

**CP ALL Public Company Limited  
and its Subsidiaries**

Interim financial statements  
for the three-month period ended  
31 March 2020  
and  
Independent Auditor's Review Report

## **Independent Auditor's Report on Review of Interim Financial Information**

### **To the Board of Directors of CP ALL Public Company Limited**

I have reviewed the accompanying consolidated and separate statements of financial position of CP ALL Public Company Limited and its subsidiaries (the "Group"), and of CP ALL Public Company Limited (the "Company"), respectively, as at 31 March 2020; the consolidated and separate statements of income, comprehensive income, changes in equity and cash flows for the three-month period ended 31 March 2020; and condensed notes ("interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34, "Interim Financial Reporting". My responsibility is to express a conclusion on this interim financial information based on my review.

#### *Scope of Review*

I conducted my review in accordance with Thai Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

#### *Conclusion*

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34, "Interim Financial Reporting".



*Emphasis of Matter*

I draw attention to condensed note 3 to the interim financial statements describing the effect of the Group and the Company's adoption from 1 January 2020 of certain new accounting policies. My conclusion is not modified in respect of this matter.



(Munchupa Singsuksawat)  
Certified Public Accountant  
Registration No. 6112

KPMG Phoomchai Audit Ltd.  
Bangkok  
12 May 2020

# CP ALL Public Company Limited and its Subsidiaries

## Statement of financial position

Assets	Note	Consolidated		Separate	
		financial statements		financial statements	
		31 March	31 December	31 March	31 December
		2020	2019	2020	2019
		(Unaudited)		(Unaudited)	
		(in thousand Baht)			
<i>Current assets</i>					
Cash and cash equivalents		29,317,093	29,860,513	15,912,540	17,895,286
Current investments		183,605	658,572	-	-
Trade accounts receivable	5, 16	1,286,164	1,718,002	162,518	116,092
Other current receivables	5, 16	7,185,628	7,729,043	5,187,345	5,174,188
Short-term loans to subsidiaries	5	-	-	6,016,500	6,116,500
Inventories	5	31,760,769	31,537,849	14,989,129	14,683,842
Other current assets		239,261	419,217	214,100	273,570
<b>Total current assets</b>		<b>69,972,520</b>	<b>71,923,196</b>	<b>42,482,132</b>	<b>44,259,478</b>
<i>Non-current assets</i>					
Investments in subsidiaries	6	-	-	199,651,971	199,527,531
Investment in associate	7	252,000	-	252,000	-
Investment in related company	5	34,000	34,000	34,000	34,000
Other long-term investments		2,042	2,042	-	-
Other non-current receivables	5	171,108	1,576,268	-	1,085,643
Investment properties		332,832	332,832	-	-
Property, plant and equipment	5, 8	117,502,584	116,082,072	36,093,745	35,095,979
Right-of-use assets	9	51,583,569	-	39,340,571	-
Leasehold rights		-	3,916,633	-	361,117
Goodwill		128,096,021	128,096,021	-	-
Intangible assets other than goodwill	5	51,399,783	51,383,825	1,700,424	1,688,978
Deferred tax assets		1,720,480	1,291,217	1,050,115	626,103
Other non-current assets	5	1,521,886	979,348	1,726,538	1,237,967
<b>Total non-current assets</b>		<b>352,616,305</b>	<b>303,694,258</b>	<b>279,849,364</b>	<b>239,657,318</b>
<b>Total assets</b>		<b>422,588,825</b>	<b>375,617,454</b>	<b>322,331,496</b>	<b>283,916,796</b>

The accompanying condensed notes form an integral part of the interim financial statements.

# CP ALL Public Company Limited and its Subsidiaries

## Statement of financial position

Liabilities and equity	Note	Consolidated		Separate	
		financial statements		financial statements	
		31 March	31 December	31 March	31 December
		2020	2019	2020	2019
		(Unaudited)		(Unaudited)	
		(in thousand Baht)			
Current liabilities					
Short-term borrowings from financial institutions		3,711,912	3,326,784	3,000,000	2,500,000
Trade accounts payable	5	72,863,884	78,549,537	39,161,723	41,331,659
Other payables	5	14,119,568	15,169,854	15,872,090	18,496,677
Contract liabilities	11	871,456	794,164	22,000	-
Short-term borrowings from subsidiary	5	-	-	1,000,000	700,000
Short-term borrowings from other parties		15,682	14,474	-	-
Current portion of debentures	16	23,550,252	12,289,800	23,550,252	12,289,800
Current portion of long-term borrowings from financial institutions	16	3,254,268	238,688	-	-
Current portion of lease liabilities (2019: Current portion of finance lease liabilities)	5, 16	7,216,603	92,347	6,444,495	-
Income tax payable		2,379,044	1,532,910	756,869	379,237
Other current liabilities		1,011,603	908,598	706,204	638,078
Total current liabilities		128,994,272	112,917,156	90,513,633	76,335,451
Non-current liabilities					
Debentures	16	109,248,869	120,593,800	109,248,869	120,593,800
Long-term borrowings from financial institutions	16	5,705,161	8,599,261	-	-
Lease liabilities (2019: Finance lease liabilities)	5, 16	41,527,703	549,430	33,529,104	-
Provisions for employee benefits		4,939,432	4,842,899	2,822,092	2,771,802
Accrued guarantee deposits	16	3,950,431	3,926,376	3,899,544	3,858,828
Deferred tax liabilities		14,983,919	15,003,567	-	-
Other non-current liabilities		29,287	817,169	-	198,315
Total non-current liabilities		180,384,802	154,332,502	149,499,609	127,422,745
Total liabilities		309,379,074	267,249,658	240,013,242	203,758,196

The accompanying condensed notes form an integral part of the interim financial statements.



# CP ALL Public Company Limited and its Subsidiaries

## Statement of financial position

Liabilities and equity <i>(Continued)</i>	Note	Consolidated		Separate	
		financial statements		financial statements	
		31 March	31 December	31 March	31 December
		2020	2019	2020	2019
		(Unaudited)		(Unaudited)	
(in thousand Baht)					
<b>Equity</b>					
Share capital					
Authorised share capital					
<i>(8,986 million ordinary shares,</i>					
<i>par value at Baht 1 per share)</i>		8,986,296	8,986,296	8,986,296	8,986,296
Issued and paid-up share capital					
<i>(8,983 million ordinary shares,</i>					
<i>par value at Baht 1 per share)</i>		8,983,101	8,983,101	8,983,101	8,983,101
Additional paid-in capital					
Premium on ordinary shares		1,684,317	1,684,317	1,684,317	1,684,317
Deficit from changes in ownership					
interests in subsidiaries		(1,442,733)	(1,442,733)	-	-
Retained earnings					
Appropriated					
Legal reserve		900,000	900,000	900,000	900,000
Unappropriated		69,834,842	65,853,269	50,841,682	48,682,028
Perpetual subordinated debentures	10	19,909,154	19,909,154	19,909,154	19,909,154
Other component of equity		(1,465,243)	(2,148,250)	-	-
<b>Equity attributable to equity</b>					
<b>holders of the Company</b>		<b>98,403,438</b>	<b>93,738,858</b>	<b>82,318,254</b>	<b>80,158,600</b>
Non-controlling interests		14,806,313	14,628,938	-	-
<b>Total equity</b>		<b>113,209,751</b>	<b>108,367,796</b>	<b>82,318,254</b>	<b>80,158,600</b>
<b>Total liabilities and equity</b>		<b>422,588,825</b>	<b>375,617,454</b>	<b>322,331,496</b>	<b>283,916,796</b>

The accompanying condensed notes form an integral part of the interim financial statements.

# CP ALL Public Company Limited and its Subsidiaries

## Statement of income (Unaudited)

		Consolidated		Separate	
		financial statements		financial statements	
		For the three-month		For the three-month	
		period ended 31 March		period ended 31 March	
Note		2020	2019	2020	2019
		(in thousand Baht)			
<b>Revenues</b>	5				
Revenue from sale of goods and rendering of services		140,970,512	134,088,797	82,854,849	80,742,541
Interest income		42,379	112,373	91,208	160,528
Dividend income		74	63	195,997	99,999
Net foreign exchange gain		55,990	-	-	-
Other income		4,787,011	4,465,610	4,909,624	4,512,419
<b>Total revenues</b>		<b>145,855,966</b>	<b>138,666,843</b>	<b>88,051,678</b>	<b>85,515,487</b>
<b>Expenses</b>	5				
Cost of sale of goods and rendering of services		109,788,727	104,158,157	59,621,084	58,217,073
Distribution costs		22,878,915	21,691,962	19,442,248	18,305,930
Administrative expenses		4,427,930	3,985,139	2,925,176	2,631,089
Net foreign exchange loss		-	2,012	15	15
<b>Total expenses</b>		<b>137,095,572</b>	<b>129,837,270</b>	<b>81,988,523</b>	<b>79,154,107</b>
<b>Profit from operating activities</b>		<b>8,760,394</b>	<b>8,829,573</b>	<b>6,063,155</b>	<b>6,361,380</b>
Finance costs	5	1,880,584	1,749,106	1,715,621	1,647,455
<b>Profit before income tax expense</b>		<b>6,879,810</b>	<b>7,080,467</b>	<b>4,347,534</b>	<b>4,713,925</b>
Income tax expense	13	1,132,252	1,231,745	502,299	687,826
<b>Profit for the period</b>		<b>5,747,558</b>	<b>5,848,722</b>	<b>3,845,235</b>	<b>4,026,099</b>
<b>Profit attributable to:</b>					
Equity holders of the Company		5,645,110	5,769,185	3,845,235	4,026,099
Non-controlling interests		102,448	79,537	-	-
<b>Profit for the period</b>		<b>5,747,558</b>	<b>5,848,722</b>	<b>3,845,235</b>	<b>4,026,099</b>
<b>Basic earnings per share (in Baht)</b>	14	<b>0.60</b>	<b>0.61</b>	<b>0.40</b>	<b>0.42</b>

The accompanying condensed notes form an integral part of the interim financial statements.

**CP ALL Public Company Limited and its Subsidiaries**  
**Statement of comprehensive income (Unaudited)**

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	For the three-month		For the three-month	
	period ended 31 March		period ended 31 March	
	2020	2019	2020	2019
	<i>(in thousand Baht)</i>			
<b>Profit for the period</b>	<b>5,747,558</b>	<b>5,848,722</b>	<b>3,845,235</b>	<b>4,026,099</b>
<b>Other comprehensive income</b>				
<i>Item that will be reclassified</i>				
<i>subsequently to profit or loss</i>				
Exchange differences on translating				
financial statements	739,258	63,584	-	-
<b>Other comprehensive income</b>				
<b>for the period</b>	<b>739,258</b>	<b>63,584</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income</b>				
<b>for the period</b>	<b>6,486,816</b>	<b>5,912,306</b>	<b>3,845,235</b>	<b>4,026,099</b>
<b>Total comprehensive income</b>				
<b>attributable to:</b>				
Equity holders of the Company	6,328,117	5,827,920	3,845,235	4,026,099
Non-controlling interests	158,699	84,386	-	-
<b>Total comprehensive income</b>				
<b>for the period</b>	<b>6,486,816</b>	<b>5,912,306</b>	<b>3,845,235</b>	<b>4,026,099</b>

The accompanying condensed notes form an integral part of the interim financial statements.



## Consolidated financial statements

The accompanying condensed notes form an integral part of the interim financial statements.

## Consolidated financial statements

The accompanying condensed notes form an integral part of the interim financial statements.

**CP ALL Public Company Limited and its Subsidiaries**  
**Statement of changes in equity (Unaudited)**

		Separate financial statements						
		Issued and paid-up share capital	Premium on ordinary shares	Retained earnings			Perpetual subordinated debentures	Total equity
	Note			Legal reserve	Unappropriated reserve			
(in thousand Baht)								
For the three-month period ended 31 March 2020								
Balance at 31 December 2019 - as previously reported		8,983,101	1,684,317	900,000	48,682,028	19,909,154	80,158,600	
Impact of changes in accounting policies	3	-	-	-	(1,433,526)	-	(1,433,526)	
Balance at 1 January 2020		8,983,101	1,684,317	900,000	47,248,502	19,909,154	78,725,074	
Comprehensive income for the period								
Profit		-	-	-	3,845,235	-	3,845,235	
Total comprehensive income for the period		-	-	-	3,845,235	-	3,845,235	
Interest payment on perpetual subordinated debentures								
	10	-	-	-	(252,055)	-	(252,055)	
Balance at 31 March 2020		8,983,101	1,684,317	900,000	50,841,682	19,909,154	82,318,254	
For the three-month period ended 31 March 2019								
Balance at 1 January 2019		8,983,101	1,684,317	900,000	40,543,716	19,909,154	72,020,288	
Comprehensive income for the period								
Profit		-	-	-	4,026,099	-	4,026,099	
Total comprehensive income for the period		-	-	-	4,026,099	-	4,026,099	
Interest payment on perpetual subordinated debentures								
	10	-	-	-	(252,055)	-	(252,055)	
Balance at 31 March 2019		8,983,101	1,684,317	900,000	44,317,760	19,909,154	75,794,332	

The accompanying condensed notes form an integral part of the interim financial statements.

**CP ALL Public Company Limited and its Subsidiaries**  
**Statement of cash flows (Unaudited)**

		Consolidated		Separate	
		financial statements		financial statements	
		For the three-month		For the three-month	
		period ended 31 March		period ended 31 March	
	Note	2020	2019	2020	2019
		(in thousand Baht)			
<b>Cash flows from operating activities</b>					
Profit for the period		5,747,558	5,848,722	3,845,235	4,026,099
<b>Adjustments to reconcile profit to cash receipts</b>					
Depreciation of property, plant and equipment	8	2,647,736	2,426,622	1,621,388	1,440,977
Depreciation of right-of-use assets	9	2,135,444	-	1,844,711	-
Amortisation of leasehold rights		-	74,014	-	25,806
Amortisation of intangible assets other than goodwill		196,997	170,709	64,985	61,060
Interest income		(42,379)	(112,373)	(91,208)	(160,528)
Dividend income		(74)	(63)	(195,997)	(99,999)
Finance costs		1,880,584	1,749,106	1,715,621	1,647,455
Income tax expense		1,132,252	1,231,745	502,299	687,826
Provisions for employee benefits		102,019	80,482	53,700	37,500
(Reversal of) allowance for losses on decline in value of inventories		(72,962)	20,905	(7,955)	(7,447)
Impairment for losses on property, plant and equipment		642	1,920	-	-
Impairment for losses on trade accounts receivable and other receivables					
(2019: Bad and doubtful debts expenses)		15,064	1,123	-	-
Unrealised loss (gain) on exchange		6,939	(2,268)	-	-
Loss on disposal and write-off of property, plant and equipment		28,823	30,773	25,966	29,536
Gain on disposal of right-of-use assets		(3,026)	-	(3,114)	-
Gain on disposal of leasehold rights		-	(2,526)	-	(2,526)
Loss on write-off of intangible assets other than goodwill		4	52	-	-
		13,775,621	11,518,943	9,375,631	7,685,759
<b>Changes in operating assets and liabilities</b>					
Trade accounts receivable		417,100	513,429	(46,426)	(46,777)
Other receivables		333,095	825,940	(118,220)	438,312
Inventories		(149,937)	142,053	(297,332)	(21,654)
Other current assets		39,281	38,470	38,042	34,595
Other non-current assets		(512,872)	68,726	(488,571)	(13,533)

The accompanying condensed notes form an integral part of the interim financial statements.

**CP ALL Public Company Limited and its Subsidiaries**  
**Statement of cash flows (continued) (Unaudited)**

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	For the three-month		For the three-month	
	period ended 31 March		period ended 31 March	
<i>Note</i>	2020	2019	2020	2019
	<i>(in thousand Baht)</i>			
Trade accounts payable	(5,664,290)	(3,181,663)	(2,169,936)	(922,982)
Other payables	(762,288)	(948,382)	(2,125,924)	(2,357,686)
Contract liabilities	77,292	(92,466)	22,000	-
Other current liabilities	103,005	73,572	68,126	56,433
Provisions for employee benefits paid	(6,310)	(8,147)	(3,410)	-
Transferred in of provisions for employee benefits	-	-	-	1,823
Accrued guarantee deposits	24,055	63,838	40,716	70,250
Other non-current liabilities	1,470	43,458	-	15,975
Net cash generated from operating	7,675,222	9,057,771	4,294,696	4,940,515
Income tax paid	(343,586)	(351,944)	(157,874)	(180,131)
<b>Net cash from operating activities</b>	<b>7,331,636</b>	<b>8,705,827</b>	<b>4,136,822</b>	<b>4,760,384</b>
<b><i>Cash flows from investing activities</i></b>				
Interest received	33,502	59,464	81,927	108,297
Dividends received	74	63	195,997	99,999
Acquisition of current investments	-	(720,769)	-	-
Proceeds from sale of current investments	470,854	600,245	-	-
Cash outflow on short-term loans to subsidiaries	5	-	(14,500)	(1,000,500)
Proceeds from repayment of short-term loans to subsidiaries	5	-	114,500	550,000
Cash outflow on investment in subsidiary	6	-	(124,440)	-
Cash outflow on investment in associate	7	(252,000)	(252,000)	-
Acquisition of property, plant and equipment	15	(4,103,280)	(2,940,096)	(2,667,021)
Proceeds from sale of property, plant and equipment		11,738	8,217	30,680
Acquisition of right-of-use assets		(158,172)	(92,013)	-
Proceeds from sale of right-of-use assets		3,315	3,315	-
Acquisition of leasehold rights		-	(50,505)	(30,780)
Proceeds from sale of leasehold rights		-	3,109	3,109
Acquisition of intangible assets other than goodwill	15	(179,434)	(90,910)	(31,228)
<b>Net cash used in investing activities</b>		<b>(4,173,403)</b>	<b>(3,110,003)</b>	<b>(2,937,444)</b>

The accompanying condensed notes form an integral part of the interim financial statements.



**CP ALL Public Company Limited and its Subsidiaries**  
**Statement of cash flows (continued) (Unaudited)**

		Consolidated		Separate	
		financial statements		financial statements	
		For the three-month		For the three-month	
		period ended 31 March		period ended 31 March	
Note		2020	2019	2020	2019
		(in thousand Baht)			
<b>Cash flows from financing activities</b>					
Interest paid		(1,785,005)	(1,933,865)	(1,693,188)	(1,825,912)
Interest paid on perpetual subordinated debentures	10	(252,055)	(252,055)	(252,055)	(252,055)
Dividends paid to non-controlling interests		(3)	(1)	-	-
Payment of lease liabilities (2019: Payment by a lessee for reduction of the outstanding liabilities relating to a finance lease)		(2,147,608)	(44,463)	(1,864,322)	-
Increases (decreases) in short-term borrowings from financial institutions		377,528	(2,903,003)	500,000	-
Proceeds from short-term borrowings from subsidiary	5	-	-	300,000	-
Proceeds from issue of debentures		-	15,000,000	-	15,000,000
Repayment of debentures		-	(11,066,100)	-	(11,066,100)
Repayment of long-term borrowings from financial institutions		(959)	(142)	-	-
Payment of changes in ownership interest in subsidiary without a change in control	6	-	(553,420)	-	(553,420)
<b>Net cash (used in) from financing activities</b>		<b>(3,808,102)</b>	<b>(1,753,049)</b>	<b>(3,009,565)</b>	<b>1,302,513</b>
Net (decrease) increase in cash and cash equivalents, before effect of exchange rates		(649,869)	1,827,956	(1,982,746)	3,125,453
Effect of exchange rate changes on cash and cash equivalents		106,449	(36,104)	-	-
<b>Net (decrease) increase in cash and cash equivalents</b>		<b>(543,420)</b>	<b>1,791,852</b>	<b>(1,982,746)</b>	<b>3,125,453</b>
Cash and cash equivalents at beginning of period		29,860,513	34,023,109	17,895,286	22,611,758
<b>Cash and cash equivalents at end of period</b>		<b>29,317,093</b>	<b>35,814,961</b>	<b>15,912,540</b>	<b>25,737,211</b>

The accompanying condensed notes form an integral part of the interim financial statements.

**CP ALL Public Company Limited and its Subsidiaries**  
**Condensed notes to the interim financial statements**  
**For the three-month period ended 31 March 2020 (Unaudited)**

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**CP ALL Public Company Limited and its Subsidiaries**  
**Condensed notes to the interim financial statements**  
**For the three-month period ended 31 March 2020 (Unaudited)**

These condensed notes form an integral part of the interim financial statements.

The interim financial statements issued for Thai regulatory reporting purposes are prepared in the Thai language. These English language interim financial statements have been prepared from the Thai language interim financial statements, and were approved and authorised for issue by the Board of Directors on 12 May 2020.

## **1 General information**

CP ALL Public Company Limited, the “Company”, is incorporated in Thailand and was listed on the Stock Exchange of Thailand on 14 October 2003. The company has its registered office at 313 C.P. Tower, 24th Floor, Silom Road, Kwang Silom, Khet Bangrak, Bangkok 10500, Thailand.

The major shareholder of the Company and its subsidiaries (together referred to as the “Group”) during the financial period was Charoen Pokphand Group of companies.

The principal businesses of the Group are operating convenience stores, cash and carry, payment centers and the related supporting services.

The Company operates convenience stores under the “7-Eleven” trademark and franchises to other retailers in the territory of Thailand. The number of 7-Eleven convenience stores as at 31 March 2020 was 11,983 stores (31 December 2019: 11,712 stores).

	31 March 2020	31 December 2019
	<i>(number of stores)</i>	
The Company owns and manages convenience stores	5,401	5,215
The Company franchises the license to other retailers		
- under management agreements	5,767	5,687
- under sub-license agreements	815	810
<b>Total</b>	<b>11,983</b>	<b>11,712</b>

## **2 Basis of preparation of the interim financial statements**

### **(a) Statement of compliance**

The interim financial statements are presented in the same format as the annual financial statements and prepared its notes to the interim financial statements on a condensed basis in accordance with Thai Accounting Standard (“TAS”) No. 34 *Interim Financial Reporting*, guidelines promulgated by the Federation of Accounting Professions and applicable rules and regulations of the Thai Securities and Exchange Commission.

The interim financial statements do not include all of the financial information required for full annual financial statements but focus on new activities, events and circumstances to avoid repetition of information previously reported. Accordingly, these interim financial statements should be read in conjunction with the financial statements of the Company and its subsidiaries for the year ended 31 December 2019.

The Group has initially applied TFRS - Financial instruments standards and TFRS 16 *Leases* which disclosed impact from changes to significant accounting policies in condensed note 3 to the interim financial statements.

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**(b) Use of judgements, estimates and accounting policies**

In preparing these interim financial statements, judgements and estimates are made by management in applying the Group's accounting policies. Actual results may differ from these estimates. The accounting policies, methods of computation and the key sources of estimation uncertainty were the same as those that described in the financial statements for the year ended 31 December 2019, except for the new significant judgements and key sources of estimation uncertainty related to the application of new TFRS and the COVID-19 pandemic as described in condensed notes 3 and 4 to the interim financial statements, respectively.

**3 Changes in accounting policies**

From 1 January 2020, the Group has initially applied TFRS - Financial instruments standards and TFRS 16. Impact of changes in accounting policies on shareholders' equity are as follows:

		<b>Consolidated financial statements</b>		<b>Separate financial statements</b>
		Retained earnings	Non-controlling interests	Retained earnings
	<i>Note</i>		<i>(in million Baht)</i>	
At 31 December 2019 - as previously reported		65,853	14,629	48,682
<i>Increase (decrease) due to:</i>				
Adoption of TFRS - Financial instruments standards				
Classification of financial instruments	<i>A(1)</i>	6	-	6
Impairment losses on financial assets	<i>A(2)</i>	-	-	-
Adoption of TFRS 16 - net of tax	<i>B</i>	(1,417)	13	(1,439)
<b>At 1 January 2020 - restated</b>		<b>64,442</b>	<b>14,642</b>	<b>47,249</b>

**A. TFRS - Financial instruments standards**

The Group has adopted TFRS - Financial instruments standards by adjusting the cumulative effects to retained earnings on 1 January 2020. Therefore, the Group did not adjust the information presented for 2019.

These TFRS - Financial instruments standards establish requirements related to definition, recognition, measurement, impairment and derecognition of financial assets and financial liabilities, including accounting for derivatives and hedge accounting. The impact from adoption of TFRS - Financial instruments standards are as follows:

**(1) Classification and measurement of financial assets and financial liabilities**

TFRS 9 contains 3 principal classification categories for financial assets: measured at amortised cost, fair value through other comprehensive income ("FVOCI") and fair value through profit or loss ("FVTPL"). The classification under TFRS 9 is based on the cash flow characteristics of the financial asset and the business model in which they are managed. TFRS 9 eliminates the previous classification of held-to-maturity debt securities, available-for-sale securities, trading securities and general investment as specified by TAS 105.



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Under TFRS 9, interest income and interest expenses recognised from all financial assets and financial liabilities measured at amortised cost shall be calculated using effective interest rate method. Previously, the Group recognised interest income and interest expenses at the rate specified in the contract.

Under TFRS 9, derivatives are measured at FVTPL. Previously, the Group recognised the derivatives when they were exercised.

The following table shows measurement categories under previous standards and TFRS 9, including reconciliation of the carrying amounts of each class of the Group's financial assets and financial liabilities as at 1 January 2020.

<b>Consolidated financial statements</b>				
Classification under previous standards at 31 December 2019		Classification under TFRS 9 at 1 January 2020		
	Carrying amounts	Fair value through profit or loss (in million Baht)	Fair value through other comprehensive income	Amortised cost - net
Cash and cash equivalents	29,861	-	-	29,861
Current investments	659	-	-	659
Trade accounts receivable	1,718	-	-	1,718
Other current receivables*	7,729	-	-	7,502
Investment in related company	34	-	34	-
Other long-term investments	2	-	2	-
Other non-current receivables*	1,576	-	-	161
<b>Total</b>	<b>41,579</b>	<b>-</b>	<b>36</b>	<b>39,901</b>
Short-term borrowings from financial institutions	3,327	-	-	3,327
Trade accounts payable	78,550	-	-	78,550
Other payables	15,170	-	-	15,170
Contract liabilities	794	-	-	794
Short-term borrowings from other parties	14	-	-	14
Debentures	132,884	-	-	132,793
Long-term borrowings from financial institutions	8,838	-	-	8,838
Accrued guarantee deposits	3,926	-	-	3,926
<b>Total</b>	<b>243,503</b>	<b>-</b>	<b>-</b>	<b>243,412</b>

*\*At 31 December 2019, the outstanding balance of prepaid rental and service fees under the terms of lease and service agreements which were recorded in the accounts "other current receivables" and "other non-current receivables", totaling Baht 142 million and Baht 1,415 million, respectively, have been reclassified to the new account "right-of-use assets" under TFRS 16 at 1 January 2020.*



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<b>Separate financial statements</b>				
Classification under previous standards at 31 December 2019		Classification under TFRS 9 at 1 January 2020		
	Carrying amounts	Fair value through profit or loss (in million Baht)	Fair value through other comprehensive income	Amortised cost - net
Cash and cash equivalents	17,895	-	-	17,895
Trade accounts receivable	116	-	-	116
Other current receivables**	5,174	-	-	5,059
Short-term loans to subsidiaries	6,117	-	-	6,117
Investment in related company	34	-	34	-
Other non-current receivables**	1,086	-	-	-
<b>Total</b>	<b>30,422</b>	<b>-</b>	<b>34</b>	<b>29,187</b>
Short-term borrowings from financial institutions	2,500	-	-	2,500
Trade accounts payable	41,332	-	-	41,332
Other payables	18,497	-	-	18,497
Short-term borrowings from subsidiary	700	-	-	700
Debentures	132,884	-	-	132,793
Accrued guarantee deposits	3,859	-	-	3,859
<b>Total</b>	<b>199,772</b>	<b>-</b>	<b>-</b>	<b>199,681</b>

*\*\*At 31 December 2019, the outstanding balance of prepaid rental and service fees under the terms of lease and service agreements which were recorded in the accounts "other current receivables" and "other non-current receivables", totaling Baht 30 million and Baht 1,086 million, respectively, have been reclassified to the new account "right-of-use assets" under TFRS 16 at 1 January 2020.*

The Group and Company intends to hold non-marketable equity securities amounted of Baht 36 million and Baht 34 million, respectively, for the long-term strategic purposes. The Group has designated them as measured at FVOCI. The accumulated gain (loss) on measurement of these investments will not be reclassified to profit or loss.

<b>Impact from the classification of financial instruments</b>	<b>Consolidated financial statements (in million Baht)</b>	<b>Separate financial statements</b>
<b>At 1 January 2020</b>		
Decrease in other current receivables	(85)	(85)
Decrease in debentures	91	91
Increase in retained earnings	(6)	(6)

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(2) Impairment - Financial assets

TFRS 9 introduces forward-looking ‘expected credit loss’ (“ECL”) model whereas previously the Group estimates allowance for doubtful account by analysing payment histories and future expectation of customer payment. TFRS 9 requires considerable judgement about how changes in economic factors affect ECLs, which will be determined on a probability-weighted basis. The new impairment model applies to financial assets measured at amortised cost, contract assets and debt investments measured at FVOCI, lease receivables, except for investments in equity instruments.

The Group considered that there was no material impact from the application of TFRS 9’s impairment requirements at 1 January 2020.

**B. TFRS 16 Leases**

From 1 January 2020, the Group has initially adopted TFRS 16 on contracts previously identified as leases according to TAS 17 *Leases* and TFRIC 4 *Determining whether an arrangement contains a lease* using the modified retrospective approach.

Previously, the Group, as a lessee, recognised payments made under operating leases and relevant lease incentives in profit or loss on a straight-line basis over the term of the lease. Under TFRS 16, the Group assesses whether a contract is, or contains, a lease. If a contract contains lease and non-lease components, the Group allocates the consideration in the contract based on stand-alone selling price (transaction price). As at 1 January 2020, the Group recognised right-of-use assets and lease liabilities, as a result, the nature of expenses related to those leases was changed because the Group recognised depreciation of right-of-use assets and interest expense on lease liabilities.

On transition, the Group also elected to use the following practical expedients:

- do not recognise right-of-use assets and lease liabilities for leases with less than 12 months of lease term;
- do not recognise right-of-use assets and lease liabilities for leases of low-value assets;
- use hindsight when determining the lease term; and
- apply a single discount rate to a portfolio of leases with similar characteristics.

	<b>Consolidated financial statements</b>	<b>Separate financial statements</b>
	<i>(in million Baht)</i>	
<b><i>Impact from the adoption of TFRS 16</i></b>		
<b><i>At 1 January 2020</i></b>		
Decrease in other current receivables	(142)	(30)
Decrease in other current assets	(141)	(21)
Decrease in other non-current receivables	(1,415)	(1,086)
Decrease in property, plant and equipment	(521)	-
Increase in right-of-use assets	50,463	38,669
Decrease in leasehold rights	(3,917)	(361)
Increase in deferred tax assets	391	391
Decrease in other payables	16	-
Decrease in current portion of finance lease liabilities	92	-
Increase in lease liabilities	(47,568)	(39,199)
Decrease in finance lease liabilities	549	-
Decrease in other non-current liabilities	789	198
Decrease in retained earnings	1,417	1,439
Increase in non-controlling interests	(13)	-



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<i>Measurement of lease liability</i>	<b>Consolidated financial statements</b> <i>(in million Baht)</i>	<b>Separate financial statements</b>
Operating lease commitment as disclosed at 31 December 2019	57,027	42,768
Recognition exemption for short-term leases	(589)	(582)
Recognition exemption for leases of low-value assets	(26)	(23)
Extension and termination options reasonably certain to be exercised	52	-
Leases considered as service contracts	(90)	-
Additional leases considered as lease contracts	272	87
Impact from commitment recorded on a straight-line basis	607	-
	<b>57,253</b>	<b>42,250</b>
Present value of remaining lease payments, discounted using the incremental borrowing rate at 1 January 2020	46,933	39,199
Finance lease liabilities recognised as at 31 December 2019	641	-
Exchange differences on translating financial statements	(6)	-
<b>Lease liabilities recognised at 1 January 2020</b>	<b>47,568</b>	<b>39,199</b>
Weighted-average incremental borrowing rate (% per annum)	2.9	2.2

Right-of-use assets and lease liabilities shown above were presented as part of convenience stores, cash and carry and other segments, respectively.

#### **4 Impact of COVID-19 pandemic**

Due to the COVID-19 pandemic at the beginning of the year 2020, Thailand and many other countries have enacted several protective measures against the pandemic, e.g. the order to temporarily shut down operating facilities or reduce operating hours, social distancing, etc. This has significantly affected world economy, production, supply chain of goods and business operation of many entities in wide areas. The management is closely monitoring the situation to ensure the safety of the Group's staff and to manage the negative impact on the business as much as possible.

At 31 March 2020, the situation of COVID-19 pandemic is still ongoing, resulting in estimation uncertainty on the potential impact, therefore, the Group elected to apply accounting guidance on temporary accounting relief measures for additional accounting options in response to impact from the situation of COVID-19 pandemic on the following:

##### *(a) Impairment of assets*

The Group considered impairment of trade accounts receivable and other current receivables under simplified approach using historical loss rate and did not take forward-looking information into account.

The Group elected to exclude the COVID-19 situation as impairment indicator for property, plant and equipment, investment properties and intangible assets, and elected to exclude the COVID-19 situation, which may affect future financial forecasts, from the impairment testing factors of goodwill and other intangible assets with an indefinite useful life.

##### *(b) Fair value measurement*

The Group elected to measure investment in non-marketable equity securities at 31 March 2020 using fair values at 1 January 2020.

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**5 Related parties**

Relationships with subsidiaries and associate are described in condensed notes 6 and 7 to the interim financial statements, respectively. Relationships with key management and other related parties, as well as, pricing policies for particular types of transactions with related parties have no material changes during the three-month period ended 31 March 2020.

Significant transactions for the three-month periods ended 31 March 2020 and 2019 with related parties were as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
<i>For the three-month period ended 31 March</i>	2020	2019	2020	2019
	<i>(in million Baht)</i>			
<b><i>Subsidiaries</i></b>				
Revenue from sale of goods and rendering of services	-	-	202	178
Interest income	-	-	72	80
Dividend income	-	-	196	100
Other income	-	-	392	360
Distribution costs	-	-	510	375
Administrative expenses	-	-	464	459
Finance costs	-	-	10	-
Purchases of goods and services	-	-	6,845	6,442
Purchases of property, plant and equipment and intangible assets other than goodwill	-	-	783	720
<b><i>Other related companies</i></b>				
Revenue from sale of goods and rendering of services	485	396	97	115
Other income	560	497	555	490
Distribution costs	35	28	-	-
Administrative expenses	242	211	189	164
Finance costs	2	-	-	-
Purchases of goods and services	14,981	12,736	10,152	9,075
Purchases of property, plant and equipment and intangible assets other than goodwill	2	4	-	-
<b><i>Key management personnel</i></b>				
Key management benefit expenses				
Short-term employee benefits	168	165	115	112
Severance pay for employees	3	3	1	1
<b>Total key management benefit expenses</b>	<b>171</b>	<b>168</b>	<b>116</b>	<b>113</b>

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Balances as at 31 March 2020 and 31 December 2019 with related parties were as follows:

<i>Trade accounts receivable</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	31 March 2020	31 December 2019	31 March 2020	31 December 2019
	<i>(in million Baht)</i>			
Related companies	189	232	-	-
Less allowance for impairment (2019: allowance for doubtful accounts)	-	-	-	-
<b>Net</b>	<b>189</b>	<b>232</b>	<b>-</b>	<b>-</b>

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2020	2019	2020	2019
	<i>(in million Baht)</i>			
<b>Impairment losses (2019: Bad and doubtful debts) for the three-month period ended 31 March</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>-</b>

<i>Other receivables</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	31 March 2020	31 December 2019	31 March 2020	31 December 2019
	<i>(in million Baht)</i>			
<b>Current</b>				
Subsidiaries	-	-	783	795
Other related companies	1,045	839	900	703
<b>Total</b>	<b>1,045</b>	<b>839</b>	<b>1,683</b>	<b>1,498</b>
<b>Non-current</b>				
Subsidiary	-	-	-	74
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>74</b>

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2020	2019	2020	2019
	<i>(in million Baht)</i>			
<b>Impairment losses (2019: Bad and doubtful debts) for the three-month period ended 31 March</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>



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***Short-term loans to subsidiaries***

Movements during the three-month period ended 31 March 2020 were as follows:

	<b>Interest rate</b>		<b>Separate financial statements</b>			
	31 December 2019	31 March 2020	31 December 2019	Increases	Decreases	31 March 2020
	<i>(% per annum)</i>			<i>(in million Baht)</i>		
Subsidiaries	4.75	4.75	6,117	15	(115)	6,017
<b>Total</b>			<b>6,117</b>			<b>6,017</b>

As at 31 March 2020 the outstanding balance of short-term loans to the subsidiaries was unsecured and at call.

***Investment in related company***

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	31 March 2020	31 December 2019	31 March 2020	31 December 2019
	<i>(in million Baht)</i>			
True GS Co., Ltd.	34	34	34	34
<b>Total</b>	<b>34</b>	<b>34</b>	<b>34</b>	<b>34</b>

All investment in related company of the Company as at 31 March 2020 and 31 December 2019 was denominated entirely in Thai Baht.

***Other non-current assets***

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	31 March 2020	31 December 2019	31 March 2020	31 December 2019
	<i>(in million Baht)</i>			
Subsidiaries	-	-	292	341
<b>Total</b>	<b>-</b>	<b>-</b>	<b>292</b>	<b>341</b>

***Trade accounts payable***

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	31 March 2020	31 December 2019	31 March 2020	31 December 2019
	<i>(in million Baht)</i>			
Subsidiaries	-	-	2,441	2,578
Other related companies	6,853	8,059	3,811	4,524
<b>Total</b>	<b>6,853</b>	<b>8,059</b>	<b>6,252</b>	<b>7,102</b>

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<i>Other payables</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	31 March 2020	31 December 2019	31 March 2020	31 December 2019
	<i>(in million Baht)</i>			
Subsidiaries	-	-	8,868	10,223
Other related companies	144	222	6	57
<b>Total</b>	<b>144</b>	<b>222</b>	<b>8,874</b>	<b>10,280</b>

***Short-term borrowings from subsidiary***

Movements during the three-month period ended 31 March 2020 were as follows:

	<b>Interest rate</b>		<b>Separate financial statements</b>			
	31 December 2019	31 March 2020	31 December 2019	Increase	Decrease	31 March 2020
	<i>(% per annum)</i>			<i>(in million Baht)</i>		
Subsidiary	4.50	4.50	700	300	-	1,000
<b>Total</b>			<b>700</b>			<b>1,000</b>

As at 31 March 2020 the outstanding balance of short-term borrowings from the subsidiary was unsecured and at call.

<i>Lease liabilities</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	31 March 2020	31 December 2019	31 March 2020	31 December 2019
	<i>(in million Baht)</i>			
Other related companies	225	-	-	-
<b>Total</b>	<b>225</b>	<b>-</b>	<b>-</b>	<b>-</b>

***Significant agreements with related parties***

The Group had no new agreements with related parties during the three-month period ended 31 March 2020.

**6 Investments in subsidiaries**

Movements during the three-month periods ended 31 March 2020 and 2019 were as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2020	2019	2020	2019
	<i>(in million Baht)</i>			
At 1 January	-	-	199,527	197,610
Increases	-	-	125	554
<b>At 31 March</b>	<b>-</b>	<b>-</b>	<b>199,652</b>	<b>198,164</b>
<b>At 31 December</b>		<b>-</b>		<b>199,527</b>

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Details of the increases in investments in subsidiaries during the three-month periods ended 31 March 2020 and 2019 were as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2020	2019	2020	2019
	<i>(in million Baht)</i>			
Albuera International Limited	-	-	125	-
Thai Smart Card Co., Ltd.	-	-	-	554
<b>Total</b>	<b>-</b>	<b>-</b>	<b>125</b>	<b>554</b>

***Additional investment***

***Albuera International Limited***

During the first quarter of 2020, a foreign subsidiary (Albuera International Limited) collected from the called for additional paid-up share capital of United States Dollars 3.99 million; from United States Dollar 1 to United States Dollars 4 million.

***Changes in ownership interest in subsidiary without a change in control***

***Thai Smart Card Co., Ltd.***

During the first quarter of 2019, the company acquired ordinary shares from shareholders totaling 30,745,600 shares equally to 19.21% of total issued and paid-up shares of a local subsidiary (Thai Smart Card Co., Ltd.) at the price of Baht 18 per share, totaling Baht 554 million in cash, increasing its ownership interest from 72.64% to 91.85%. The Group recognised a decrease in non-controlling interests of Baht 308 million and deficit from changes in ownership interest in subsidiary of Baht 246 million.

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Investments in subsidiaries as at 31 March 2020 and 31 December 2019, and dividend income for the three-month periods ended 31 March 2020 and 2019 were as follows:

Separate financial statements										
Name of parties	Type of business	Country of operation	Ownership interests		Paid-up capital		At cost		Dividend income for the three-month period ended	
			31 March 2020	31 December 2019	31 March 2020	31 December 2019	31 March 2020	31 December 2019	31 March 2020	31 March 2019
			(in million Baht)							
<i>Local direct subsidiaries</i>										
Suksapiwat Co., Ltd.	Holding company	Thailand	99.99	99.99	810	810	810	810	-	-
CPRAM Co., Ltd.	Frozen food plant and bakery	Thailand	99.99	99.99	600	600	600	600	-	-
Counter Service Co., Ltd.	Bill payment services, e-commerce, distributor of all types of commercial cards and tickets and insurance broker	Thailand	99.99	99.99	100	100	91	91	-	-
All Corporation Limited	Holding company	Thailand	99.99	99.99	50	50	50	50	-	-
24 Shopping Co., Ltd.	Distributor of catalog merchandises and e-commerce	Thailand	99.99	99.99	30	30	30	30	-	-
CP Retailink Co., Ltd.	Distributor of equipment for retailing and software development	Thailand	99.99	99.99	20	20	20	20	-	-



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Separate financial statement (Continued)										
Name of parties	Type of business	Country of operation	Ownership interests		Paid-up capital		At cost		Dividend income for the three-month period ended	
			31 March 2020	31 December 2019 (%)	31 March 2020	31 December 2019	31 March 2020	31 December 2019		
(in million Baht)										
Gosoft (Thailand) Co., Ltd.	Information system design and development services	Thailand	99.99	99.99	20	20	20	20	16	-
OHT Co., Ltd.	Holding company	Thailand	99.99	99.99	12	12	57,754	57,754	-	-
ALL Now Management Co., Ltd.	Logistics and distribution of merchandises services	Thailand	99.99	99.99	2	2	2	2	100	100
All Training Co., Ltd.	Training center	Thailand	99.99	99.99	1	1	1	1	50	-
ALL Wellness Co., Ltd.	Digital innovation healthcare services and consultation by medical specialists	Thailand	99.99	99.99	1	1	1	1	-	-
MAM Heart Co., Ltd.	Marketing activities planning services	Thailand	99.99	99.99	1	1	1	1	-	-
Panyatara Co., Ltd.	Training center	Thailand	99.99	99.99	1	1	1	1	30	-
Thai Smart Card Co., Ltd.	Smart purse card services	Thailand	99.99	99.99	1,600	1,600	1,939	1,939	-	-
Siam Makro Holding (Thailand) Ltd.	Holding company	Thailand	49.00	49.00	1,066	1,066	55,490	55,490	-	-
Siam Makro Public Company Limited	Cash and carry	Thailand	38.07	38.07	2,400	2,400	73,203	73,203	-	-
<b>Total</b>							<b>190,013</b>	<b>190,013</b>	<b>196</b>	<b>100</b>

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Separate financial statements (Continued)									
Name of parties	Type of business	Country of operation	Ownership interests		Paid-up capital		At cost		Dividend income for the three-month period ended
			31 March 2020	31 December 2019	31 March 2020	31 December 2019	31 March 2020	31 December 2019	
			(in million United States Dollars)		(in million Baht)				
<i>Foreign direct subsidiaries</i>									
Lotus Distribution Investment Limited	Holding company	British Virgin Islands	100.00	100.00	280	280	9,514	9,514	-
Albuera International Limited	Holding company	British Virgin Islands	100.00	100.00	4	-.*	125	-.*	-
<b>Total</b>							<b>9,639</b>	<b>9,514</b>	<b>-</b>
<b>Grand total</b>							<b>199,652</b>	<b>199,527</b>	<b>196</b>
									<b>100</b>

\* As at 31 December 2019 Albuera International Limited ("Albuera") had paid-up capital amounting to United States Dollar 1 and the Company invested in Albuera amounting to United States Dollar 1.

## CP ALL Public Company Limited and its Subsidiaries

## Condensed notes to the interim financial statements

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Details of the Company's indirect subsidiaries as at 31 March 2020 and 31 December 2019 only those with changes during the three-month period ended 31 March 2020 were as follows:

Name of parties	Type of business	Country of operation	Ownership interests	
			31 March 2020	31 December 2019
			(%)	
<i>Local indirect subsidiary (investment through All Corporation Co., Ltd.)</i>				
ALL CONVENIENCE LOGISTIC CO., LTD.	Logistics and distribution of merchandises services	Cambodia	99.99	-
<i>Foreign indirect subsidiary (investment through Albuera International Limited)</i>				
CP ALL (CAMBODIA) CO., LTD.	Convenience stores	Cambodia	100.00	-

## 7 Investment in associate

Movements during the three-month periods ended 31 March 2020 and 2019 were as follows:

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	(in million Baht)			
At 1 January	-	-	-	-
Increases	252	-	252	-
<b>At 31 March</b>	<b>252</b>	<b>-</b>	<b>252</b>	<b>-</b>
<b>At 31 December</b>		<b>-</b>		<b>-</b>

Details of the increases in investment in associate during the three-month periods ended 31 March 2020 and 2019 were as follows:

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	(in million Baht)			
C.P. Retail Holding Company Limited	252	-	252	-
<b>Total</b>	<b>252</b>	<b>-</b>	<b>252</b>	<b>-</b>

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*Additional investment*

During the first quarter of 2020, the Company acquired 40% of total issued and paid-up ordinary shares of C.P. Retail Holding Company Limited (“CPRH”) which owned 99.99% of C.P. Retail Development Company Limited’s (the “buyer”) share capital. This investment is to acquire shares or economic interests of up to 40% of the total issued shares in Tesco Stores (Thailand) Limited holding 99.99% of the shares in Ek-Chai Distribution System Co., Ltd. which operates retail business under Tesco Lotus brand in Thailand and Tesco Stores (Malaysia) Sdn. Bhd. which operates retail business under Tesco brand in Malaysia (together referred to as the “Tesco Asia Group”). The value of the investment by the Company through CPRH in relation to the Tesco Asia Group investment transaction will be approximately United States Dollars 3,000 million (or equivalent to Baht 95,981 million). The buyer entered into a sale and purchase agreement dated 9 March 2020 with Tesco Holdings Limited and Tesco Holdings B.V. (together referred to as the “sellers”). Details and conditions with respect to the Tesco Asia Group investment transaction will be in accordance with the sale and purchase agreement, and subject to the satisfaction of the conditions precedent which are stipulated in the agreement. Management expects such conditions precedent to be completed within the second half of 2020.

CPRH is a limited company incorporated in Thailand on 6 March 2020 which had an initial authorised share capital of Baht 5 million and called for fully paid-up share capital. Subsequently on 25 March 2020, CPRH’s Board of Directors approved to increase the authorised share capital of Baht 2,500 million and to call for 25% of additional paid-up share capital of Baht 625 million. The registration of the increased authorised share capital and the additional paid-up share capital were completed in March 2020. The company invested 40% of the total paid-up share capital in CPRH, totaling Baht 252 million.



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Investment in associate as at 31 March 2020 and 31 December 2019, and dividend income for the three-month periods ended 31 March 2020 and 2019 were as follows:

<b>Consolidated financial statements</b>									
Type of business	Ownership interest		Paid-up capital		At cost		Equity		Dividend income for the three-month period ended
	31 March 2020	31 December 2019	31 March 2020	31 December 2019	31 March 2020	31 December 2019	31 March 2020	31 December 2019	
	(%)						(in million Baht)		
<i>Associate</i>									
C.P. Retail Holding Company Limited	40	-	630	-	252	-	252	-	-
<b>Total</b>			<b>252</b>	<b>-</b>	<b>252</b>	<b>-</b>	<b>252</b>	<b>-</b>	<b>-</b>
<b>Separate financial statements</b>									
Type of business	Ownership interest		Paid-up capital		At cost		Impairment		Dividend income for the three-month period ended
	31 March 2020	31 December 2019	31 March 2020	31 December 2019	31 March 2020	31 December 2019	31 March 2020	31 December 2019	
	(%)						(in million Baht)		
<i>Associate</i>									
C.P. Retail Holding Company Limited	40	-	630	-	252	-	252	-	-
<b>Total</b>			<b>252</b>	<b>-</b>	<b>252</b>	<b>-</b>	<b>252</b>	<b>-</b>	<b>-</b>

None of the Group's associate is publicly listed and consequently does not have published price quotations.

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**8 Property, plant and equipment**

Acquisitions, disposals and transfers of property, plant and equipment, excluding right-of-use assets, during the three-month period ended 31 March 2020 were as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	Acquisitions and transfers in - at cost	Disposals and transfers out - net book value <i>(in million Baht)</i>	Acquisitions and transfers in - at cost	Disposals and transfers out - net book value
Land	27	-	27	-
Buildings, building and leasehold improvements	1,561	26	678	24
Machinery and equipment	1,970	7	820	3
Furniture, fixtures and office equipment	475	5	528	5
Assets under construction and installation	2,302	2,783	1,154	742
Other	471	3	188	2
<b>Total</b>	<b>6,806</b>	<b>2,824</b>	<b>3,395</b>	<b>776</b>

Movements of property, plant and equipment during the three-month period ended 31 March 2020 were as follows:

	<i>Note</i>	<b>Consolidated financial statements <i>(in million Baht)</i></b>	<b>Separate financial statements</b>
Net book value as at 31 December 2019 - as previously reported		116,082	35,096
Transfers to right-of-use assets	3	(521)	-
Net book value as at 1 January 2020		115,561	35,096
Additions		6,806	3,395
Disposals and write-off		(2,824)	(776)
Depreciation		(2,648)	(1,621)
Increases in allowance for impairment losses on plant and equipment		(1)	-
Exchange differences on translating financial statements		609	-
<b>Net book value as at 31 March 2020</b>		<b>117,503</b>	<b>36,094</b>

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**9 Right-of-use assets**

Movements of right-of-use assets during the three-month period ended 31 March 2020 were as follows:

<b>Consolidated financial statements</b>							
	<i>Note</i>	Land	Building	Machinery and equipment (in million Baht)	Furniture, Fixtures and office equipment	Vehicles	Total
At 1 January 2020	3	13,495	35,806	927	46	189	50,463
Additions		852	1,852	359	-	21	3,084
Depreciation		(307)	(1,755)	(42)	(6)	(25)	(2,135)
Exchange differences on translating financial statements		129	42	-	-	1	172
<b>At 31 March 2020</b>		<b>14,169</b>	<b>35,945</b>	<b>1,244</b>	<b>40</b>	<b>186</b>	<b>51,584</b>

		Separate financial statements		
	Note	Land	Building (in million Baht)	Total
At 1 January 2020	3	5,798	32,871	38,669
Additions		731	1,786	2,517
Depreciation		(214)	(1,631)	(1,845)
<b>At 31 March 2020</b>		<b>6,315</b>	<b>33,026</b>	<b>39,341</b>

**10 Perpetual subordinated debentures**

As at 31 March 2020 the Company had perpetual subordinated debentures (“Debentures”) of totaling Baht 19,909 million, net of issuance cost of Baht 91 million, which were recognised as a part of equity in the interim consolidated and separate financial statements for the three-month period ended 31 March 2020 (consisted of debentures no. 1/2016 of Baht 9,953 million, net of issuance cost of Baht 47 million and debentures no. 1/2017 of Baht 9,956 million, net of issuance cost of Baht 44 million).

The company has not deferred any interest payments to the perpetual subordinated debentures. Cumulative interest for the three-month period ended 31 March 2020 which the debentures holders have the right to receive if the interest payment was announced amounting to Baht 249 million (*31 March 2019: Baht 247 million*). During the year of 2020 the Company paid interest expenses on perpetual subordinated debentures to the holders of Baht 252 million (*2019: Baht 252 million*).

As at 31 March 2020, the Company classified perpetual subordinated debentures as a part of equity in the consolidated and separate financial statements. TAS 32 *Financial instruments: Presentation*, which became effective for annual financial reporting periods beginning on or after 1 January 2020, explains the classification of perpetual debentures as financial liability. However, the Federation of Accounting Professions announced the Federation of Accounting Professions Announcement dated 3 December 2019 regarding *additional transition for classification of perpetual debentures* as an additional guideline during transition period, which the Company applied this announcement. If, as at 31 March 2020, the Company classified the perpetual subordinated debentures as financial liability, total liabilities and equity of the company would increase and decrease by Baht 19,909 million.

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**11 Segment information and disaggregation of revenue**

*Revenue*

The Group's main operations are derived from sale of goods from convenience stores and cash and carry, and rendering of services related to these operations.

*Segment information*

Management determined that the Group has 3 reportable segments which are the Group's strategic divisions for different products and services, and are managed separately because they require different technology and marketing strategies. The following summary describes the operations in each of the Group's reportable segments.

Segment 1: Convenience stores  
Segment 2: Cash and carry  
Segment 3: Other

Other segments include bill payment services, frozen food plant and bakery, and distributor of retailing equipment and educational institutions. None of these segments meets the quantitative thresholds for determining reportable segments.

The Group is managed and operates principally (more than 98%) in Thailand. There are no material revenues derived from, or assets located in, foreign countries.

Each segment's performance is measured based on segment profit before income tax expense, as included in the internal management reports that are reviewed by the Group's Chief Operating Decision Maker. Segment profit before income tax expense is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm's length basis.



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Disaggregation of revenues, timing of revenue recognition and results, based on segments, in the interim consolidated financial statements for the three-month periods ended 31 March 2020 and 2019 were as follows:

	Convenience stores		Cash and carry		Other		Eliminate		Total	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
<i>For the three-month period ended 31 March</i>										
<b>Types of revenues</b>										
Revenue from sale of goods	82,520	80,407	55,159	50,682	8,209	7,664	(7,585)	(6,986)	138,303	131,767
Revenue from rendering of services	335	335	989	922	3,069	2,562	(1,725)	(1,497)	2,668	2,322
Revenue from sale of goods and rendering of services to external customers	82,855	80,742	56,148	51,604	11,278	10,226	(9,310)	(8,483)	140,971	134,089
<b>Total revenues</b>	<b>88,052</b>	<b>85,515</b>	<b>56,308</b>	<b>51,799</b>	<b>11,518</b>	<b>10,419</b>	<b>(10,022)</b>	<b>(9,066)</b>	<b>145,856</b>	<b>138,667</b>
<b>Timing of revenue recognition</b>										
At a point of time	82,855	80,742	55,159	50,682	9,678	9,081	(8,178)	(7,197)	139,514	133,308
Overtime	-	-	989	922	1,600	1,145	(1,132)	(1,286)	1,457	781
<b>Total</b>	<b>82,855</b>	<b>80,742</b>	<b>56,148</b>	<b>51,604</b>	<b>11,278</b>	<b>10,226</b>	<b>(9,310)</b>	<b>(8,483)</b>	<b>140,971</b>	<b>134,089</b>
Segment profit before income tax expense	4,348	4,714	2,028	1,816	1,092	899	(588)	(349)	6,880	7,080

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*Contract balances*

As at 31 March 2020 the Group and the Company had outstanding balances of contract liabilities in the interim consolidated and separate financial statements amounting to Baht 871 million and Baht 22 million (31 December 2019: Baht 794 million and nil), respectively. The contract liabilities arises from consideration allocated to customer loyalty programmes.

**12 Leases**

	<b>Consolidated financial statements</b>	<b>Separate financial statements</b>
<i>For the three-month period ended 31 March 2020</i>		
	<i>(in million Baht)</i>	
<b>Recognised in profit or loss</b>		
Interest on lease liabilities	308	214
Expenses relating to short-term leases	345	288
Expenses relating to leases of low-value assets	23	10
Variable lease payments based on sales	33	33

Total cash outflow for leases presented in the consolidated and separate statement of cash flows for the three-month period ended 31 March 2020 were Baht 2,549 million and Baht 2,195 million, respectively.

**13 Income tax expense**

Income tax expense is recognised based on management's best estimate of the weighted average annual income tax rate expected for the full financial year applied to the pre-tax income of the interim reporting period.

**14 Basic earnings per share**

The calculations of basic earnings per share for the three-month periods ended 31 March 2020 and 2019 were based on the profit for the periods attributable to equity holders of the Company less cumulative interest for the periods on perpetual subordinated debentures and the number of ordinary shares outstanding during the periods as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
<i>For the three-month period ended 31 March</i>	2020	2019	2020	2019
	<i>(in million Baht/million shares)</i>			
Profit for the period attributable to equity holders of the Company	5,645	5,769	3,845	4,026
Less: cumulative interest for the period on perpetual subordinated debentures	(249)	(247)	(249)	(247)
<b>Profit used in calculation of basic earnings per share</b>	<b>5,396</b>	<b>5,522</b>	<b>3,596</b>	<b>3,779</b>
<b>Number of ordinary shares outstanding during the period</b>	<b>8,983</b>	<b>8,983</b>	<b>8,983</b>	<b>8,983</b>
<b>Basic earnings per share (in Baht)</b>	<b>0.60</b>	<b>0.61</b>	<b>0.40</b>	<b>0.42</b>

**CP ALL Public Company Limited and its Subsidiaries**  
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**15 Supplemental disclosures of cash flows information**

Property, plant and equipment and intangible assets other than goodwill paid by cash during the three-month periods ended 31 March 2020 and 2019 are detailed as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2020	2019	2020	2019
	<i>(in million Baht)</i>			
<b><i>Property, plant and equipment</i></b>				
Increases during the period	4,023	4,183	2,653	2,483
Add - changes in payables	80	800	287	184
<b>Purchase and paid by cash</b>	<b>4,103</b>	<b>4,983</b>	<b>2,940</b>	<b>2,667</b>

  

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2020	2019	2020	2019
	<i>(in million Baht)</i>			
<b><i>Intangible assets other than goodwill</i></b>				
Increases during the period	140	110	76	78
Add (less) - changes in payables	39	(27)	14	(47)
<b>Purchase and paid by cash</b>	<b>179</b>	<b>83</b>	<b>90</b>	<b>31</b>

**16 Financial instruments**

***Carrying amount and fair values***

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	<b>Carrying amount</b>	<b>Consolidated financial statements</b>			
		<b>Fair value</b>			<b>Total</b>
	Amortised cost	Level 1	Level 2	Level 3	
		<i>(in million Baht)</i>			
<b>31 March 2020</b>					
<b><i>Financial liabilities</i></b>					
Debentures	132,799	-	143,278	-	143,278
Long-term borrowings from financial institutions	8,959	-	9,070	-	9,070
Accrued guarantee deposits	3,950	-	3,250	-	3,250



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	Carrying amount Amortised cost	Separate financial statements			
		Fair value			
		Level 1	Level 2	Level 3	Total
<i>(in million Baht)</i>					
<b>31 March 2020</b>					
<b><i>Financial liabilities</i></b>					
Debentures	132,799	-	143,278	-	143,278
Accrued guarantee deposits	3,900	-	3,199	-	3,199

	Carrying amount	Consolidated financial statements			
		Fair value			
		Level 1	Level 2	Level 3	Total
<i>(in million Baht)</i>					
<b>31 December 2019</b>					
<i>Financial liabilities not measured at fair value</i>					
Debentures	132,884	-	142,782	-	142,782
Long-term borrowings from financial institutions	8,838	-	8,966	-	8,966
Finance lease liabilities	641	-	757	-	757
Accrued guarantee deposits	3,926	-	3,258	-	3,258

	Carrying amount	Separate financial statements			
		Fair value			
		Level 1	Level 2	Level 3	Total
(in million Baht)					
<b>31 December 2019</b>					
<i>Financial liabilities not measured at fair value</i>					
Debentures	132,884	-	142,782	-	142,782
Accrued guarantee deposits	3,859	-	3,190	-	3,190

**Credit risk**

Impairment on cash and cash equivalents was measured on a 12-month ECLs. The Group considers that cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties.

Allowance for impairment loss for trade accounts receivable and other current receivables are measured at an amount equal to lifetime ECLs. ECLs on these financial assets are estimated using a provision matrix based on the historical credit loss experience, adjusted for factors that are specific to the debtors and assessment of both the current and forecast general economic conditions.



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		<b>Consolidated financial statements</b>			
<i>At 31 March 2020</i>	<i>Note</i>	Trade accounts receivable	Other current receivables	Total carrying amounts	Allowance for impairment losses
<i>(in million Baht)</i>					
<b>Related parties</b>					
Within credit terms		168	391	559	-
Overdue:					
Less than 3 months		14	481	495	-
3 - 6 months		2	155	157	-
6 - 12 months		5	1	6	-
Over 12 months		-	17	17	-
<b>Total</b>		<b>189</b>	<b>1,045</b>	<b>1,234</b>	<b>-</b>
Less allowance for impairment		-	-	-	
<b>Net</b>	<b>5</b>	<b>189</b>	<b>1,045</b>	<b>1,234</b>	
<b>Other parties</b>					
Within credit terms		742	5,153	5,895	(14)
Overdue:					
Less than 3 months		356	977	1,333	(17)
3 - 6 months		15	9	24	(7)
6 - 12 months		17	5	22	(11)
Over 12 months		26	32	58	(45)
<b>Total</b>		<b>1,156</b>	<b>6,176</b>	<b>7,332</b>	<b>(94)</b>
Less allowance for impairment		(59)	(35)	(94)	
<b>Net</b>		<b>1,097</b>	<b>6,141</b>	<b>7,238</b>	
<b>Grand total</b>		<b>1,286</b>	<b>7,186</b>	<b>8,472</b>	

		<b>Separate financial statements</b>			
<i>At 31 March 2020</i>	<i>Note</i>	Trade accounts receivable	Other current receivables	Total carrying amounts	Allowance for impairment losses
<i>(in million Baht)</i>					
<b>Related parties</b>					
Within credit terms		-	1,011	1,011	-
Overdue:					
Less than 3 months		-	516	516	-
3 - 6 months		-	155	155	-
6 - 12 months		-	1	1	-
Over 12 months		-	-	-	-
<b>Total</b>		<b>-</b>	<b>1,683</b>	<b>1,683</b>	<b>-</b>
Less allowance for impairment		-	-	-	
<b>Net</b>	<b>5</b>	<b>-</b>	<b>1,683</b>	<b>1,683</b>	
<b>Other parties</b>					
Within credit terms		163	2,585	2,748	(4)
Overdue:					
Less than 3 months		-	915	915	-
3 - 6 months		-	6	6	-
6 - 12 months		-	2	2	-
Over 12 months		-	11	11	(11)
<b>Total</b>		<b>163</b>	<b>3,519</b>	<b>3,682</b>	<b>(15)</b>
Less allowance for impairment		-	(15)	(15)	
<b>Net</b>		<b>163</b>	<b>3,504</b>	<b>3,667</b>	
<b>Grand total</b>		<b>163</b>	<b>5,187</b>	<b>5,350</b>	

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<i>Trade accounts receivable</i>	<i>Note</i>	<b>Consolidated financial statements</b> <i>(in million Baht)</i>	<b>Separate financial statements</b>
<i>At 31 December 2019</i>			
<i>Related parties</i>			
Within credit terms		151	-
Overdue:			
Less than 3 months		55	-
3 - 6 months		6	-
6 - 12 months		20	-
Over 12 months		-	-
<b>Total</b>		<b>232</b>	<b>-</b>
Less allowance for doubtful accounts		-	-
<b>Net</b>	<b>5</b>	<b>232</b>	<b>-</b>
<i>Other parties</i>			
Within credit terms		1,041	116
Overdue:			
Less than 3 months		419	-
3 - 6 months		27	-
6 - 12 months		20	-
Over 12 months		23	-
<b>Total</b>		<b>1,530</b>	<b>116</b>
Less allowance for doubtful accounts		(44)	-
<b>Net</b>		<b>1,486</b>	<b>116</b>
<b>Grand total</b>		<b>1,718</b>	<b>116</b>
<i>Other current receivables</i>			
	<i>Note</i>	<b>Consolidated financial statements</b> <i>(in million Baht)</i>	<b>Separate financial statements</b>
<i>At 31 December 2019</i>			
<i>Related parties</i>			
Within credit terms		496	1,160
Overdue:			
Less than 3 months		338	337
3 - 6 months		1	1
6 - 12 months		3	-
Over 12 months		1	-
<b>Total</b>		<b>839</b>	<b>1,498</b>
Less allowance for doubtful accounts		-	-
<b>Net</b>	<b>5</b>	<b>839</b>	<b>1,498</b>
<i>Other parties</i>			
Within credit terms		6,031	2,895
Overdue:			
Less than 3 months		818	774
3 - 6 months		29	11
6 - 12 months		12	-
Over 12 months		35	11
<b>Total</b>		<b>6,925</b>	<b>3,691</b>
Less allowance for doubtful accounts		(35)	(15)
<b>Net</b>		<b>6,890</b>	<b>3,676</b>
<b>Grand total</b>		<b>7,729</b>	<b>5,174</b>

**CP ALL Public Company Limited and its Subsidiaries**  
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**For the three-month period ended 31 March 2020 (Unaudited)**

The normal credit term granted by the Group ranges from 7 days to 90 days.

**17 Commitments with non-related parties**

*Capital commitments*

	<b>Consolidated financial statements</b>	<b>Separate financial statements</b>
<i>At 31 March 2020</i>	<i>(in million Baht)</i>	
Contracted but not provided for (construction costs of new plants and installation costs of machinery, and computer system development costs)	830	-
<b>Total</b>	<b>830</b>	<b>-</b>

*Other commitments*

	<b>Consolidated financial statements</b>	<b>Separate financial statements</b>
<i>At 31 March 2020</i>	<i>(in million Baht)</i>	
Unused letters of credit for purchase of goods and supplies	607	-
<b>Total</b>	<b>607</b>	<b>-</b>

*Letters of guarantee*

As at 31 March 2020 the Group has commitments under letters of guarantee with the financial institutions, principally guarantee for utilities, rental agreements and others totaling Baht 2,219 million and United States Dollars 0.3 million.

**18 Treasury shares**

At the Board of Directors' meeting of the Company held on 16 March 2020, the Board of directors of the Company resolved to approve the share repurchase program for financial management purpose in accordance with the Section 66/1(2) of the Public Company Limited Act in the amount not exceeding Baht 13,000 million. The number of ordinary shares to be repurchased is not exceeding 180 million shares (par value of Baht 1 per share); equal to 2% of the total number of paid-up share capital of the Company. In this regard, the Company shall repurchase its ordinary shares through the main board of the Stock Exchange of Thailand during the period from 1 April 2020 to 30 September 2020. The Board of Directors shall determine the share resale procedures after 6 months from the completion date of share repurchase. However, the last date to resale such repurchase shares shall not be later than 30 September 2023.

**19 Events after the reporting period**

19.1 On 20 March 2020, the Company filed with The Securities and Exchange Commission, a registration statement for the offer for sale of 3 tranches of debentures; debentures tranche 1 due 2027, debentures tranche 2 due 2030 and debentures tranche 3 due 2032. These 3 tranches of debentures will be sold to the institutional investors and/ or the high net worth individuals, totaling of these debentures not excess of Baht 7,600 million. These debentures have a credit rating of "AA-" updated by TRIS Rating Co., Ltd. on 14 April 2020. The objective of the issuance is to repayment of matured debentures and/or for working capital.



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- 19.2 At the Board of Directors' meeting of the Company held on 15 April 2020, the Company's Board of Directors approved a resolution of infinite postponement of annual general shareholders' meeting of the Company for the year 2020 and approved the interim dividend payment by paid from net profit in the consolidated financial statements as at 31 December 2019 of Baht 1.25 per share, totaling Baht 11,229 million which the dividend payment to the Company's shareholders was expected to be completed in May 2020.
- 19.3 On 5 May 2020, a foreign subsidiary (CP ALL (CAMBODIA) CO., LTD.) entered into a Master Franchise Agreement with respect to the operation of 7-Eleven Stores in Cambodia with 7-Eleven, Inc. which the subsidiary is granted franchising rights in the establishment and operation of 7-Eleven Stores in Cambodia for a period of 30 years.
- 19.4 At the Board of Directors' meeting of a local subsidiary (Siam Makro Public Company Limited ("Siam Makro")) held on 3 April 2020, the subsidiary's Board of Directors approved a resolution of infinite postponement of annual general shareholders' meeting of the subsidiary for the year 2020 and approved the interim dividend payment by paid from net profit in the consolidated financial statements as at 31 December 2019 of Baht 0.56 per share, totaling Baht 2,688 million which the dividend payment to the subsidiary's shareholders was completed in April 2020.
- 19.5 Local and foreign subsidiaries increased the authorised share capital and called for additional paid-up share capital. The processes of some subsidiaries had already completed in April 2020 and the remaining were expected to be completed in May 2020.

**20 Reclassification of accounts**

Certain accounts in the statement of income for the three-month period ended 31 March 2019 have been reclassified to conform to the presentation of the interim financial statements for the three-month period ended 31 March 2020 as follows:

	2019					
	Consolidated financial statements			Separate financial statements		
	Before reclassi- fication	Reclassi- fication	After reclassi- fication (in million Baht)	Before reclassi- fication	Reclassi- fication	After Reclassi- fication
<b>Statement of income</b>						
<b>- three-month period</b>						
<b>ended 31 March</b>						
Revenue from sale of goods and rendering of services	(134,318)	229	(134,089)	(80,885)	143	(80,742)
Cost of sale of goods and rendering of services	104,244	(86)	104,158	58,217	-	58,217
Distribution costs	21,835	(143)	21,692	18,449	(143)	18,306
		<u>-</u>			<u>-</u>	

These reclassifications have been made because, in the opinion of management, the new classification is more appropriate to the Group's business.