAROEN POKPHAND ENTERPRISE (TAIWAN) CO., LTD.

PARENT COMPANY ONLY FINANCIAL STATEMENTS AND INDEPENDENT AUDITORS' REPORT

DECEMBER 31, 2023 AND 2022

For the convenience of readers and for information purpose only, the auditors' report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. In the event of any discrepancy between the English version and the original Chinese version or any differences in the interpretation of the two versions, the Chinese-language auditors' report and financial statements shall prevail.

INDEPENDENT AUDITORS' REPORT

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, 2023 and 2022, 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 material 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, 2023 and 2022, 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 Financial Statement Audit and Attestation Engagements of Certified Public Accountants and Standards on Auditing of 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.

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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 2023 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 2023 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, 2023, the carrying amount of inventories and allowance for inventory valuation losses amounted to NT$2,181,770 thousand and NT$7,600 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, 2023, the carrying amount of biological assets amounted to NT$2,364,278 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 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 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:

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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.

Yifan Lin Fu-Ming, Liao

Lin, Yi-Fan	Liao, Fu-Ming

For and on Behalf of PricewaterhouseCoopers, Taiwan

March 11, 2024

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, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

			December 31, 2023			December 31, 2022		
	Assets	Notes		AMOUNT	%		AMOUNT	%
	Current assets							
1100	Cash and cash equivalents	6(1)	$	139,001	1	$	122,778	-
1150	Notes receivable, net	6(4)		351,478	1		375,832	2
1170	Accounts receivable, net	6(4)		2,261,181	9		2,413,462	10
1180	Accounts receivable - related parties	7		131,556	1		127,147	1
1200	Other receivables			15,740	-		50,746	-
1210	Other receivables - related parties	7		343	-		207	-
1220	Current income tax assets			-	-		6,284	-
130X	Inventories, net	6(5)		2,174,170	9		2,472,937	10
1400	Biological assets - current	6(7)		1,823,064	7		1,842,955	8
1410	Prepayments			342,008	1		393,245	2
1470	Other current assets	6(1) and 8		9,650	-		9,650	-
11XX	**Total current assets**			7,248,191	29		7,815,243	33
	Non-current assets							
1510	Non-current financial assets at fair value through profit or loss	6(2)		144,000	1		-	-
1517	Non-current financial assets at fair value through other comprehensive income	6(3)		1,277,060	5		972,692	4
1550	Investments accounted for using equity method	6(6)		2,055,082	8		2,413,926	10
1600	Property, plant and equipment, net	6(8) and 8		12,919,837	52		11,388,585	48
1755	Right-of-use assets	6(9)		337,994	2		340,373	2
1780	Intangible assets	6(10)		35,210	-		3,126	-
1830	Biological assets - non-current	6(7)		541,214	2		502,089	2
1840	Deferred income tax assets	6(25)		77,455	-		50,427	-
1900	Other non-current assets			141,003	1		118,456	1
15XX	**Total non-current assets**			17,528,855	71		15,789,674	67
1XXX	**Total assets**		$	24,777,046	100	$	23,604,917	100

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CHAROEN POKPHAND ENTERPRISE (TAIWAN) CO., LTD.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

	Liabilities and Equity	Notes	December 31, 2023 AMOUNT	%	December 31, 2022 AMOUNT	%
	Current liabilities					
2100	Short-term borrowings	6(11)	$ 3,034,040	12	$ 3,651,097	15
2110	Short-term notes and bills payable	6(12)	978,405	4	938,148	4
2120	Current financial liabilities at fair value through profit or loss	6(2)	-	-	11,791	-
2150	Notes payable		599,749	3	590,631	3
2160	Notes payable - related parties	7	33,701	-	188	-
2170	Accounts payable		764,997	3	874,711	4
2180	Accounts payable - related parties	7	31,599	-	19,314	-
2200	Other payables		1,008,357	4	822,697	3
2220	Other payables - related parties	7	9,966	-	27,109	-
2230	Current income tax liabilities		370,071	2	218,477	1
2280	Current lease liabilities		27,573	-	29,442	-
2320	Long-term liabilities, current portion	6(13)	264,286	1	648,095	3
21XX	**Total current liabilities**		7,122,744	29	7,831,700	33
	Non-current liabilities					
2540	Long-term borrowings	6(13) and 8	7,536,667	31	6,391,905	27
2570	Deferred income tax liabilities	6(25)	43,301	-	41,930	-
2580	Non-current lease liabilities		293,501	1	299,974	2
2600	Other non-current liabilities	6(14)	27,509	-	42,440	-
25XX	**Total non-current liabilities**		7,900,978	32	6,776,249	29
2XXX	**Total liabilities**		15,023,722	61	14,607,949	62
	Equity attributable to owners of parent					
	Share capital	6(15)				
3110	Common stock		2,947,901	12	2,947,901	12
	Capital surplus	6(16)				
3200	Capital surplus		10,534	-	6,640	-
	Retained earnings	6(17)				
3310	Legal reserve		1,340,668	5	1,181,684	5
3350	Unappropriated retained earnings		4,786,803	19	3,713,594	16
	Other equity interest					
3400	Other equity interest		667,418	3	1,147,149	5
3XXX	**Total equity**		9,753,324	39	8,996,968	38
	Significant contingent liabilities and unrecognised contract commitments	9				
	Significant events after the balance sheet date	11				
3X2X	**Total liabilities and equity**		$ 24,777,046	100	$ 23,604,917	100

The accompanying notes are an integral part of these parent company only financial statements.

CHAROEN POKPHAND ENTERPRISE (TAIWAN) CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars, except earnings per share amount)

			Year ended December 31			
			2023		2022	
	Items	Notes	AMOUNT	%	AMOUNT	%
4000	Operating revenue	6(18) and 7	$ 27,235,093	100	$ 26,895,450	100
5000	Operating costs	6(4)(24) and 7	(22,453,967)	(82)	(23,254,925)	(87)
5950	Net operating margin		4,781,126	18	3,640,525	13
	Operating expenses	6(24) and 7				
6100	Selling and marketing expenses		(1,114,633)	(4)	(976,648)	(4)
6200	General and administrative expenses		(742,252)	(3)	(682,635)	(2)
6450	Expected credit impairment (loss) gain	12(2)	(23,264)	-	442	-
6000	Total operating expenses		(1,880,149)	(7)	(1,658,841)	(6)
6500	Other income and expenses, net	6(7)(19)	37,910	-	21,509	-
6900	Operating profit		2,938,887	11	2,003,193	7
	Non-operating income and expenses					
7100	Interest income	6(20)	2,001	-	504	-
7010	Other income	6(21) and 7	26,623	-	33,578	-
7020	Other gains and losses	6(22)	25,784	-	(4,947)	-
7050	Finance costs	6(23)	(187,695)	-	(131,394)	-
7070	Share of profit of associates and joint ventures accounted for using equity method	6(6)	21,680	-	29,338	-
7000	Total non-operating income and expenses		(111,607)	-	(72,921)	-
7900	**Profit before income tax**		2,827,280	11	1,930,272	7
7950	Income tax expense	6(25)	(558,315)	(2)	(374,892)	(1)
8200	**Profit for the year**		$ 2,268,965	9	$ 1,555,380	6
	Other comprehensive income					
	Components of other comprehensive income that will not be reclassified to profit or loss					
8311	Actuarial (loss) gain on defined benefit plan	6(14)	($ 4,567)	-	$ 41,468	-
8316	Unrealised gain or loss on financial assets at fair value through other comprehensive income		(170,470)	(1)	31,103	-
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)	(341,049)	(1)	(103,980)	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(25)	35,006	-	(14,514)	-
8310	Other comprehensive loss that will not be reclassified to profit or loss		(481,080)	(2)	(45,923)	-
	Components of other comprehensive income that will be reclassified to profit or loss					
8361	Currency translation differences of foreign operations	6(6)	(2,013)	-	160,418	-
8360	Other comprehensive (loss) income that will be reclassified to profit or loss		(2,013)	-	160,418	-
8300	**Total other comprehensive (loss) income for the year**		($ 483,093)	(2)	$ 114,495	-
8500	**Total comprehensive income for the year**		$ 1,785,872	7	$ 1,669,875	6
	Earnings per share (in dollars)	6(26)				
9750	Basic earnings per share		$	7.70	$	5.28
9850	Diluted earnings per share		$	7.69	$	5.27

The accompanying notes are an integral part of these parent company only financial statements.

CHAROEN POKPHAND ENTERPRISE (TAIWAN) CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

				Retained Earnings		Other Equity Interest		
	Notes	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 equity
2022								
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
2023								
Balance at January 1, 2023		$ 2,947,901	$ 6,640	$ 1,181,684	$ 3,713,594	($ 8,794)	$ 1,155,943	$ 8,996,968
Profit for the year		-	-	-	2,268,965	-	-	2,268,965
Other comprehensive loss		-	-	-	(3,362)	(2,013)	(477,718)	(483,093)
Total comprehensive income (loss)		-	-	-	2,265,603	(2,013)	(477,718)	1,785,872
Appropriations of 2022 earnings:	6(17)							
Legal reserve		-	-	158,984	(158,984)	-	-	-
Cash dividends		-	-	-	(1,031,765)	-	-	(1,031,765)
Capital surplus - dividends not received by shareholders		-	1,758	-	-	-	-	1,758
Change in ownership interests in subsidiaries		-	-	-	(1,645)	-	-	(1,645)
Change in other capital surplus		-	2,136	-	-	-	-	2,136
Balance at December 31, 2023		$ 2,947,901	$ 10,534	$ 1,340,668	$ 4,786,803	($ 10,807)	$ 678,225	$ 9,753,324

The accompanying notes are an integral part of these parent company only financial statements.

CHAROEN POKPHAND ENTERPRISE (TAIWAN) CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31 2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		$ 2,827,280	$ 1,930,272
Adjustments			
Adjustments to reconcile profit (loss)			
Provision for (gain on reversal of) loss on inventory	6(5)	2,600	(1,120)
Expected credit impairment loss (gain)	12(2)	23,264	(442)
Depreciation	6(8)(24)	888,079	818,696
Depreciation of right-of-use assets	6(9)(24)	54,416	49,439
Amortisation	6(24)	22,303	5,846
Change in fair value less cost to sell of biological assets	6(7)(19)	(37,910)	(21,509)
Interest income	6(20)	(2,001)	(504)
Dividend income	6(2)(21)	(13,621)	(24,463)
Interest expense	6(23)	187,695	131,394
(Gain) loss on financial assets at fair value through profit or loss		(5,791)	11,791
Gain on disposal of property, plant and equipment	6(22)	(5,553)	(4,285)
Gain arising from lease modifications	6(22)	(856)	(201)
Share of profit or loss of associates and joint ventures accounted for using equity method	6(6)	(21,680)	(29,338)
Changes in operating assets and liabilities			
Changes in operating assets			
Notes receivable		24,354	19,120
Notes receivable - related parties		-	3,951
Accounts receivable		129,016	(308,242)
Accounts receivable - related parties		(4,408)	(14,599)
Other receivables		35,004	(32,971)
Other receivables - related parties		(136)	(143)
Inventories		296,167	(748,940)
Biological assets		18,676	(403,996)
Prepayments		51,593	(574)
Changes in operating liabilities			
Notes payable		9,118	158,967
Notes payable - related parties		33,513	(4,067)
Accounts payable		(109,714)	99,215
Accounts payable - related parties		12,285	(6,935)
Other payables		60,957	118,117
Other payables - related parties		(17,143)	3,494
Net defined benefit liability		(19,497)	(19,308)
Cash inflow generated from operations		4,438,010	1,728,665
Cash paid for income tax		(402,483)	(313,753)
Refund of income tax		11,396	-
Net cash flows from operating activities		4,046,923	1,414,912

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CHAROEN POKPHAND ENTERPRISE (TAIWAN) CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31 2023	2022
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of financial assets at fair value through profit or loss	7	($ 150,000)	$ -
Acquisition of financial assets at fair value through other comprehensive income		(474,837)	-
Acquisition of investment accounted for using the equity method		-	(51,000)
Acquisition of property, plant and equipment	6(27)	(2,304,690)	(1,976,977)
Proceeds from disposal of property, plant and equipment		15,105	9,378
Acquisition of intangible assets	6(10)	(49,639)	(1,151)
Increase in other non-current assets		(27,296)	(15,003)
Cash receipt for interest		2,001	504
Cash receipt for dividends		49,438	55,126
Net cash flows used in investing activities		(2,939,918)	(1,979,123)
CASH FLOWS FROM FINANCING ACTIVITIES			
(Decrease) increase in short-term borrowings		(617,057)	880,067
Increase (decrease) in short-term notes and bills payable		40,257	(51,171)
Payment of lease liabilities	6(9)	(59,523)	(47,734)
Proceeds from long-term borrowings		10,920,000	8,280,000
Payment of long-term borrowings		(10,159,048)	(7,570,000)
Cash payment for interest		(187,540)	(128,652)
Cash dividends paid to owners of parent	6(17)	(1,031,765)	(803,973)
Capital surplus - dividends not received by shareholders		-	1,974
Capital surplus - dividends not received by shareholders and others		3,894	-
Net cash flows (used in) from financing activities		(1,090,782)	560,511
Net increase (decrease) in cash and cash equivalents		16,223	(3,700)
Cash and cash equivalents at beginning of year	6(1)	122,778	126,478
Cash and cash equivalents at end of year	6(1)	$ 139,001	$ 122,778

The accompanying notes are an integral part of these parent company only financial statements.

CHAROEN POKPHAND ENTERPRISE (TAIWAN) CO., LTD.
NOTES TO THE PARENT COMPANY ONLY FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

1. HISTORY AND ORGANISATION

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

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

These parent company only financial statements were authorised for issuance by the Board of Directors on March 11, 2024.

3. APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS

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

New standards, interpretations and amendments endorsed by the FSC and became effective from 2023 are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IAS 1, 'Disclosure of accounting policies'	January 1, 2023
Amendments to IAS 8, 'Definition of accounting estimates'	January 1, 2023
Amendments to IAS 12, 'Deferred tax related to assets and liabilities arising from a single transaction'	January 1, 2023
Amendments to IAS 12, 'International tax reform - pillar two model rules'	May 23, 2023

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

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

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

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

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

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

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

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 10 and IAS 28, 'Sale or contribution of assets between an investor and its associate or joint venture'	To be determined by International Accounting Standards Board
IFRS 17, 'Insurance contracts'	January 1, 2023
Amendments to IFRS 17, 'Insurance contracts'	January 1, 2023
Amendment to IFRS 17, 'Initial application of IFRS 17 and IFRS 9 – comparative information'	January 1, 2023
Amendments to IAS 21, 'Lack of exchangeability'	January 1, 2025

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

4. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these parent company only financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(1) Compliance statement

The parent company only financial statements of the Company have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, International Financial Reporting Standards, International Accounting Standards, IFRIC® Interpretations, and SIC® Interpretations that came into effect as endorsed by the FSC (collectively referred herein as the “IFRSs”).

(2) Basis of preparation

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

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

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

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

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

B. The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the parent company only financial statements are disclosed in Note 5.

(3) Foreign currency translation

A. The parent company only financial statements are presented in New Taiwan dollars, which is the Company’s functional currency.

B. Foreign currency transactions and balances

(a) Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions are recognised in profit or loss in the period in which they arise.

(b) Monetary assets and liabilities denominated in foreign currencies at the period end are re-translated at the exchange rates prevailing at the balance sheet date. Exchange differences arising upon re-translation at the balance sheet date are recognised in profit or loss.

(c) Non-monetary assets and liabilities denominated in foreign currencies held at fair value through profit or loss are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognised in profit or loss. Non-monetary assets and liabilities denominated in foreign currencies held at fair value through other comprehensive income are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognised in other comprehensive income. However, non-monetary assets and liabilities denominated in foreign currencies that are not measured at fair value are translated using the historical exchange rates at the dates of the initial transactions.

(d) All foreign exchange gains and losses are presented in the statement of comprehensive income within ‘other gains and losses’.

(4) Classification of current and non-current items

A. Assets that meet one of the following criteria are classified as current assets; otherwise they are classified as non-current assets:

(a) Assets arising from operating activities that are expected to be realised, or are intended to be sold or consumed within the normal operating cycle;

(b) Assets held mainly for trading purposes;

(c) Assets that are expected to be realised within twelve months from the balance sheet date;

(d) Cash and cash equivalents, excluding restricted cash and cash equivalents and those that are to be exchanged or used to settle liabilities more than twelve months after the balance sheet date.

B. Liabilities that meet one of the following criteria are classified as current liabilities; otherwise they are classified as non-current liabilities:

(a) Liabilities that are expected to be settled within the normal operating cycle;

(b) Liabilities arising mainly from trading activities;

(c) Liabilities that are to be settled within twelve months from the balance sheet date;

(d) Liabilities for which the repayment date cannot be extended unconditionally to more than twelve months after the balance sheet date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

(5) Financial assets at fair value through profit or loss

A. Financial assets at fair value through profit or loss are financial assets that are not measured at amortised cost or fair value through other comprehensive income.

B. On a regular way purchase or sale basis, financial assets at fair value through profit or loss are recognised and derecognised using trade date accounting.

C. At initial recognition, the Company measures the financial assets at fair value and recognises the transaction costs in profit or loss. The Company subsequently measures the financial assets at fair value, and recognises the gain or loss in profit or loss.

D. The Company recognises the dividend income when the right to receive payment is established, future economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably.

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

A. Financial assets at fair value through other comprehensive income comprise equity securities which are not held for trading, and for which the Company has made an irrevocable election at initial recognition to recognise changes in fair value in other comprehensive income.

   (a) The objective of the Company’s business model is achieved both by collecting contractual cash flows and selling financial assets; and

   (b) The assets’ contractual cash flows represent solely payments of principal and interest.

B. On a regular way purchase or sale basis, financial assets at fair value through other comprehensive income are recognised and derecognised using trade date accounting.

C. At initial recognition, the Company measures the financial assets at fair value plus transaction costs. The Company subsequently measures the financial assets at fair value.

   The changes in fair value of equity investments that were recognised in other comprehensive income are reclassified to retained earnings and are not reclassified to profit or loss following the derecognition of the investment. Dividends are recognised as revenue when the right to receive payment is established, future economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably.

(7) Accounts and notes receivable

A. Accounts and notes receivable entitle the Company a legal right to receive consideration in exchange for transferred goods or rendered services.

B. The short-term accounts and notes receivable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

(8) Impairment of financial assets

For financial assets at amortised cost, at each reporting date, the Company recognises the impairment provision for expected credit losses if there has not been a significant increase in credit risk since initial recognition or recognises the impairment provision for the lifetime expected credit losses (ECLs) if such credit risk has increased since initial recognition after taking into consideration all reasonable and verifiable information that includes forecasts. On the other hand, for accounts receivable or contract assets that do not contain a significant financing component, the Company recognises the impairment provision for lifetime ECLs.

(9) Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to receive the cash flows from the financial asset expire.

(10) Operating leases (lessor)

Lease income from an operating lease (net of any incentives given to the lessee) is recognised in profit or loss on a straight-line basis over the lease term.

(11) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted-average method. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads allocated based on normal operating capacity. It excludes borrowing costs. The item by item approach is used in applying the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and applicable variable selling expenses.

(12) Investments accounted for using equity method / subsidiaries and joint ventures

A. Subsidiaries and joint ventures are all entities (including structured entities) controlled by the Company. The Company controls an entity when the Company is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Investments in subsidiaries and joint ventures are accounted for using equity method in these parent company only financial statements.

B. In the case that a subsidiary or a joint venture issues new shares and the Company does not subscribe or acquire new shares proportionately, which results in a change in the Company's ownership percentage of the subsidiary or the joint venture but maintains significant influence on the subsidiary or the joint venture, then 'capital surplus' and 'investments accounted for using equity method' shall be adjusted for the increase or decrease of its share of equity interest. If the above condition causes a decrease in the Company's ownership percentage of the subsidiary or the joint venture, in addition to the above adjustment, the amounts previously recognised in other comprehensive income in relation to the subsidiary or the joint venture are reclassified to profit or loss proportionately on the same basis as would be required if the relevant assets or liabilities were disposed of.

C. Unrealised gains on transactions between the Company and its subsidiaries or joint ventures are eliminated. The accounting policies of the subsidiaries or joint ventures have been adjusted where necessary to ensure consistency with the policies adopted by the Company.

D. The Company's share of its subsidiaries' or joint ventures' post-acquisition profits or losses is recognised in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income. When the Company's share of losses in a subsidiary or a joint venture equals or exceeds its interest in the subsidiary or the joint venture, the Company continues to recognise losses proportionate to its ownership.

E. Pursuant to the "Regulations Governing the Preparation of Financial Reports by Securities Issuers," profit (loss) of the current period and other comprehensive income in the parent company only financial statements shall equal to the amount attributable to owners of the parent in the financial statements prepared with basis for consolidation. Owners' equity in the parent company only financial statements shall equal to equity attributable to owners of the parent in the financial statements prepared with basis for consolidation.

(13) Biological assets

Biological assets are measured at their fair value less costs to sell. Except for the case where the fair value cannot be measured reliably, they are measured at its cost less accumulated depreciation and impairment losses. Gains or losses on changes in fair value less costs to sell are recognised in profit or loss.

(14) Property, plant and equipment

A. Property, plant and equipment are initially recorded at cost. Borrowing costs incurred during the construction period are capitalised.

B. Subsequent costs are included in the asset’s carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

C. Land is not depreciated. Other property, plant and equipment apply cost model and are depreciated using the straight-line method to allocate their cost over their estimated useful lives. Each part of an item of property, plant, and equipment with a cost that is significant in relation to the total cost of the item must be depreciated separately.

D. The assets’ residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each financial year-end. If expectations for the assets’ residual values and useful lives differ from previous estimates or the patterns of consumption of the assets’ future economic benefits embodied in the assets have changed significantly, any change is accounted for as a change in estimate under IAS 8, ‘Accounting Policies, Changes in Accounting Estimates and Errors’, from the date of the change.

The estimated useful lives of property, plant and equipment are as follows:

Land improvements	3~30 years
Buildings and structures	3~60 years
Machinery and equipment	2~20 years
Transportation equipment	6 years
Leasehold improvements	3~20 years
Other equipment	3~20 years

(15) Leasing arrangements (lessee) - right-of-use assets / lease liabilities

A. Leases are recognised as a right-of-use asset and a corresponding lease liability at the date at which the leased asset is available for use by the Company. For short-term leases or leases of low-value assets, lease payments are recognised as an expense on a straight-line basis over the lease term.

B. Lease liabilities include the net present value of the remaining lease payments at the commencement date, discounted using the incremental borrowing interest rate. Lease payments are fixed payments, less any lease incentives receivable.

The Company subsequently measures the lease liability at amortised cost using the interest method and recognises interest expense over the lease term. The lease liability is remeasured and the amount of remeasurement is recognised as an adjustment to the right-of-use asset when there are changes in the lease term or lease payments and such changes do not arise from contract modifications.

C. At the commencement date, the right-of-use asset is stated at cost comprising the following:

(a) The amount of the initial measurement of lease liability; and

(b) Any lease payments made at or before the commencement date.

The right-of-use asset is measured subsequently using the cost model and is depreciated from the commencement date to the earlier of the end of the asset's useful life or the end of the lease term. When the lease liability is remeasured, the amount of remeasurement is recognised as an adjustment to the right-of-use asset.

(16) Intangible assets

Computer software is stated at cost and amortised on a straight-line basis over its estimated useful life of 3 years.

(17) Impairment of non-financial assets

The Company assesses at each balance sheet date the recoverable amounts of those assets where there is an indication that they are impaired. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell or value in use. When the circumstances or reasons for recognising impairment loss for an asset in prior years no longer exist or diminish, the impairment loss is reversed. The increased carrying amount due to reversal should not be more than what the depreciated or amortised historical cost would have been if the impairment had not been recognised.

(18) Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is measured over the period of the borrowings using the effective interest method.

(19) Notes and accounts payable

A. Accounts payable are liabilities for purchases of raw materials, goods or services and notes and accounts payable are those resulting from operating and non-operating activities.

B. The short-term notes and accounts payable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

(20) Financial liabilities at fair value through profit or loss

A. Financial liabilities are classified in this category of held for trading if acquired principally for the purpose of repurchasing in the short-term. Derivatives are also categorised as financial liabilities held for trading unless they are designated as hedges.

B. At initial recognition, the Company measures the financial liabilities at fair value. All related transaction costs are recognised in profit or loss. The Company subsequently measures these financial liabilities at fair value with any gain or loss recognised in profit or loss.

(21) Derecognition of financial liabilities

A financial liability is derecognised when the obligation specified in the contract is either discharged or cancelled or expires.

(22) Employee benefits

A. Short-term employee benefits

Short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in respect of service rendered by employees in a period and should be recognised as expense in that period when the employees render service.

B. Pensions

(a) Defined contribution plan

For defined contribution plan, the contributions are recognised as pension expense when they are due on an accrual basis. Prepaid contributions are recognised as an asset to the extent of a cash refund or a reduction in the future payments.

(b) Defined benefit plan

i. Net obligation under a defined benefit plan is defined as the present value of an amount of pension benefits that employees will receive on retirement for their services with the Company in current period or prior period. The liability recognised in the balance sheet in respect of defined benefit pension plan is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets. The net defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The rate used to discount is determined by using interest rates of government bonds (at the balance sheet date) of a currency and term consistent with the currency and term of the employment benefit obligations.

ii. Remeasurements arising on defined benefit plan are recognised in other comprehensive income in the period in which they arise and are recorded as retained earnings.

iii. Past service costs are recognised immediately in profit or loss.

C. Employees' compensation and directors' and supervisors' remuneration

Employees' compensation and directors' and supervisors' remuneration are recognised as expense and liability, provided that such recognition is required under legal or constructive obligation and those amounts can be reliably estimated. Any difference between the resolved amounts and the subsequently actual distributed amounts is accounted for as changes in estimates.

(23) Income tax

A. The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or items recognised directly in equity, in which cases the tax is recognised in other comprehensive income or equity.

B. The current income tax expense is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in accordance with applicable tax regulations. It establishes provisions where appropriate based on the amounts expected to be paid to the tax authorities. An additional tax is levied on the unappropriated retained earnings and is recorded as income tax expense in the year the stockholders resolve to retain the earnings.

C. Deferred tax is recognised, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Company's balance sheet. However, the deferred tax is accounted of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred tax is provided on temporary differences arising on investments in subsidiaries, except where the timing of the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

D. Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. At each balance sheet date, unrecognised and recognised deferred tax assets are reassessed.

E. Current income tax assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. Deferred tax assets and liabilities are offset on the balance sheet when the entity has the legally enforceable right to offset current tax assets against current tax liabilities and they are levied by the same taxation authority on either the same entity or different entities that intend to settle on a net basis or realise the asset and settle the liability simultaneously.

(24) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or stock options are shown in equity as a deduction, net of tax, from the proceeds.

(25) Dividends

Dividends are recorded in the Company's financial statements in the period in which they are resolved by the Company's shareholders. Cash dividends are recorded as liabilities; stock dividends are recorded as stock dividends to be distributed and are reclassified to ordinary shares on the effective date of new shares issuance.

(26) Revenue recognition

A. Sales of goods

(a) The Company manufactures and sells animal feeds, cooked food, agricultural livestock products and related consumable food products. Sales are recognised when control of the products has transferred, being when the products are delivered to the customer, the customer has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customers, and either the customers have accepted the products in accordance with the sales contract, or the Company has objective evidence that all criteria for acceptance have been satisfied.

(b) Revenue from sales of goods is recognised based on the price specified in the contract, net of the estimated volume discounts, sales discounts and allowances. Accumulated experience is used to estimate and provide for the volume discounts, sales discounts and allowances using the expected value method, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. The estimation is subject to an assessment at each reporting date. A deduction of accounts receivable is recognised for expected sales discounts and allowances payable to customers in relation to sales made until the end of the reporting period. No element of financing is deemed present as the sales are made with a credit term of 3 to 180 days, which is consistent with market practice.

(c) A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

B. Financing components

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

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

The preparation of these parent company only financial statements requires management to make critical judgements in applying the Company's accounting policies and make critical assumptions and estimates concerning future events. Assumptions and estimates may differ from the actual results and are continually evaluated and adjusted based on historical experience and other factors. Such assumptions and estimates have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year; and the related information is addressed below:

(1) Critical judgements in applying the Company's accounting policies

None.

(2) Critical accounting estimates and assumptions

A. Evaluation of inventories

As inventories are stated at the lower of cost and net realisable value, the Company must determine the net realisable value of inventories on balance sheet date using judgements and estimates. The Company evaluates the amounts of normal inventory consumption, obsolete inventories or inventories without market selling value on balance sheet date, and writes down the cost of inventories to the net realisable value. Such an evaluation of inventories is principally based on the demand for the products within the specified period in the future. Therefore, there might be material changes to the evaluation.

As of December 31, 2023, the carrying amount of inventories was $2,174,170.

B. Measurement of fair value of biological assets

Except when fair value cannot be reliably measured, biological assets should be measured at fair value less costs to sell on initial recognition and at the end of each reporting period. The Company has to identify whether the active market prices are available for each category of biological assets, to determine the relevance between the nature of biological assets and the chosen market, and to decide which major items should be accounted for as costs to sell. The Company then estimates the fair value less costs to sell based on the information mentioned above. Any fluctuations in market price and costs to sell could materially affect the carrying amount of biological assets.

As of December 31, 2023, the carrying amount of biological assets was $2,364,278.

6. DETAILS OF SIGNIFICANT ACCOUNTS

(1) Cash and cash equivalents

	December 31, 2023	December 31, 2022
Cash on hand and revolving funds	$ 8,564	$ 9,905
Checking accounts	2,054	1,318
Demand deposits	128,383	111,555
	$ 139,001	$ 122,778

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

B. As of December 31, 2023 and 2022, the Company has restricted cash and cash equivalents pledged as collateral totalling $9,650, classified as other current financial assets and shown as 'other current assets'. Refer to Note 8 for details.

(2) Financial assets and liabilities at fair value through profit or loss

Items	December 31, 2023	December 31, 2022
Current items:		
Financial liabilities mandatorily measured at fair value through profit or loss		
Non-hedging derivatives		
Forward foreign exchange contracts	$ -	$ 11,791
Non-current items:		
Financial assets designated as at fair value through profit or loss		
Unlisted stocks	150,000	-
Valuation adjustment	(6,000)	-
	$ 144,000	$ -

A. Amounts recognised in profit or loss in relation to financial assets and liabilities at fair value through profit or loss are listed below:

	For the year ended December 31,	
	2023	2022
Financial assets mandatorily measured at fair value through profit or loss		
Derivatives	($ 605)	$ 919
Financial assets designated as at fair value through profit or loss		
Equity instruments	(6,000)	-
	($ 6,605)	$ 919

B. The Company entered into contracts relating to derivative financial assets and financial liabilities which were not accounted for under hedge accounting. The information is listed below:

As of December 31, 2023: None.

Current items:	December 31, 2022 Contract amount (notional principal) (in thousands)		Contract period
Forward foreign exchange contracts			
-Sell NTD buy USD	USD	2,000	2022.10.04~2023.01.03
-Sell NTD buy USD	USD	2,000	2022.11.14~2023.02.16
-Sell NTD buy USD	USD	2,000	2022.10.27~2023.02.03
-Sell NTD buy USD	USD	2,000	2022.11.09~2023.02.14
-Sell NTD buy USD	USD	1,000	2022.11.11~2023.02.15
-Sell NTD buy USD	USD	2,000	2022.10.04~2023.01.06
-Sell NTD buy USD	USD	2,000	2022.10.27~2023.02.03
-Sell NTD buy USD	USD	2,000	2022.11.11~2023.02.15

The Company entered into forward foreign exchange contracts to buy forward foreign exchange to hedge exchange rate risk of import proceeds. However, these forward foreign exchange contracts are not accounted for under hedge accounting.

C. The Company has no financial assets and financial liabilities at fair value through profit or loss pledged to others.

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

Items	December 31, 2023	December 31, 2022
Non-current items:		
Equity instruments		
Listed stocks	$ 1,474,382	$ 999,544
Valuation adjustment	(197,322)	(26,852)
	$ 1,277,060	$ 972,692

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

	For the year ended December 31, 2023	2022
Equity instruments at fair value through other comprehensive income		
Fair value change recognised in other comprehensive income	($ 136,376)	$ 24,882
Dividend income recognised in profit or loss held at end of year	$ 13,621	$ 24,463

B. The Company holds CPF's shares, which are traded on the Thailand Stock Exchange. CPF is the ultimate parent company of the Company.

C. The Company has elected to classify equity investments that are considered to be strategic investments and steady dividend income as financial assets at fair value through other comprehensive income. The fair value of such investments amounted to $1,277,060 and $972,692 as at December 31, 2023 and 2022, respectively.

(4) Notes and accounts receivable

	December 31, 2023	December 31, 2022
Notes receivable	$ 351,478	$ 375,832
Accounts receivable	$ 2,290,707	$ 2,420,214
Less: Allowance for uncollectible accounts	(29,526)	(6,752)
	$ 2,261,181	$ 2,413,462

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

	December 31, 2023	December 31, 2022
Current	$ 2,432,841	$ 2,648,493
Up to 120 days	189,089	145,446
121 to 365 days	15,603	55
Over one year	4,652	2,052
	$ 2,642,185	$ 2,796,046

The above ageing analysis was based on past due date.

B. As of December 31, 2023 and 2022, accounts receivable and notes receivable were all from contracts with customers. As of January 1, 2022, the balance of accounts receivable and notes receivable from contracts with customers amounted to $2,499,730.

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

	December 31, 2023	December 31, 2022
With guarantee	$ 218,024	$ 277,412
Without guarantee	2,072,683	2,142,802
	$ 2,290,707	$ 2,420,214

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

D. As at December 31, 2023 and 2022, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the Company's notes receivable were $351,478 and $375,832, respectively, while the amount that best represents the Company's accounts receivable were $2,261,181 and $2,413,462, respectively.

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

(5) Inventories

	December 31, 2023		
	Cost	Allowance for valuation loss	Book value
Raw materials	$ 1,215,578	$ -	$ 1,215,578
Packing supplies	34,816	-	34,816
Work in progress	48,570	-	48,570
Finished goods	882,806	(7,600)	875,206
	$ 2,181,770	($ 7,600)	$ 2,174,170

	December 31, 2022		
	Cost	Allowance for valuation loss	Book value
Raw materials	$ 1,574,867	$ -	$ 1,574,867
Packing supplies	28,034	-	28,034
Work in progress	65,266	-	65,266
Finished goods	809,770	(5,000)	804,770
	$ 2,477,937	($ 5,000)	$ 2,472,937

The cost of inventories recognised as expense for the year:

	For the year ended December 31,	
	2023	2022
Cost of goods sold	$ 22,449,982	$ 23,248,284
Loss on (gain on reversal of) decline in market value	2,600	(1,120)
Others	1,385	7,761
	$ 22,453,967	$ 23,254,925

A. The cost of goods sold includes the cost of selling biological assets.

B. Others pertain mainly to gain and loss on physical inventory count and income from disposal of leftover and scraps.

C. The Company recognised the increase or decrease in cost of goods sold due to the increase or decrease in net realisable value of certain finished goods resulting from the fluctuations in market prices.

(6) Investments accounted for using equity method

A. Details of investments accounted for using equity method-subsidiaries and joint ventures are provided as follows:

	December 31, 2023	December 31, 2022
Plenty Type Limited (Cayman Islands)	$ 1,403,935	$ 1,728,226
Charoen Pokphand (Taiwan) Corp., Ltd.	41,512	49,730
Arbor Acres Taiwan Co., Ltd.	117,914	94,185
Rui Mu Foods Co., Ltd.	124,611	130,058
Rui Fu Foods Co., Ltd.	275,711	317,014
Feng Sheng Livestock Co., Ltd.	91,399	94,713
	$ 2,055,082	$ 2,413,926

B. Share of profit (loss) of subsidiaries and joint ventures accounted for using equity method:

	For the year ended December 31,	
	2023	2022
Plenty Type Limited (Cayman Islands)	$ 19,063	$ 33,395
Charoen Pokphand (Taiwan) Corp., Ltd.	8,327	17,718
Arbor Acres Taiwan Co., Ltd.	42,709	23,892
Rui Mu Foods Co., Ltd.	(5,447)	(25,384)
Rui Fu Foods Co., Ltd.	(39,658)	(14,836)
Feng Sheng Livestock Co., Ltd.	(3,314)	(5,447)
	$ 21,680	$ 29,338

C. Share of other comprehensive income (loss) of subsidiaries accounted for using equity method:

Components of other comprehensive income that will not be reclassified to profit or loss

	For the year ended December 31,	
	2023	2022
Plenty Type Limited (Cayman Islands)	($ 341,341)	($ 105,270)
Charoen Pokphand (Taiwan) Corp., Ltd.	72	647
Arbor Acres Taiwan Co., Ltd.	220	643
	($ 341,049)	($ 103,980)

Items may be subsequently reclassified to profit or loss

	For the year ended December 31,	
	2023	2022
Plenty Type Limited (Cayman Islands)	($ 2,013)	$ 160,418

D. Details of the subsidiaries are provided in Note 4(3) in the Company's consolidated financial statements for the year ended December 31, 2023.

(7) Biological assets

A. Biological assets

	December 31, 2023	December 31, 2022
Biological assets - current:		
Consumable biological assets	$ 1,474,064	$ 1,561,473
Consumable biological assets - changes in fair value less costs to sell	97,648	59,738
Bearer biological assets	392,015	324,265
Bearer biological assets - accumulated depreciation	(140,663)	(102,521)
	$ 1,823,064	$ 1,842,955
Biological assets - non-current:		
Bearer biological assets	$ 672,921	$ 604,654
Bearer biological assets - accumulated depreciation	(131,707)	(102,565)
	$ 541,214	$ 502,089

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

B. Movements of biological assets are as follows:

	2023	2022
At January 1	$ 2,345,044	$ 1,919,539
Purchases	1,814,438	1,639,537
Costs and expenses input	8,633,529	8,637,261
Sales	(4,517,033)	(4,193,674)
Gain on change in fair value less cost to sell	37,910	21,509
Transfer to inventories	(5,920,459)	(5,668,674)
Others	(29,151)	(10,454)
At December 31	$ 2,364,278	$ 2,345,044

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

The market prices or fair values at the present condition of breeders are unavailable due to short production cycle; the market prices or fair values at present condition of broiler chickens are difficult to obtain. The valuation based on a discounted cash flow method is considered unreliable given the uncertainty with respect to external factors such as climate, weather, diseases etc. Therefore, breeders and broiler chicken are measured using the cost approach. Cost of biological assets includes all costs incurred during the growth cycle such as cost of new-born animals, feed costs, and other farm costs.

Bearer biological assets are depreciated using the straight-line method through the productive period of each biological asset. The productive period of breeder swine is approximately 24 ~ 36 months; the productive period of breeder chickens is approximately 30 weeks. For the years ended December 31, 2023 and 2022, depreciation expense on biological assets amounted to $388,893 and $323,158, respectively.

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

	December 31, 2023	December 31, 2022
Estimates of physical quantities (Units: heads)	5,547,123	4,843,410

E. Financial risk management policies

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

(8) Property, plant and equipment

	Land	Land improvements	Buildings and structures	Machinery and equipment	Transportation equipment	Leasehold improvements	Other equipment	Construction in progress and equipment to be inspected	Total
At January 1, 2023									
Cost	$ 2,768,798	$ 311,199	$ 4,971,259	$ 4,803,121	$ 440,065	$ 1,032,825	$ 1,342,487	$ 1,264,648	$ 16,934,402
Accumulated depreciation and impairment	-	(91,088)	(1,489,747)	(2,447,811)	(212,409)	(738,244)	(566,518)	-	(5,545,817)
	$ 2,768,798	$ 220,111	$ 3,481,512	$ 2,355,310	$ 227,656	$ 294,581	$ 775,969	$ 1,264,648	$ 11,388,585
2023									
Opening net book amount as at January 1	$ 2,768,798	$ 220,111	$ 3,481,512	$ 2,355,310	$ 227,656	$ 294,581	$ 775,969	$ 1,264,648	$ 11,388,585
Additions	15,520	17,001	140,447	136,116	49,048	52,759	79,002	1,938,990	2,428,883
Disposals	-	-	-	(2,359)	(3,742)	(78)	(3,373)	-	(9,552)
Reclassifications	244,691	5,297	217,950	122,108	53,790	-	34,294	(678,130)	-
Depreciation	-	(24,856)	(273,887)	(326,652)	(66,612)	(75,924)	(120,148)	-	(888,079)
Closing net book amount as at December 31	$ 3,029,009	$ 217,553	$ 3,566,022	$ 2,284,523	$ 260,140	$ 271,338	$ 765,744	$ 2,525,508	$ 12,919,837
At December 31, 2023									
Cost	$ 3,029,009	$ 330,928	$ 5,252,213	$ 4,944,319	$ 508,923	$ 1,072,855	$ 1,426,959	$ 2,525,508	$ 19,090,714
Accumulated depreciation and impairment	-	(113,375)	(1,686,191)	(2,659,796)	(248,783)	(801,517)	(661,215)	-	(6,170,877)
	$ 3,029,009	$ 217,553	$ 3,566,022	$ 2,284,523	$ 260,140	$ 271,338	$ 765,744	$ 2,525,508	$ 12,919,837

	Land	Land improvements	Buildings and structures	Machinery and equipment	Transportation equipment	Leasehold improvements	Other equipment	Construction in progress and equipment to be inspected	Total
At January 1, 2022									
Cost	$ 2,544,082	$ 229,134	$ 3,834,137	$ 4,027,590	$ 357,413	$ 1,017,348	$ 1,153,516	$ 2,131,024	$ 15,294,244
Accumulated depreciation and impairment	-	(69,964)	(1,315,362)	(2,321,932)	(178,607)	(675,916)	(464,637)	-	(5,026,418)
	$ 2,544,082	$ 159,170	$ 2,518,775	$ 1,705,658	$ 178,806	$ 341,432	$ 688,879	$ 2,131,024	$ 10,267,826
2022									
Opening net book amount as at January 1	$ 2,544,082	$ 159,170	$ 2,518,775	$ 1,705,658	$ 178,806	$ 341,432	$ 688,879	$ 2,131,024	$ 10,267,826
Additions	30,992	25,497	146,968	133,893	48,070	37,244	67,348	1,454,536	1,944,548
Disposals	-	-	(502)	(2,300)	(2,291)	-	-	-	(5,093)
Reclassifications	193,724	57,542	1,061,513	821,942	57,918	530	127,743	(2,320,912)	-
Depreciation	-	(22,098)	(245,242)	(303,883)	(54,847)	(84,625)	(108,001)	-	(818,696)
Closing net book amount as at December 31	$ 2,768,798	$ 220,111	$ 3,481,512	$ 2,355,310	$ 227,656	$ 294,581	$ 775,969	$ 1,264,648	$ 11,388,585
At December 31, 2022									
Cost	$ 2,768,798	$ 311,199	$ 4,971,259	$ 4,803,121	$ 440,065	$ 1,032,825	$ 1,342,487	$ 1,264,648	$ 16,934,402
Accumulated depreciation and impairment	-	(91,088)	(1,489,747)	(2,447,811)	(212,409)	(738,244)	(566,518)	-	(5,545,817)
	$ 2,768,798	$ 220,111	$ 3,481,512	$ 2,355,310	$ 227,656	$ 294,581	$ 775,969	$ 1,264,648	$ 11,388,585

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

	For the year ended December 31,	
	2023	2022
Amount capitalised	$ 23,187	$ 11,456
Interest rate range	1.84%~1.92%	0.99%~1.75%

B. Information about the property, plant and equipment that were pledged to others as collateral is provided in Note 8.

C. As of December 31, 2023 and 2022, the Company held 139 parcels and 130 parcels of agricultural land, respectively. The carrying amounts of land registered under the title of others amounted to $932,085 and $809,770, respectively. The titles of these parcels of land are registered under the title of individuals, however, the Company has agreements with those individuals to pledge these agricultural land to the Company.

(9) Leasing arrangements - lessee

A. The Company leases various assets including land, buildings, business vehicles, and other equipment. Rental contracts are typically made for periods of 1 to 22 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose covenants, but leased assets may not be used as security for borrowing purposes.

B. The carrying amount of right-of-use assets and the depreciation charge are as follows:

	Carrying amount	
	December 31, 2023	December 31, 2022
Land	$ 290,005	$ 292,431
Buildings	35,892	32,012
Other equipment	12,097	15,930
	$ 337,994	$ 340,373

	Depreciation charge	
	For the year ended December 31,	
	2023	2022
Land	$ 33,685	$ 30,213
Buildings	11,880	10,893
Other equipment	8,851	8,333
	$ 54,416	$ 49,439

C. For the years ended December 31, 2023 and 2022, the additions to right-of-use assets were $59,703 and $53,869, respectively.

D. The Company has no significant profit or loss in relation to lease contracts for the years ended December 31, 2023 and 2022.

E. For the years ended December 31, 2023 and 2022, the Company's total cash outflow for leases were $59,523 and $47,734, respectively.

(10) Intangible assets

Software

	2023	2022
At January 1		
Cost	$ 15,725	$ 14,574
Accumulated amortisation and impairment	(12,599)	(11,098)
	$ 3,126	$ 3,476
At January 1	$ 3,126	$ 3,476
Additions	49,639	1,151
Amortisation	(17,555)	(1,501)
At December 31	$ 35,210	$ 3,126
At December 31		
Cost	$ 65,364	$ 15,725
Accumulated amortisation and impairment	(30,154)	(12,599)
	$ 35,210	$ 3,126

(11) Short-term borrowings

Type of borrowings	December 31, 2023	Interest rate range	Collateral
Unsecured borrowings	$ 3,034,040	1.76%~1.99%	None

Type of borrowings	December 31, 2022	Interest rate range	Collateral
Unsecured borrowings	$ 3,240,000	1.49%~2.09%	None
Letters of credit	411,097	5.54%~6.22%	None
	$ 3,651,097		

(12) Short-term notes and bills payable

	December 31, 2023	December 31, 2022
Commercial paper payable	$ 980,000	$ 940,000
Less: Unamortised discounts	(1,595)	(1,852)
	$ 978,405	$ 938,148
Interest rate range	1.31%~1.80%	1.00%~1.95%

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

(13) Long-term borrowings

Type of borrowings	Borrowing period	Interest rate range	December 31, 2023
Secured loans	2020.11.12~2030.10.15	1.25%~1.78%	$ 1,020,953
Unsecured credit loans	2021.09.29~2030.10.03	1.76%~2.15%	6,780,000
			7,800,953
Less: Current portion			(264,286)
			$ 7,536,667

Type of borrowings	Borrowing period	Interest rate range	December 31, 2022
Secured loans	2020.11.12~2030.10.15	1.13%~1.66%	$ 1,080,000
Unsecured credit loans	2021.09.29~2028.09.29	1.43%~2.25%	5,960,000
			7,040,000
Less: Current portion			(648,095)
			$ 6,391,905

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

(14) Pensions

A. Defined benefit plan

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

(b) The amounts recognised in the balance sheet are as follows:

	December 31, 2023	December 31, 2022
Present value of defined benefit obligations	($ 333,614)	($ 340,597)
Fair value of plan assets	306,105	298,157
Net defined benefit liability	($ 27,509)	($ 42,440)

(c) Movements in net defined benefit liabilities are as follows:

	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit liability
2023			
Balance at January 1	($ 340,597)	$ 298,157	($ 42,440)
Current service cost	(1,285)	-	(1,285)
Interest (expense) income	(4,059)	3,626	(433)
	(345,941)	301,783	(44,158)
Remeasurements:			
Return on plan assets (excluding amounts included in interest income or expense)	-	2,709	2,709
Change in demographic assumptions	(4)		(4)
Change in financial assumptions	(2,227)	-	(2,227)
Experience adjustments	(5,045)	-	(5,045)
	(7,276)	2,709	(4,567)
Pension fund contribution	-	21,216	21,216
Paid pension	19,603	(19,603)	-
Balance at December 31	($ 333,614)	$ 306,105	($ 27,509)

	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit liability
2022			
Balance at January 1	($ 376,613)	$ 273,398	($ 103,215)
Current service cost	(1,608)	-	(1,608)
Interest (expense) income	(2,359)	1,740	(619)
	(380,580)	275,138	(105,442)
Remeasurements:			
Return on plan assets (excluding amounts included in interest income or expense)	-	21,460	21,460
Change in financial assumptions	14,775	-	14,775
Experience adjustments	5,233	-	5,233
	20,008	21,460	41,468
Pension fund contribution	-	21,534	21,534
Paid pension	19,975	(19,975)	-
Balance at December 31	($ 340,597)	$ 298,157	($ 42,440)

(d) The Bank of Taiwan was commissioned to manage the Fund of the Company's defined benefit pension plan in accordance with the Fund's annual investment and utilisation plan and the "Regulations for Revenues, Expenditures, Safeguard and Utilisation of the Labour Retirement Fund" (Article 6: The scope of utilisation for the Fund includes deposit in domestic or foreign financial institutions, investment in domestic or foreign listed, over-the-counter, or private placement equity securities, investment in domestic or foreign real estate securitization products, etc.). With regard to the utilisation of the Fund, its minimum earnings in the annual distributions on the final financial statements shall be no less than the earnings attainable from the amounts accrued from two-year time deposits with the interest rates offered by local banks. If the earnings is less than aforementioned rates, government shall make payment for the deficit after being authorised by the Regulator. The Company has no right to participate in managing and operating that fund and hence the Company is unable to disclose the classification of plan assets fair value in accordance with IAS 19 paragraph 142. The composition of fair value of plan assets as of December 31, 2023 and 2022 is given in the Annual Labor Retirement Fund Utilisation Report announced by the government.

(e) The principal actuarial assumptions used were as follows:

	For the year ended December 31,	
	2023	2022
Discount rate	1.15%	1.25%
Future salary increases	2.00%	2.00%

Future mortality rate was estimated based on the 6th Taiwan Standard Ordinary Experience Mortality Table.

Because the main actuarial assumption changed, the present value of defined benefit obligation is affected. The analysis was as follows:

	Discount rate		Future salary increases	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
2023				
Effect on present value of defined benefit obligation	($ 21,211)	$ 23,718	$ 23,267	($ 21,240)
2022				
Effect on present value of defined benefit obligation	($ 22,503)	$ 25,210	$ 24,756	($ 22,556)

The sensitivity analysis above is based on one assumption which changed while the other conditions remain unchanged. In practice, more than one assumption may change all at once. The method of analysing sensitivity and the method of calculating net pension liability in the balance sheet are the same.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous period.

(f) Expected contributions to the defined benefit pension plan of the Company for the year ending December 31, 2024 amount to $15,638.

(g) As of December 31, 2023, the weighted average duration of the retirement plan is 6 years.

B. Defined contribution plan

Effective July 1, 2005, the Company has established defined contribution pension plan (the “New Plan”) under the Labor Pension Act (the “Act”), covering all regular employees with R.O.C. nationality. Under the New Plan, the Company contributes monthly an amount based on 6% of the employees’ monthly salaries and wages to the employees’ individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment. The pension costs for the aforementioned defined contribution pension plan of the Company for the years ended December 31, 2023 and 2022 were $48,289 and $47,463, respectively.

(15) Share capital

A. As of December 31, 2023, the Company's authorised capital was $3,579,000, consisting of 357,900 thousand shares of common stock, and the paid-in capital was $2,947,901, consisting of 294,790 thousand shares of common stock with a par value of $10 (in dollars) per share. All proceeds from shares issuance have been collected. Movements in the number of the Company's ordinary shares outstanding are as follows:(in thousand shares)

	2023	2022
At January 1	294,790	267,991
Shareholders' stock dividends	-	26,799
At December 31	294,790	294,790

B. A resolution was passed during the shareholders' meeting held on June 23, 2022, for the undistributed surplus used in the issuance of 26,799 thousand ordinary shares, with par value of $10 per share amounting to $267,991. The resolution was approved by the Financial Supervisory Commission. The shares were issued on August 31, 2022 after the chairman was authorised by the board of directors on August 8, 2022. The total issued shares amounted to $2,947,901 after the completion of capital increase, consisting of 294,790 thousand shares.

(16) Capital surplus

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

(17) Retained earnings

A. Under the Company's Articles of Incorporation, the current year's earnings, if any, shall first be used to pay all taxes and offset prior years' operating losses and then 10% of the remaining amount shall be set aside as legal reserve. A special reserve is set aside or reversed in accordance with related laws or regulations by the Competent Authority. The remainder, if any, along with the accumulated unappropriated earnings in prior years, shall be distributed as shareholders' bonus as resolved by the shareholders. Cash dividends to shareholders shall account for at least 10% of the total dividends to shareholders. If cash dividend is lower than $0.1 (in dollars) per share, dividends are distributed using share dividends.The Board of Directors of the Company may, upon resolution adopted by a majority vote at its meeting attended by two-thirds of the total number of directors, distribute dividends and bonus, or legal reserve and capital surplus, in whole or in part, in accordance with Paragraph 1 of Article 241 of the Company Act in the form of cash, which shall also be reported at the shareholders' meeting, while the proposal of appropriation shall be approved by the shareholders if dividends would be distributed by issuing new shares.

B. Except for covering accumulated deficit or issuing new stocks or cash to shareholders in proportion to their share ownership, the legal reserve shall not be used for any other purpose. The use of legal reserve for the issuance of stocks or cash to shareholders in proportion to their share ownership is permitted, provided that the distribution of the reserve is limited to the portion in excess of 25% of the Company's paid-in capital.

C. In accordance with the regulations, the Company shall set aside special reserve from the debit balance on other equity items at the balance sheet date before distributing earnings. When debit balance on other equity items is reversed subsequently, the reversed amount could be included in the distributable earnings.

D. The appropriations of earnings for 2022 and 2021 have been resolved at the shareholders' meeting on June 15, 2023 and June 23, 2022, respectively, as follows:

	2022		2021	
	Amount	Dividends per share (in dollars)	Amount	Dividends per share (in dollars)
Legal reserve	$ 158,984		$ 137,043	$ -
Cash dividends	1,031,765	$ 3.50	803,973	3.0
Stock dividends	-	-	267,991	1.0

E. On June 15, 2023, the stockholders during their meeting resolved to distribute cash dividends from the 2022 earnings in the amount of $1,031,765, at $3.50 (in dollars) per share. The effective date for the above distribution of cash dividends was September 20, 2023.

F. For the year ended December 31, 2022, dividends distributed to the owners amounted to $1,071,964 ($4 dollars per share). On June 23, 2022, the stockholders during their meeting resolved to distribute cash dividends and stock dividends from the 2021 earnings at $3 and $1 per share (amounting to 26,799 thousand shares), respectively, and the total dividends amounted to $1,071,964. The effective date for the above distribution of cash dividends was July 11, 2022, and the effective date for the distribution of stock dividends was August 31, 2022.

(18) Operating revenue

	For the year ended December 31,	
	2023	2022
Revenue from contracts with customers	$ 27,235,093	$ 26,895,450

A. Disaggregation of revenue from contracts with customers

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

B. Contract liabilities

The Company has recognised the following revenue-related contract liabilities:

	December 31, 2023	December 31, 2022
Contract liabilities:		
Contract liabilities - advance receipts	$ -	$ 70

(19) Other income and expenses, net

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

	For the year ended December 31, 2023	2022
Other income and expenses, net	$ 37,910	$ 21,509

(20) Interest income

	For the year ended December 31, 2023	2022
Interest income	$ 2,001	$ 504

(21) Other income

	For the year ended December 31, 2023	2022
Rental income	$ 11,602	$ 9,086
Dividend income	13,621	24,463
Royalties income	1,400	29
	$ 26,623	$ 33,578

(22) Other gains and losses

	For the year ended December 31, 2023	2022
Gains (losses) on financial assets at fair value through profit or loss	($ 6,605)	$ 919
Net foreign exchange gains (losses)	8,050	(39,464)
Gains on disposal of property, plant and equipment	5,553	4,285
Gains arising from lease modifications	856	201
Miscellaneous income	17,930	29,112
	$ 25,784	($ 4,947)

(23) Finance costs

	For the year ended December 31,	
	2023	2022
Interest expense:		
Bank borrowings and lease liabilities	$ 187,695	$ 131,394

(24) Expenses by nature

	2023			2022		
	Operating cost	Operating expenses	Total	Operating cost	Operating expenses	Total
Employee benefit expense						
Wages and salaries	$ 1,147,551	$ 699,764	$ 1,847,315	$ 1,068,324	$ 647,724	$ 1,716,048
Labor and health insurance	122,540	45,062	167,602	116,906	40,799	157,705
Pension costs	29,828	20,179	50,007	30,913	18,777	49,690
Directors' remuneration	-	37,269	37,269	-	36,504	36,504
Other personnel expenses (Note)	65,959	8,728	74,687	60,271	12,494	72,765
Depreciation on fixed assets	805,451	82,628	888,079	746,469	72,227	818,696
Depreciation on right-of-use assets	43,254	11,162	54,416	39,188	10,251	49,439
Amortisation	5,221	17,082	22,303	5,167	679	5,846

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

A. As of December 31, 2023 and 2022, the Company had 2,383 and 2,226 employees, respectively, and had 5 directors for both years.

B. For the years ended December 31, 2023 and 2022, the average employee benefits were $900 and $899, and the average salary expenses were $777 and $773, respectively. The change in adjustment on average salary expenses was 0.52%.

C. According to the Articles of Incorporation of the Company, an amount equal to at least 1% of the Company's distributable profit of the current year should be appropriated as employees' compensation expense. If the Company has an accumulated deficit, earnings should be reserved to cover the accumulated losses in advance.

D. For the years ended December 31, 2023 and 2022, employees' compensation was accrued at $28,696 and $19,058, respectively. The aforementioned amounts were recognised in wages and salaries expense.

For the year ended December 31, 2023, the employees' compensation was estimated and accrued based on 1% (as prescribed by the Company's Articles of Incorporation) of distributable profit of current year as of the end of reporting period.

E. For 2022, the difference of $442 between employees' compensation of $19,500 resolved by the Board of Directors and the amount of $19,058 recognised in the 2022 financial statements, mainly resulting from a variance in estimation, had been adjusted in profit or loss for 2023.

F. Information about employees' compensation and directors' and supervisors' remuneration of the Company as resolved by Board of Directors will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

G. The Company sets up the audit committee and therefore had no supervisors' remuneration for the years ended December 31, 2023 and 2022.

H. The Company's overall salary is positioned above the market levels to cultivate and attract outstanding talents. The Company takes into consideration its operating situation and refers to the Consumer Price Index, economic growth rate, national income, and market and industry salary levels to ensure a highly competitive salary structure to motivate and retain high performance talents. In addition to strictly complying with the Labor Standards Act of the local government, the Company also pays attention to the correlation and design rationalisation between the Company's operating performance and employees' salaries.

Directors' remuneration is determined by the Board of Directors based on the pay levels of listed companies in the same industry and their contribution. Independent directors' remuneration is determined based on the market pay levels. Managers' salaries are highly correlated with the Company's operating results and performance, and managers' compensation and bonuses are determined based on their performance indicators every year.

Employees' compensation includes monthly salaries and bonuses. Employees' salary standards are determined based on their positions, education and work experience, professional expertise and market value. The base salaries and bonuses are determined in compliance with the Act of Gender Equality in Employment and are not different due to gender, religion, political stance and marital status, etc. The annual budget for salary adjustment is approximately 2% or more (depending on the Company's operating results and performance) and the salaries are adjusted to be in line with the market levels and based on the principle of fairness. The employees' bonuses are determined based on their positions and performance as encouragement. The vision is for employees to work as a team with the Company for mutual benefits and common prosperity to operate the business as a going concern.

(25) Income tax

A. Income tax expense

(a) Components of income tax expense:

	For the year ended December 31,	
	2023	2022
Current tax:		
Current tax on profits for the year	$ 542,158	$ 380,966
Tax on undistributed surplus earnings	19,955	8,071
Prior year income tax overestimation	(13,149)	(14,185)
Total current tax	-	(6,623)
	548,964	368,229
Deferred tax:		
Origination and reversal of temporary differences	9,351	6,663
Total deferred tax	9,351	6,663
Income tax expense	$ 558,315	$ 374,892

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

	For the year ended December 31,	
	2023	2022
Changes in fair value of financial assets at fair value through other comprehensive income	($ 34,094)	$ 6,220
Remeasurement of defined benefit obligations	($ 912)	$ 8,294

B. Reconciliation between income tax expense and accounting profit

	For the year ended December 31,	
	2023	2022
Tax calculated based on profit before tax and statutory tax rate	$ 565,456	$ 386,053
Tax exempt income by tax regulation / Expenses disallowed by tax regulation	(13,947)	1,575
Prior year income tax over estimation	(13,149)	(14,184)
Tax on undistributed surplus earnings	19,955	8,071
Separate taxation (Repatriated Offshore Funds)	-	(6,623)
Income tax expense	$ 558,315	$ 374,892

C. (a) Amounts of deferred tax assets or liabilities as a result of temporary differences, tax losses and investment tax credits are as follows:

	December 31, 2023	December 31, 2022
Temporary differences:		
Accrued sales discounts	$ 23,348	$ 25,402
Provision for loss on spare parts	4,330	4,138
Pension expense in excess of the limit for tax purpose	5,502	8,488
Provision for inventory valuation loss and change in fair value of biological assets	(18,010)	(10,948)
Unrealised foreign investment income	(25,053)	(25,053)
Unrealised exchange loss	(239)	(1,180)
Changes in fair value of financial assets at fair value through other comprehensive income	39,464	5,370
Changes in fair value of financial liabilities at fair value through profit or loss	-	2,358
Others	4,812	(78)
	$ 34,154	$ 8,497

	December 31, 2023	December 31, 2022
Deferred tax assets	$ 77,455	$ 50,427
Deferred tax liabilities	(43,301)	(41,930)
	$ 34,154	$ 8,497

(b) Amounts recognised in profit or loss and in other comprehensive income as a result of temporary differences are as follows:

	For the year ended December 31,	
	2023	2022
Recognised in profit or loss	($ 9,351)	($ 6,664)
Recognised in other comprehensive income (loss)	$ 35,006	($ 14,514)

D. The Company’s income tax returns through 2020 have been assessed and approved by the Tax Authority.

(26) Earnings per share

	For the year ended December 31, 2023		
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 2,268,965	294,790	$ 7.70
Diluted earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 2,268,965	294,790	
Assumed conversion of all dilutive potential ordinary shares			
- employees' compensation	-	363	
	$ 2,268,965	295,153	$ 7.69

	For the year ended December 31, 2022		
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 1,555,380	294,790	$ 5.28
Diluted earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 1,555,380	294,790	
Assumed conversion of all dilutive potential ordinary shares			
- employees' compensation	-	296	
	$ 1,555,380	295,086	$ 5.27

(27) Supplemental cash flow information

Investing activities with partial cash payment are as follows:

	For the year ended December 31,	
	2023	2022
Acquisition of property, plant and equipment	$ 2,428,883	$ 1,944,548
Add: Opening balance of payable on equipment	37,523	69,952
Less: Ending balance of payable on equipment	(161,716)	(37,523)
Cash paid during the year	$ 2,304,690	$ 1,976,977

7. RELATED PARTY TRANSACTIONS

(1) Parent and ultimate controlling party

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

(2) Names of related parties and relationship

Names of related parties	Relationship with the Company
Charoen Pokphand Foods Public Co., Ltd. (CPF)	Ultimate parent company
Charoen Pokphand (Taiwan) Corp., Ltd.	Subsidiary
Arbor Acres Taiwan Co., Ltd.	"
Rui Mu Foods Co., Ltd.	"
Rui Fu Foods Co., Ltd. and its subsidiaries	"
Sheng Da Foods Co., Ltd.	"
Feng Sheng Livestock Co., Ltd.	The Group is a co-venturer of the joint venture
Charoen Pokphand Group Co., Ltd. (CPG)	Other related party
C.P. Consumer Products Company Limited	"
C.P. Merchandising Company Limited	"
Ta Chung Investment Co., Ltd.	"
Chun Ta Investment Co., Ltd.	"
Perfect Companion (Taiwan) Co., Ltd.	"
Hung Yu-Chun	"
Lu Xiang-Da	"
Lu Yi-Feng	"
Lu Pei-Lun	"
Lan Fu-Shi	"
Charoen Pokphand Seeds Co., Ltd.	"
Hung Peng-Da	"
Hung Jin-Zheng	"
Jih Ching Egg Co., Ltd.	"

(3) Significant related party transactions and balances

A. Operating revenue

	For the year ended December 31,	
	2023	2022
Sales of goods:		
Subsidiaries	$ 442,178	$ 373,686
The Group is a co-venturer of the joint venture	855	-
Other related parties	236,810	239,074
	$ 679,843	$ 612,760

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

B. Purchases

	For the year ended December 31,	
	2023	2022
Purchases of goods:		
Ultimate parent company	$ 69,703	$ 92,558
Subsidiaries	480,917	239,498
Other related parties	32,730	34,052
	$ 583,350	$ 366,108

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

C. Receivables from related parties

	December 31, 2023	December 31, 2022
Notes and accounts receivable:		
Subsidiaries	$ 78,642	$ 82,195
Other related parties	52,914	44,952
	131,556	127,147
Other receivable:		
Subsidiaries	343	207
	$ 131,899	$ 127,354

The receivables from related parties arise mainly from sales transactions. The receivables are unsecured in nature and bear no interest. There are no provisions held against receivables from related parties.

D. Payables to related parties

		December 31, 2023		December 31, 2022
Notes and accounts payable:				
Subsidiaries	$	61,496	$	19,090
Other related parties		3,804		412
		65,300		19,502
Other payables:				
Subsidiaries		498		295
Other related parties		9,468		26,814
		9,966		27,109
	$	75,266	$	46,611

The payables to related parties arise mainly from purchase transactions. The payables bear no interest. The other payables arise mainly from technical service expenses and trademarks.

E. Rental income (shown as 'Other income')

	For the year ended December 31,			
Lessee		2023		2022
Subsidiaries	$	1,800	$	2,220
Other related parties		86		86
	$	1,886	$	2,306

The rental receivables are collected annually based on the contracts.

F. Property transactions

(a) Acquisition of property, plant and equipment

The Company purchased land and buildings from other related party for operational expansion amounting to $68,660 as resolved by the Board of Directors in August 2022. As of December 31, 2023 and 2022, the unpaid amounts were $10,660 and $20,660, respectively.

(b) Acquisition of financial assets

	General ledger account	Number of shares traded	The subject of the transaction	December 31, 2023 Acquisition price
Subsidiaries	Financial assets at fair value through profit or loss	15,000,000	Preferred share	$ 150,000

G. Technical service agreement

(a) The Company signed a technical service agreement with CPG since 1996. CPG helps the Company to manufacture feeds, raise animals and to process meat products, and the Company pays compensation of THB 12 million (net value) for the services annually. The commitment would not be terminated except when any of the two parties would agree to end the agreement. For the years ended December 31, 2023 and 2022, the Company recognised technical service expenses amounting to $11,139 and $10,840, respectively.

(b) The Company signed a technical service agreement with CPG at the end of 2015. CPG helps the Company to raise animals and provides consulting services of related technical skills, and the Company pays compensation of $700 for the services monthly. The contract is effective for 5 years. The contract term was extended to five years effective from the end of 2020. For the years ended December 31, 2023 and 2022, the Company recognised technical service expense amounting to $8,400 for both years.

H. Trademark licensing agreement

The Company signed a trademark license agreement with CPG at the end of 2015. The contract authorises the Company to use ‘CP’ as trademark in the designated area (Republic of China). Royalties are paid monthly based on 1.5% of the net amount of sales. The contract is effective for 5 years. The contract term was extended to five years effective from the end of 2020. For the years ended December 31, 2023 and 2022, the Company recognised royalties amounting to $99,044 and $92,361, respectively.

I. SAP software and maintenance agreement

The Company signed a contract about license and maintenance of SAP software with CPF IT in April 2023. The contract authorises the Company to use the SAP system software and the maintenance agreement amounting to $8,010 and $1,332, respectively. The licensing fee was amortised in 3 years. For the year ended December 31, 2023, the Company recognised amortisation amounting to $2,670.

(4) Key management compensation

	For the year ended December 31,	
	2023	2022
Salaries and other short-term employee benefits	$ 192,817	$ 190,359
Post-employment benefits	1,557	1,544
	$ 194,374	$ 191,903

8. PLEDGED ASSETS

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

	Book value		
Pledged assets	December 31, 2023	December 31, 2022	Purpose
Time deposits - shown as 'Other current assets'	$ 9,650	$ 9,650	Guarantee deposit
Land	862,987	862,987	Long-term borrowings
Buildings and structures	596,151	620,850	Long-term borrowings
Machinery and equipment	497,368	523,066	Long-term borrowings
Construction in progress	69,828	73,909	Long-term borrowings
	$ 2,035,984	$ 2,090,462	

9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNISED CONTRACT COMMITMENTS

(1) Contingencies

The Company subsequently invested to establish chicken farms in Hualien County starting from 2018, and had submitted an application to the Hualien County Government for approval based on the Company's building and feeding project. However, the Hualien County Government issued a letter on July 10, 2020 to terminate the Company's application for the building of farming facilities on agricultural land without taking into consideration the measures and goodwill that the Company took in order to reach consensus with local residents and resolve controversy. The Company has appointed lawyers and filed an appeal as administrative remedy. For the administrative appeal filed against the administrative action concerning the revocation of the permission letter to use the land in dispute, the Council of Agriculture of Executive Yuan revoked the aforesaid administrative action in accordance with the Appeal Resolution Letter Order No. Nong-Su-Zi-1090727273, dated January 12, 2021. On July 26, 2021, the Hualien County Government sent another letter alleging that the Company did not obtain permission for agricultural use in accordance with the regulations and revoking the permission in accordance with Article 117 of the Administrative Procedures Act. The Company has appointed a lawyer to file an appeal. As of December 31, 2023, the related costs incurred by the Company amounted to $71,281, excluding the cost of land.

(2) Commitments

A. As of December 31, 2023 and 2022, the Company had opened unused letters of credit for purchases of raw materials and machinery of $643,903 and $508,723, respectively.

B. As of December 31, 2023 and 2022, the Company had several outstanding construction contracts and equipment purchase agreements amounting to $1,296,879 and $989,117, respectively, which will be paid on the basis of percentage of completion.

10. SIGNIFICANT DISASTER LOSS

None.

11. SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

A. In February 2024, the Board of Directors of the subsidiary, Rui Fu Foods Co., Ltd., resolved to increase its capital in the amount of $100,000 by issuing 10,000,000 shares of common shares with par value of $10 (in dollars) per share. The effective date for the capital increase was set on March 6, 2024.

B. In February, 2024, the Board of Directors of the subsidiary, Sheng Da Foods Co., Ltd., resolved to increase its capital in the amount of $40,000 by issuing 4,000,000 shares of common shares with par value of $10 (in dollars) per share. The effective date for the capital increase was set on March 11, 2024.

12. OTHERS

(1) Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital.

(2) Financial risk of financial instruments

A. Financial instruments by category

	December 31, 2023	December 31, 2022
Financial assets		
Financial assets at fair value through profit or loss		
Financial assets designated as at fair value through profit or loss on initial recognition	$ 144,000	$ -
Financial assets measured at fair value through other comprehensive income		
Designation of equity instrument	1,277,060	972,692
Financial assets at amortised cost		
Cash and cash equivalents	139,001	122,778
Notes receivable (including related parties)	351,478	375,832
Accounts receivable (including related parties)	2,392,737	2,540,609
Other accounts receivable (including related parties)	16,083	50,953
Refundable deposits	60,817	36,904
Other financial assets - current	9,650	9,650
	$ 4,390,826	$ 4,109,418

	December 31, 2023	December 31, 2022
Financial liabilities		
Financial liabilities at amortised cost		
Financial liabilities designated as at fair value through profit or loss on initial recognition	$ -	$ 11,791
Financial assets at amortised cost		
Short-term borrowings	3,034,040	3,651,097
Short-term notes and bills payable	978,405	938,148
Notes payable (including related parties)	633,450	590,819
Accounts payable (including related parties)	796,596	894,025
Other accounts payable (including related parties)	1,018,323	849,806
Long-term borrowings (including current portion)	7,800,953	7,040,000
Lease liability	$ 14,261,767	$ 13,975,686
	$ 321,074	$ 329,416

B. Financial risk management policies

(a) The Company's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial position and financial performance.

(b) Risk management is carried out by a central treasury department (Company treasury) under policies approved by the Board of Directors. Company treasury identifies, evaluates and hedges financial risks in close cooperation with the Company's operating units.

C. Financial risks and degrees of financial risks

(a) Market risk

Foreign exchange risk

i. The Company operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the USD and HKD. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations.

ii. Management has set up a policy to require the Company to manage its foreign exchange risk against its functional currency.

iii. The Company has certain investments in foreign operations, whose net assets are exposed to foreign currency translation risk.

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

	December 31, 2023				
		Foreign currency amount (in thousands)	Exchange rate		Book value (NTD)
(Foreign currency : functional currency)					
Financial assets					
Monetary items					
USD:NTD	USD	80	30.66	$	2,446
THB:NTD	THB	20,946	0.88		18,468
Non-monetary item					
HKD:NTD	HKD	357,131	3.93		1,403,935
THB:NTD	THB	1,430,073	0.89		1,277,060
Financial liabilities					
Monetary items					
USD:NTD	USD	4,689	30.76	$	144,195

	December 31, 2022				
		Foreign currency amount (in thousands)	Exchange rate		Book value (NTD)
(Foreign currency : functional currency)					
Financial assets					
Monetary items					
USD:NTD	USD	40	30.66	$	1,231
Non-monetary item					
HKD:NTD	HKD	440,167	3.93		1,728,226
THB:NTD	THB	1,098,216	0.89		972,692
Financial liabilities					
Monetary items					
USD:NTD	USD	18,187	30.76	$	559,422
EUR:NTD	EUR	61	32.92		2,015

v. Total exchange gain (loss), including realised and unrealised, arising from significant foreign exchange variation on the monetary items held by the Company for the years ended December 31, 2023 and 2022 amounted to $8,050 and ($39,464), respectively.

vi. Analysis of foreign currency market risk arising from significant foreign exchange variation:

	2023		
	Sensitivity analysis		
	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
(Foreign currency : functional currency)			
Financial assets			
Monetary item			
USD：NTD	1%	$ 24	$ -
THB：NTD	1%	185	-
Non-monetary item			
HKD：NTD	1%	-	14,039
THB：NTD	1%	-	12,771
Financial liabilities			
Monetary items			
USD：NTD	1%	($ 1,442)	$ -

	2022		
	Sensitivity analysis		
	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
(Foreign currency : functional currency)			
Financial assets			
Monetary item			
USD：NTD	1%	$ 12	$ -
Non-monetary item			
HKD：NTD	1%	-	17,282
THB：NTD	1%	-	9,727
Financial liabilities			
Monetary items			
USD：NTD	1%	($ 5,594)	$ -
EUR：NTD	1%	(20)	-

Price risk

i. The Company is exposed to equity securities price risk because of investments held by the Company and classified on the balance sheet as financial assets at fair value through other comprehensive income. Refer to Note 6(2) and Note 6(3).

ii. For the Company's strategies for biological assets price risk, refer to Note 6(6).

iii. The Company's investment in equity securities comprise foreign listed stocks. The prices of equity securities would change due to the change of the future value of investee companies. If the prices of these equity securities had increased/decreased by 1% with all other variables held constant, other equity for the years ended December 31, 2023 and 2022 would have increased/decreased by $10,216 and $7,782, respectively, as a result of post-tax gains/losses on equity securities classified as equity investment at fair value through other comprehensive income.

Cash flow and fair value interest rate risk

i. The Company's interest rate risk arises from long-term borrowings. Borrowings issued at variable rates expose the Company to cash flow interest rate risk which is partially offset by cash and cash equivalents held at variable rates. Borrowings issued at fixed rates expose the Company to fair value interest rate risk. During the years ended December 31, 2023 and 2022, the Company's borrowings at variable rate were denominated in NTD.

ii. The Company analyses its interest rate exposure on a dynamic basis. Various scenarios are simulated taking into consideration refinancing, renewal of existing positions, alternative financing and hedging. Based on these scenarios, the Company calculates the impact on profit and loss of a defined interest rate shift. For each simulation, the same interest rate shift is used for all currencies. The scenarios run only for liabilities that represent the major interest-bearing positions.

iii. For the years ended December 31, 2023 and 2022, if interest rates on NTD-denominated borrowings at that date had been 1% higher/lower with all other variables held constant, post-tax profit for the years ended December 31, 2023 and 2022, would have been $62,408 and $56,320 lower/higher, respectively, mainly as a result of higher/lower interest expense on floating rate borrowings.

(b) Credit risk

i. Credit risk refers to the risk of financial loss to the Company arising from default by the clients or counterparties of financial instruments on the contract obligations. The main factor is the contract cash flows when counterparties could not repay in full the accounts receivable based on the agreed terms.

ii. The Company manages its credit risk taking into consideration the entire Company’s concern. According to the Company’s credit policy, the Company is responsible for managing and analysing the credit risk for each of the new clients before standard payment and delivery terms and conditions are offered. Internal risk control assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Board of Directors. The utilisation of credit limits is regularly monitored.

iii. Based on the Company’s historical experience, if the contract payments were past due over 17 days, there has been a significant increase in credit risk on that instrument since initial recognition. As a result, the Company should strengthen controls and make follow-up procedures.

iv. The Company pays attention on specific customers whose payments were past due to confirm the debts and recognises the allowance for bad debts when there is a concern about default based on the assessment of customers’ credit risk.

v. The Company classifies customers’ accounts receivable in accordance with customer types. The Company applies the simplified approach using loss rate methodology to estimate expected credit loss impairment under the provision matrix basis.

vi. The Company wrote-off the financial assets, which cannot be reasonably expected to be recovered, after initiating recourse procedures. However, the Company will continue executing the recourse procedures to secure their rights. For the years ended December 31, 2023 and 2022, the Company’s written-off financial assets that are still under recourse procedures amounted to $11,214 and $7,699, respectively.

vii. The Company used the forecastability of the global economy to adjust historical and timely information to assess the default possibility of accounts receivable in accordance with customers’ credit. As of December 31, 2023 and 2022, the expected loss rate is as follows:

	Current	Up to 120 days	121-365 days	Over one year	Total
December 31, 2023					
Expected loss rate	0.05%	1.5%~100%	100%	100%	
Total book value	$ 2,432,841	$ 189,089	$ 15,603	$ 4,652	$ 2,642,185
Loss allowance	1,275	7,996	15,603	4,652	29,526

	Current	Up to 120 days	121-365 days	Over one year	Total
December 31, 2022					
Expected loss rate	0.05%	1.5%~100%	100%	100%	
Total book value	$ 2,648,493	$ 145,446	$ 55	$ 2,052	$ 2,796,046
Loss allowance	1,439	3,206	55	2,052	6,752

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

	2023	2022
	Notes and accounts receivable (including related parties)	Notes and accounts receivable (including related parties)
At January 1	$ 6,752	$ 7,578
Provision for impairment loss	23,264	(442)
Write-offs	(490)	(384)
At December 31	$ 29,526	$ 6,752

The reversal of and provision for (reversal of) impairment loss arising from customers' contracts for the years ended December 31, 2023 and 2022 amounted to $23,264 and ($442), respectively.

(c) Liquidity risk

i. Cash flow forecasting is performed in the operating entities of the Company and aggregated by Company treasury. Company treasury monitors rolling forecasts of the Company's liquidity requirements to ensure it has sufficient cash to meet operational needs. Such forecasting takes into consideration the Company's financial ratio targets, covenant compliance and applicable external regulatory or legal requirements.

ii. The table below analyses the Company's non-derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

Non-derivative financial liabilities

December 31, 2023	Less than 1 year	Between 1 and 5 years	Over 5 years
Short-term borrowings	$ 3,034,040	$ -	$ -
Short-term notes and bills payable	980,000	-	-
Notes payable (including related parties)	633,450	-	-
Accounts payable (including related parties)	796,596	-	-
Other payables (including related parties)	1,018,323	-	-
Lease liabilities	29,609	154,693	158,476
Long-term borrowings (including current portion)	407,208	7,373,303	326,566

Non-derivative financial liabilities

December 31, 2022	Less than 1 year	Between 1 and 5 years	Over 5 years
Short-term borrowings	$ 3,651,097	$ -	$ -
Short-term notes and bills payable	940,000	-	-
Notes payable (including related parties)	590,819	-	-
Accounts payable (including related parties)	894,025	-	-
Other payables (including related parties)	849,806	-	-
Lease liabilities	31,890	147,505	173,115
Long-term borrowings (including current portion)	758,719	5,674,637	877,495
Derivative financial liabilities			
Current financial liabilities at fair value through profit or loss	11,791	-	-

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

(3) Fair value information

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

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

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

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

Level 3: Unobservable inputs for the asset or liability.

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

December 31, 2023	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value measurements				
Biological assets	$ -	$ 1,183,346	$ -	$ 1,183,346
Financial assets at fair value through profit or loss:				
Non-listed preferred shares	$ -	$ -	$ 144,000	$ 144,000
Financial liabilities at fair value through profit or loss:				
Derivatives instruments	$ 1,277,060	$ -	$ -	$ 1,277,060

December 31, 2022	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value measurements				
Biological assets	$ -	$ 1,231,923	$ -	$ 1,231,923
Financial assets at fair value through other comprehensive income:				
Equity securities	$ 972,692	$ -	$ -	$ 972,692
Financial liabilities at fair value through profit or loss:				
Derivatives instruments	$ -	$ 11,791	$ -	$ 11,791

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

(a) The instruments the Company used quoted market prices as their fair values (that is, Level 1) are listed stocks, whose quoted market prices are based on the closing prices and which are classified as available-for-sale financial assets.

(b) The Company takes into account adjustments for credit risks to measure the fair value of financial and non-financial instruments to reflect credit risk of the counterparty and the Company's credit quality.

(c) Details of methods for measuring Level 2 - Biological assets are provided in Note 6(7).

E. For the years ended December 31, 2023 and 2022, there was no transfer between Level 1 and Level 2.

F. For the years ended December 31, 2023 and 2022, there was no transfer into or out from Level 3.

G. The following chart is the movement of Level 3 for the year ended December 31, 2023:

	Equity	
	2023	
At January 1	$	-
Acquired during the year		150,000
Recognized in profit or loss	(	6,000)
At December 31	$	144,000
Movement of unrealised gain or loss in profit or loss of assets and liabilities held as at December 31, 2023	($	6,000)

H. The third party is in charge of valuation procedures for fair value measurements being categorized within Level 3, which is to verify independent fair value of financial instruments. Such assessment is to ensure the valuation results are reasonable by applying independent information to make results close to current market conditions, confirming the resource of information is independent, reliable and in line with other resources and represented as the exercisable price, and frequently calibrating valuation model, performing back-testing, updating inputs used to the valuation model and making any other necessary adjustments to the fair value.

I. The following is the qualitative information of significant unobservable inputs and sensitivity analysis of changes in significant unobservable inputs to valuation model used in Level 3 fair value measurement:

Non-derivative equity	December 31, 2023 Fair value		Evaluation technology	Material unobservable input values	Range Weighted average	The relationship between input values and fair vlaue
Non-listed preferred shares	$	144,000	Market Law	Lack of market liquidity discount, Price-to-book multiple	0.15、1.10	The higher the lack of market liquidity discount, the lower the fair value; the higher the multiplier, the higher the fair value.

13. SUPPLEMENTARY DISCLOSURES

(1) Significant transactions information

A. Loans to others: None.

B. Provision of endorsements and guarantees to others during the year ended December 31, 2023: None.

C. Holding of marketable securities at December 31, 2023 (not including subsidiaries, associates and joint ventures):

Securities held by	Marketable securities: Types	Marketable securities: Name	Relationship with the securities issuer	General ledger account	As of December 31, 2023: Number of shares	As of December 31, 2023: Book value	As of December 31, 2023: Ownership	As of December 31, 2023: Fair value (Note 1)	Footnote
The Company	Common share	Charoen Pokphand Foods Public Company Limited	(Note)	Financial assets at fair value through other comprehensive income	72,962,900	$ 1,277,060	0.85%	$ 1,277,060	
Plenty Type Limited (Cayman Islands)	Common share	Charoen Pokphand Foods Public Company Limited	(Note)	Financial assets at fair value through other comprehensive income	76,800,000	1,343,613	0.89%	1,343,613	
The Company	Special share	Rui Mu Foods Co., Ltd.	Subsidiary	Financial assets at fair value through comprehensive income	15,000,000	144,000	100.00%	144,000	

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

D. Acquisition or sale of the same security with the accumulated cost exceeding NT$300,000 or 20% of the Company's paid -in capital during the year ended December 31, 2023:

Purchaser/seller	Marketable securities: Types	Marketable securities: Name	General ledger account	Counterparty	Relationship with the counterparty	As of December 31, 2022: Number of shares	As of December 31, 2022: Book value	Buy: Number of shares	Buy: Book value	As of December 31, 2023: Number of shares	As of December 31, 2023: Book value
Charoen Pokphand Enterprise (Taiwan) Co., Ltd.	Common share	Charoen Pokphand Foods Public Company Limited	Financial assets at fair value through other comprehensive income	-	-	44,282,900	$ 999,545	286,800,000	$ 474,837	72,962,900	$ 1,474,382

E. Acquisition of real estate reaching NT$300,000 or 20% of paid-in capital or more during the year ended December 31, 2023: None.

F. Disposal of real estate reaching NT$300,000 or 20% of paid-in capital or more during the year ended December 31, 2023: None.

G. Purchases or sales of goods from or to related parties reaching NT$100,000 or 20% of paid-in capital or more during the year ended December 31, 2023:

			Transaction				Differences in transaction terms compared to third transactions		Notes/accounts receivable (payable)		
Purchaser/seller	Counterparty	Relationship with the counterparty	Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	Footnote
The Company	Rui Fu Foods Co., Ltd.	Subsidiary	Sales revenue	$285,003	1.05%	60 days	The same as general transactions	None	$ 42,186	1.54%	
The Company	Rui Mu Foods Co., Ltd.	Subsidiary	Sales revenue	115,871	0.43%	180 days	The same as general transactions	None	29,261	1.07%	
The Company	Arbor Acres Taiwan Co., LTD	Subsidiary	Purchases	141,977	0.77%	105 days	The same as general transactions	None	14,593	1.02%	
The Company	Rui Fu Foods Co., Ltd.	Subsidiary	Purchases	190,344	1.03%	105 days	The same as general transactions	None	-	0.00%	

H. Receivables from related parties reaching NT$100,000 or 20% of paid-in capital or more as at December 31, 2023: None.

I. Trading in derivative instruments undertaken during the year ended December 31, 2023: Refer to Note 6(2).

J. Significant inter-company transactions during the year ended December 31, 2023: The inter-company transactions below 1% of consolidated assets or revenue are not disclosed.

(2) <u>Information on investees</u>

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

				Initial investment amount		Shares held as of December 31, 2023					
Investor	Investee	Location	Main business activities	Balance as of December 31, 2023	Balance as of December 31, 2022	Number of shares	Ownership (%)	Book value	Net profit (loss) of the investee	Investment income (loss) recognised by the Company	Footnote
The Company	Plenty Type Limited (Cayman Islands)	Cayman Islands	Management of producing and non-producing business investments	$ 470,459	$ 470,459	57,841,941	100.00	$ 1,403,935	$ 19,063	$ 19,063	Subsidiary (Note 1)
The Company	Charoen Pokphand (Taiwan) Corp., Ltd.	Taiwan	Management of importing and exporting businesses	20,086	20,086	2,443,716	90.00	41,512	9,253	8,327	Subsidiary
The Company	Arbor Acres Taiwan Co., Ltd.	Taiwan	Husbandry management of chickens to produce breeder chicken and daily chicken	60,131	60,131	1,600,000	50.00	117,914	85,417	42,709	Subsidiary
The Company	Rui Mu Foods Co., Ltd.	Taiwan	Husbandry management of layers and related business	193,860	193,860	11,831,700	68.00	124,611	(16,834)	(5,447)	Subsidiary
The Company	Rui Fu Foods Co., Ltd.	Taiwan	Husbandry management of layers and related business	408,000	408,000	40,800,000	51.00	275,711	(77,761)	(39,658)	Subsidiary (Note 1)
The Company	Feng Sheng Livestock Co., Ltd.	Taiwan	Electric livestock slaughter	100,000	100,000	10,000,000	50.00	91,399	(6,629)	(3,314)	Investment accounted for using equity method - joint ventures
Plenty Type Limited (Cayman Islands)	Chia Tai Lianyungang Co., Ltd.	Hong Kong	Management of producing and non-producing business investments	HKD 19,910	HKD 19,910	999,999	99.99	3,181	(439)	-	Indirectly owned subsidiary (Note 2)
Rui Fu Foods Co., Ltd.	Sheng Da Foods Co., Ltd.	Taiwan	Husbandry management of layers and related business	210,000	120,000	21,000,000	80.77	108,568	(66,778)	-	Indirectly owned subsidiary (Note 2)

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

Note 2: Current period income (loss) has been recognised by subsidiaries and indirectly owned subsidiaries.

(3) Information on investments in Mainland China

None.

(4) Major shareholder information

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

14. OPERATING SEGMENT INFORMATION

None.

CHAROEN POKPHAND ENTERPRISE (TAIWAN) CO., LTD.
MOVEMENT SUMMARY OF NON-CURRENT FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars)

Table 1

	As of December 31, 2022		Additions		As of December 31, 2023			
Marketable securities	Number of shares	Fair value	Number of shares	Amount	Number of shares	Fair value	Accumulated impairment	Collateral or pledge
Common share - Charoen Pokphand Foods Public Company Limited	44,282,900	$ 972,692	28,680,000	$ 304,368	72,962,900	$ 1,277,060	-	None

CHAROEN POKPHAND ENTERPRISE (TAIWAN) CO., LTD.
DETAILS OF ACCOUNTS RECEIVABLE
DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars)

Table 2

Customer name	Amount	Note
Non-related parties:		
A Customer	$ 358,236	
Others	1,932,471	The balance of each customer has not exceeded 5% of the accounts receivable
Less: Allowance for bad debts	(29,526)	
	$ 2,261,181	
Related parties:		
Charoen Pokphand (Taiwan) Corp., Ltd.	$ 5	
Rui Fu Foods Co., Ltd.	42,186	
Rui Mu Foods Co., Ltd.	29,261	
Arbor Acres Taiwan Co., Ltd.	6,962	
Sheng Da Foods Co., Ltd.	228	
Hung Yu-Chun	6,200	
Lu Xiang-Da	5,684	
Lu Yi-Feng	27,351	
Lan Fu-Shi	13,679	
	$ 131,556	

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CHAROEN POKPHAND ENTERPRISE (TAIWAN) CO., LTD.
DETAILS OF INVENTORIES
DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars)

Table 3

Items	Cost	Net realisable value	Note
Materials and supplies	$ 1,250,394	$ 1,437,497	
Work in progress	48,570	67,467	
Finished goods	882,806	938,783	
	2,181,770	2,443,747	
Less: Allowance for inventory valuation losses	(7,600)	-	
	$ 2,174,170	$ 2,443,747	

CHAROEN POKPHAND ENTERPRISE (TAIWAN) CO., LTD.
MOVEMENT SUMMARY OF INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD
FOR THE YEAR ENDED DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars)

Table 4

	Opening balance		Additions (Deductions)								Ending balance			Market price or value per share			
Name	Number of shares	Amount	Number of shares	Amount	Cash dividends	Investment income (loss)	Exchange differences on translation of foreign financial statements	Loss on valuation of financial assets at fair value through other comprehensive income	Gains (losses) on remeasurements of defined benefit plan	Changes in capital surplus	Number of shares	Ownership (%)	Amount	Price (in NTD)	Total price	Pledged to others as collateral	Note
Plenty Type Limited (Cayman Islands)	57,841,941	$1,728,226	-	$ -	$ -	$ 19,063	($ 2,013)	($ 341,341)	$ -	$ -	57,841,941	100%	$ 1,403,935	$ -	$ 1,403,935	None	
Charoen Pokphand (Taiwan) Corp., Ltd.	2,443,716	49,730	-	-	(16,617)	8,327	-	-	72	-	2,443,716	90%	41,512	-	41,512	None	
Arbor Acres Taiwan Co., Ltd.	1,600,000	94,185	-	-	(19,200)	42,709	-	-	220	-	1,600,000	50%	117,914	-	117,914	None	
Rui Mu Foods Co., Ltd.	20,400,000	130,058	(8,568,300)	-	-	(5,447)	-	-	-	-	11,831,700	68%	124,611	-	124,611	None	
Rui Fu Foods Co., Ltd.	40,800,000	317,014	-	-	-	(39,658)	-	-	-	(1,645)	40,800,000	51%	275,711	-	275,711	None	
Feng Sheng Livestock Co., Ltd.	10,000,000	94,713	-	-	-	(3,314)	-	-	-	-	10,000,000	50%	91,399		91,399		
		$2,413,926		$ -	($ 35,817)	$ 21,680	($ 2,013)	($ 341,341)	$ 292	($ 1,645)			$ 2,055,082		$ 2,055,082		

CHAROEN POKPHAND ENTERPRISE (TAIWAN) CO., LTD.
DETAILS OF ACCOUNTS PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars)

Table 5

Supplier name	Amount	Note
Non-related parties:		
A Supplier	$ 72,496	
B Supplier	56,441	
Others	636,060	The balance of each supplier has not exceeded 5% of the accounts payable
	$ 764,997	
Related parties:		
Charoen Pokphand (Taiwan) Corp., Ltd.	$ 3,929	
Arbor Acres Taiwan Co., Ltd.	14,594	
Rui Mu Foods Co., Ltd.	1,759	
Sheng Da Foods Co., Ltd.	7,521	
C.P. Consumer Products Company Limited	3,796	
	$ 31,599	

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CHAROEN POKPHAND ENTERPRISE (TAIWAN) CO., LTD.
DETAILS OF OPERATING REVENUE
FOR THE YEAR ENDED DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars)

Table 6

Item	Quantity (Metric tons)	Amount
Animal feeds, cooked food	582,099	$ 9,547,636
Agricultural livestock	130,915	12,775,743
Meat processing	28,717	4,906,477
Eggs	702	5,149
Other	-	88
		$ 27,235,093

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CHAROEN POKPHAND ENTERPRISE (TAIWAN) CO., LTD.
DETAILS OF OPERATING COST
FOR THE YEAR ENDED DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars)

Table 7

Item	Amount	Note
Cost of goods sold		
Raw materials		
Raw materials at the beginning	$ 1,574,867	
Materials purchased during the year	17,220,104	
Raw materials sold	(7,141)	
Scraps sold	(1,263,438)	
Materials reclassified as expenses	(24,775)	
Gain on physical inventory count of raw materials	1,457	
Raw materials at the end	(1,215,578)	
	16,285,496	
Indirect materials		
Raw materials at the beginning	28,034	
Materials purchased during the year	362,293	
Raw materials sold	(85)	
Materials reclassified as expenses	(6,666)	
Loss on physical inventory count of raw materials	53	
Raw materials at the end	(34,816)	
	348,813	
Direct labor	942,086	
Manufacturing overhead	2,826,007	
Manufacturing Cost	20,402,402	
Add: Work in progress at the beginning	2,350,573	
Less: Work in progress at the end	(2,315,200)	
Finished goods cost	20,437,775	
Add: Finished goods at the beginning	809,770	
Add: Finished goods purchases for the year	858,217	
Add: Gain on finished goods	791	
Less: Finished goods reclassified as expenses	(37,288)	
Less: Finished goods at the end	(882,806)	
	21,186,459	
Add: Materials sold	1,263,523	
Less: Loss on physical inventory count	(2,301)	
Add: Gain on reversal of decline in market value	2,600	
Add: Income from disposal of scraps	3,686	
Operating costs	$ 22,453,967	

Note: Biological assets were included in work in progress.

CHAROEN POKPHAND ENTERPRISE (TAIWAN) CO., LTD.
DETAILS OF MANUFACTURING OVERHEAD
FOR THE YEAR ENDED DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars)

Table 8

Item	Description	Amount	Notes
Wages and salaries		$ 251,979	
Insurance expense		190,390	
Depreciation		848,705	
Miscellaneous disbursements and repairs and maintenance expense		327,287	
Storage fee		490,717	
Environmental protection fee		177,524	
Other expenses		539,405	Each individual item does not exceed 5% of the account balance.
		$ 2,826,007	

CHAROEN POKPHAND ENTERPRISE (TAIWAN) CO., LTD.
DETAILS OF OPERATING EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2023
(Expressed in thousands of New Taiwan dollars)

Table 9

Item	Selling and marketing expenses	General and administrative expenses	Total	Notes
Wages and salaries	$ 283,009	$ 474,203	$ 757,212	
Freight	375,326	112	375,438	
Cost of service and technical service	193	136,045	136,238	
Traveling expense	81,653	15,064	96,717	
Non-deductible input VAT for dual-status business entities	97,044	5,829	102,873	
Depreciation	75,973	17,817	93,790	
Other expenses	201,435	93,182	294,617	
	$ 1,114,633	$ 742,252	$ 1,856,885	