

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

Financial statements for the year ended  
31 December 2023  
and  
Independent Auditor's Report



KPMG Phoomchai Audit Ltd.  
50<sup>th</sup> Floor, Empire Tower  
1 South Sathorn Road, Yannawa  
Sathorn, Bangkok 10120, Thailand  
Tel +66 2677 2000  
Fax +66 2677 2222  
Website home.kpmg/th

บริษัท เคพีเอ็มจี ภูมิภาค ไทย สอบบัญชี จำกัด  
ชั้น 50 เอ็มไพร์ทาวเวอร์  
1 ถนนสาทรใต้ แขวงยานนาวา  
เขตสาทร กรุงเทพฯ 10120  
โทร +66 2677 2000  
แฟกซ์ +66 2677 2222  
เว็บไซต์ home.kpmg/th

## Independent Auditor's Report

### To the Shareholders of CP ALL Public Company Limited

#### *Opinion*

I have audited the consolidated and separate financial statements of CP ALL Public Company Limited and its subsidiaries (the "Group") and of CP ALL Public Company Limited (the "Company"), respectively, which comprise the consolidated and separate statements of financial position as at 31 December 2023, the consolidated and separate statements of income and comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of the Group and the Company, respectively, as at 31 December 2023 and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards ("TFRSs").

#### *Basis for Opinion*

I conducted my audit in accordance with Thai Standards on Auditing ("TSAs"). My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements* section of my report. I am independent of the Group and the Company in accordance with the *Code of Ethics for Professional Accountants including Independence Standards* issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that is relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

#### *Key Audit Matters*

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.



Valuation of inventories	
Refer to notes 3(g) and 7 to the financial statements	
<b>The key audit matter</b>	<b>How the matter was addressed in the audit</b>
<p>The valuation of inventories was focused on because the estimation of net realisable value of inventories involves management’s judgment relating to estimate quantity and valuation for deteriorated, damaged, obsolete and slow-moving and shrinkage inventories. I considered this to be a key audit matter.</p>	<p>My audit procedures included the following:</p> <ul style="list-style-type: none"> <li>• Understood the inventory control and management policy and the estimation of net realisable value of inventories.</li> <li>• Tested a sample of the aging of inventory and the reasonableness of assumptions used to set the percentage of deteriorated, damaged, obsolete, slow-moving and shrinkage inventories determined by management and compared that percentage with information for destruction and shrinkage inventories.</li> <li>• Tested a sample of selling prices post year-end and the estimated costs to make the sale with related documents including recalculation of net realisable value.</li> <li>• Considered the adequacy of the Group’s disclosures in accordance with Thai Financial Reporting Standards.</li> </ul>

Impairment of goodwill and other intangible assets	
Refer to notes 3(j), 3(k), 3(m), 14 and 15 to the financial statements	
<b>The key audit matter</b>	<b>How the matter was addressed in the audit</b>
<p>The Group has significant goodwill and other intangible assets with indefinite useful life which was mainly arising from a business acquisition.</p> <p>The management normally assesses the impairment from the estimated recoverable amount at the end of the period. The recoverable amount was based on its value in use, determined by discounting future cash flows to be generated from the continuing use of assets and related assumptions.</p> <p>The judgments of management required to be applied over assumptions and the inherent uncertainty involved in forecasting and discounting future cash flows. I considered this to be a key audit matter.</p>	<p>My audit procedures included the following:</p> <ul style="list-style-type: none"> <li>• Understood the process of the estimated recoverable amount to assess the impairment.</li> <li>• Considered the key assumptions in the estimated recoverable amount reports, which were approved by management, by comparing the actual operation results, industry trends and information derived from external and internal sources and assessed financial methodologies used by the Group and discount rate and performed sensitivity analysis around the key assumptions.</li> <li>• Considered the adequacy of the Group's disclosures in accordance with Thai Financial Reporting Standards.</li> </ul>





### *Other Information*

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated and separate financial statements and my auditor's report thereon.

My opinion on the consolidated and separate financial statements does not cover the other information and I will not express any form of assurance conclusion thereon.

In connection with my audit of the consolidated and separate financial statements, my responsibility is to read the other information above and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to communicate the matter to those charged with governance and request that the correction be made. I have nothing to report in this regard.

### *Responsibilities of Management and Those Charged with Governance for the Consolidated and Separate Financial Statements*

Management is responsible for preparation and fair presentation of the consolidated and separate financial statements in accordance with TFRSs, and for such internal control as management determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group's and 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 Group and the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's and the Company's financial reporting process.

### *Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements*

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

As part of an audit in accordance with TSAs, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the consolidated and separate 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 my 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.





- 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 Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I 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 I identify during my audit.

I also provide those charged with governance with a statement that I 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 my independence, and where applicable, actions taken to eliminate threats or safeguards applied.

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

(Veerachai Ratanajaratkul)  
Certified Public Accountant  
Registration No. 4323

KPMG Phoomchai Audit Ltd.  
Bangkok  
23 February 2024

# CP ALL Public Company Limited and its Subsidiaries

## Statement of financial position

Assets	Note	Consolidated		Separate	
		financial statements		financial statements	
		31 December		31 December	
		2023	2022	2023	2022
		(in Baht)			
<b>Current assets</b>					
Cash and cash equivalents	5	67,234,118,746	71,424,271,699	25,954,680,221	20,995,196,036
Current investments		82,383,490	466,263,102	1,800,000	1,800,000
Trade accounts receivable	4, 6	3,326,440,924	3,620,461,343	159,698,860	243,996,787
Other current receivables	4, 6	15,407,340,925	15,012,287,051	11,099,898,986	9,698,980,933
Short-term loans to subsidiaries	4	-	-	7,243,228,500	7,229,149,000
Inventories	7	57,500,567,087	58,183,063,377	19,339,195,202	18,006,590,778
Derivatives assets	31	3,895,488	6,514,028	-	-
Other current assets		243,007,975	242,628,469	142,333,153	143,433,699
<b>Total current assets</b>		<b>143,797,754,635</b>	<b>148,955,489,069</b>	<b>63,940,834,922</b>	<b>56,319,147,233</b>
<b>Non-current assets</b>					
Investments in subsidiaries	8	-	-	282,235,831,584	281,921,124,084
Investment in associates	9	9,080,625,873	9,053,162,399	-	-
Investments in joint ventures	9	5,702,606,999	5,334,543,334	-	-
Investments in related companies	4, 31	1,982,928,550	1,567,675,228	1,512,635,517	994,818,675
Other long-term investments		2,041,800	2,041,800	-	-
Other non-current receivables		58,639,122	49,527,493	-	-
Investment properties	11	44,534,171,803	44,130,349,761	-	-
Property, plant and equipment	4, 12	213,791,757,252	213,409,809,274	46,569,482,546	43,453,844,986
Right-of-use assets	13	86,542,724,418	82,245,538,560	45,333,276,218	43,559,987,056
Goodwill	14	360,641,443,961	360,641,443,961	-	-
Intangible assets other than goodwill	4, 15	54,400,275,331	53,802,949,433	2,502,914,851	2,382,974,406
Deferred tax assets	28	2,657,863,140	2,273,143,361	1,408,466,527	1,507,936,376
Other non-current assets	4	3,298,361,798	2,595,816,781	1,149,846,566	1,104,852,804
<b>Total non-current assets</b>		<b>782,693,440,047</b>	<b>775,106,001,385</b>	<b>380,712,453,809</b>	<b>374,925,538,387</b>
<b>Total assets</b>		<b>926,491,194,682</b>	<b>924,061,490,454</b>	<b>444,653,288,731</b>	<b>431,244,685,620</b>

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

# CP ALL Public Company Limited and its Subsidiaries

## Statement of financial position

Liabilities and equity	Note	Consolidated financial statements		Separate financial statements	
		31 December		31 December	
		2023	2022	2023	2022
		<i>(in Baht)</i>			
<b>Current liabilities</b>					
Short-term borrowings from financial institutions	16, 31	9,471,993,733	16,810,210,256	7,090,221,375	15,173,370,724
Trade accounts payable	4, 17, 31	128,095,602,553	115,963,186,762	50,216,209,032	45,998,480,480
Other payables	4, 18, 31	31,715,853,747	31,718,701,002	21,535,431,398	16,587,411,329
Contract liabilities	23	601,047,361	530,001,766	-	-
Short-term borrowings from subsidiaries	4, 16	-	-	2,000,000,000	60,000,000
Short-term borrowings from other party	16	-	45,500,000	-	-
Current portion of debentures	16, 31	46,391,425,405	25,554,629,608	28,750,375,927	25,554,629,608
Current portion of long-term borrowings from financial institutions	16, 31	6,318,909,264	347,766,826	-	-
Current portion of lease liabilities	4, 16, 31	11,598,709,232	10,252,437,674	7,228,991,005	6,965,524,648
Corporate income tax payable		1,677,288,068	1,212,480,658	280,872,104	-
Current derivatives liabilities	31	62,101,983	2,761,705,425	-	76,923,871
Other current liabilities		2,263,973,595	2,246,449,648	669,934,169	646,224,091
<b>Total current liabilities</b>		<b>238,196,904,941</b>	<b>207,443,069,625</b>	<b>117,772,035,010</b>	<b>111,062,564,751</b>
<b>Non-current liabilities</b>					
Debentures	16, 31	246,828,719,658	221,706,722,897	194,550,321,528	198,241,199,616
Long-term borrowings from financial institutions	16, 31	18,334,443,304	87,353,858,388	-	-
Lease liabilities	4, 16, 31	88,582,319,838	84,810,926,758	40,854,657,389	38,895,631,160
Provisions for employee benefits	19	7,215,116,406	6,655,441,341	3,298,960,984	2,972,032,320
Other non-current provisions	20	2,612,803,074	2,532,775,757	186,562,800	191,191,200
Rental deposits from tenants	31	1,532,560,584	1,820,665,481	-	-
Accrued guarantee deposits	31	3,806,567,273	3,578,455,670	3,773,032,975	3,563,295,505
Deferred tax liabilities	28	17,309,215,262	17,173,144,478	-	-
Non-current derivatives liabilities	31	-	208,676,667	-	-
Other non-current liabilities		477,431,907	476,456,883	-	-
<b>Total non-current liabilities</b>		<b>386,699,177,306</b>	<b>426,317,124,320</b>	<b>242,663,535,676</b>	<b>243,863,349,801</b>
<b>Total liabilities</b>		<b>624,896,082,247</b>	<b>633,760,193,945</b>	<b>360,435,570,686</b>	<b>354,925,914,552</b>

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



# CP ALL Public Company Limited and its Subsidiaries

## Statement of financial position

Liabilities and equity <i>(Continued)</i>	Note	Consolidated financial statements		Separate financial statements	
		31 December		31 December	
		2023	2022	2023	2022
		<i>(in Baht)</i>			
<b>Equity</b>					
Share capital					
Authorised share capital					
<i>(8,986 million ordinary shares, par value at Baht 1 per share)</i>		<u>8,986,296,048</u>	<u>8,986,296,048</u>	<u>8,986,296,048</u>	<u>8,986,296,048</u>
Issued and paid-up share capital					
<i>(8,983 million ordinary shares, par value at Baht 1 per share)</i>		8,983,101,348	8,983,101,348	8,983,101,348	8,983,101,348
Additional paid-in capital	21				
Premium on ordinary shares		1,684,316,879	1,684,316,879	1,684,316,879	1,684,316,879
Surplus from changes in ownership interests in subsidiaries and associate	21	288,832,931	288,832,931	-	-
Retained earnings					
Appropriated					
Legal reserve	21	900,000,000	900,000,000	900,000,000	900,000,000
Unappropriated		90,506,223,110	79,417,515,000	62,487,618,083	54,437,857,900
Perpetual subordinated debentures	22	9,955,000,000	9,955,000,000	9,955,000,000	9,955,000,000
Other components of equity	21	<u>(1,322,023,658)</u>	<u>(504,570,815)</u>	<u>207,681,735</u>	<u>358,494,941</u>
<b>Equity attributable to equity holders of the Company</b>		<b>110,995,450,610</b>	<b>100,724,195,343</b>	<b>84,217,718,045</b>	<b>76,318,771,068</b>
Non-controlling interests	10	<u>190,599,661,825</u>	<u>189,577,101,166</u>	<u>-</u>	<u>-</u>
<b>Total equity</b>		<b><u>301,595,112,435</u></b>	<b><u>290,301,296,509</u></b>	<b><u>84,217,718,045</u></b>	<b><u>76,318,771,068</u></b>
<b>Total liabilities and equity</b>		<b><u>926,491,194,682</u></b>	<b><u>924,061,490,454</u></b>	<b><u>444,653,288,731</u></b>	<b><u>431,244,685,620</u></b>

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

# CP ALL Public Company Limited and its Subsidiaries

## Statement of income

	Note	Consolidated financial statements		Separate financial statements	
		For the year ended		For the year ended	
		31 December		31 December	
		2023	2022	2023	2022
<i>(in Baht)</i>					
<b>Revenues</b>	4				
Revenue from sale of goods and rendering of services		895,280,953,729	829,098,775,483	399,557,539,725	354,973,268,800
Interest income		467,678,247	283,129,808	315,999,640	224,507,239
Dividend income	8	516,034	431,680	5,908,655,694	5,380,192,752
Net foreign exchange gain		345,745,402	-	-	33,393,844
Other income	25	25,092,205,958	23,222,881,871	23,713,709,681	21,879,084,169
<b>Total revenues</b>		<b>921,187,099,370</b>	<b>852,605,218,842</b>	<b>429,495,904,740</b>	<b>382,490,446,804</b>
<b>Expenses</b>	4				
Cost of sale of goods and rendering of services		699,010,188,256	651,099,714,363	286,765,995,664	257,815,564,006
Distribution costs		149,807,313,222	136,751,074,557	99,348,209,910	88,438,966,209
Administrative expenses		30,104,199,681	28,662,804,428	16,498,016,550	14,872,903,694
Net foreign exchange loss		-	9,315,704	70,595,219	-
<b>Total expenses</b>		<b>878,921,701,159</b>	<b>816,522,909,052</b>	<b>402,682,817,343</b>	<b>361,127,433,909</b>
<b>Profit from operating activities</b>		<b>42,265,398,211</b>	<b>36,082,309,790</b>	<b>26,813,087,397</b>	<b>21,363,012,895</b>
Share of profit of associates and joint ventures accounted for using equity method	9	746,229,748	831,423,391	-	-
<b>Profit before finance costs and income tax expense</b>		<b>43,011,627,959</b>	<b>36,913,733,181</b>	<b>26,813,087,397</b>	<b>21,363,012,895</b>
Finance costs	4, 27	16,557,521,860	16,831,829,624	10,211,707,199	9,664,777,322
<b>Profit before income tax expense</b>		<b>26,454,106,099</b>	<b>20,081,903,557</b>	<b>16,601,380,198</b>	<b>11,698,235,573</b>
Income tax expense	28	4,602,069,151	3,861,000,139	1,198,317,478	298,224,558
<b>Profit for the year</b>		<b>21,852,036,948</b>	<b>16,220,903,418</b>	<b>15,403,062,720</b>	<b>11,400,011,015</b>
<b>Profit attributable to:</b>					
Equity holders of the Company		18,482,131,037	13,271,707,922	15,403,062,720	11,400,011,015
Non-controlling interests	10	3,369,905,911	2,949,195,496	-	-
<b>Profit for the year</b>		<b>21,852,036,948</b>	<b>16,220,903,418</b>	<b>15,403,062,720</b>	<b>11,400,011,015</b>
<b>Basic earnings per share</b>	29	<b>2.01</b>	<b>1.39</b>	<b>1.66</b>	<b>1.18</b>

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

# CP ALL Public Company Limited and its Subsidiaries

## Statement of comprehensive income

	Note	Consolidated financial statements		Separate financial statements	
		For the year ended 31 December		For the year ended 31 December	
		2023	2022	2023	2022
<i>(in Baht)</i>					
<b>Profit for the year</b>		<b>21,852,036,948</b>	<b>16,220,903,418</b>	<b>15,403,062,720</b>	<b>11,400,011,015</b>
<b>Other comprehensive income</b>					
<i>Items that will be reclassified</i>					
<i>subsequently to profit or loss</i>					
Exchange differences on translating financial statements		(740,080,248)	(1,025,944,811)	-	-
(Loss) gain on cash flow hedges	28, 31	(1,392,645,800)	1,459,114,335	-	-
Income tax relating to loss (gain) on cash flow hedges	28, 31	44,681,017	(57,974,725)	-	-
Cash flow hedges reserve reclassified to profit or loss	28, 31	1,237,475,703	(1,169,240,711)	-	-
		<u>(850,569,328)</u>	<u>(794,045,912)</u>	<u>-</u>	<u>-</u>
<i>Items that will not be reclassified</i>					
<i>subsequently to profit or loss</i>					
(Loss) gain on investments in equity instruments designated at FVOCI	28, 31	(295,880,027)	275,654,396	(188,516,507)	123,547,843
Income tax relating to loss (gain) on investments in equity instruments designated at FVOCI	28	59,176,005	(55,130,879)	37,703,301	(24,709,568)
(Loss) gain on remeasurements of defined benefit plans	19, 28	(261,326,778)	277,345,114	(194,970,655)	59,162,048
Income tax relating to components of other comprehensive income on loss (gain) on remeasurements of defined benefit plans	28	57,866,312	(48,686,943)	38,994,131	(11,832,410)
Share of gain of other comprehensive income of joint venture accounted for using equity method	9	3,557,084	-	-	-
		<u>(436,607,404)</u>	<u>449,181,688</u>	<u>(306,789,730)</u>	<u>146,167,913</u>
<b>Other comprehensive income for the year</b>					
- net of income tax		<u>(1,287,176,732)</u>	<u>(344,864,224)</u>	<u>(306,789,730)</u>	<u>146,167,913</u>
<b>Total comprehensive income for the year</b>		<u><u>20,564,860,216</u></u>	<u><u>15,876,039,194</u></u>	<u><u>15,096,272,990</u></u>	<u><u>11,546,178,928</u></u>

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



## CP ALL Public Company Limited and its Subsidiaries

### Statement of comprehensive income

		Consolidated financial statements		Separate financial statements	
		For the year ended 31 December		For the year ended 31 December	
	Note	2023	2022	2023	2022
		<i>(in Baht)</i>			
<b>Total comprehensive income</b>					
<b>attributable to:</b>					
Equity holders of the Company		17,468,581,280	12,939,929,483	15,096,272,990	11,546,178,928
Non-controlling interests	10	<u>3,096,278,936</u>	<u>2,936,109,711</u>	<u>-</u>	<u>-</u>
<b>Total comprehensive income for the year</b>		<b><u>20,564,860,216</u></b>	<b><u>15,876,039,194</u></b>	<b><u>15,096,272,990</u></b>	<b><u>11,546,178,928</u></b>

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

CP ALL Public Company Limited and its Subsidiaries  
Statement of changes in equity

	Consolidated financial statements													
	Retained earnings					Other components of equity								
	Issued and paid-up share capital	Premium on ordinary shares	Surplus from changes in ownership interest in subsidiaries and associate	Legal reserve	Unappropriated	Perpetual subordinated debentures	Translation reserve	Cash flow hedges reserve	Fair value reserve	Share of gain of other comprehensive income of joint venture accounted for using equity method	Total other components of equity	Equity attributable to equity holders of the Company	Non-controlling interests	Total equity
<i>Note</i>														
<b>For the year ended 31 December 2023</b>														
Balance at 1 January 2023	8,983,101,348	1,684,316,879	288,832,931	900,000,000	79,417,515,000	9,955,000,000	(1,002,191,281)	66,208,260	431,412,206	-	(504,570,815)	100,724,195,343	189,577,101,166	290,301,296,509
Transactions with equity holders, recorded directly in equity														
<i>Distributions to equity holders</i>														
Dividends	-	-	-	-	(6,737,326,011)	-	-	-	-	-	-	(6,737,326,011)	(2,162,555,023)	(8,899,881,034)
<i>Total distributions to equity holders</i>	-	-	-	-	(6,737,326,011)	-	-	-	-	-	-	(6,737,326,011)	(2,162,555,023)	(8,899,881,034)
<i>Changes in ownership interests in subsidiaries</i>														
Called for paid-up share capital from subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	88,836,746	88,836,746
<i>Total changes in ownership interests in subsidiaries</i>	-	-	-	-	-	-	-	-	-	-	-	-	88,836,746	88,836,746
Total transactions with equity holders, recorded directly in equity	-	-	-	-	(6,737,326,011)	-	-	-	-	-	-	(6,737,326,011)	(2,073,718,277)	(8,811,044,288)
Comprehensive income for the year														
Profit	-	-	-	-	18,482,131,037	-	-	-	-	-	-	18,482,131,037	3,369,905,911	21,852,036,948
Other comprehensive income	-	-	-	-	(196,096,914)	-	(552,520,290)	(66,208,260)	(202,281,377)	3,557,084	(817,452,843)	(1,013,549,757)	(273,626,975)	(1,287,176,732)
Total comprehensive income for the year	-	-	-	-	18,286,034,123	-	(552,520,290)	(66,208,260)	(202,281,377)	3,557,084	(817,452,843)	17,468,581,280	3,096,278,936	20,564,860,216
Interest payment on perpetual subordinated debentures	-	-	-	-	(460,000,002)	-	-	-	-	-	-	(460,000,002)	-	(460,000,002)
Balance at 31 December 2023	8,983,101,348	1,684,316,879	288,832,931	900,000,000	90,506,223,110	9,955,000,000	(1,554,711,571)	-	229,130,829	3,557,084	(1,322,023,658)	110,995,450,610	190,599,661,825	301,595,112,435

22

CP ALL Public Company Limited and its Subsidiaries  
Statement of changes in equity

Consolidated financial statements

	Note	Other components of equity															
		Issued and paid-up share capital	Premium on ordinary shares	Surplus from changes in ownership interests in subsidiaries and associate	Legal reserve	Unappropriated	Perpetual subordinated debentures	Translation reserve	Cash flow hedges reserve	Fair value reserve	Total other components of equity	Equity attributable to equity holders of the Company	Non-controlling interests	Total equity			
For the year ended 31 December 2022																	
Balance at 1 January 2022		8,983,101,348	1,684,316,879	288,832,931	900,000,000	72,342,210,355	19,911,229,700	(162,469,035)	(72,752,169)	259,656,666	24,435,462	104,134,126,675	188,673,100,382	292,807,227,057			
Transactions with equity holders, recorded directly in equity																	
<i>Distributions to equity holders</i>																	
Dividends	30	-	-	-	-	(5,389,860,809)	-	-	-	-	-	(5,389,860,809)	(2,120,150,528)	(7,510,011,337)			
<i>Total distributions to equity holders</i>		-	-	-	-	(5,389,860,809)	-	-	-	-	-	(5,389,860,809)	(2,120,150,528)	(7,510,011,337)			
<i>Changes in ownership interests in subsidiaries</i>																	
Called for paid-up share capital from subsidiaries		-	-	-	-	-	-	-	-	-	-	-	88,041,601	88,041,601			
<i>Total changes in ownership interests in subsidiaries</i>		-	-	-	-	-	-	-	-	-	-	-	88,041,601	88,041,601			
<i>Total transactions with equity holders, recorded directly in equity</i>		-	-	-	-	(5,389,860,809)	-	-	-	-	-	(5,389,860,809)	(2,032,108,927)	(7,421,969,736)			
<i>Comprehensive income for the year</i>																	
Profit		-	-	-	-	13,271,707,922	-	-	-	-	-	13,271,707,922	2,949,195,496	16,220,903,418			
Other comprehensive income		-	-	-	-	197,227,838	-	(839,722,246)	138,960,429	171,755,540	(529,006,277)	(331,778,439)	(13,085,785)	(344,864,224)			
<i>Total comprehensive income for the year</i>		-	-	-	-	13,468,935,760	-	(839,722,246)	138,960,429	171,755,540	(529,006,277)	12,939,929,483	2,936,109,711	15,876,039,194			
Redemption of perpetual subordinated debentures	22	-	-	-	-	(43,770,300)	(9,956,229,700)	-	-	-	-	(10,000,000,000)	-	(10,000,000,000)			
Interest payment on perpetual subordinated debentures	22	-	-	-	-	(960,000,000)	-	-	-	-	-	(960,000,000)	-	(960,000,000)			
Balance at 31 December 2022		8,983,101,348	1,684,316,879	288,832,931	900,000,000	79,417,515,000	9,955,000,000	(1,002,191,281)	66,208,260	431,412,206	(504,570,815)	100,724,195,343	189,577,101,166	290,301,296,509			

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



## CP ALL Public Company Limited and its Subsidiaries

### Statement of changes in equity

	Separate financial statements						Total equity		
	Issued and paid-up share capital	Premium on ordinary shares	Retained earnings			Perpetual subordinated debentures		Fair value reserve	Other component of equity
			Legal reserve	Unappropriated					
			<i>(in Baht)</i>						
<b>For the year ended 31 December 2023</b>									
Balance at 1 January 2023	8,983,101,348	1,684,316,879	900,000,000	54,437,857,900	9,955,000,000	358,494,941	76,318,771,068		
Transactions with equity holders, recorded directly in equity									
<i>Distributions to equity holders</i>									
Dividends	-	-	-	(6,737,326,011)	-	-	(6,737,326,011)		
<i>Total distributions to equity holders</i>	-	-	-	(6,737,326,011)	-	-	(6,737,326,011)		
Total transactions with equity holders, recorded directly in equity	-	-	-	(6,737,326,011)	-	-	(6,737,326,011)		
Comprehensive income for the year									
Profit	-	-	-	15,403,062,720	-	-	15,403,062,720		
Other comprehensive income	-	-	-	(155,976,524)	-	(150,813,206)	(306,789,730)		
<b>Total comprehensive income for the year</b>	-	-	-	<b>15,247,086,196</b>	-	<b>(150,813,206)</b>	<b>15,096,272,990</b>		
Interest payment on perpetual subordinated debentures	-	-	-	(460,000,002)	-	-	(460,000,002)		
<b>Balance at 31 December 2023</b>	<b>8,983,101,348</b>	<b>1,684,316,879</b>	<b>900,000,000</b>	<b>62,487,618,083</b>	<b>9,955,000,000</b>	<b>207,681,735</b>	<b>84,217,718,045</b>		

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

## CP ALL Public Company Limited and its Subsidiaries

### Statement of changes in equity

	Note	Separate financial statements						Total equity	
		Issued and paid-up share capital	Premium on ordinary shares	Retained earnings			Perpetual subordinated debentures		Other component of equity
				Legal reserve	Unappropriated reserve	Fair value reserve			
<b>For the year ended 31 December 2022</b>									
Balance at 1 January 2022		8,983,101,348	1,684,316,879	900,000,000	49,384,148,362	19,911,229,700	259,656,666	81,122,452,955	
<b>Transactions with equity holders, recorded directly in equity</b>									
<i>Distributions to equity holders</i>									
Dividends	30	-	-	-	(5,389,860,809)	-	-	(5,389,860,809)	
<i>Total distributions to equity holders</i>		-	-	-	(5,389,860,809)	-	-	(5,389,860,809)	
<b>Total transactions with equity holders, recorded directly in equity</b>									
<b>Comprehensive income for the year</b>									
Profit		-	-	11,400,011,015	-	-	-	11,400,011,015	
Other comprehensive income		-	-	47,329,638	-	-	98,838,275	146,167,913	
<b>Total comprehensive income for the year</b>		-	-	11,447,340,653	-	-	98,838,275	11,546,178,928	
<b>Redemption of perpetual subordinated debentures</b>									
Redemption of perpetual subordinated debentures	22	-	-	(43,770,300)	(9,956,229,700)	-	-	(10,000,000,000)	
<b>Interest payment on perpetual subordinated debentures</b>									
Interest payment on perpetual subordinated debentures	22	-	-	(960,000,006)	-	-	-	(960,000,006)	
<b>Balance at 31 December 2022</b>		<b>8,983,101,348</b>	<b>1,684,316,879</b>	<b>900,000,000</b>	<b>54,437,857,900</b>	<b>9,955,000,000</b>	<b>358,494,941</b>	<b>76,318,771,068</b>	

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

# CP ALL Public Company Limited and its Subsidiaries

## Statement of cash flows

	Note	Consolidated		Separate	
		financial statements		financial statements	
		For the year ended		For the year ended	
		31 December		31 December	
		2023	2022	2023	2022
<i>(in Baht)</i>					
<b>Cash flows from operating activities</b>					
Profit for the year		21,852,036,948	16,220,903,418	15,403,062,720	11,400,011,015
<i>Adjustments to reconcile profit to cash receipts</i>					
Depreciation of investment properties	11	1,889,859,091	2,084,257,472	-	-
Depreciation of property, plant and equipment	12	19,803,259,303	19,644,438,811	7,974,058,125	7,545,215,102
Depreciation of right-of-use assets	13	12,675,005,359	13,036,416,838	8,358,831,675	8,527,458,155
Amortisation of intangible assets other than goodwill	15	2,214,125,576	1,779,123,269	409,293,380	414,458,418
Interest income		(467,678,247)	(283,129,808)	(315,999,640)	(224,507,239)
Dividend income		(516,034)	(431,680)	(5,908,655,694)	(5,380,192,752)
Loss from sale of investment in subsidiary	8	-	-	-	16,200,000
Finance costs	27	16,557,521,860	16,831,829,624	10,211,707,199	9,664,777,322
Income tax expense	28	4,602,069,151	3,861,000,139	1,198,317,478	298,224,558
Provisions for employee benefits	19	557,162,341	590,403,844	229,883,150	210,785,326
Loss (reversal of loss) on decline in value of inventories	7	132,238,756	(35,062,631)	184,737,868	(3,960,445)
Impairment loss on investment properties	11	19,295,427	2,014,150	-	-
Impairment loss on property, plant and equipment	12	218,393,978	95,417,791	-	-
Impairment loss (reversal of impairment loss) on right-of-use assets	13	23,899,638	(12,663,800)	-	-
(Reversal of) impairment loss on intangible assets other than goodwill	15	(947,125)	2,315,058	-	-
(Reversal of) expected credit loss on trade accounts receivable and other receivables		(144,469,527)	(85,038,243)	(585,720)	4,121,548
Unrealised loss (gain) on exchange		57,633,530	(85,794,653)	63,140,500	(74,184,500)
Share of profit of associates and joint ventures accounted for using equity method	9	(746,229,748)	(831,423,391)	-	-
Loss on disposal and write-off of investment properties		11,809,565	17,304,775	-	-
Loss on disposal and write-off of property, plant and equipment		166,614,799	234,962,672	127,687,568	183,412,321
Gain on write-off of right-of-use assets		(382,904,969)	(358,328,817)	(156,303,645)	(147,682,178)
Loss on disposals and write-off of intangible assets other than goodwill		5,558,324	18,500,524	381,662	14,514,034
Differences on a granted rent concession	16	-	(166,301,356)	-	(166,301,356)
		79,043,737,996	72,560,714,006	37,779,556,626	32,282,349,329

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



## CP ALL Public Company Limited and its Subsidiaries

### Statement of cash flows (Continued)

	Note	Consolidated		Separate	
		financial statements		financial statements	
		For the year ended		For the year ended	
		31 December		31 December	
		2023	2022	2023	2022
<i>(in Baht)</i>					
<i>Changes in operating assets and liabilities</i>					
Trade accounts receivable		411,218,452	(179,802,773)	84,297,927	(82,302,451)
Other receivables		(453,310,120)	(417,342,792)	(1,370,556,716)	(198,198,934)
Inventories		346,628,998	(7,718,281,004)	(1,517,342,292)	(1,686,356,967)
Derivatives assets		2,618,541	412,393,823	-	-
Other current assets		7,120,049	192,626,339	1,100,546	25,488,991
Other non-current assets		(141,670,584)	(161,537,102)	(44,993,762)	(7,929,635)
Trade accounts payable		12,469,818,215	9,263,663,457	4,217,728,552	7,297,315,061
Other payables		1,164,311,747	1,386,596,027	5,054,582,451	2,559,187,165
Contract liabilities		71,045,595	(285,801,339)	-	-
Derivatives liabilities		(654,735,639)	(31,103,367)	(76,923,871)	(41,187,304)
Other current liabilities		27,711,244	530,120,751	23,710,078	(49,122,581)
Provisions for employee benefits paid	19	(239,784,383)	(289,021,718)	(73,428,033)	(61,829,406)
Transferred (out) in of provisions for employee benefits	19	(18,858,230)	(11,560,123)	(24,497,108)	1,778,639
Payment for other non-current provisions	20	(79,363,122)	(75,560,274)	(20,027,400)	(3,915,000)
Other non-current provisions		115,436,219	(11,031,638)	15,399,000	15,106,200
Rental deposits from tenants		(271,125,872)	(161,358,223)	-	-
Accrued guarantee deposits		228,111,603	59,503,684	209,737,470	33,490,480
Other non-current liabilities		1,862,150	(26,440,858)	-	-
Net cash generated from operating		92,030,772,859	75,036,776,876	44,258,343,468	40,083,873,587
Income tax paid		(4,858,927,200)	(5,163,543,410)	(741,278,093)	(686,506,599)
<b>Net cash from operating activities</b>		<b>87,171,845,659</b>	<b>69,873,233,466</b>	<b>43,517,065,375</b>	<b>39,397,366,988</b>
<i>Cash flows from investing activities</i>					
Interest received		453,525,465	222,412,521	294,474,619	192,650,644
Dividends received		516,034	431,680	5,908,655,694	5,380,192,752
Dividends received from associate and joint venture	9	510,440,816	458,557,535	-	-
Payment for acquisition of current investments		(19,265,535)	(1,102,092,602)	-	(1,800,000)
Proceeds from sale of current investments		396,762,458	1,418,017,623	-	-
Payment for short-term loans to subsidiaries	4	-	-	(1,077,220,000)	(200,000,000)
Proceeds from repayment of short-term loans to subsidiary	4	-	-	1,000,000,000	700,000,000
Payment for acquisition of investments in subsidiaries	8	-	-	(314,707,500)	(813,050,000)
Proceeds from sale of investment in subsidiary	8	-	-	-	232,500,000
Payment for acquisition of investments in associates	9	(156,181,125)	-	-	-
Payment for acquisition of investments in related companies	31	(711,133,349)	(471,200,000)	(706,333,349)	(345,200,000)
Payment for acquisition of investment properties		(875,088,721)	(1,263,844,795)	-	-

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

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

	Note	Consolidated		Separate	
		financial statements		financial statements	
		For the year ended		For the year ended	
		31 December		31 December	
		2023	2022	2023	2022
<i>(in Baht)</i>					
Proceeds from sale of investment properties		214,356	1,183,989	-	-
Payment for acquisition of property, plant and equipment		(24,270,256,113)	(25,697,719,524)	(11,503,174,753)	(11,084,545,846)
Proceeds from sale of property, plant and equipment		606,253,774	473,289,071	161,175,621	233,905,477
Payment for acquisition of right-of-use assets		(1,139,088,452)	(495,636,786)	(239,956,011)	(306,803,437)
Proceeds from lease termination		63,968,358	-	-	-
Payment for acquisition of intangible assets					
other than goodwill		(2,933,669,736)	(4,062,895,802)	(570,704,007)	(762,844,701)
Proceeds from sale of intangible assets					
other than goodwill		6,262,405	13,517,736	5,990,444	7,479,534
<b>Net cash used in investing activities</b>		<b>(28,066,739,365)</b>	<b>(30,505,979,354)</b>	<b>(7,041,799,242)</b>	<b>(6,767,515,577)</b>
<b><i>Cash flows from financing activities</i></b>					
Interest paid		(12,209,816,927)	(12,262,787,175)	(8,516,114,355)	(8,278,032,174)
Interest paid on perpetual subordinated debentures	22	(460,000,002)	(960,000,006)	(460,000,002)	(960,000,006)
Dividends paid to equity holders of the Company	30	(6,737,476,808)	(5,389,648,055)	(6,737,476,808)	(5,389,648,055)
Dividends paid to non-controlling interests		(2,162,555,023)	(2,120,150,528)	-	-
Payment of lease liabilities	16	(14,552,691,466)	(13,853,562,517)	(8,924,835,459)	(8,139,011,570)
(Decreases) increase in short-term borrowings					
from financial institutions	16	(7,665,438,579)	(26,104,000,059)	(8,233,563,124)	1,608,114,910
Proceeds from short-term borrowings					
from subsidiaries	4	-	-	2,300,000,000	60,000,000
Repayment from short-term borrowings					
from subsidiaries	4	-	-	(360,000,000)	(1,400,000,000)
Proceeds from short-term borrowings					
from other party		-	45,500,000	-	-
Repayment of short-term borrowings					
from other party	16	(45,500,000)	-	-	-
Proceeds from forward exchange contracts		-	5,175,350,000	-	-
Payment for forward exchange contracts		(3,646,190,271)	(1,529,159,729)	-	-
Proceeds from issue of debentures	16	71,407,151,005	47,870,023,971	24,975,207,800	24,406,730,520
Repayment of debentures	16	(25,559,000,000)	(23,000,000,000)	(25,559,000,000)	(23,000,000,000)
Proceeds from long-term borrowings					
from financial institutions	16	350,196,316	2,364,770,270	-	-
Repayment of long-term borrowings					
from financial institutions	16	(61,795,247,252)	(24,636,305,382)	-	-
Repayment of perpetual subordinated debentures	22	-	(10,000,000,000)	-	(10,000,000,000)
Proceeds from called for paid-up					
share capital from subsidiaries		88,836,746	88,041,601	-	-
<b>Net cash used in financing activities</b>		<b>(62,987,732,261)</b>	<b>(64,311,927,609)</b>	<b>(31,515,781,948)</b>	<b>(31,091,846,375)</b>

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

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

	Note	Consolidated financial statements		Separate financial statements	
		For the year ended		For the year ended	
		31 December		31 December	
		2023	2022	2023	2022
(in Baht)					
Net (decrease) increase in cash and cash equivalents, before exchange differences on translating financial statements		(3,882,625,967)	(24,944,673,497)	4,959,484,185	1,538,005,036
Exchange differences on translating financial statements		(307,526,986)	46,378,371	-	-
<b>Net (decrease) increase in cash and cash equivalents</b>		<b>(4,190,152,953)</b>	<b>(24,898,295,126)</b>	<b>4,959,484,185</b>	<b>1,538,005,036</b>
Cash and cash equivalents at 1 January		71,424,271,699	96,322,566,825	20,995,196,036	19,457,191,000
<b>Cash and cash equivalents at 31 December</b>	<b>5</b>	<b>67,234,118,746</b>	<b>71,424,271,699</b>	<b>25,954,680,221</b>	<b>20,995,196,036</b>
<b>Supplemental disclosures of cash flows information:</b>					
Investment properties purchased during the year are detailed as follows:					
Increases during the year	11	2,101,237,343	1,503,054,579	-	-
Less - lease liabilities		(1,226,148,622)	(239,209,784)	-	-
<b>Paid by cash</b>		<b>875,088,721</b>	<b>1,263,844,795</b>	<b>-</b>	<b>-</b>
Property, plant and equipment purchased during the year are detailed as follows:					
Increases during the year	12	23,442,111,200	23,216,113,821	11,343,460,798	10,634,016,718
Add - changes in payables		828,144,913	2,481,605,703	159,713,955	450,529,128
<b>Paid by cash</b>		<b>24,270,256,113</b>	<b>25,697,719,524</b>	<b>11,503,174,753</b>	<b>11,084,545,846</b>
Right-of-use assets acquired during the year are detailed as follows:					
Increases during the year	13	19,936,124,177	21,617,716,210	12,143,024,644	16,056,664,911
Less - lease liabilities	16	(18,797,035,725)	(21,122,079,424)	(11,903,068,633)	(15,749,861,474)
<b>Paid by cash</b>		<b>1,139,088,452</b>	<b>495,636,786</b>	<b>239,956,011</b>	<b>306,803,437</b>
Intangible assets other than goodwill purchased during the year are detailed as follows:					
Increases during the year	15	2,886,196,374	4,328,804,371	570,704,007	508,894,432
Add (Less) - changes in payables		47,473,362	(265,908,569)	-	253,950,269
<b>Paid by cash</b>		<b>2,933,669,736</b>	<b>4,062,895,802</b>	<b>570,704,007</b>	<b>762,844,701</b>

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

**CP ALL Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

<b>Note</b>	<b>Contents</b>
1	General information
2	Basis of preparation of the financial statements
3	Significant accounting policies
4	Related parties
5	Cash and cash equivalents
6	Trade accounts receivable and other current receivables
7	Inventories
8	Investments in subsidiaries
9	Investments in associates and joint ventures
10	Non-controlling interests
11	Investment properties
12	Property, plant and equipment
13	Right-of-use assets
14	Goodwill
15	Intangible assets other than goodwill
16	Interest-bearing liabilities
17	Trade accounts payable
18	Other payables
19	Provisions for employee benefits
20	Other non-current provisions
21	Share premium and reserves
22	Perpetual subordinated debentures
23	Segment information and disaggregation of revenue
24	Leases
25	Other income
26	Expenses by nature
27	Finance costs
28	Income tax
29	Basic earnings per share
30	Dividends
31	Financial instruments
32	Capital management
33	Commitments with non-related parties
34	Events after the reporting period



**CP ALL Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

These notes form an integral part of the financial statements.

The financial statements issued for Thai statutory and regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements, and were approved and authorised for issue by the Board of Directors on 23 February 2024.

**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, 24<sup>th</sup> 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 year was Charoen Pokphand Group of companies.

The principal businesses of the Group are operating convenience stores, wholesale business, retail business and mall, 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 December 2023 was 14,545 stores (2022: 13,838 stores).

	2023	2022
	<i>(number of stores)</i>	
The Company owns and manages convenience stores	7,336	6,839
The Company franchises the license to other retailers		
- under management agreements	6,335	6,144
- under sub-license agreements	874	855
<b>Total</b>	<u><u>14,545</u></u>	<u><u>13,838</u></u>

Details of subsidiaries as at 31 December 2023 and 2022 are given in note 8 to the financial statements.

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

The financial statements are prepared in accordance with Thai Financial Reporting Standards (“TFRS”), guidelines promulgated by the Federation of Accounting Professions and applicable rules and regulations of the Thai Securities and Exchange Commission. The financial statements are presented in Thai Baht, which is the Company’s functional currency. The accounting policies, described in note 3, have been applied consistently to all periods presented in these financial statements.

The preparation of financial statements in conformity with TFRS requires management to make judgements, estimates and assumptions that affect the application of the Group’s accounting policies. Actual results may differ from these estimates. Estimates and underlying assumptions that are described in each note to financial statements are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

**CP ALL Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

**3 Significant accounting policies**

**(a) Basis of consolidation**

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries (together referred to as the “Group”) and the Group’s interests in associates and joint ventures.

*Subsidiaries*

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, 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. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

*Non-controlling interests*

At the acquisition date, the Group measures any non-controlling interest at its proportionate interest in the identifiable net assets of the acquiree. In addition, when there is a change in the Group’s interest in a subsidiary that does not result in a loss of control, any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received from the acquisition or disposal of the non-controlling interests with no change in control is accounted for as transactions in shareholders’ equity.

*Loss of control*

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interests and other components of equity of the subsidiary. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

*Associates and joint ventures*

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies. A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

The Group recognised investments in the associates and joint ventures using the equity method in the consolidated financial statements. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group’s dividend income and share of the profit or loss and other comprehensive income of equity-accounted investees, until the date on which significant influence or joint control ceases.

*Transactions eliminated on consolidation*

Intra-group balances and transactions, and any unrealised income and expenses are eliminated in full in preparing the consolidated financial statements. Unrealised gains or losses arising from associates and joint ventures are eliminated against the investment to the extent of the Group’s interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

**CP ALL Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

*Business combinations*

The Group applies the acquisition method when the Group assess that the acquired set of activities and assets include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create output. The acquisition date is the date on which control is transferred to the Group, other than business combinations with entities under common control. Expenses in connection with a business combination are recognised as incurred.

Goodwill is measured as the fair value of the consideration transferred including the recognised amount of any non-controlling interest in the acquiree, less net fair value of the identifiable assets acquired and liabilities assumed, all measured as of the acquisition date. Any gain on bargain purchase is recognised in profit or loss immediately.

Consideration transferred includes assets transferred, liabilities incurred by the Group to the previous owners of the acquiree, any contingent consideration and equity interests issued by the Group. If a business combination results in the termination of pre-existing relationships between the Group and the acquiree, then the lower of the termination amount, as contained in the agreement, and the value of the off-market element is deducted from the consideration transferred and recognised in other expenses.

Any contingent consideration is measured at fair value at the date of acquisition, and remeasured at fair value at each reporting date. Subsequent changes in the fair value are recognised in profit or loss.

A contingent liability of the acquiree is assumed in a business combination only if such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to its acquisition-date fair value and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

Business combination under common control are accounted for using a method similar to the pooling of interest method, by recognising assets and liabilities of the acquired businesses at their carrying amounts in the consolidated financial statements of the ultimate parent company at the transaction date. The difference between the carrying amount of the acquired net assets and the consideration transferred is recognised as surplus or deficit from business combinations under common control in shareholder's equity. The surplus or deficit will be written off upon divestment of the businesses acquired. The results from operations of the acquired businesses will be included in the consolidated financial statements of the acquirer from the beginning of the comparative period or the moment the businesses came under common control, whichever date is later, until control ceases.

**CP ALL Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

**(b) Investments in subsidiaries and associate**

Investments in subsidiaries and associate in the separate financial statements of the Company are measured at cost less accumulated allowance for impairment losses. Dividend income is recognised in profit or loss on the date on which the Company's right to receive payment is established. If the Company disposes of part of its holding of a particular investment, the deemed cost of the part sold is determined using the weighted average method. Gains and losses on disposal of the investments are recognised in profit or loss.

**(c) Foreign currencies**

*Foreign currency transactions*

Transactions in foreign currencies including non-monetary assets and liabilities denominated in foreign currencies are translated to the respective functional currencies of each entities in the Group at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rates at the reporting date. Non-monetary assets and liabilities measured at fair value in foreign currencies are translated at the exchange rates at the dates that fair value was determined.

Foreign currency differences are generally recognised in profit or loss. However, foreign currency differences arising from the translation of qualifying cash flow hedges to the extent the hedge is effective are recognised in other comprehensive income.

*Foreign operations*

The assets and liabilities of foreign operations including goodwill and fair value adjustments arising on the acquisition, are translated to Thai Baht at the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated to Thai Baht at rates approximating the exchange rates at the dates of the transactions.

Foreign exchange differences arising on translating are recognised in other comprehensive income and presented in the translation reserve in equity until disposal of the investment, except to the extent that the translation difference is allocated to non-controlling interests.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is reattributed to non-controlling interests. When the Group disposes of only part of associate or joint ventures while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

When the settlement of a monetary item receivable from or payable to a foreign entity is neither planned nor likely in the foreseeable future, foreign exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign entity and are recognised in other comprehensive income and presented in the translation reserve in equity until disposal of the investment.



# CP ALL Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2023

### (d) *Financial instruments*

#### (d.1) *Classification and measurement*

Debt securities issued by the Group are initially recognised when they are originated. Other financial assets and financial liabilities (except trade and other accounts receivables (see note 3(f) to the financial statements)) are initially recognised when the Group becomes a party to the contractual provisions of the instrument, and measured at fair value plus or minus, for an item not at fair value through profit or loss (“FVTPL”), transaction costs that are directly attributable to its acquisition or issue.

On initial recognition, a financial asset is classified as measured at: amortised cost; fair value through other comprehensive income (“FVOCI”); or FVTPL. Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified prospectively from the reclassification date.

On initial recognition, financial liabilities are classified as measured at amortised cost using the effective interest method or FVTPL. Interest expense, foreign exchange gains and losses and any gain or loss on derecognition are recognised in profit or loss.

Financial assets measured at amortised costs are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by expected credit losses. Interest income, foreign exchange gains and losses, expected credit losses, and any gain or loss on derecognition are recognised in profit or loss.

Equity investments measured at FVOCI are subsequently measured at fair value. Dividend income is recognised as income in profit or loss on the date on which the Group’s right to receive payment is established, unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in other comprehensive income (“OCI”) and are never reclassified to profit or loss.

#### (d.2) *Derecognition and offset*

The Group derecognises a financial asset when the contractual rights to receive the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expired. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

The difference between the carrying amount extinguished and the consideration received or paid is recognised in profit or loss.

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and the Group intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

# CP ALL Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2023

### *(d.3) Derivatives*

Derivatives are recognised at fair value and remeasured at fair value at each reporting date. The gain or loss on remeasurement to fair value is recognised immediately in profit or loss, except where the derivatives qualify for cash flow hedge accounting, in which case recognition of any resultant gain or loss depends on nature of the item being hedged (see note 3(d.4) to the financial statements).

### *(d.4) Hedging*

At inception of designated hedging relationships, the Group documents the risk management objective and strategy for undertaking the risk, the economic relationship between the hedged item and the hedging instrument, including consideration of the hedge effectiveness at the inception of the hedging relationship and throughout the remaining period to determine the existence of economic relationship between the hedged item and the hedging instrument.

#### *Cash flow hedges*

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in OCI and accumulated in the cash flow hedges reserve. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in profit or loss.

The Group designates only the change in fair value of the spot element of forward exchange contracts as the hedging instrument in cash flow hedging relationships. The change in fair value of the forward element of forward exchange contracts (forward points) is recognised in a cash flow hedges reserve within equity.

When the hedged forecast transaction subsequently results in the recognition of a non-financial item such as inventory, the amount accumulated in the cash flow hedges reserve is included directly in the initial cost of the non-financial item when it is recognised.

For all other hedged forecast transactions, the amount accumulated in the cash flow hedges reserve is reclassified to profit or loss in the same period or periods during which the hedged expected future cash flows affect profit or loss.

If the hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively. When hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated in the cash flow hedges reserve remains in equity until, for a hedge of a transaction resulting in the recognition of a non-financial item, it is included in the non-financial item's cost on its initial recognition or, for other cash flow hedges, it is reclassified to profit or loss in the same period or periods as the hedged expected future cash flows affect profit or loss.

If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in the cash flow hedges reserve are immediately reclassified to profit or loss.

### *(d.5) Impairment of financial assets other than trade and other accounts receivable*

The Group recognises allowances for expected credit losses ("ECLs") on financial assets measured at amortised cost.

# CP ALL Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2023

The Group recognises ECLs equal to 12-month ECLs unless there has been a significant increase in credit risk of the financial instrument since initial recognition or credit-impaired financial assets, in which case the loss allowance is measured at an amount equal to lifetime ECLs.

ECLs are a probability-weighted estimate of credit losses based on forward-looking and historical experience. Credit losses are measured as the present value of all cash shortfalls discounted by the effective interest rate of the financial asset.

The Group considers a financial asset to have low credit risk when its credit rating is equivalent to the globally understood definition of 'investment grade'. The Group recognises ECLs for low credit risk financial assets as 12-month ECLs.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due, significant deterioration in credit rating, significant deterioration in the operating results of the debtor and existing or forecast changes in the technological, market, economic or legal environment that have a significant adverse effect on the debtor's ability to meet its obligation to the Group.

The Group considers a financial asset to be in default when:

- the debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group take action such as realising security; or
- the financial asset is more than 90 days past due.

### *(d.6) Write-off*

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering. Subsequent recoveries of an asset that was previously written off, are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

### *(d.7) Interest*

Interest income and expense is recognised in profit or loss using the effective interest method. In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

### *(e) Cash and cash equivalents*

Cash and cash equivalents in the statement of cash flows comprise cash balances, call deposits and highly liquid short-term investments which have a maturities of three months or less from the date of acquisition.

### *(f) Trade and other accounts receivable*

A receivable is recognised when the Group has an unconditional right to receive consideration. A receivable is measured at transaction price less allowance for expected credit loss. Bad debts are written off when incurred.

# CP ALL Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2023

The Group estimates lifetime expected credit losses (“ECLs”), using a provision matrix to find the ECLs rates. This method groups the debtors based on shared credit risk characteristics and past due status, taking into account historical credit loss data, adjusted for factors that are specific to the debtors and an assessment of both current economic conditions and forward-looking general economic conditions at the reporting date.

### (g) *Inventories*

Inventories are measured at the lower of cost and net realisable value.

Cost is calculated using the weighted average cost principle. Cost includes direct costs incurred in acquiring the inventories. In the case of manufactured inventories and work-in-progress, cost includes an appropriate share of production overheads based on normal operating capacity. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs to complete and to make the sale.

### (h) *Investment properties*

Investment properties are measured at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the investment property and includes the cost of self-constructed assets.

Depreciation is calculated on a straight-line basis over the estimated useful lives of investment properties of 5 years to 99 years or according to lease term and recognised in profit or loss. No depreciation is charged on freehold land under investment properties and assets under construction.

Any gains and losses on disposal of investment properties are differences between the proceeds from disposal and the carrying amount of investment property, and are recognised in profit or loss.

### (i) *Property, plant and equipment*

Property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes capitalised borrowing costs, and the costs of dismantling, removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Any gains or losses on disposal of an item of property, plant and equipment are differences between the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised in profit or loss.

#### *Subsequent costs*

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item when the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.



# CP ALL Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2023

### *Depreciation*

Depreciation is calculated on a straight-line basis over the estimated useful lives of each component of an asset and recognised in profit or loss. No depreciation is provided on freehold land and assets under construction.

The estimated useful lives are as follows:

Buildings and building improvements	3 - 50 years
Right-of-use asset improvements	over the lease period
Machinery and equipment	2 - 15 years
Furniture, fixtures and office equipment	2 - 15 years
Others	
- Electricity and water systems	5 - 20 years
- Vehicles	3 - 10 years
- Library book	3 - 5 years

### *(j) Goodwill*

Goodwill is measured at cost less accumulated impairment losses. In respect of equity-accounted investee, the carrying amount of goodwill is included in the carrying amount of the investment.

### *(k) Intangible assets*

Intangible assets that are acquired by the Group and have indefinite useful lives are measured at cost less accumulated impairment losses. Other intangible assets that are acquired by the Group and have definite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses. Subsequent expenditure is capitalised only when it will generate the future economic benefits.

Amortisation is calculated on a straight-line basis over the estimated useful lives of intangible assets and recognised in profit or loss. No amortisation is provided on computer software under development.

The estimated useful lives are as follows:

Computer software	1 - 10 years
Intellectual property	indefinite useful lives
Business license	3, 5, 10, 30 years and indefinite useful lives
Customer base and other	10 years

### *(l) Leases*

At inception of a contract, the Group assesses that a contract is, or contains, a lease when it conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

#### *As a lessee*

At commencement or on modification of a contract, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices of each component. For the leases of property, the Group has elected not to separate non-lease components and accounted for the lease and non-lease components wholly as a single lease component.

**CP ALL Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

The Group recognises a right-of-use asset and a lease liability at the lease commencement date, except for leases of low-value assets and short-term leases which are recognised as expenses on a straight-line basis over the respective lease terms.

Right-of-use asset is measured at cost, less accumulated depreciation and accumulated impairment loss, and adjusted for any remeasurements of lease liability. The cost of right-of-use asset includes the initial amount of the lease liability adjusted for any prepaid lease payments, plus any initial direct costs incurred and an estimate of restoration costs, less any lease incentives received. Depreciation is charged to profit or loss on a straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment.

The lease liability is initially measured at the present value of all lease payments that shall be paid under the lease. The Group uses the Group's incremental borrowing rate to discount the lease payments to the present value. The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a lease modification, or a change in options specified in the lease. When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

*As a lessor*

At inception or on modification of a contract, the Group allocates the consideration in the contract to each component on the basis of their relative stand-alone selling prices.

At lease inception, the Group considers to classify a lease that transfers substantially all of the risks and rewards incidental to ownership of the underlying asset to lessees as a finance lease. A lease that does not meet this criteria is classified as an operating lease.

When the Group is an intermediate lessor, the Group classifies the sub-lease either as a finance lease or an operating lease with reference to the right-of-use asset arising from the head lease. In case of a head lease is a short-term lease, the sub-lease is classified as an operating lease. Those right-of-use assets are presented as investment properties.

The Group recognises lease payments received under operating leases in profit or loss on a straight-line basis over the lease term as part of other income. Initial direct costs incurred in arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as rental income in the accounting period in which they are earned

The Group estimates lifetime expected credit losses ("ECLs"), using a provision matrix to find ECLs rate. This method groups the lease receivables based on shared credit risk characteristics and past due status, taking into account historical credit loss data, adjusted for factors that are specific to the debtors and an assessment of both current economic conditions and forward-looking general economic conditions at the reporting date. The Group derecognises the lease receivables as disclosed in note 3(f) to the financial statements.

**CP ALL Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

**(m) Impairment of non-financial assets**

The carrying amounts of the Group's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated. For goodwill and intangible assets that have indefinite useful lives or are not yet available for use, the recoverable amount is estimated each year at the same time.

An impairment loss is recognised in profit or loss if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount.

*Calculation of recoverable amount*

The recoverable amount is the greater of the asset's value in use and fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

*Reversal of impairment*

An impairment loss in respect of goodwill is not reversed. Impairment losses recognised in prior periods in respect of other non-financial assets is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

**(n) Contract liabilities**

A contract liability is the obligation to transfer goods or services to the customer. A contract liability is recognised when the Group receives or has an unconditional right to receive non-refundable consideration from the customer before the Group recognises the related revenue.

**(o) Employee benefits**

*Post-employment benefit - defined contribution plans*

Obligations for contributions to the Group's provident funds are expensed as the related service is provided.

*Post-employment benefit - defined benefit plans*

The Group's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods. The defined benefit obligations is discounted to the present value, which is performed annually by a qualified actuary using the projected unit credit method.

Remeasurements of the net defined benefit liability, actuarial gain or loss are recognised immediately in other comprehensive income. The Group determines the interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

**CP ALL Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

*Other long-term employee benefits*

The Group's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Remeasurements are recognised in profit or loss in the period in which they arise.

*Termination benefits*

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the end of the reporting period, then they are discounted.

*Short-term employee benefits*

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

**(p) Provisions**

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as a finance cost.

**(q) Perpetual subordinated debentures**

Perpetual subordinated debentures which are payable upon dissolution are recognised as equity as the Company has the sole right and discretion to early redemption as stipulated in terms and conditions of debentures, and the interest and cumulative interest payment are unconditionally deferred without time and number limitation and payable at the Company's discretion. Accordingly, any interest payments are recognised similar as dividends and directly in equity when payment obligation arises. Interest payments are presented in the statement of cash flows at the same way as dividends paid to ordinary shareholders.

**(r) Measurement of fair values**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

When measuring the fair value of an asset or a liability, the Group uses observable market data as many as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:



# CP ALL Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2023

- Level 1: quoted prices in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: inputs for the asset or liability that are based on unobservable input.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

If an asset or a liability measured at fair value has a bid price and an ask price, then the Group measures assets and asset positions at a bid price and liabilities and liability positions at an ask price.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price - i.e. the fair value of the consideration given or received. If the Group determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique for which any unobservable inputs are judged to be insignificant in relation to the measurement, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently, that difference is recognised in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

### (s) *Revenues*

Revenue is recognised when a customer obtains control of the goods or services in an amount that reflects the consideration to which the Group expects to be entitled, excluding those amounts collected on behalf of third parties, value added tax or other sales taxes and is after deduction of any trade discounts and volume rebates.

#### *Sales of goods and rendering of services*

Revenue from sales of goods is recognised on the date on which the goods are delivered to the customers. For the sales that permit the customers to return the goods, the Group estimates the returns based on the historical return data, does not recognise revenue and cost of sales for the estimated products to be returned. Revenue for rendering of services is recognised over time as the services are provided. The related costs are recognised in profit or loss when they are incurred.

#### *Initial fees, royalties and exclusivity fees*

The Company recognises the initial fee obtained under the Management Agreements of the 7-Eleven convenience stores upon completion of the required services for the franchisees.

The Company recognises the royalty fee arising from the license for operating its 7-Eleven convenience stores over the period of the Management Agreements.

The Company has agreements with the merchandise suppliers to purchase their products to distribute in the 7-Eleven convenience stores. Under the terms of the agreements, the Company is entitled to charge exclusivity fees for the goods as specified in the agreements. In case of violation or cancellation of the agreements by the Company without reasonable cause, the suppliers have rights to a refund of such exclusivity fees according to the valuation of remaining period. But in case of cancellation of the agreements by the merchandise suppliers, such exclusivity fees are non-refundable. The Company recognises the exclusivity fees as income over the periods of agreements.

**CP ALL Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

*Customer loyalty programmes*

For customer loyalty programmes that the Group offers to customers, the consideration received is allocated based on the relative stand-alone selling price of the products and, the loyalty points or discount from accumulated purchased volume. The amount allocated to the loyalty points or discount from accumulated purchased volume is recognised as contract liabilities and revenue is recognised when the customers redeem or when the likelihood of the customer redeeming becomes remote. The stand-alone selling prices of the loyalty points or discount from accumulated purchased volume is estimated based on the discount provided to customers and the likelihood that the customers will redeem the points. The estimate is reviewed at the end of the reporting period.

*Commission revenue*

For the contracts that the Group is arranging for the provision of the goods or services on behalf of its customers and does not control the goods or services before the primary sellers or service providers will provide the goods or services to the customers. The Group acts in the capacity of an agent and recognises the net amount of consideration as commission revenue when its obligation to arrange for the provision of the specified good or service is fulfilled.

**(t) Other income**

Other operating income is recognised in profit or loss on an accrual basis.

**(u) Income tax**

Income tax expense for the year comprises current and deferred tax, which is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is recognised in respect of the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the temporary differences: the initial recognition of goodwill; the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries and joint ventures to the extent that it is probable that they will not reverse in the foreseeable future.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities, using tax rates enacted or substantively enacted at the reporting date. Current deferred tax assets and liabilities are offset in separate financial statements.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

# CP ALL Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2023

### *Minimum top-up tax*

The Group has adopted International Tax Reform - Pillar Two Model Rules - Amendments to TAS 12 Income Taxes dated 28 December 2023. The amendments provide a temporary mandatory exception from deferred tax accounting for the top-up tax, which is effective immediately, and accounts for a current tax when it is incurred. In addition, Amendments to TAS 12 Income Taxes require the Group to disclose about the Pillar Two exposure in the financial statements for the year ended 31 December 2024. The mandatory exception applies retrospectively. However, the Group is currently assessing the potential impact on the Group's financial statements from adopting the accounting standards.

### (v) *Earnings per share*

The Group presents basic earnings per share ("EPS") data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company less cumulative interest for the year on perpetual subordinated debentures whether it has been accrued or not by the weighted average number of ordinary shares outstanding during the year.

### (w) *Related parties*

A related party is a person or entity that has direct or indirect control or joint control, or has significant influence over the financial and managerial decision-making of the Group; a person or entity that are under common control or under the same significant influence as the Group; or the Group has direct or indirect control or joint control or has significant influence over the financial and managerial decision-making of a person or entity.

### (x) *Segment reporting*

Segment results that are reported to the chairman of executive committee of the Group (the chief operating decision maker) include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

## 4 Related parties

Relationships with subsidiaries, associates and joint ventures are described in note 8 and 9 to the financial statements. Relationships with key management and other related parties that the Group had significant transactions with during the year were as follows:

Name of parties	Country of incorporation/ nationality	Nature of relationships
Charoen Pokphand Group Company Limited ("CPG")	Thailand	Indirect shareholder of the Company, Company under CPG Group
C.P. Merchandising Co., Ltd.	Thailand	Shareholder of the Company, Company under CPG Group
Charoen Pokphand Foods Public Company Limited	Thailand	Indirect shareholder of the Company, Company under CPG Group
CPF (Thailand) Public Company Limited	Thailand	Indirect shareholder of the Company, Company under CPG Group
Aden Fulfillment Company Limited	Thailand	Company under CPG Group
ALL Now Logistics Co., Ltd.	Thailand	Company under CPG Group
ALL Now Management Co., Ltd.	Thailand	Company under CPG Group

**CP ALL Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

<b>Name of parties</b>	<b>Country of incorporation/ nationality</b>	<b>Nature of relationships</b>
Alter Vim Company Limited	Thailand	Company under CPG Group
Ascend Commerce Company Limited	Thailand	Company under CPG Group
Ascend Travel Company Limited	Thailand	Company under CPG Group
C.P. Consumer Products Co., Ltd.	Thailand	Company under CPG Group
C.P. Packaging Industry Co., Ltd.	Thailand	Company under CPG Group
C.P. Venture Capital Co., Ltd.	Thailand	Company under CPG Group
C.P. Facility Management Company Limited	Thailand	Company under CPG Group
CP Land Public Company Limited	Thailand	Company under CPG Group
C.P. Tower Growth Leasehold Property Fund	Thailand	Company under CPG Group
Charoen Pokphand Engineering Co., Ltd.	Thailand	Company under CPG Group
Chester Food Co., Ltd.	Thailand	Company under CPG Group
Chonburi Transportation Company Limited	Thailand	Company under CPG Group
CP B&F (Thailand) Company Limited	Thailand	Company under CPG Group
CP Future City Development Corporation Limited	Thailand	Company under CPG Group
CP Match Co., Ltd.	Thailand	Company under CPG Group
CP Sales & Service Company Limited	Thailand	Company under CPG Group
CPF Food and Beverage Company Limited	Thailand	Company under CPG Group
CPF Food Network Co., Ltd.	Thailand	Company under CPG Group
CPF Global Food Solution Public Company Limited	Thailand	Company under CPG Group
CPF IT Center Co., Ltd.	Thailand	Company under CPG Group
CPF Restaurant and Food Chain Company Limited	Thailand	Company under CPG Group
CP-Meiji Co., Ltd.	Thailand	Company under CPG Group
EGG Digital Co., Ltd.	Thailand	Company under CPG Group
Freewill FX Co. Ltd.	Thailand	Company under CPG Group
International Pet Food Co., Ltd.	Thailand	Company under CPG Group
Kasetphand Industry Co., Ltd.	Thailand	Company under CPG Group
Leadership Development Charoen Pokphand Group Co., Ltd.	Thailand	Company under CPG Group
Perfect Companion Group Co., Ltd.	Thailand	Company under CPG Group
Pokphand Enterprise Co., Ltd.	Thailand	Company under CPG Group
SM True Co., Ltd.	Thailand	Company under CPG Group
True Corporation Public Company Limited	Thailand	Company under CPG Group



# CP ALL Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2023

Name of parties	Country of incorporation/ nationality	Nature of relationships
True Digital Group Co., Ltd.	Thailand	Company under CPG Group
True Distribution and Sales Co., Ltd.	Thailand	Company under CPG Group
True E-Logistics Company Limited	Thailand	Company under CPG Group
True GS Co., Ltd.	Thailand	Company under CPG Group
True Internet Corporation Co., Ltd.	Thailand	Company under CPG Group
True Internet Data Center Company Limited	Thailand	Company under CPG Group
True Leasing Co., Ltd.	Thailand	Company under CPG Group
True Money Co., Ltd.	Thailand	Company under CPG Group
True Move H Universal Communication Co., Ltd.	Thailand	Company under CPG Group
Wire & Wireless Co., Ltd.	Thailand	Company under CPG Group
CPF Australia Pty Ltd	Australia	Company under CPG Group
C.P.Cambodia Co., Ltd.	Cambodia	Company under CPG Group
Asia Aquaculture (M) Sdn. Bhd.	Malaysia	Company under CPG Group
EGG DIGITAL (MALAYSIA) SDN. BHD.	Malaysia	Company under CPG Group
PERFECT COMPANION (M) SDN. BHD.	Malaysia	Company under CPG Group
PK Agro-industry Products (M) Sdn. Bhd.	Malaysia	Company under CPG Group
Tip Top Meat Sdn. Bhd.	Malaysia	Company under CPG Group
C.P. Vietnam Corporation	Vietnam	Company under CPG Group
Advance Transport Co., Ltd.	Thailand	Chearavanont family is major shareholders
C.P. Food Store Co., Ltd.	Thailand	Chearavanont family is major shareholders
Chef Cares Project Co., Ltd.	Thailand	Chearavanont family is major shareholders
CT Fresh Company Limited	Thailand	Chearavanont family is major shareholders
Dynamic Transport Company Limited	Thailand	Chearavanont family is major shareholders
Dees Supreme Co., Ltd.	Thailand	Chearavanont family is major shareholders
Thai Kodama Company Limited	Thailand	Chearavanont family is major shareholders
Key management personnel	Thai/ Foreigners	Persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, including any director of the Group (whether executive or otherwise)

**CP ALL Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

<i>Significant transactions with related parties</i> <i>Year ended 31 December</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2023	2022	2023	2022
	<i>(in million Baht)</i>			
<b><i>Subsidiaries</i></b>				
Revenue from sale of goods and rendering of services	-	-	4,815	5,419
Interest income	-	-	218	193
Dividend income	-	-	5,909	5,380
Other income	-	-	2,144	2,269
Distribution costs	-	-	3,166	3,135
Administrative expenses	-	-	3,913	3,366
Finance costs	-	-	31	41
Purchases of goods and services	-	-	35,611	30,932
Purchases of property, plant and equipment and intangible assets other than goodwill	-	-	3,325	2,969
<b><i>Associates</i></b>				
Revenue from sale of goods and rendering of services	330	349	-	-
Dividend income	497	448	-	-
Other income	46	1	-	-
Distribution costs	600	586	-	-
Finance costs	244	252	-	-
Purchases of goods and services	130	123	-	-
<b><i>Joint ventures</i></b>				
Revenue from sale of goods and rendering of services	69	67	-	-
Dividend income	13	11	-	-
Other income	41	51	-	-
Distribution costs	98	97	-	-
Administrative expenses	5	2	-	-
Finance costs	1	1	-	-
Purchases of goods and services	16	10	-	-
<b><i>Related companies</i></b>				
Revenue from sale of goods and rendering of services	2,577	2,304	493	398
Other income	1,715	1,676	1,201	1,491
Distribution costs	3,814	2,687	2,110	1,516
Administrative expenses	1,283	1,213	420	343
Finance costs	62	36	-	-
Purchases of goods and services	78,478	67,819	28,956	26,084
Purchases of property, plant and equipment and intangible assets other than goodwill	240	317	2	6
<b><i>Key management personnel</i></b>				
Key management benefit expenses				
Short-term employee benefits	802	807	544	528
Severance pay for employees	19	46	5	6
<b>Total key management benefit expenses</b>	<b>821</b>	<b>853</b>	<b>549</b>	<b>534</b>

# CP ALL Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2023

<i>Balances with related parties</i> <i>At 31 December</i>	<b>Consolidated</b> <b>financial statements</b>		<b>Separate</b> <b>financial statements</b>	
	2023	2022	2023	2022
	<i>(in million Baht)</i>			
<b><i>Trade accounts receivable</i></b>				
Associates	9	13	-	-
Joint ventures	-	1	-	-
Related companies	306	329	-	-
<b>Total</b>	<b>315</b>	<b>343</b>	-	-
<i>Less allowance for expected credit loss</i>	<i>(2)</i>	<i>(10)</i>	-	-
<b>Net</b>	<b>313</b>	<b>333</b>	-	-
<b><i>Other current receivables</i></b>				
Subsidiaries	-	-	3,561	2,619
Associates	25	25	-	-
Joint ventures	61	56	-	-
Related companies	2,003	2,155	1,450	1,560
<b>Total</b>	<b>2,089</b>	<b>2,236</b>	<b>5,011</b>	<b>4,179</b>
<i>Less allowance for expected credit loss</i>	<i>-</i>	<i>(2)</i>	-	-
<b>Net</b>	<b>2,089</b>	<b>2,234</b>	<b>5,011</b>	<b>4,179</b>

<i>(Reversal of) expected credit losses for the</i> <i>year ended 31 December</i>	<b>Consolidated</b> <b>financial statements</b>		<b>Separate</b> <b>financial statements</b>	
	2023	2022	2023	2022
	<i>(in million Baht)</i>			
Trade accounts receivable	(8)	10	-	-
Other current receivables	(2)	2	-	-

### *Short-term loans to subsidiaries*

Movements during the years ended 31 December 2023 and 2022 were as follows:

	<b>Separate</b> <b>financial statements</b>	
	2023	2022
	<i>(in million Baht)</i>	
At 1 January	7,229	7,655
Increases	1,077	200
Decreases	(1,000)	(700)
Unrealised (loss) gain on exchange	(63)	74
<b>Total</b>	<b>7,243</b>	<b>7,229</b>
<i>Less allowance for expected credit loss</i>	-	-
<b>At 31 December</b>	<b>7,243</b>	<b>7,229</b>
<b>Interest rate at 31 December (% per annum)</b>	<b>1.50 - 3.90</b>	<b>1.50 - 3.00</b>

As at 31 December 2023 the outstanding balance of short-term loans to the subsidiaries was unsecured and at call.

**CP ALL Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

<i>Balances with related parties</i> <i>At 31 December</i>	<b>Consolidated</b> <b>financial statements</b>		<b>Separate</b> <b>financial statements</b>	
	2023	2022	2023	2022
	<i>(in million Baht)</i>			
<b><i>Investments in related companies</i></b>				
ALL Now Management Co., Ltd.	732	959	385	512
Ascend Commerce Co., Ltd.	615	-	615	-
EGG Digital Co., Ltd.	251	266	132	140
C.P. Venture Capital Co., Ltd.	205	205	205	205
True GS Co., Ltd.	173	138	173	138
CP Seeding Social Impact Co., Ltd.	7	-	3	-
<b>Total</b>	<b>1,983</b>	<b>1,568</b>	<b>1,513</b>	<b>995</b>
<b><i>Other non-current assets</i></b>				
Subsidiaries	-	-	4	4
Related companies	2	36	1	35
<b>Total</b>	<b>2</b>	<b>36</b>	<b>5</b>	<b>39</b>
<b><i>Trade accounts payable</i></b>				
Subsidiaries	-	-	3,827	2,892
Joint ventures	14	14	-	-
Related companies	12,409	10,774	4,905	4,256
<b>Total</b>	<b>12,423</b>	<b>10,788</b>	<b>8,732</b>	<b>7,148</b>
<b><i>Other payables</i></b>				
Subsidiaries	-	-	11,403	7,359
Associates	3	1	-	-
Joint ventures	137	70	-	-
Related companies	1,901	1,921	127	140
<b>Total</b>	<b>2,041</b>	<b>1,992</b>	<b>11,530</b>	<b>7,499</b>

***Short-term borrowings from subsidiaries***

Movements during the years ended 31 December 2023 and 2022 were as follows:

	<b>Separate</b> <b>financial statements</b>	
	2023	2022
	<i>(in million Baht)</i>	
At 1 January	60	1,400
Increases	2,300	60
Decreases	(360)	(1,400)
<b>At 31 December</b>	<b>2,000</b>	<b>60</b>
<b>Interest rate at 31 December (% per annum)</b>	<b>1.00 - 2.00</b>	<b>1.00</b>

**CP ALL Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

<i>Balances with related parties</i> <i>At 31 December</i>	<b>Consolidated</b> <b>financial statements</b>		<b>Separate</b> <b>financial statements</b>	
	2023	2022	2023	2022
	<i>(in million Baht)</i>			
<i>Lease liabilities</i>				
Associates	6,299	6,547	-	-
Joint ventures	18	20	-	-
Related companies	2,362	1,507	-	-
<b>Total</b>	<b>8,679</b>	<b>8,074</b>	<b>-</b>	<b>-</b>

***Significant agreements with related parties***

As at 31 December 2023 the Group had the following significant agreements with related parties:

- (a) The Company has a service agreement with Charoen Pokphand Group Company Limited, a shareholder of the Company, covering technical advisory, management, technical assistances and right to use the trademark and services of the shareholder for a period of 1 year ending in December 2024. In consideration thereof, the Company agreed to pay a monthly service fee to the shareholder totaling Baht 1.70 million.
- (b) The Company has a cash management agreement with Counter Service Co., Ltd., a local subsidiary. Under the terms of the agreement, the Company agreed to provide cash management services under conditions stipulated in the agreement to the subsidiary. In consideration thereof, the subsidiary agreed to pay a cash management service fee to the Company at the rates stipulated in the agreement, and the Company agreed to pay benefits for cash management to the subsidiary at the rate stipulated in the agreement. If either party has intention to terminate the agreement, a written notification must be made to the other party at least 60 days before the expiry date of the agreement.
- (c) The Company has service agreements with Counter Service Co., Ltd., a local subsidiary. Under the terms of the agreements, the Company agreed to provide and install the computer system to support bill payment services. In consideration thereof, the subsidiary agreed to pay monthly service fees to the Company in accordance with the types of service stipulated in the agreements.
- (d) The Company has a service agreement with Counter Service Co., Ltd., a local subsidiary. Under the terms of the agreement, the Company agreed to be appointed as the agent of the subsidiary for bill payment services under conditions stipulated in the agreement. In consideration thereof, the subsidiary agreed to pay a service fee to the Company at the amount stipulated in the agreement. If either party has intention to terminate the agreement, a written notification must be made to the other party at least 60 days before the expiry date of the agreement.
- (e) The Company has a service agreement with Counter Service Co., Ltd., a local subsidiary. Under the terms of the agreement, the subsidiary agreed to manage points for customer loyalty programme. In consideration thereof, the Company agreed to pay a monthly service fee to the subsidiary of Baht 0.3 million. The agreement is for a period of 3 years and are renewable for additional periods of 3 years. If either party has no intention to renew the agreement, a written notification must be made to the other party at least 60 days before the expiry date of the agreement.



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

### **Notes to the financial statements**

#### **For the year ended 31 December 2023**

- (f) The Company and certain local subsidiaries have lease and service agreements with C.P. Tower Growth Leasehold Property Fund, a related company, to lease space in its buildings for offices of the Company and the subsidiaries. In consideration thereof, the Company and the subsidiaries agreed to pay monthly rental and services fees totaling Baht 11.7 million, and placed guarantee deposits with the related company totaling Baht 32.4 million. The guarantee deposits will be refunded to the Company and the subsidiaries upon the termination of the lease. These agreements are effective for a period of 3 years, and will expire on various dates until December 2025.
- (g) The Company and certain local subsidiaries have information system services agreements with Gosoft (Thailand) Co., Ltd. (“the service provider”), a local subsidiary. Under the terms of these agreements, the service provider agreed to provide consulting, advisory, development, design, installation, maintenance and supporting services to the Company and its subsidiaries for a period of 1 year ending in December 2024. In consideration thereof, the Company and its subsidiaries agreed to pay service fees to the service provider at the amounts stipulated in the agreements. If either party has intention to terminate the agreement, a written notification must be made to the other party at least 90 days before the expiry date of the agreement.
- (h) The Company has a service agreement with Thai Smart Card Co., Ltd., a local subsidiary. Under the terms of the agreement, the subsidiary agreed to manage customer loyalty programme. In consideration thereof, the Company agreed to pay monthly service fees to the subsidiary totaling Baht 0.3 million. If either party has intention to terminate the agreement, a written notification must be made to the other party at least 30 days before the expiry date of the agreement.
- (i) The Company has service agreements with CP Aextra Public Company Limited (formerly: Siam Makro Public Company Limited), a local subsidiary, as well as, Makro (Cambodia) Company Limited, ARO Commercial Company Limited, Guangzhou Huadu Makro Food Supermarket Company Limited and Makro (Guangzhou) Food Company Limited, foreign subsidiaries. Under the terms of these agreements, the Company agreed to grant the right to use certain trademarks under conditions stipulated in the agreements. In consideration thereof, the subsidiaries are committed to pay a fee, calculated as a percentage of their sales, to the Company as stipulated in the agreements. These agreements are effective for periods over 1 years to 5 years, and will expire on various dates until December 2026.
- (j) Ek-Chai Distribution System Co., Ltd. (“ECDS”), a local indirect subsidiary, has a service agreement with EGG Digital Co., Ltd., a related company. Under the terms of the agreement, the related company agrees to provide advertising and data analytics services to ECDS. In consideration thereof, ECDS agrees to pay a service fee to the related company and entitle to receive revenue sharing from advertising and data analytics services to ECDS’s business partner at the rate stipulated in the agreement. This agreement is effective for a period of 3 years and will expire in February 2025.
- (k) EK-Chai Distribution System Co., Ltd., a local indirect subsidiary, and Lotuss Stores (Malaysia) Sdn. Bhd., a foreign indirect subsidiary, have service agreements with Charoen Pokphand Group Company Limited, a shareholder of the company (“the party”). Under the terms of these agreements, the subsidiaries obtain the right to use of trademark and services under conditions stipulated in the agreements. In consideration thereof, the subsidiaries are committed to pay to the party fees calculated as a percentage of their sales as stipulated in the agreements. These agreements are effective for a period of 3 years and will expire in December 2026.

**CP ALL Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

**5 Cash and cash equivalents**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2023	2022	2023	2022
	<i>(in million Baht)</i>			
Cash on hand	22,802	14,141	15,998	9,195
Cash at financial institutions	33,144	45,019	9,957	11,800
Highly liquid short-term investments	11,288	12,264	-	-
<b>Total</b>	<b>67,234</b>	<b>71,424</b>	<b>25,955</b>	<b>20,995</b>

**6 Trade accounts receivable and other current receivables**

	<i>Note</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
		2023	2022	2023	2022
<i>Trade accounts receivable</i>		<i>(in million Baht)</i>			
<b>Related parties</b>					
Within credit terms		224	241	-	-
Overdue:					
Less than 3 months		66	84	-	-
3 - 6 months		18	9	-	-
6 - 12 months		3	5	-	-
Over 12 months		4	4	-	-
<b>Total</b>		<b>315</b>	<b>343</b>	<b>-</b>	<b>-</b>
Less allowance for expected credit loss		(2)	(10)	-	-
<b>Net</b>	4	<b>313</b>	<b>333</b>	<b>-</b>	<b>-</b>
<b>Other parties</b>					
Within credit terms		2,332	2,522	160	244
Overdue:					
Less than 3 months		646	744	-	-
3 - 6 months		46	73	-	-
6 - 12 months		37	71	-	-
Over 12 months		134	176	-	-
<b>Total</b>		<b>3,195</b>	<b>3,586</b>	<b>160</b>	<b>244</b>
Less allowance for expected credit loss		(182)	(299)	-	-
<b>Net</b>		<b>3,013</b>	<b>3,287</b>	<b>160</b>	<b>244</b>
<b>Grand total</b>		<b>3,326</b>	<b>3,620</b>	<b>160</b>	<b>244</b>

# CP ALL Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2023

<i>Other current receivables</i>	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
		<i>(in million Baht)</i>			
<b>Related parties</b>					
Within credit terms		1,809	1,766	4,746	3,724
Overdue:					
Less than 3 months		245	298	244	294
3 - 6 months		12	131	17	130
6 - 12 months		6	34	-	30
Over 12 months		17	7	4	1
<b>Total</b>		<b>2,089</b>	<b>2,236</b>	<b>5,011</b>	<b>4,179</b>
Less allowance for expected credit loss		-	(2)	-	-
<b>Net</b>	4	<b>2,089</b>	<b>2,234</b>	<b>5,011</b>	<b>4,179</b>
<b>Other parties</b>					
Within credit terms		11,951	11,689	4,912	4,568
Overdue:					
Less than 3 months		1,357	1,049	1,167	947
3 - 6 months		19	32	12	8
6 - 12 months		7	13	3	3
Over 12 months		60	89	18	18
<b>Total</b>		<b>13,394</b>	<b>12,872</b>	<b>6,112</b>	<b>5,544</b>
Less allowance for expected credit loss		(76)	(94)	(23)	(24)
<b>Net</b>		<b>13,318</b>	<b>12,778</b>	<b>6,089</b>	<b>5,520</b>
<b>Grand Total</b>		<b>15,407</b>	<b>15,012</b>	<b>11,100</b>	<b>9,699</b>

<i>Allowance for expected credit loss</i>	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
	<i>(in million Baht)</i>			
At 1 January	405	488	24	19
Addition	60	126	1	5
Reversal	(189)	(136)	(2)	-
Write-off	(7)	(68)	-	-
Exchange differences on translating financial statements	(9)	(5)	-	-
<b>At 31 December</b>	<b>260</b>	<b>405</b>	<b>23</b>	<b>24</b>

Information of credit risk is disclosed in note 31 (b.1) to the financial statements.

# CP ALL Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2023

### 7 Inventories

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
	<i>(in million Baht)</i>			
Finished goods	58,285	58,791	19,740	18,223
Work in progress	125	153	-	-
Raw materials	845	832	-	-
Goods in transit	870	898	-	-
<b>Total</b>	<b>60,125</b>	<b>60,674</b>	<b>19,740</b>	<b>18,223</b>
Less allowance for losses on decline in value of inventories	(2,624)	(2,491)	(401)	(216)
<b>Net</b>	<b>57,501</b>	<b>58,183</b>	<b>19,339</b>	<b>18,007</b>

The cost of inventories which is recognised as an expense and presented as part of the account “Cost of sale of goods and rendering of services” consisted of:

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
	<i>(in million Baht)</i>			
Cost of sales	686,014	639,380	286,565	257,807
Loss (reversal of loss) on decline in value of inventories	133	(35)	185	(4)
<b>Total</b>	<b>686,147</b>	<b>639,345</b>	<b>286,750</b>	<b>257,803</b>

The cost of inventories which is recognised as an expense and presented as part of the account “Distribution costs” in the statements of income for the year ended 31 December 2023 amounted to Baht 2,511 million (2022: Baht 2,247 million) in the consolidated financial statements, and Baht 2,510 million (2022: Baht 2,244 million) in the separate financial statements.

### 8 Investments in subsidiaries

Movements during the years ended 31 December 2023 and 2022 were as follows:

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
	<i>(in million Baht)</i>			
At 1 January	-	-	281,921	281,357
Increases	-	-	315	813
Decreases	-	-	-	(249)
<b>At 31 December</b>	<b>-</b>	<b>-</b>	<b>282,236</b>	<b>281,921</b>

# CP ALL Public Company Limited and its Subsidiaries

## Notes to the financial statements

### For the year ended 31 December 2023

Details of the net increases and decreases in investments in subsidiaries during the years ended 31 December 2023 and 2022 were as follows:

	Separate financial statements	
	2023	2022
	<i>(in million Baht)</i>	
Increase capital of Albuera International Limited	315	363
Increase capital of All Corporation Limited	-	450
Disposal of investment in CP Aextra Public Company Limited (formerly: Siam Makro Public Company Limited)	-	(249)
<b>Total</b>	<b>315</b>	<b>564</b>

#### *Albuera International Limited*

##### *Additional investment*

During the fourth quarter of 2023, a foreign subsidiary (Albuera International Limited) collected from the called for additional paid-up share capital of United States Dollars 9 million or equivalent to approximately Baht 315 million; from United States Dollars 20 million to United States Dollars 29 million.

During the third quarter of 2022, a foreign subsidiary (Albuera International Limited) collected from the called for additional paid-up share capital of United States Dollars 10 million or equivalent to approximately Baht 363 million; from United States Dollars 10 million to United States Dollars 20 million.

#### *All Corporation Limited*

##### *Additional investment*

During the third quarter of 2022, a local subsidiary (All Corporation Limited) increased its authorised share capital of Baht 750 million; from Baht 250 million to Baht 1,000 million and collected from the called for additional paid-up share capital of Baht 450 million; from Baht 250 million to Baht 700 million.

#### *CP Aextra Public Company Limited (formerly: Siam Makro Public Company Limited)*

##### *Disposal of investment*

During the fourth quarter of 2022, the Company had partial disposal 6 million ordinary shares of CP Aextra Public Company Limited (formerly: Siam Makro Public Company Limited), a local subsidiary at the price of Baht 38.75 per share, totaling Baht 233 million to Siam Makro Holding (Thailand) Limited, a local subsidiary, whilst retaining direct and indirect ownership interest as 59.92% in the consolidated financial statements and the Company had the loss on sale of investment in the separate financial statements of totaling Baht 16 million.

**CP ALL Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

Investments in subsidiaries as at 31 December 2023 and 2022, and dividend income for the years then ended were as follows:

Name of parties	Type of business	Country of operation	Ownership interests (%)		Separate financial statements				Dividend income for the year	
			2023	2022	Paid-up capital 2023	Paid-up capital 2022	At cost 2023	At cost 2022		
<i>(in million Baht)</i>										
<b>Local direct subsidiaries</b>										
Suksapiwat Co., Ltd.	Holding company	Thailand	99.99	99.99	810	810	810	810	50	90
CPRAM Co., Ltd.	Frozen food plant and bakery	Thailand	99.99	99.99	600	600	600	600	-	-
Counter Service Co., Ltd.	Bill payment services, services, e-commerce, distributor of all types of commercial cards and tickets and insurance broker	Thailand	99.99	99.99	100	100	91	91	1,160	1,140
All Corporation Limited	Holding company	Thailand	99.99	99.99	700	700	700	700	-	-
24 Shopping Co., Ltd.	Distributor of catalog merchandises and e-commerce	Thailand	99.99	99.99	30	30	30	30	-	480
CP Retailink Co., Ltd.	Distributor of equipment for retailing and software development	Thailand	99.99	99.99	20	20	20	20	600	500
Gosoft (Thailand) Co., Ltd.	Information system design and development services	Thailand	99.99	99.99	20	20	20	20	400	100



**CP ALL Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

Name of parties	Type of business	Country of operation	Ownership interests (%)		Separate financial statement (Continued)				Dividend income for the year	
			2023	2022	Paid-up capital		At cost			
					2023	2022	2023	2022		
OHT Co., Ltd.	Holding company	Thailand	99.99	99.99	12	12	57,754	57,754	746	495
All Training Co., Ltd.	Training center	Thailand	99.99	99.99	1	1	1	1	150	80
ALL Wellness Co., Ltd.	Digital innovation healthcare services and consultation by medical specialists	Thailand	99.99	99.99	176	176	176	176	-	-
MAM Heart Co., Ltd.	Marketing activities	Thailand	99.99	99.99	1	1	1	1	-	20
Panyatara Co., Ltd.	planning services	Thailand	99.99	99.99	1	1	1	1	70	40
Thai Smart Card Co., Ltd.	Smart purse card services	Thailand	99.99	99.99	1,600	1,600	1,939	1,939	133	110
Siam Makro Holding (Thailand) Limited	Holding company	Thailand	49.00	49.00	1,066	1,066	55,490	55,490	716	475
CP Axtra Public Company (formerly: Siam Makro Public Company Limited)	Wholesale	Thailand	34.91	34.91	5,290	5,290	153,118	153,118	1,884	1,850
<b>Total</b>							<b>270,751</b>	<b>270,751</b>	<b>5,909</b>	<b>5,380</b>

**CP ALL Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

Name of parties	Type of business	Country of operation	Ownership interests (%)		Separate financial statements (Continued)				Dividend income for the year 2022	
			2023	2022	Paid-up capital		At cost			
			2023	2022	2023	2022	2023	2022		
					<i>(in million United States Dollars)</i>					
<b>Foreign direct subsidiaries</b>										
Lotus Distribution Investment Limited	Holding company	British Virgin Islands	100.00	100.00	310	310	10,497	10,497	-	-
Albuera International Limited	Holding company	British Virgin Islands	100.00	100.00	29	20	988	673	-	-
<b>Total</b>					<b>11,485</b>	<b>11,170</b>	<b>11,485</b>	<b>11,170</b>	<b>-</b>	<b>-</b>
<b>Grand total</b>					<b>282,236</b>	<b>281,921</b>	<b>282,236</b>	<b>281,921</b>	<b>5,909</b>	<b>5,380</b>

**CP ALL Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

Details of the Company's indirect subsidiaries as at 31 December 2023 and 2022 were as follows:

Name of parties	Type of business	Country of operation	Ownership interests	
			2023	2022
(%)				
<b><i>Local indirect subsidiaries</i></b>				
<b><i>- Investment through All Corporation Limited</i></b>				
CP Foodlab Co., Ltd.	Research and development service, and microbiologic and scientific Laboratory services	Thailand	99.99	99.99
ALL Bake and Brew Co., Ltd.	Food and beverage stores	Thailand	99.99	-
ALL GUARDIAN CO., LTD.	Health and beauty products retailer	Thailand	64.99	64.99
ALL SPEEDY CO., LTD.	Logistics and distribution of merchandises services	Thailand	45.45	45.45
<b><i>- Investment through Suksapiwat Co., Ltd.</i></b>				
Panyapiwat Institute of Management	Educational institution	Thailand	99.99	99.99
Panyapiwat Institute of Management Demonstration School	Educational institution	Thailand	99.99	99.99
Panyapiwat Technological College	Educational institution	Thailand	99.99	99.99
<b><i>- Investment through CP Axta Public Company Limited (formerly: Siam Makro Public Company Limited)</i></b>				
Makro ROH Co., Ltd.	Providing technical and supporting services to the Group	Thailand	59.91	59.91
Siam Food Services Limited	Importing and trading of food products from international and domestic sources and providing freight, delivery rental and storage services	Thailand	59.91	59.91
ProMart Co., Ltd.	Trading of non-food products	Thailand	-	59.91
C.P. Retail Development Company Limited	Retail business and mall	Thailand	59.91	59.91
Lotus's Stores (Thailand) Co., Ltd.	Retail business	Thailand	59.90	59.90

**CP ALL Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

Name of parties	Type of business	Country of operation	Ownership interests	
			2023	2022
<i>(%)</i>				
<b><i>Local indirect subsidiaries (continued)</i></b>				
<b><i>- Investment through CP Aextra Public Company Limited (formerly: Siam Makro Public Company Limited) (continued)</i></b>				
Ek-Chai Distribution System Co., Ltd.	Retail business and related business	Thailand	59.90	59.90
Lotus's Mobile (Thailand) Co., Ltd.	Telecommunication business	Thailand	59.89	59.89
<b><i>- Investment through OHT Co., Ltd.</i></b>				
Siam Makro Holding (Thailand) Limited	Holding company	Thailand	50.99	50.99
CP Aextra Public Company Limited (formerly: Siam Makro Public Company Limited)	Wholesale	Thailand	25.01	25.01
<b><i>Foreign indirect subsidiaries</i></b>				
<b><i>- Investment through Albuera International Limited</i></b>				
CP ALL (CAMBODIA) CO., LTD.	Convenience stores	Cambodia	100.00	100.00
CP ALL LAOS COMPANY LIMITED	Convenience stores	Laos	99.99	99.99
<b><i>- Investment through Lotus Distribution Investment Limited</i></b>				
Nanjing Tech University Pujiang Institute	Educational institution	The People's Republic of China	100.00	100.00
Nanjing Tech University Pujiang Institute Educational Development Fund	Educational development fund	The People's Republic of China	100.00	100.00
Nanjing Tianqu Investment Management Co., Ltd.	Commercial trading, holding of educational institution	The People's Republic of China	100.00	100.00
Nanjing Zheng Yi Xin Trading Co., Ltd.	Commercial trading	The People's Republic of China	100.00	100.00
Successor (China) Investments Limited	Holding company	The People's Republic of China	100.00	100.00
Successor Investments Limited	Holding company	Hong Kong Special Administrative Region of the People's Republic of China	100.00	100.00
Nanjing De Yi Management Consulting Co., Ltd.	Providing consulting on organizational management	The People's Republic of China	100.00	-

**CP ALL Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

Name of parties	Type of business	Country of operation	Ownership interests	
			2023	2022
<i>Foreign indirect subsidiaries (continued)</i>				
<i>- Investment through All Corporation Limited</i>				
ALL CONVENIENCE SERVICES CO., LTD.	Logistics and distribution of merchandises services	Cambodia	99.99	99.99
ALL IM-EX AND PROSERVICE CO., LTD.	Production of ready meal, importing and trading of equipment and providing maintenance service of convenience stores' equipment	Cambodia	99.99	99.99
<i>- Investment through CP Aextra Public Company Limited (formerly: Siam Makro Public Company Limited)</i>				
Indoguna Vina Food Service Company Limited	Trading and distribution, and import and export food products	Vietnam	59.91	59.92
ARO Commercial Company Limited	Wholesale, retail operator and related business	Republic of the Union of Myanmar	59.91	59.91
Indoguna (Cambodia) Company Limited	Importing and trading of food related products	Cambodia	59.91	59.91
CP Wholesale India Private Limited	Wholesale and related business	India	59.90	59.90
Makro (Guangzhou) Food Company Limited	Wholesale, retail operator and related business	The People's Republic of China	59.90	59.90
Guangzhou Huadu Makro Food Supermarket Company Limited	Wholesale, retail operator and related business	The People's Republic of China	59.90	59.90
Indoguna (Singapore) Pte Ltd	Manufacturing, trading, importing and exporting of food related products	Singapore	47.93	47.93
Indoguna Dubai L.L.C	Importing and trading of food related products	United Arab Emirates	47.93	47.93
Indoguna Lordly Company Limited	Manufacturing, trading, importing and exporting of food related products	Hong Kong Special Administrative Region of the People's Republic of China	47.93	47.93

# CP ALL Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2023

Name of parties	Type of business	Country of operation	Ownership interests	
			2023	2022
<i>(%)</i>				
<i>Foreign indirect subsidiaries (continued)</i>				
<i>- Investment through CP Axtra Public Company Limited (formerly: Siam Makro Public Company Limited)</i>				
<i>(continued)</i>				
Just Meat Company Limited	Importing and trading of food related products	Hong Kong Special Administrative Region of the People's Republic of China	47.93	47.93
MAXZI THE GOOD FOOD RESTAURANT & CAFE L.L.C	Restaurant and minimart	United Arab Emirates	47.93	47.93
Indoguna Muscat LLC	Importing and trading of food related products	Sultanate of Oman	47.93	-
MAXZI GLOBAL FZCO	Managing the franchise business in relation to restaurants	United Arab Emirates	47.93	-
Makro (Cambodia) Company Limited	Wholesale, retail operator and related business	Cambodia	41.94	41.94
ARO Company Limited	Providing marketing and consulting services	Republic of the Union of Myanmar	-	59.91
Lotuss Stores (Malaysia) Sdn. Bhd.	Retail business and related business	Malaysia	59.91	59.91



**CP ALL Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

**9 Investments in associates and joint ventures**

Movements during the years ended 31 December 2023 and 2022 were as follows:

		<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<i>Note</i>	2023	2022	2023	2022
		<i>(in million Baht)</i>			
<b><i>Associates</i></b>					
At 1 January		9,053	9,139	-	-
Increase		156	-	-	-
<i>Add Share of profit of investment accounted for using equity method</i>		369	362	-	-
<i>Less Dividend income</i>	4	(497)	(448)	-	-
<b>At 31 December</b>		<b>9,081</b>	<b>9,053</b>	<b>-</b>	<b>-</b>
<b><i>Joint ventures</i></b>					
At 1 January		5,335	4,876	-	-
<i>Add Share of profit of investment accounted for using equity method</i>		377	469	-	-
<i>Add Share of gain of other comprehensive income of investment accounted for using equity method</i>		4	-	-	-
<i>Less Dividend income</i>	4	(13)	(10)	-	-
<b>At 31 December</b>		<b>5,703</b>	<b>5,335</b>	<b>-</b>	<b>-</b>

**CP ALL Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

Investments in associates and joint ventures as at 31 December 2023 and 2022, and dividend income for the years then ended were as follows:

Name of parties	Type of business	Ownership interest (%)		Paid-up capital		At cost		At equity method		Dividend income for the year	
		2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
<b>Indirect associates</b>											
Lotus's Retail Growth Freehold and Leasehold Property Fund	Real estate rental	14.98	14.98	23,828	23,828	6,373	6,373	8,944	9,053	497	448
Sukhumvit Living Co., Ltd.	Real estate development	22.46	-	189	-	71	-	56	-	-	-
Sukhumvit Mixed-Use Co., Ltd.	Real estate development for rental as an office building and commercial office	22.46	-	227	-	85	-	81	-	-	-
<b>Total</b>						<b>6,529</b>	<b>6,373</b>	<b>9,081</b>	<b>9,053</b>	<b>497</b>	<b>448</b>
<b>Indirect joint ventures</b>											
Lotus's Money Services Limited	Credit card services	29.95	29.95	2,080	2,080	1,040	1,040	4,880	4,512	-	-
Retail Properties Co., Ltd.	Mall rental services and related utilities services	29.95	29.95	210	210	248	248	505	504	13	10
Synergistic Property Development Co., Ltd.	Real estate development	29.94	29.94	465	465	256	256	318	319	-	-
<b>Total</b>						<b>1,544</b>	<b>1,544</b>	<b>5,703</b>	<b>5,335</b>	<b>13</b>	<b>10</b>

All associates and joint ventures were incorporated and operated in Thailand.

**CP ALL Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

*Additional investments during the year*

- a) On 22 February 2023, a local indirect subsidiary, Ek-Chai Distribution System Co., Ltd. (“ECDS”) invested in Sukhumvit Living Co., Ltd. (“SKL”), an associate. In this regard, ECDS has a 37.5% investment in SKL’s paid-up share capital. The paid-up share capital totaling Baht 0.4 million was completed in March 2023.

During the first quarter of 2023, ECDS invested in additional share capital in SKL, proportionately, amounting to Baht 50.9 million (increase from Baht 0.4 million to Baht 51.3 million).

During the second quarter, third quarter and fourth quarter of 2023, ECDS paid for additional paid-up share capital amounting to Baht 5.2 million, Baht 4.9 million and Baht 9.7 million, respectively (increase from Baht 51.3 million to Baht 71.1 million).

- b) On 20 March 2023, ECDS invested in Sukhumvit Mixed-Use Co., Ltd. (“SKM”), an associate. In this regard, ECDS has a 37.5% investment in SKM’s paid-up share capital. The paid-up share capital totaling Baht 0.4 million was completed in June 2023.

During the second quarter of 2023, ECDS invested in additional share capital in SKM, proportionately, amounting to Baht 69.0 million (increase from Baht 0.4 million to Baht 69.4 million).

During the third quarter and fourth quarter of 2023, ECDS paid for additional paid-up share capital amounting to Baht 7.5 million and Baht 8.2 million (increase from Baht 69.4 million to Baht 85.1 million).

Lotus’s Retail Growth Freehold and Leasehold Property Fund is listed on the Stock Exchange of Thailand. The fair value of this investment was calculated from its closing price at 28 December 2023, amounting to Baht 7,830 million (30 December 2022: Baht 7,421 million).

The Group has considered that none of associates and joint ventures is regarded as individually material to the Group.

**CP ALL Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

*Immaterial associates and joint ventures*

The following table summarises the financial information of the Group's interests in immaterial associates and joint ventures based on the amounts reported in the Group's consolidated financial statements.

	Immaterial associates		Immaterial joint ventures	
	2023	2022	2023	2022
	<i>(in million Baht)</i>			
<b>Carrying amount of interests in immaterial associates and joint ventures</b>	<b>9,081</b>	<b>9,053</b>	<b>5,703</b>	<b>5,335</b>
Group's share of:				
- Profit from continuing operations	369	362	377	469
- Other comprehensive income	-	-	4	-
- Total comprehensive income	<b>369</b>	<b>362</b>	<b>381</b>	<b>469</b>

**10 Non-controlling interests**

The following table summarises the information relating to each of the Group's subsidiaries that has a material non-controlling interest:

	<b>31 December 2023</b>		Total
	CP Aextra Public Company Limited and its subsidiaries	ALL GUARDIAN CO., LTD. <i>(in million Baht)</i>	
Non-controlling interests percentages	40.08	35.01	
Current assets	76,739	264	
Non-current assets	463,632	17	
Current liabilities	(118,150)	(64)	
Non-current liabilities	(128,749)	(3)	
<b>Net assets</b>	<b>293,472</b>	<b>214</b>	
Carrying amount of non-controlling interests	<u>190,525*</u>	<u>75</u>	<u>190,600</u>
Revenue	489,949	422	
Profit (loss)	8,599	(3)	
Other comprehensive income	(676)	-	
<b>Total comprehensive income (loss)</b>	<b>7,923</b>	<b>(3)</b>	
Profit (loss) allocated to non-controlling interests	<u>3,371*</u>	<u>(1)</u>	<u>3,370</u>
Other comprehensive income allocated to non-controlling interests	<u>(274)*</u>	<u>-</u>	<u>(274)</u>

**CP ALL Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

	<b>31 December 2023</b>		
	CP Aextra Public Company Limited and its subsidiaries	ALL GUARDIAN CO., LTD. <i>(in million Baht)</i>	Total
Cash flows from operating activities	34,863	(8)	
Cash flows from investing activities	(14,239)	-	
Cash flows from financing activities	(26,389)	80	
Dividends paid to non-controlling interests	(2,163)	-	
Exchange differences on translating financial statements	(468)	-	
<b>Net (decrease) increase in cash and cash equivalents</b>	<b>(8,396)</b>	<b>72</b>	
	<b>31 December 2022</b>		
	CP Aextra Public Company Limited and its subsidiaries	ALL GUARDIAN CO., LTD. <i>(in million Baht)</i>	Total
Non-controlling interests percentages	40.08	35.01	
Current assets	87,355	228	
Non-current assets	461,288	17	
Current liabilities	(90,763)	(237)	
Non-current liabilities	(166,949)	(3)	
<b>Net assets</b>	<b>290,931</b>	<b>5</b>	
Carrying amount of non-controlling interests	189,575*	2	189,577
Revenue	469,131	231	
Profit (loss)	7,682	(197)	
Other comprehensive income	(46)	-	
<b>Total comprehensive income (loss)</b>	<b>7,636</b>	<b>(197)</b>	
Profit (loss) allocated to non-controlling interests	3,018*	(69)	2,949
Other comprehensive income allocated to non-controlling interests	(13)*	-	(13)
Cash flows from operating activities	22,014	(96)	
Cash flows from investing activities	(17,164)	(2)	
Cash flows from financing activities	(30,834)	129	
Dividends paid to non-controlling interests	(2,120)	-	
Exchange differences on translating financial statements	(322)	-	
<b>Net (decrease) increase in cash and cash equivalents</b>	<b>(28,426)</b>	<b>31</b>	

\* The carrying amount of non-controlling interests included non-controlling interests of certain indirect subsidiaries. These indirect subsidiaries are not wholly-owned by the subsidiary.

**CP ALL Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

**11 Investment properties**

	<b>Consolidated financial statements</b>				<b>Total</b>
	<b>Land</b>	<b>Buildings, building improvements and right-of-use asset improvements</b>	<b>Right-of-use assets <i>(in million Baht)</i></b>	<b>Assets under construction</b>	
<b><i>Cost</i></b>					
At 1 January 2022	12,883	24,778	8,575	-	46,236
Additions	34	30	239	1,200	1,503
Transfers	-	984	-	(984)	-
Reclassification	352	(1,061)	139	-	(570)
Disposals and write-off	-	(62)	(1)	-	(63)
Lease modification	-	-	41	-	41
Exchange differences on translating financial statements	(75)	(177)	(52)	-	(304)
<b>At 31 December 2022 and 1 January 2023</b>	<b>13,194</b>	<b>24,492</b>	<b>8,941</b>	<b>216</b>	<b>46,843</b>
Additions	-	47	1,226	828	2,101
Transfers	-	822	-	(822)	-
Reclassification	(67)	1,331	(322)	-	942
Disposals and write-off	-	(31)	(15)	-	(46)
Exchange differences on translating financial statements	(169)	(398)	(128)	(1)	(696)
<b>At 31 December 2023</b>	<b>12,958</b>	<b>26,263</b>	<b>9,702</b>	<b>221</b>	<b>49,144</b>
<b><i>Accumulated depreciation and accumulated impairment losses</i></b>					
At 1 January 2022	(15)	(645)	(87)	-	(747)
Depreciation charge for the year	-	(1,543)	(541)	-	(2,084)
Impairment losses	-	(2)	-	-	(2)
Reclassification	-	93	(9)	-	84
Disposals and write-off	-	44	1	-	45
Lease modification	-	-	(18)	-	(18)
Exchange differences on translating financial statements	-	5	4	-	9
<b>At 31 December 2022 and 1 January 2023</b>	<b>(15)</b>	<b>(2,048)</b>	<b>(650)</b>	<b>-</b>	<b>(2,713)</b>
Depreciation charge for the year	-	(1,417)	(473)	-	(1,890)
Impairment losses	-	(1)	(18)	-	(19)
Reclassification	-	(3)	(50)	-	(53)
Disposals and write-off	-	27	7	-	34
Exchange differences on translating financial statements	-	22	9	-	31
<b>At 31 December 2023</b>	<b>(15)</b>	<b>(3,420)</b>	<b>(1,175)</b>	<b>-</b>	<b>(4,610)</b>



**CP ALL Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

	<b>Consolidated financial statements</b>				
	Land	Buildings, building improvements and right-of-use asset improvements	Right-of-use assets <i>(in million Baht)</i>	Assets under construction	Total
<i>Net book value</i>					
<b>At 1 January 2022</b>	<u>12,868</u>	<u>24,133</u>	<u>8,488</u>	<u>-</u>	<u>45,489</u>
<b>At 31 December 2022 and 1 January 2023</b>	<u>13,179</u>	<u>22,444</u>	<u>8,291</u>	<u>216</u>	<u>44,130</u>
<b>At 31 December 2023</b>	<u>12,943</u>	<u>22,843</u>	<u>8,527</u>	<u>221</u>	<u>44,534</u>

The gross amount of the Group's fully depreciated investment properties that were still in use as at 31 December 2023 amounted to Baht 306 million (2022: Baht 100 million) in the consolidated financial statements.

The fair value of investment properties as at 31 December 2023 of Baht 64,579 million (2022: Baht 45,690 million) in the consolidated financial statements, was determined by independent professional valuers. The fair value of investment property has been categorised as Level 3 fair value.

**CP ALL Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

**12 Property, plant and equipment**

	<b>Consolidated financial statements</b>						<b>Total</b>
	<b>Land</b>	<b>Buildings, building improvements and right-of-use asset improvements</b>	<b>Machinery and equipment</b>	<b>Furniture, fixtures and office equipment</b>	<b>Assets under construction and installation</b>	<b>Other</b>	
<b>Cost</b>							
At 1 January 2022	67,041	115,090	62,681	26,406	8,408	12,555	292,181
Additions	690	586	5,570	5,050	10,997	323	23,216
Transfers	-	7,410	1,539	908	(10,694)	837	-
Reclassification	(353)	1,060	25	(1)	(287)	-	444
Disposals and write-off	-	(1,368)	(2,486)	(2,763)	(109)	(271)	(6,997)
Exchange differences on translating financial statements	(229)	(591)	(31)	(228)	(194)	(9)	(1,282)
<b>At 31 December 2022 and 1 January 2023</b>	<b>67,149</b>	<b>122,187</b>	<b>67,298</b>	<b>29,372</b>	<b>8,121</b>	<b>13,435</b>	<b>307,562</b>
Additions	1,504	649	5,950	4,484	10,503	353	23,443
Transfers	44	8,228	1,018	2,100	(12,294)	904	-
Reclassification	231	(1,489)	72	(33)	(28)	-	(1,247)
Disposals and write-off	-	(1,930)	(2,712)	(4,554)	(26)	(227)	(9,449)
Exchange differences on translating financial statements	(320)	(745)	(10)	31	(68)	(6)	(1,118)
<b>At 31 December 2023</b>	<b>68,608</b>	<b>126,900</b>	<b>71,616</b>	<b>31,400</b>	<b>6,208</b>	<b>14,459</b>	<b>319,191</b>

**CP ALL Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

	<b>Consolidated financial statements (Continued)</b>						
	Land	Buildings, building improvements and right-of-use asset improvements	Machinery and equipment	Furniture, fixtures and office equipment <i>(in million Baht)</i>	Assets under construction and installation	Other	Total
<b>Accumulated depreciation and accumulated impairment losses</b>							
At 1 January 2022	-	(23,992)	(42,231)	(7,377)	-	(7,048)	(80,648)
Depreciation charge for the year	-	(6,147)	(6,130)	(6,135)	-	(1,233)	(19,645)
Reclassification	-	(93)	-	-	-	-	(93)
Impairment losses	-	(3)	-	(67)	(25)	-	(95)
Disposal and write-off	-	1,122	2,374	2,557	-	235	6,288
Exchange differences on translating financial statements	-	11	12	12	-	6	41
<b>At 31 December 2022</b>	-	<b>(29,102)</b>	<b>(45,975)</b>	<b>(11,010)</b>	<b>(25)</b>	<b>(8,040)</b>	<b>(94,152)</b>
<b>and 1 January 2023</b>	-	<b>(6,155)</b>	<b>(6,467)</b>	<b>(5,946)</b>	-	<b>(1,235)</b>	<b>(19,803)</b>
Depreciation charge for the year	-	(1)	(16)	20	-	-	3
Reclassification	-	(97)	(13)	(57)	(51)	-	(218)
Impairment losses	-	1,619	2,486	4,338	23	209	8,675
Disposals and write-off	-	-	-	-	-	-	-
Exchange differences on translating financial statements	-	43	9	42	-	2	96
<b>At 31 December 2023</b>	-	<b>(33,693)</b>	<b>(49,976)</b>	<b>(12,613)</b>	<b>(53)</b>	<b>(9,064)</b>	<b>(105,399)</b>

**CP ALL Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

**Consolidated financial statements (Continued)**

	Land	Buildings, building improvements and right-of-use asset improvements	Machinery and equipment	Furniture, fixtures and office equipment <i>(in million Baht)</i>	Assets under construction and installation	Other	Total
<i>Net book value</i>							
At 1 January 2022	67,041	91,098	20,450	19,029	8,408	5,507	211,533
At 31 December 2022 and 1 January 2023	67,149	93,085	21,323	18,362	8,096	5,395	213,410
At 31 December 2023	68,608	93,207	21,640	18,787	6,155	5,395	213,792

*Security*

As at 31 December 2023, the Group's property, plant and equipment with total net book value of Baht 12,711 million (2022: Baht 13,906 million) were pledged under long-term borrowings from financial institution.

## CP ALL Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2023

		Separate financial statements						
		Land	Buildings, building improvements and right-of-use asset improvements	Machinery and equipment	Furniture, fixtures and office equipment	Assets under construction and installation	Other	Total
		<i>(in million Baht)</i>						
<b>Cost</b>								
At 1 January 2022		4,162	32,947	30,220	10,601	980	8,633	87,543
Additions		-	67	4,131	1,461	4,695	280	10,634
Transfers		-	3,685	256	142	(4,848)	765	-
Disposals and write-off		-	(728)	(1,611)	(519)	(108)	(192)	(3,158)
<b>At 31 December 2022</b>		<b>4,162</b>	<b>35,971</b>	<b>32,996</b>	<b>11,685</b>	<b>719</b>	<b>9,486</b>	<b>95,019</b>
Additions		144	77	4,112	1,461	5,287	262	11,343
Transfers		-	4,441	49	30	(5,376)	856	-
Reclassification		-	-	35	-	-	-	35
Disposals and write-off		-	(544)	(1,738)	(633)	-	(163)	(3,078)
<b>At 31 December 2023</b>		<b>4,306</b>	<b>39,945</b>	<b>35,454</b>	<b>12,543</b>	<b>630</b>	<b>10,441</b>	<b>103,319</b>
<b>Accumulated depreciation and accumulated impairment losses</b>								
At 1 January 2022		-	(13,017)	(20,702)	(7,473)	-	(5,569)	(46,761)
Depreciation charge for the year		-	(1,814)	(3,478)	(1,356)	-	(897)	(7,545)
Disposals and write-off		-	527	1,573	473	-	168	2,741
<b>At 31 December 2022</b>		<b>-</b>	<b>(14,304)</b>	<b>(22,607)</b>	<b>(8,356)</b>	<b>-</b>	<b>(6,298)</b>	<b>(51,565)</b>
Additions		-	(1,873)	(3,756)	(1,398)	-	(947)	(7,974)
Depreciation charge for the year		-	392	1,648	602	-	147	2,789
Disposals and write-off		-	(15,785)	(24,715)	(9,152)	-	(7,098)	(56,750)
<b>At 31 December 2023</b>		<b>-</b>	<b>(15,785)</b>	<b>(24,715)</b>	<b>(9,152)</b>	<b>-</b>	<b>(7,098)</b>	<b>(56,750)</b>

**CP ALL Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

<b>Separate financial statements (Continued)</b>							
	Land	Buildings, building improvements and right-of-use asset improvements	Machinery and equipment	Furniture, fixtures and office equipment <i>(in million Baht)</i>	Assets under construction and installation	Other	Total
<i>Net book value</i>							
At 1 January 2022	4,162	19,930	9,518	3,128	980	3,064	40,782
At 31 December 2022 and 1 January 2023	4,162	21,667	10,389	3,329	719	3,188	43,454
At 31 December 2023	4,306	24,160	10,739	3,391	630	3,343	46,569

The gross amount of the Group's and the Company's fully depreciated plant and equipment that were still in use as at 31 December 2023 amounted to Baht 49,824 million (2022: Baht 38,134 million) in the consolidated financial statements and Baht 28,698 million (2022: Baht 25,104 million) in the separate financial statements.



**CP ALL Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

**13 Right-of-use assets**

	<b>Consolidated financial statements</b>					
	Land	Buildings	Machinery and equipment	Furniture, fixtures and office equipment	Vehicles	Total
	<i>(in million Baht)</i>					
<b>Cost</b>						
At 1 January 2022	39,812	53,137	2,476	841	947	97,213
Additions	9,682	10,442	874	309	311	21,618
Reclassification	(464)	(69)	539	(146)	1	(139)
Write-off	(919)	(6,546)	(82)	(22)	(60)	(7,629)
Lease modification	(170)	(1,172)	4	(3)	(51)	(1,392)
Exchange differences on translating financial statements	(91)	(105)	1	(12)	1	(206)
<b>At 31 December 2022</b>						
<b>and 1 January 2023</b>	<b>47,850</b>	<b>55,687</b>	<b>3,812</b>	<b>967</b>	<b>1,149</b>	<b>109,465</b>
Additions	12,173	6,404	1,094	68	197	19,936
Reclassification	(103)	425	-	-	-	322
Write-off	(1,472)	(4,743)	(74)	(24)	(268)	(6,581)
Lease modification	(263)	(540)	-	-	-	(803)
Exchange differences on translating financial statements	(161)	(75)	-	(31)	-	(267)
<b>At 31 December 2023</b>	<b>58,024</b>	<b>57,158</b>	<b>4,832</b>	<b>980</b>	<b>1,078</b>	<b>122,072</b>

**CP ALL Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

	<b>Consolidated financial statements (Continued)</b>					
	Land	Buildings	Machinery and equipment	Furniture, fixtures and office equipment	Vehicles	Total
	<i>(in million Baht)</i>					
<b>Accumulated depreciation and accumulated impairment losses</b>						
At 1 January 2022	(5,596)	(13,080)	(825)	(226)	(220)	(19,947)
Depreciation charge for the year	(3,997)	(8,391)	(281)	(51)	(316)	(13,036)
Reclassification	10	(1)	-	-	-	9
Reversal of impairment losses	-	12	-	-	-	12
Write-off	434	4,953	82	21	59	5,549
Lease modification	(18)	131	5	3	50	171
Exchange differences on translating financial statements	10	15	(1)	-	(1)	23
<b>At 31 December 2022 and 1 January 2023</b>	<b>(9,157)</b>	<b>(16,361)</b>	<b>(1,020)</b>	<b>(253)</b>	<b>(428)</b>	<b>(27,219)</b>
Depreciation charge for the year	(4,521)	(7,476)	(306)	(58)	(314)	(12,675)
Reclassification	6	44	-	-	-	50
Impairment losses	(6)	(18)	-	-	-	(24)
Write-off	723	3,192	73	20	239	4,247
Lease modification	63	-	-	-	-	63
Exchange differences on translating financial statements	16	11	-	2	-	29
<b>At 31 December 2023</b>	<b>(12,876)</b>	<b>(20,608)</b>	<b>(1,253)</b>	<b>(289)</b>	<b>(503)</b>	<b>(35,529)</b>

**CP ALL Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

**Consolidated financial statements (Continued)**

	Land	Buildings	Machinery and equipment	Furniture, fixtures and office equipment	Vehicles	Total
<i>Net book value</i>						
At 1 January 2022	34,216	40,057	1,651	615	727	77,266
At 31 December 2022 and 1 January 2023	38,693	39,326	2,792	714	721	82,246
At 31 December 2023	45,148	36,550	3,579	691	575	86,543

**CP ALL Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

	<b>Separate financial statements</b>			<b>Total</b>
	<b>Land</b>	<b>Buildings</b>	<b>Machinery and equipment</b>	
	<i>(in million Baht)</i>			
<b>Cost</b>				
At 1 January 2022	16,761	36,889	157	53,807
Additions	7,417	8,639	-	16,056
Write-off	(757)	(5,790)	-	(6,547)
Lease modification	(192)	(623)	-	(815)
<b>At 31 December 2022 and 1 January 2023</b>	<b>23,229</b>	<b>39,115</b>	<b>157</b>	<b>62,501</b>
Additions	6,502	5,636	5	12,143
Write-off	(1,061)	(3,970)	-	(5,031)
Lease modification	(54)	(296)	-	(350)
<b>At 31 December 2023</b>	<b>28,616</b>	<b>40,485</b>	<b>162</b>	<b>69,263</b>
<b>Accumulated depreciation</b>				
At 1 January 2022	(3,456)	(11,621)	(3)	(15,080)
Depreciation charge for the year	(2,258)	(6,257)	(12)	(8,527)
Write-off	353	4,313	-	4,666
<b>At 31 December 2022 and 1 January 2023</b>	<b>(5,361)</b>	<b>(13,565)</b>	<b>(15)</b>	<b>(18,941)</b>
Depreciation charge for the year	(2,703)	(5,644)	(12)	(8,359)
Write-off	549	2,821	-	3,370
<b>At 31 December 2023</b>	<b>(7,515)</b>	<b>(16,388)</b>	<b>(27)</b>	<b>(23,930)</b>
<b>Net book value</b>				
At 1 January 2022	<u>13,305</u>	<u>25,268</u>	<u>154</u>	<u>38,727</u>
At 31 December 2022 and 1 January 2023	<u>17,868</u>	<u>25,550</u>	<u>142</u>	<u>43,560</u>
At 31 December 2023	<u>21,101</u>	<u>24,097</u>	<u>135</u>	<u>45,333</u>

**14 Goodwill**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2023	2022	2023	2022
	<i>(in million Baht)</i>			
At 1 January	360,641	360,641	-	-
At 31 December	<u>360,641</u>	<u>360,641</u>	<u>-</u>	<u>-</u>

**CP ALL Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

*Cash-generating units (“CGUs”) containing goodwill*

For the purposes of impairment testing, goodwill has been allocated to the Group’s CGUs as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2023	2022	2023	2022
	<i>(in million Baht)</i>			
C.P. Retail Development Company Limited and its subsidiaries (“Lotus’s Group”)	232,545	232,545	-	-
CP Aextra Public Company Limited (formerly: Siam Makro Public Company Limited) and foreign Makro group* (“Makro’s Group”)	125,936	125,936	-	-
Indoguna group of companies**	2,023	2,023	-	-
Other	137	137	-	-
<b>Total</b>	<b>360,641</b>	<b>360,641</b>	<b>-</b>	<b>-</b>

\* Foreign Makro group comprised ARO commercial Company Limited and Makro (Cambodia) Company Limited.

\*\*Indoguna group of companies comprised Indoguna (Singapore) Pte Ltd, Indoguna Dubai L.L.C, Just Meat Company Limited and Indoguna Lordly Company Limited.

*Impairment testing for carrying amount of goodwill and other intangible assets with indefinite useful life*

The recoverable amount was based on its value in use, determined by discounting future cash flows to be generated from the going concern and the continuing use of assets of (1) Lotus’s Group (2) Makro’s Group and (3) Indoguna group of companies.

The values assigned to the key assumptions represented management’s assessment of future trends in the relevant industries and were based on historical data from external and internal sources. The key assumptions used in the estimation of the recoverable amount were as follows:

*Discount rate*

The discount rate was based on weighted average cost of capital, with average industry cost of debt, risk free rate of 10-year government bond, market risk premium and average industry beta which ranging from 6% to 7%. (2022 : 6% to 7%).

*Terminal value growth rate*

Terminal value growth rate was determined based on average gross domestic product growth rate, inflation rates and growth rates of historical earnings before interest, income tax, depreciation and amortisation (“EBITDA”) at the rate of 3% to 4%. (2022: 3%).

*Budgeted EBITDA*

Budgeted EBITDA were based on expectations of future outcomes taking into the past experience, adjusted for the anticipated revenue growth. Revenue growth was projected from past experience and estimate sale growth.

# CP ALL Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2023

Management has identified that a reasonably possible change in three key assumptions, discount rate, terminal value growth rate and budgeted revenue growth rate, could cause the carrying amount exceed the recoverable amount. This following table shows the amount by which these three assumptions would need to change individually for the estimated the recoverable amount to be equal to the carrying amount.

Consolidated financial statements						
	Lotus's Group		Makro's Group		Indoguna group of companies	
	2023	2022	2023	2022	2023	2022
<b><i>Increase (decrease) rate</i></b>				(%)		
Discount rate	1	1	3	3	3	3
Terminal value growth rate	(2)	(1)	(5)	(5)	(4)	(4)
Revenue growth rate	(13)	(7)	(8)	(8)	(7)	(12)

Based on the impairment testing, the recoverable amount of CGU was estimated to be higher than its carrying amount and no impairment was required to these financial statements.

## 15 Intangible assets other than goodwill

Consolidated financial statements				
	Computer software in use and under development	Intellectual property	Other	Total
	<i>(in million Baht)</i>			
<b><i>Cost</i></b>				
At 1 January 2022	14,201	46,521	3,414	64,136
Additions	4,328	-	1	4,329
Transfers	(1)	-	1	-
Reclassification	243	-	-	243
Disposals and write-off	(36)	-	-	(36)
Exchange differences on translating financial statements	(26)	-	(58)	(84)
<b>At 31 December 2022 and 1 January 2023</b>	<b>18,709</b>	<b>46,521</b>	<b>3,358</b>	<b>68,588</b>
Additions	2,885	-	1	2,886
Transfers	(1)	-	1	-
Reclassification	(10)	-	-	(10)
Disposals and write-off	(113)	-	-	(113)
Exchange differences on translating financial statements	(28)	-	(33)	(61)
<b>At 31 December 2023</b>	<b>21,442</b>	<b>46,521</b>	<b>3,327</b>	<b>71,290</b>

**CP ALL Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

	<b>Consolidated financial statements (Continued)</b>			
	Computer software in use and under development	Intellectual property	Other	Total
	<i>(in million Baht)</i>			
<b>Accumulated amortisation and accumulated impairment losses</b>				
At 1 January 2022	(4,663)	(7,167)	(1,191)	(13,021)
Amortisation charge for the year (Impairment losses)	(1,655)	-	(124)	(1,779)
reversal of impairment losses	(3)	-	1	(2)
Disposals and write-off	4	-	-	4
Exchange differences on translating financial statements	13	-	-	13
<b>At 31 December 2022 and 1 January 2023</b>	<b>(6,304)</b>	<b>(7,167)</b>	<b>(1,314)</b>	<b>(14,785)</b>
Amortisation charge for the year	(2,090)	-	(124)	(2,214)
Reversal of impairment losses	1	-	-	1
Disposals and write-off	100	-	-	100
Exchange differences on translating financial statements	8	-	-	8
<b>At 31 December 2023</b>	<b>(8,285)</b>	<b>(7,167)</b>	<b>(1,438)</b>	<b>(16,890)</b>
<b>Net book value</b>				
At 1 January 2022	<u>9,538</u>	<u>39,354</u>	<u>2,223</u>	<u>51,115</u>
At 31 December 2022 and 1 January 2023	<u>12,405</u>	<u>39,354</u>	<u>2,044</u>	<u>53,803</u>
At 31 December 2023	<u>13,157</u>	<u>39,354</u>	<u>1,889</u>	<u>54,400</u>
<b>Separate financial statements</b>				
Computer software in use and under development <i>(in million Baht)</i>				
<b>Cost</b>				
At 1 January 2022				4,589
Additions				509
Disposals and write-off				(24)
<b>At 31 December 2022 and 1 January 2023</b>				<b>5,074</b>
Additions				571
Reclassification				(35)
Disposals and write-off				(10)
<b>At 31 December 2023</b>				<b>5,600</b>

# CP ALL Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2023

	<b>Separate financial statements (Continued)</b>
	Computer software in use and under development (in million Baht)
<i>Accumulated amortisation</i>	
At 1 January 2022	(2,278)
Amortisation charge for the year	(414)
Disposals and write-off	1
<b>At 31 December 2022 and 1 January 2023</b>	<b>(2,691)</b>
Amortisation charge for the year	(409)
Disposals and write-off	3
<b>At 31 December 2023</b>	<b>3,097</b>
<i>Net book value</i>	
At 1 January 2022	<b>2,311</b>
At 31 December 2022 and 1 January 2023	<b>2,383</b>
At 31 December 2023	<b>2,503</b>

The gross amount of the Group's and the Company's fully amortised intangible assets other than goodwill that were still in use as at 31 December 2023 amounted to Baht 2,925 million (2022: Baht 2,369 million) in the consolidated financial statements and Baht 1,450 million (2022: Baht 1,246 million) in the separate financial statements.

## 16 Interest-bearing liabilities

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2023	2022	2023	2022
	(in million Baht)			
Short-term borrowings from financial institutions				
Liabilities under trust receipts - unsecured	1,346	1,624	-	-
Short-term borrowings - unsecured	8,126	15,186	7,090	15,173
Short-term borrowings from subsidiaries - unsecured	-	-	2,000	60
Short-term borrowings from other party - unsecured	-	46	-	-
Debentures				
- secured	25,751	40,865	25,751	40,865
- unsecured	267,469	206,396	197,550	182,931
Long-term borrowings from financial institutions				
- secured	16,884	18,894	-	-
- unsecured	7,769	68,808	-	-
Lease liabilities	100,181	95,063	48,084	45,861
<b>Total interest-bearing liabilities</b>	<b>427,526</b>	<b>446,882</b>	<b>280,475</b>	<b>284,890</b>



# CP ALL Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2023

### *Unutilised credit facilities*

As at 31 December 2023, the Group had unutilised credit facilities totaling Baht 21,760 million, Malaysian Ringgit 324 million, Indian Rupee 219 million, Singapore Dollar 9 million, United Arab Emirates Dirham 5 million and United States Dollar 3 million (2022: Baht 26,237 million, Malaysian Ringgit 341 million, Indian Rupee 226 million, Singapore Dollar 11 million, United Arab Emirates Dirham 5 million and United States Dollar 1 million).

As at 31 December 2023, the Company had unutilised credit facilities totaling Baht 232 million (2022: Baht 232 million).

Movements during the years ended 31 December 2023 and 2022 were as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2023	2022	2023	2022
	<i>(in million Baht)</i>			
<b><i>Short-term borrowings from financial institutions</i></b>				
At 1 January	16,810	42,691	15,173	13,493
(Decreases) increases	(7,665)	(26,104)	(8,233)	1,608
Interest paid calculated using effective interest rate method	327	230	150	72
Unrealised gain on exchange	-	(11)	-	-
Exchange differences on translating financial statements	-	4	-	-
<b>At 31 December</b>	<b><u>9,472</u></b>	<b><u>16,810</u></b>	<b><u>7,090</u></b>	<b><u>15,173</u></b>
<b><i>Short-term borrowing from other party</i></b>				
At 1 January	46	-	-	-
(Decreases) increases	(46)	46	-	-
<b>At 31 December</b>	<b><u>-</u></b>	<b><u>46</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b><i>Debentures</i></b>				
At 1 January	247,261	222,349	233,796	222,349
Increases, net of bond issuance cost	71,407	47,870	24,975	24,407
Decreases	(25,559)	(23,000)	(25,559)	(23,000)
Interest paid calculated using effective interest rate method	111	42	89	40
<b>At 31 December</b>	<b><u>293,220</u></b>	<b><u>247,261</u></b>	<b><u>223,301</u></b>	<b><u>223,796</u></b>

**CP ALL Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

The Group and the Company issued unsubordinated debentures in registered name form with debenture holder representative offered to public investors and institutional investors. Detail of outstanding balances were follows:

							<b>Balances at 31 December 2023</b>		
Debentures no.	Date	Approved limit (in million Baht)	Objective	Debentures term (years)	Amount (in million Baht)	Fixed rate (% per annum)	Fully repayable date		
<b>Debentures of the Company</b>									
<b>Secured debentures</b>									
1/2014	27 March 2014	40,000	Repayment of short-term borrowings from financial institutions	10	15,314	5.14	27 March 2024		
2/2014	22 August 2014	40,000	Repayment of long-term borrowings from financial institutions	10	16,651*	5.05	22 August 2024		
<b>Unsecured debentures</b>									
1/2016	18 March 2016	7,000	Repayment of borrowings	10	2,074	4.00	18 March 2026		
2/2016	26 August 2016	12,000	Repayment of borrowings	10	748	3.68	26 August 2026		
1/2017	27 March 2017	4,500	Repayment of borrowings	12	4,851	4.00	26 August 2028		
2/2017	18 August 2017	3,000	Repayment of matured debentures	10	4,500	4.70	27 March 2029		
3/2017	15 and 30 November 2017	18,000	Early redemption of debentures	10	3,000	3.96	18 August 2027		
1/2019	18 January 2019	15,000	Repayment of matured debentures and/or for working capital	8	9,000	3.50	15 November 2027		
1/2020	13 May 2020	7,500	Repayment of matured debentures and/or for working capital	10	2,466	3.95	18 January 2027		
				10	1,920	4.12	18 January 2029		
				12	5,614	4.40	18 January 2031		
				7	1,699	2.90	13 May 2027		
				10	2,169	3.29	13 May 2030		
				12	3,632	3.59	13 May 2032		

\* On 22 August 2017, debentures of Baht 6,212 million are early redeemed and paid.

**CP ALL Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

<b>Balances at 31 December 2023</b>							
Debtures no.	Date	Approved limit (in million Baht)	Objective	Debtures term (years)	Amount (in million Baht)	Fixed rate (% per annum)	Fully repayable date
<b>Unsecured debtures (Continued)</b>							
2/2020	29 September 2020	25,000	Repayment of matured debtures and/or for working capital	4 years 9 months 1 day	13,200	3.00	30 June 2025
1/2021	16 March 2021	21,900	Repayment of loans from financial institutions	9 years 7 months 14 days	2,350	3.40	13 May 2030
2/2021	16 June 2021	66,000	Repayment of borrowings from financial institutions	15	3,450	3.90	29 September 2035
1/2022	27 May 2022	8,000	Repayment of matured debtures and for working capital	5	10,000	2.86	16 March 2026
2/2022	22 August 2022	9,739	Early redeem perpetual subordinated debtures no. 1/2017	7	6,800	3.42	16 March 2028
3/2022	22 August 2022	4,834	Repayment of matured debtures	10	3,600	3.95	16 March 2031
1/2021	16 June 2021	66,000	Repayment of borrowings from financial institutions	15	1,500	4.64	16 March 2036
1/2022	27 May 2022	8,000	Repayment of matured debtures and for working capital	3	3,000	1.76	16 June 2024
2/2022	22 August 2022	9,739	Early redeem perpetual subordinated debtures no. 1/2017	4	6,500	2.14	16 June 2025
3/2022	22 August 2022	4,834	Repayment of matured debtures	5	17,773	3.00	16 June 2026
1/2021	16 June 2021	66,000	Repayment of borrowings from financial institutions	7	7,376	3.40	16 June 2028
2/2022	27 May 2022	8,000	Repayment of matured debtures and for working capital	10	21,351	3.90	16 June 2031
3/2022	22 August 2022	4,834	Repayment of matured debtures	12	7,000	4.20	16 June 2033
1/2021	16 June 2021	66,000	Repayment of borrowings from financial institutions	5	8,000	3.25	27 May 2027
2/2022	22 August 2022	9,739	Early redeem perpetual subordinated debtures no. 1/2017	7	9,739	3.80	22 August 2029
3/2022	22 August 2022	4,834	Repayment of matured debtures	5	2,548	3.40	22 August 2027
1/2021	16 June 2021	66,000	Repayment of borrowings from financial institutions	10	900	3.92	22 August 2032
2/2022	27 May 2022	8,000	Repayment of matured debtures and for working capital	15	1,386	4.64	22 August 2037

**CP ALL Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

<b>Balances at 31 December 2023</b>							Fully repayable date
Debtures no.	Date	Approved limit (in million Baht)	Objective	Debtures term (years)	Amount (in million Baht)	Fixed rate (% per annum)	Fully repayable date
<b>Unsecured debentures (Continued)</b>							
4/2022	6 December 2022	1,000	For working capital	3 years 5 days	1,000	3.10	11 December 2025
5/2022	9 December 2022	1,000	For working capital	2 years 1 month 12 days	1,000	2.67	21 January 2025
1/2023	23 February 2023	12,000	Repayment of matured debentures and/or for working capital	4	3,500	2.95	23 February 2027
2/2023	31 October 2023	13,000	Repayment of matured debentures	7	3,930	3.55	23 February 2030
				12	4,570	4.20	23 February 2035
				5	6,119	3.55	31 October 2028
				7	1,494	3.80	31 October 2030
				10	5,387	4.20	31 October 2033
<b>Debtures of local subsidiaries</b>							
<b>Ek-Chai Distribution System Co., Ltd. - Unsecured debentures</b>							
1/2022	20 October 2022	23,493	Repayment of long-term borrowings from financial institutions	1 year 6 months	9,848	2.81	20 April 2024
				3	8,534	3.25	20 October 2025
				5	1,180	3.55	20 October 2027
				7	3,931	4.00	20 October 2029
1/2023	20 April 2023	31,500	Repayment of borrowings from financial institutions	1 year 6 months	7,805	2.80	20 October 2024
				3	10,375	3.20	20 April 2026
				5	5,356	3.54	20 April 2028
				8	1,111	3.83	20 April 2031
				10	6,853	4.00	20 April 2033

**CP ALL Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

<b>Balances at 31 December 2023</b>							
Debtures no.	Date	Approved limit (in million Baht)	Objective	Debtures term (years)	Amount (in million Baht)	Fixed rate (% per annum)	Fully repayable date
<i>Debtures of local subsidiaries (Continued)</i>							
<i>CP Extra Public Company Limited (formerly: Siam Makro Public Company Limited) - Unsecured debtures</i>							
1/2023	13 September 2023	15,000	Repayment of bill of exchange and borrowings from financial institutions	1 year 6 months	10,000	3.04	13 March 2025
				3	3,000	3.20	13 September 2026
				5	1,000	3.55	13 September 2028
				7	1,000	3.80	13 September 2030

**CP ALL Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

*Debentures issued during the year*

*CP ALL Public Company Limited*

The Company issued debenture no.1/2023 on 23 February 2023, unsubordinated and unsecured debentures in registered name form with debenture holder representative offered to public investors in the amount of Baht 12,000 million.

The Company issued debenture no.2/2023 on 31 October 2023, unsubordinated and unsecured debentures in registered name form with debenture holder representative offered to public investors and institutional investors in the amount of Baht 13,000 million.

*Local subsidiaries*

A local indirect subsidiary (Ek-Chai Distribution System Co., Ltd) issued no.1/2023 on 20 April 2023, unsubordinated and unsecured debentures in registered name form with debenture holder representative offered to public investors in the amount of Baht 30,100 million and to institutional investors in the amount of Baht 1,400 million totaling Baht 31,500 million.

A local indirect subsidiary (CP Aextra Public Company Limited (formerly: Siam Makro Public Company Limited)) issued no.1/2023 On 13 September 2023, unsubordinated and unsecured debentures in registered name form with debenture holder representative offered to public investors in the amount of Baht 15,000 million.

All series of debentures were registered with the Thai Bond Market Association and the Stock Exchange of Thailand on the issued date and all series of debentures have a credit rating of “A+” latest updated by TRIS Rating Co., Ltd. on 5 July 2023 for subsidiaries and on 4 September 2023 for the Company.

The Group and Company must comply with the specific covenants such as the Group must maintain net debt to equity ratio in the annual consolidated financial statements through the terms of debentures, and the Company must pledge CP Aextra Public Company Limited (formerly: Siam Makro Public Company Limited) shares, etc.

CP Aextra Public Company Limited (formerly: Siam Makro Public Company Limited) shares as at 31 December 2023, which were pledged in accordance with the conditions stipulated in the bond issuance, totaled 660 million shares. The fair value of those shares totaling Baht 17,815 million.

**CP ALL Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

*Long-term borrowings from financial institutions*

Movements during the years ended 31 December 2023 and 2022 were as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2023	2022	2023	2022
	<i>(in million Baht)</i>			
At 1 January	87,702	108,697	-	-
Increases	350	2,365	-	-
Decreases	(61,795)	(24,636)	-	-
Interest paid calculated using effective interest rate method	610	626	-	-
Realised (gain) loss on exchange	(1,252)	1,169	-	-
Exchange differences on translating financial statements	(962)	(519)	-	-
<b>At 31 December</b>	<b>24,653</b>	<b>87,702</b>	<b>-</b>	<b>-</b>

At 31 December 2023, the Group had long-term borrowings agreements with some a local branch and oversea branches of foreign financial institutions and a local financial institutions. Details are as follows:

Borrowing agreement	Approved credit facilities	Interest rate (% per annum)	Term of payment
The first agreement	Baht 1,000 million	Fixed interest rate as stipulated in the agreement	Entire principal of borrowing in November 2024
The second agreement	Baht 2,000 million	Fixed interest rate as stipulated in the agreement	Entire principal of borrowing in November 2024
The third agreement	Baht 1,000 million	Fixed interest rate as stipulated in the agreement	Entire principal of borrowing in December 2024
The fourth agreement	Baht 1,000 million	Fixed interest rate as stipulated in the agreement	Entire principal of borrowing in January 2025
The fifth agreement	Baht 2,000 million	Fixed interest rate as stipulated in the agreement	Entire principal of borrowing in January 2026
The sixth agreement	Malaysia Ringgit 2,300 million (or equivalent to approximately Baht 16,816 million)	Variable interest rate as stipulated in the agreement	Installment until October 2026
The seventh agreement	China Renminbi 450 million (or equivalent to approximately Baht 2,133 million)	Variable interest rate as stipulated in the agreement	Semi-annually installment due to May 2026

The Group must comply with the specified covenants in each long-term borrowings agreements, such as to maintain debt to equity ratio, total debts to total assets ratio and the shareholdings of the Company in a subsidiary as stipulated in the agreements, etc.

**CP ALL Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

***Lease liabilities***

Movements during the years ended 31 December 2023 and 2022 were as follows:

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	2023	2022	2023	2022
	<i>(in million Baht)</i>			
At 1 January	95,063	88,540	45,861	40,118
Purchase of assets under lease liabilities	18,797	21,122	11,904	15,749
Purchase of investment properties under lease liabilities	1,226	239	-	-
Payment of lease liabilities	(14,553)	(13,854)	(8,925)	(8,139)
Differences on a granted rent concession	-	(166)	-	(166)
Write-off	(2,645)	(2,434)	(1,809)	(2,024)
Finance costs under lease	3,422	3,027	1,403	1,138
Lease modification	(740)	(1,200)	(350)	(815)
Exchange differences on translating financial statements	(389)	(211)	-	-
<b>At 31 December</b>	<b>100,181</b>	<b>95,063</b>	<b>48,084</b>	<b>45,861</b>

**17 Trade accounts payable**

	<i>Note</i>	<b>Consolidated</b>		<b>Separate</b>	
		<b>financial statements</b>		<b>financial statements</b>	
		2023	2022	2023	2022
		<i>(in million Baht)</i>			
Related parties	4	12,423	10,788	8,732	7,148
Other parties		115,673	105,175	41,484	38,850
<b>Total</b>		<b>128,096</b>	<b>115,963</b>	<b>50,216</b>	<b>45,998</b>

**18 Other payables**

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	2023	2022	2023	2022
	<i>(in million Baht)</i>			
Other payables	13,022	13,106	12,165	8,342
Accrued personnel expenses	5,337	4,928	2,374	1,936
Accrued royalties and other accrued expenses	4,548	4,586	2,019	1,662
Deferred royalties and other deferred income	1,724	1,732	1,251	1,101
Accrued interest expenses	2,412	2,817	1,828	1,774
Accrued utilities expenses	1,763	1,929	806	861
Accrued advertising and sale promotion expenses	415	348	202	90
Accrued rental fees	220	262	185	236
Other	2,275	2,011	705	585
<b>Total</b>	<b>31,716</b>	<b>31,719</b>	<b>21,535</b>	<b>16,587</b>



**CP ALL Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

**19 Provisions for employee benefits**

*Defined benefit plans*

The Group operates defined benefit plans which have characteristics as follows:

*Pension fund benefit*

Certain local subsidiaries operate a pension scheme for employees who joined before the 1<sup>st</sup> of January 2003 and choose to retain the benefits of the original scheme. Employees, upon resignation or retirement after having completed 3 years of service, shall be entitled to receive cash payment equivalent to their prevailing salary multiplied by the number of years of service, but not exceeding the equivalent of 10 months of the final salary.

*Severance benefit*

Under Thai Labour Protection Act B.E 2541 (1998) and the Group's employment policy, all employees completing 120 days of service are entitled to severance pay on termination or retrenchment without cause or upon retirement age of 55 and 60. The severance pay will be at the rate according to number of years of service as stipulated in the Labor Law which is currently at a maximum rate of 400 days of the final salary.

*Additional benefit related to provident fund*

A local subsidiary operates an employee benefit scheme under which employees who joined before 1 April 2016 and are members of the subsidiary's provident fund, being a defined contribution plan, for at least 9 years are entitled to receive additional contribution from the subsidiary on their resignation or retirement from employment with the subsidiary. Employees, who are a member of the provident fund for at least 9 years, shall be entitled to receive an additional 50% of the contributions made by the subsidiary on their behalf.

*Other long-term employee benefit plan*

A subsidiary provides to other long-term employee benefit plan, namely long service awards. The defined benefit plans expose the Group to actuarial risks, such as interest rate risk, future salary growth risk and turnover rate risk.

**CP ALL Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

<i>Present value of the defined benefit obligations</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2023	2022	2023	2022
	<i>(in million Baht)</i>			
At 1 January	6,655	6,644	2,972	2,880
<b>Included in profit or loss:</b>				
Current service costs	438	488	155	158
Past service costs	(36)	1	-	-
Interest on obligation	160	107	75	53
Actuarial gain on other long-term employee benefit plan	(4)	(6)	-	-
	<u>558</u>	<u>590</u>	<u>230</u>	<u>211</u>
<b>Included in other comprehensive income:</b>				
Actuarial (gain) loss				
- Financial assumptions	(22)	(486)	-	(209)
- Experience adjustment	283	209	195	150
	<u>261</u>	<u>(277)</u>	<u>195</u>	<u>(59)</u>
<b>Other:</b>				
Benefits paid by the plan	(240)	(289)	(73)	(62)
Transferred (out) in provisions for employee benefits from subsidiaries and related companies	(19)	(12)	(25)	2
Exchange differences on translating financial statements	-	(1)	-	-
<b>At 31 December</b>	<u><b>7,215</b></u>	<u><b>6,655</b></u>	<u><b>3,299</b></u>	<u><b>2,972</b></u>

***Principal actuarial assumptions***

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2023	2022	2023	2022
	<i>(%)</i>			
Discount rate	2.5 - 4.0	1.9 - 4.0	3.1	3.1
Future salary growth	2.5 - 8.0	3.0 - 8.0	3.5 - 4.0	3.5 - 4.0
Employee turnover	0.0 - 50.0	0.0 - 50.0	0.0 - 12.0	0.0 - 12.0

Assumptions regarding future mortality have been based on published statistics and mortality tables.

At 31 December 2023, the weighted-average duration of the defined benefit obligations were 2 years to 15 years (2022: 6 years to 15 years).

**CP ALL Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

*Sensitivity analysis*

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts increase (decrease) as follows:

<i>Effect to the defined benefit obligation</i> <i>At 31 December</i>	<b>Consolidated financial statements</b>			
	1% increase in assumption		1% decrease in assumption	
	2023	2022	2023	2022
	<i>(in million Baht)</i>			
Discount rate	(453)	(439)	518	502
Future salary growth	488	466	(436)	(416)
Employee turnover	(781)	(468)	952	504

  

<i>Effect to the defined benefit obligation</i> <i>At 31 December</i>	<b>Separate financial statements</b>			
	1% increase in assumption		1% decrease in assumption	
	2023	2022	2023	2022
	<i>(in million Baht)</i>			
Discount rate	(223)	(205)	254	234
Future salary growth	247	227	(221)	(203)
Employee turnover	(463)	(230)	595	262

**20 Other non-current provisions**

	<b>Consolidated financial statements</b>			
	Dismantling provision	Provision for litigation claim		Total
		Other		
	<i>(in million Baht)</i>			
At 1 January 2022	2,419	91	65	2,575
Provision made	105	7	-	112
Provision used	(75)	(1)	-	(76)
Provision reversed	(13)	-	(65)	(78)
<b>At 31 December 2022</b>	<b>2,436</b>	<b>97</b>	<b>-</b>	<b>2,533</b>
Provision made	177	8	-	185
Provision used	(76)	(3)	-	(79)
Provision reversed	(23)	(3)	-	(26)
<b>At 31 December 2023</b>	<b>2,514</b>	<b>99</b>	<b>-</b>	<b>2,613</b>

  

	<b>Separate financial statements</b>	
	Dismantling provision	
	2023	2022
	<i>(in million Baht)</i>	
At 1 January	191	180
Provision made	16	15
Provision used	(20)	(4)
<b>At 31 December</b>	<b>187</b>	<b>191</b>

# CP ALL Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2023

### 21 Share premium and reserves

#### *Share premium*

Section 51 of the Public Limited Company Act B.E. 2535 requires companies to set aside share subscription monies received in excess of the par value of the shares issued to a reserve account (“share premium”). Share premium is not available for dividend distribution.

#### *Surplus from changes in ownership interest in subsidiaries and associates*

Surplus from changes in ownership interest in subsidiaries and associates recognised in equity relate to difference between the amounts by which the non-controlling interests are adjusted and the fair value of the consideration paid.

#### *Appropriations of profit and/or retained earnings*

#### *Legal reserve*

Section 116 of the Public Limited Company Act B.E. 2535 (1992) requires that a public company shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward, to a reserve account (“legal reserve”), until this account reaches an amount not less than 10% of the registered authorised capital. The legal reserve is not available for dividend distribution.

Legal reserve as at 31 December 2023 and 2022 was higher than 10% of the registered authorised capital.

#### *Other components of equity*

#### *Translation reserve*

The translation reserve recognised in equity relate to foreign exchange differences arising from translation of the financial statements of foreign entities to Thai Baht.

#### *Fair value reserve*

The fair value comprises the cumulative net change in the fair value of equity securities designated at fair value through other comprehensive income.

#### *Cash flow hedges reserve*

The cash flow hedges reserve comprises the effective portion of the cumulative net change in the fair value of hedging instruments used in cash flow hedges pending subsequent recognition in profit or loss or directly included in the initial cost or other carrying amount of a non-financial asset or non-financial liability.

**CP ALL Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

**22 Perpetual subordinated debentures**

Movements during the years ended 31 December 2023 and 2022 were as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2023	2022	2023	2022
	<i>(in million Baht)</i>			
At 1 January	9,955	19,911	9,955	19,911
Decrease	-	(9,956)	-	(9,956)
<b>At 31 December</b>	<b><u>9,955</u></b>	<b><u>9,955</u></b>	<b><u>9,955</u></b>	<b><u>9,955</u></b>

On 30 November 2016 and 22 August 2017 the Company issued unsecured, unconvertible and perpetual subordinated debentures in registered name form (“Debentures”) of Baht 10,000 million (debentures no. 1/2016) and Baht 10,000 million (debentures no. 1/2017), respectively, which are payable upon dissolution of the Company or upon the exercise of the Company’s early redemption right per condition as stipulated in the terms and conditions of debentures. Later, on 30 November 2021, the Company exercised the early redemption right per condition as stipulated in the terms and conditions of debentures no. 1/2016 of Baht 10,000 million, as well as, on the same day the Company issued unsecured, unconvertible and perpetual subordinated debentures in registered name form (“Debentures”) of Baht 10,000 million (debentures no. 1/2021), which are payable upon dissolution of the Company or upon the exercise of the Company’s early redemption right per condition as stipulated in the terms and conditions of debentures. These debentures bear interest which is calculated based on 5-years government bond yield adjusted with initial credit spread and coupon rate as stipulated in the terms and conditions of the debentures and is paid on a semi-annual basis. In this regard, the Company has the sole right to unconditionally defer interest and cumulative interest payments without time and number limitation based on the Company’s discretion.

If the Company defers interest and cumulative interest payment, the Company shall not perform as follows:

- (a) declare or pay any dividend; and
- (b) pay any interest or distribute any assets to any holder of Parity Securities or Junior Securities; and
- (c) redeem, reduce, cancel, acquire, or buy-back any securities issued by the Company which rank pari passu or junior to these debentures.

On 22 August 2022, the Company exercised the early redemption right per condition as stipulated in the terms and conditions of perpetual subordinated debentures (“Debentures”) (debentures no.1/2017) of Baht 9,956 million.

These Debentures of totalling Baht 9,955 million (debentures no.1/2021), net of issuance cost of Baht 45 million, were recognised as a part of equity in the consolidated and separate financial statements for the year ended 31 December 2023.

As at 31 December 2023, the Company has not deferred any interest payments to the perpetual subordinated debentures holders. Cumulative interest for the year ended 31 December 2023 which the debentures holders have the right to receive if the interest payment was announced amounting to Baht 460 million (2022: Baht 779 million). During the year of 2023, the Company paid interest expenses on perpetual subordinated debentures to the holders of Baht 460 million (2022: Baht 960 million).

**CP ALL Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

**23 Segment information and disaggregation of revenue**

*Revenue*

The Company's main operation is derived from sale of goods from convenience stores. The Group's main operations are derived from sale of goods from convenience stores, wholesale, retail and mall, as well as, rendering of services related to these operations.

*Segment information*

Management determined that the Group has 4 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: Wholesale
- Segment 3: Retail and mall
- Segment 4: Other

Other segments include food service, 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.

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.

**CP ALL Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

Disaggregation of revenues, timing of revenue recognition and results, based on segments, in the consolidated financial statements for the years ended 31 December 2023 and 2022 were as follows:

<i>For the year ended</i> <b>31 December</b>	Convenience stores		Wholesale		Retail and mall		Other		Elimination		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
<b>Type of revenues</b>												
Revenue from sale of goods	400,448	354,485	259,811	242,438	206,423	204,745	45,951	40,805	(43,634)	(38,207)	868,999	804,266
Revenue from rendering of services	1,157	1,167	5,323	4,684	14,915	14,215	14,481	14,047	(9,594)	(9,280)	26,282	24,833
Revenue from sale of goods and rendering of services	<u>401,605</u>	<u>355,652</u>	<u>265,134</u>	<u>247,122</u>	<u>221,338</u>	<u>218,960</u>	<u>60,432</u>	<u>54,852</u>	<u>(53,228)</u>	<u>(47,487)</u>	<u>895,281</u>	<u>829,099</u>
<b>Timing of revenue recognition</b>												
At a point in time	401,605	355,652	259,822	242,450	207,997	205,833	60,168	54,478	(52,956)	(47,483)	876,636	810,930
Overtime	-	-	5,312	4,672	13,341	13,127	264	374	(272)	(4)	18,645	18,169
<b>Total</b>	<u>401,605</u>	<u>355,652</u>	<u>265,134</u>	<u>247,122</u>	<u>221,338</u>	<u>218,960</u>	<u>60,432</u>	<u>54,852</u>	<u>(53,228)</u>	<u>(47,487)</u>	<u>895,281</u>	<u>829,099</u>
Segment profit before income tax expense	16,590	11,668	7,481	8,840	3,492	1,410	4,851	3,430	(5,960)	(5,266)	26,454	20,082

**CP ALL Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

Revenue and results, based on segments, in the consolidated financial statements for the years ended 31 December 2023 and 2022 were as follows:

	Convenience stores		Wholesale		Retail and mall		Other		Elimination		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022		
	<i>(in million Baht)</i>											
Revenue from sale of goods and rendering of services	401,605	355,652	265,134	247,122	221,338	218,960	60,432	54,852	(53,228)	(47,487)	895,281	829,099
Interest income	318	226	58	108	235	102	110	80	(253)	(233)	468	283
Dividend income	5,909	5,380	-	-	-	-	50	90	(5,959)	(5,470)	-	-
Net foreign exchange gain (loss)	(59)	-	736	-	(270)	-	(61)	-	-	-	346	-
Other income	23,759	21,928	90	665	2,589	1,990	1,828	1,971	(3,174)	(3,331)	25,092	23,223
<b>Total revenues</b>	<b>431,532</b>	<b>383,186</b>	<b>266,018</b>	<b>247,895</b>	<b>223,892</b>	<b>221,052</b>	<b>62,359</b>	<b>56,993</b>	<b>(62,614)</b>	<b>(56,521)</b>	<b>921,187</b>	<b>852,605</b>
Cost of sale of goods and rendering of services	288,244	258,310	232,800	216,961	175,474	172,627	48,413	44,002	(45,921)	(40,800)	699,010	651,100
Distribution costs	99,817	88,600	18,153	15,369	32,368	33,155	4,173	4,065	(4,704)	(4,439)	149,807	136,750
Administrative expenses	16,665	15,008	6,503	6,503	8,066	7,955	4,709	5,007	(5,839)	(5,810)	30,104	28,663
Net foreign exchange (gain) loss	-	(65)	-	(276)	-	113	-	238	-	-	-	10
Finance costs	10,216	9,665	1,081	498	5,238	6,624	213	251	(190)	(206)	16,558	16,832
<b>Total expenses</b>	<b>414,942</b>	<b>371,518</b>	<b>258,537</b>	<b>239,055</b>	<b>221,146</b>	<b>220,474</b>	<b>57,508</b>	<b>53,563</b>	<b>(56,654)</b>	<b>(51,255)</b>	<b>895,479</b>	<b>833,355</b>
Share of profit of associates and joint ventures	-	-	-	-	746	832	-	-	-	-	746	832
<b>Segment profit before income tax expense</b>	<b>16,590</b>	<b>11,668</b>	<b>7,481</b>	<b>8,840</b>	<b>3,492</b>	<b>1,410</b>	<b>4,851</b>	<b>3,430</b>	<b>(5,960)</b>	<b>(5,266)</b>	<b>26,454</b>	<b>20,082</b>



**CP ALL Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

Details of assets and liabilities, based on segments, in the consolidated financial statements as at 31 December 2023 and 2022 were as follows:

	Convenience stores		Wholesale		Retail and mall		Other		Elimination		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
	<i>(in million Baht)</i>											
Investment properties	-	-	383	333	44,151	43,798	-	-	-	-	44,534	44,131
Property, plant and equipment	46,711	43,481	63,187	59,903	79,637	85,563	25,005	25,246	(748)	(783)	213,792	213,410
Right-of-use assets	45,333	43,560	13,753	11,599	26,243	25,872	1,220	1,662	(6)	(448)	86,543	82,245
Goodwill	-	-	127,959	127,959	232,545	232,545	137	137	-	-	360,641	360,641
Intangible assets other than goodwill	2,504	2,384	49,004	48,812	8,051	7,781	2,341	2,350	(7,500)	(7,524)	54,400	53,803
Other assets	350,936	342,658	39,500	48,345	61,841	62,290	34,352	27,958	(320,048)	(311,420)	166,581	169,831
<b>Segment assets as at 31 December</b>	<b>445,484</b>	<b>432,083</b>	<b>293,786</b>	<b>296,951</b>	<b>452,468</b>	<b>457,849</b>	<b>63,055</b>	<b>57,353</b>	<b>(328,302)</b>	<b>(320,175)</b>	<b>926,491</b>	<b>924,061</b>
<b>Segment liabilities as at 31 December</b>	<b>360,881</b>	<b>355,602</b>	<b>96,159</b>	<b>72,750</b>	<b>165,510</b>	<b>199,765</b>	<b>33,009</b>	<b>29,090</b>	<b>(30,663)</b>	<b>(23,447)</b>	<b>624,896</b>	<b>633,760</b>

**CP ALL Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

***Information about geographical areas***

In presenting information on the basis of information about geographical areas, segment revenue is based on the geographical location of customers. Segment assets are based on the geographical location of assets.

Detail of the geographic segment financial information of the geographical area of the Group as at 31 December and for the year then ended were as follows:

	<b>Consolidated financial statements</b>			
	Revenue		Non-current assets (excluded goodwill)	
	2023	2022	2023	2022
	<i>(in million Baht)</i>			
Thailand	867,912	800,400	372,148	361,930
Malaysia	36,837	38,502	32,945	34,979
Others	16,438	13,703	16,959	17,556
<b>Total</b>	<b>921,187</b>	<b>852,605</b>	<b>422,052</b>	<b>414,465</b>

***Promotional privileges***

Certain local subsidiaries have been granted promotional certificates by the Office of the Board of Investment for the production of ready-to-serve foods or semi ready-to-serve foods, bakery, chill, research and development for food industry, and food scientific services. The subsidiaries have been granted several privileges including exemption and/or reduction from payment of income tax on the net profit derived from promoted operations with certain terms and conditions prescribed in the promotional certificates.

Revenue from sale of goods and rendering of services under the promoted business of the subsidiaries for the years ended 31 December 2023 and 2022 were as follow:

	<b>Consolidated financial statements</b>	
	2023	2022
	<i>(in million Baht)</i>	
Domestic sale of goods and rendering of services	9,317	9,931
<b>Total</b>	<b>9,317</b>	<b>9,931</b>

***Contract balances***

As at 31 December 2023 the Group had outstanding balances of contract liabilities in the consolidated financial statements amounting to Baht 601 million (2022: Baht 530 million). The contract liabilities arises from consideration allocated to customer loyalty programmes. The Group will recognise this revenue when a customer obtain control of the goods or services, which is expected to occur within 1 year.

**CP ALL Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

**24 Leases**

*As a lessee*

The Group has enter into a number of various assets categories primarily on respect of land and building lease agreements. These agreements are effective for period of 1 year to 99 years, which will expire on various dates until September 2089 with extension options at the end of lease term. The rental is payable as specified in the contract.

*Extension options*

The Group has extension options on property lease exercisable up to one year before the end of the contract period. The Group assesses at lease commencement date whether it is reasonably certain to exercise the extension options and will regularly reassess so.

<i>Year ended 31 December</i>	<i>Note</i>	<b>Consolidated</b>		<b>Separate</b>	
		<b>financial statements</b>	<b>financial statements</b>	<b>financial statements</b>	<b>financial statements</b>
		2023	2022	2023	2022
		<i>(in million Baht)</i>			
<b>Amounts recognised in profit or loss</b>					
Sub-lease income		4,562	4,537	-	-
Depreciation of right-of-use assets:	13				
- Land		4,521	3,997	2,703	2,258
- Buildings		7,476	8,391	5,644	6,257
- Machinery and equipment		306	281	12	12
- Furniture, fixtures and office equipment		58	51	-	-
- Vehicles		314	316	-	-
Interest on lease liabilities	16	3,422	3,027	1,403	1,138
Expenses relating to short-term leases		1,528	646	1,176	501
Expenses relating to leases of					
low-value assets		713	439	238	119
Variable lease payments based on sales		310	247	161	104

Total cash outflow for leases presented in consolidated and separate statement of cash flows for the year ended 31 December 2023 were Baht 17,104 million and Baht 10,500 million, respectively (2022: Baht 15,186 million and Baht 8,863 million, respectively).

*Extension options*

The Group has extension options on property leases exercisable before the end of the contract period. The Group assesses at lease commencement date whether it is reasonably certain to exercise the extension options and will regularly reassess so.

*As a lessor*

The Group has enter into a number of land and spaces in buildings lease agreements which were classified as operating leases. These lease agreements are effective for period of 1 year to 30 years and will expire on various dates until May 2048.

# CP ALL Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2023

<i>Lease payments to be received from operating leases as at 31 December</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2023	2022	2023	2022
	<i>(in million Baht)</i>			
1 <sup>st</sup> year	5,067	5,063	-	-
2 <sup>nd</sup> year	2,680	2,698	-	-
3 <sup>rd</sup> year	828	1,071	-	-
4 <sup>th</sup> year	62	62	-	-
5 <sup>th</sup> year	62	64	-	-
After 5 <sup>th</sup> year	1,290	1,354	-	-
<b>Total</b>	<b>9,989</b>	<b>10,312</b>	<b>-</b>	<b>-</b>

## 25 Other income

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2023	2022	2023	2022
	<i>(in million Baht)</i>			
Sale promotion income	14,850	13,245	13,977	12,390
Income on royalties and other fees relating to licenses income	2,498	2,313	2,437	2,248
Other	7,744	7,665	7,300	7,241
<b>Total</b>	<b>25,092</b>	<b>23,223</b>	<b>23,714</b>	<b>21,879</b>

**CP ALL Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

**26 Expenses by nature**

The statements of income include an analysis of expenses by function. Expenses by nature are as follows:

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
<i>(in million Baht)</i>					
Changes in inventories of finished goods and work in progress		563	(7,557)	(1,517)	(1,686)
Purchase of finished goods		653,132	616,883	278,044	249,670
Raw materials and consumables used		16,625	12,843	-	-
Depreciation - investment properties	11	1,890	2,084	-	-
Depreciation - property, plant and equipment	12	19,803	19,645	7,974	7,545
Depreciation - right-of-use assets	13	12,675	13,036	8,359	8,527
Amortisation - intangible assets other than goodwill	15	2,214	1,779	409	414
Employee benefit expenses		68,328	61,862	34,963	30,554
Convenience store management fees		23,496	21,577	23,182	21,480
Advertising and sale promotion expenses		17,633	16,716	15,219	14,075
Utilities expenses		18,917	16,197	11,040	9,121
Lease-related expenses	24	2,551	1,332	1,575	724
Other		41,095	40,117	23,364	20,703
<b>Total cost of sales of goods and rendering of services, distribution costs and administrative expenses</b>		<b>878,922</b>	<b>816,514</b>	<b>402,612</b>	<b>361,127</b>

**27 Finance costs**

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
<i>(in million Baht)</i>					
<b>Finance costs paid to:</b>					
Related parties	4	-	-	31	41
Related parties under leases	4, 24	307	289	-	-
Financial institutions		13,136	13,805	8,778	8,486
Other parties under leases	24	3,115	2,738	1,403	1,138
<b>Total</b>		<b>16,558</b>	<b>16,832</b>	<b>10,212</b>	<b>9,665</b>

# CP ALL Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2023

### 28 Income tax

#### *Income tax recognised in profit or loss*

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
	<i>(in million Baht)</i>			
<b><i>Current tax</i></b>				
Current year	4,542	4,352	1,022	-
Under (over) provided for prior years tax	46	(30)	-	-
	<u>4,588</u>	<u>4,322</u>	<u>1,022</u>	<u>-</u>
<b><i>Deferred income tax</i></b>				
Movements in temporary differences	14	(461)	176	298
	<u>14</u>	<u>(461)</u>	<u>176</u>	<u>298</u>
<b>Total</b>	<u><b>4,602</b></u>	<u><b>3,861</b></u>	<u><b>1,198</b></u>	<u><b>298</b></u>

#### *Income tax recognised in other comprehensive income*

	Consolidated financial statements					
	Before income tax	2023 Tax income	Net of income tax	Before income tax	2022 Tax expense	Net of income tax
	<i>(in million Baht)</i>					
Cash flow hedges reserve	155	(45)	110	(290)	58	(232)
Loss (gain) on remeasurements of defined benefit plans	261	(58)	203	(277)	49	(228)
Loss (gain) on investment in equity instruments designated at FVOCI	296	(59)	237	(276)	55	(221)
<b>Total</b>	<u><b>712</b></u>	<u><b>(162)</b></u>	<u><b>550</b></u>	<u><b>(843)</b></u>	<u><b>162</b></u>	<u><b>(681)</b></u>

	Separate financial statements					
	Before income tax	2023 Tax income	Net of income tax	Before income tax	2022 Tax expense	Net of income tax
	<i>(in million Baht)</i>					
Loss (gain) on remeasurements of defined benefit plans	195	(39)	156	(59)	12	(47)
Loss (gain) on investment in equity instruments designated at FVOCI	189	(38)	151	(124)	25	(99)
<b>Total</b>	<u><b>384</b></u>	<u><b>(77)</b></u>	<u><b>307</b></u>	<u><b>(183)</b></u>	<u><b>37</b></u>	<u><b>(146)</b></u>

**CP ALL Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

*Reconciliation of effective tax rate*

Applicable tax rate (%)	Consolidated financial statements			
	0	20	Other	Total
	<i>(in million Baht)</i>			
<b>2023</b>				
Accounting profit (loss) before income tax expense	(12)	27,069	(603)	26,454
Income tax at the applicable tax rates	-	5,414	(121)	5,293
Tax effect of income and expenses that are not taxable income or not deductible in determining taxable profit	-	(1,099)	362	(737)
Under (over) provided for prior years tax	-	52	(6)	46
<b>Net</b>	<b>-</b>	<b>4,367</b>	<b>235</b>	<b>4,602</b>
<b>2022</b>				
Accounting profit (loss) before income tax expense	(82)	20,172	(8)	20,082
Income tax at the applicable tax rates	-	4,034	63	4,097
Tax effect of income and expenses that are not taxable income or not deductible in determining taxable profit	-	(554)	348	(206)
(Over) under provided for prior years tax	-	(41)	11	(30)
<b>Net</b>	<b>-</b>	<b>3,439</b>	<b>422</b>	<b>3,861</b>

Applicable tax rate (%)	Separate financial statements	
	2023	2022
	<i>(in million Baht)</i>	
Accounting profit before income tax expense	16,601	11,698
Income tax at the applicable tax rates	3,320	2,340
Tax effect of income and expenses that are not taxable income or not deductible in determining taxable profit	(2,122)	(2,042)
<b>Net</b>	<b>1,198</b>	<b>298</b>

*Deferred income tax*

Deferred tax assets and liabilities as at 31 December 2023 and 2022 were as follows:

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
	<i>(in million Baht)</i>			
Deferred tax assets	2,658	2,273	1,409	1,508
Deferred tax liabilities	(17,309)	(17,173)	-	-
<b>Net</b>	<b>(14,651)</b>	<b>(14,900)</b>	<b>1,409</b>	<b>1,508</b>

**CP ALL Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

Movements in deferred tax assets and liabilities during the years ended 31 December 2023 and 2022 were as follows:

	<b>Consolidated financial statements</b>			
	At 1 January	Profit or loss	Other comprehensive income <i>(in million Baht)</i>	Exchange differences on translating financial statements
<b>2023</b>				<b>At 31 December</b>
<b>Deferred tax assets (liabilities)</b>				
Trade accounts receivable and other receivables	70	(27)	-	(2)
Inventories	631	67	-	(8)
Investment in associates	(1,311)	-	-	-
Investments in related companies	(120)	-	59	-
Property, plant and equipment and intangible assets other than goodwill	(6,282)	115	-	117
Right-of use assets	(3,171)	(3,997)	-	50
Derivatives liabilities	586	(619)	45	-
Lease liabilities	5,693	4,280	-	(39)
Provisions for employee benefits	1,187	50	58	-
Other non-current provisions	447	2	-	-
Fair value adjustment assets acquired through business combinations	(13,369)	32	-	-
Loss carry forward	318	(318)	-	-
Other	421	401	-	(17)
<b>Total</b>	<b>(14,900)</b>	<b>(14)</b>	<b>162</b>	<b>101</b>
				<b>(14,651)</b>



**CP ALL Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

	<b>Consolidated financial statements</b>			
	(Charged)/credit to	Other comprehensive income	Exchange differences on translating financial statements	At 31 December
	Profit or loss	comprehensive income	differences on translating financial statements	At 31 December
	At 1 January	Profit or loss	comprehensive income	At 31 December
<b>2022</b>				
<b>Deferred tax assets (liabilities)</b>				
Trade accounts receivable and other receivables	92	(21)	(1)	70
Inventories	651	(16)	(4)	631
Investment in associate	(1,311)	-	-	(1,311)
Investments in related companies	(65)	-	-	(65)
Property, plant and equipment		(55)	-	(120)
and intangible assets other than goodwill	(6,040)	(298)	56	(6,282)
Right-of use assets	(3,974)	778	25	(3,171)
Derivatives liabilities	198	446	-	586
Lease liabilities	5,783	(70)	(20)	5,693
Provisions for employee benefits	1,190	46	-	1,187
Other non-current provisions	442	5	-	447
Fair value adjustment assets acquired through business combinations	(13,401)	32	-	(13,369)
Loss carry forward	713	(395)	-	318
Other	473	(46)	(6)	421
<b>Total</b>	<b>(15,249)</b>	<b>461</b>	<b>(162)</b>	<b>(14,900)</b>

# CP ALL Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2023

	At 1 January	Separate financial statements (Charged)/ credited to		At 31 December
		Profit or loss (in million Baht)	Other comprehensive income	
<b>2023</b>				
<b>Deferred tax assets (liabilities)</b>				
Other current receivables	5	-	-	5
Inventories	43	37	-	80
Investment in related companies	(90)	-	38	(52)
Property, plant and equipment	24	-	-	24
Right-of use assets	609	95	-	704
Derivatives liabilities	15	(15)	-	-
Provisions for employee benefits	580	22	39	641
Other non-current provisions	4	3	-	7
Loss carry forward	318	(318)	-	-
<b>Total</b>	<b>1,508</b>	<b>(176)</b>	<b>77</b>	<b>1,409</b>
<b>2022</b>				
<b>Deferred tax assets (liabilities)</b>				
Other current receivables	4	1	-	5
Inventories	44	(1)	-	43
Investment in related companies	(65)	-	(25)	(90)
Property, plant and equipment	24	-	-	24
Right-of use assets	533	76	-	609
Derivatives liabilities	23	(8)	-	15
Provisions for employee benefits	567	25	(12)	580
Other non-current provisions	-	4	-	4
Loss carry forward	713	(395)	-	318
<b>Total</b>	<b>1,843</b>	<b>(298)</b>	<b>(37)</b>	<b>1,508</b>

**CP ALL Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

**29 Basic earnings per share**

The calculations of basic earnings per share for the years ended 31 December 2023 and 2022 were based on the profit for the years attributable to equity holders of the Company less cumulative interest for the years on perpetual subordinated debentures and the number of ordinary shares outstanding during the years as follows:

<i>Year ended 31 December</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2023	2022	2023	2022
	<i>(in million Baht/million shares)</i>			
Profit for the year attributable to equity holders of the Company	18,482	13,272	15,403	11,400
<i>Less:</i> cumulative interest for the year on perpetual subordinated debentures	<u>(460)</u>	<u>(779)</u>	<u>(460)</u>	<u>(779)</u>
<b>Profit used in calculation of basic earnings per share</b>	<b><u>18,022</u></b>	<b><u>12,493</u></b>	<b><u>14,943</u></b>	<b><u>10,621</u></b>
<b>Number of ordinary shares outstanding during the year</b>	<b><u>8,983</u></b>	<b><u>8,983</u></b>	<b><u>8,983</u></b>	<b><u>8,983</u></b>
<b>Basic earnings per share (in Baht)</b>	<b><u>2.01</u></b>	<b><u>1.39</u></b>	<b><u>1.66</u></b>	<b><u>1.18</u></b>

**30 Dividends**

The dividends paid by the Company to the shareholders are as follows:

	Approval date	Payment date	Dividend rate <i>(in Baht/share)</i>	Amount <i>(in million Baht)</i>
<b>2023</b>				
Annual dividend	21 April 2023	19 May 2023	<u>0.75</u>	<u>6,737</u>
<b>2022</b>				
Annual dividend	22 April 2022	20 May 2022	<u>0.60</u>	<u>5,390</u>

**CP ALL Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

**31 Financial instruments**

*(a) Carrying amounts 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 measured at amortised cost if the carrying amount is a reasonable approximation of fair value.

	Consolidated financial statements						
	Carrying amount			Fair value			
	Hedging instrument	Financial instruments measured at FVTPL	Financial instruments measured at FVOCI	Financial instruments measured at amortised cost	Level 2	Level 3	Total
				Total			
				<i>(in million Baht)</i>			
<b>31 December 2023</b>							
<b>Financial assets</b>							
Forward exchange contracts	-	4	-	4	4	-	4
Investments in related companies	-	-	1,983	1,983	-	1,983	1,983
<b>Financial liabilities</b>							
Debentures	-	-	-	293,220	294,823	-	294,823
Long-term borrowings from financial institutions	-	-	-	24,653	24,587	-	24,587
Forward exchange contracts	-	62	-	62	62	-	62
Accrued guarantee deposits	-	-	-	3,807	3,262	-	3,262





**CP ALL Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

*Financial instruments measured at fair value for level 2*

Type	Valuation technique
Forward exchange contracts	<i>Forward pricing:</i> The fair value is determined using quoted forward exchange rates at the reporting date and present value calculations based on high credit quality yield curves in the respective currencies.

*Financial instruments measured at fair value for level 3*

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Investments in related companies	Discounted cash flows	Discount rate: (2023: 6.39% - 10.97% and 2022: 8.37% - 12.79%)	The estimated fair value would increase (decrease) if the discount rate was lower (higher)

*Reconciliation of fair value level 3*

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
	<i>(in million Baht)</i>			
<i>Investments in related companies</i>				
At 1 January	1,568	821	995	526
Acquisitions	711	471	706	345
Change in fair value				
- recognised in other comprehensive income	(296)	276	(188)	124
<b>At 31 December</b>	<b>1,983</b>	<b>1,568</b>	<b>1,513</b>	<b>995</b>

*Sensitivity analysis*

For the fair values of financial assets measured at fair value Level 3, reasonably possible changes at the reporting date to one of the significant unobservable inputs, holding other inputs constant, would have the following effects.

<i>Effect to other comprehensive income - net of income tax</i>	Consolidated financial statements		Separate financial statements	
	1% increase in assumption	1% decrease in assumption	1% increase in assumption	1% decrease in assumption
	<i>(in million Baht)</i>			
<i>At 31 December 2023</i>				
<i>Investments in related companies</i>				
Discount rate	(168)	238	(129)	186
<i>At 31 December 2022</i>				
<i>Investment in related companies</i>				
Discount rate	(144)	188	(79)	104

# CP ALL Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2023

### *Financial instruments not measured at fair value*

Fair value for trade debentures have been determined based on quoted selling price from the Thai Bond Market Association at the close of the business on the reporting date.

Fair value for long-term borrowings from financial institutions and accrued guarantee deposits were calculated by using discounted cash flow method.

### **(b) Financial risk management policies**

#### *Risk management framework*

The Group's Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Board of Directors has established the risk management committee, which is responsible for developing and monitoring the Group's risk management policies. The committee reports regularly to the board of directors on its activities.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Group audit committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Group audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

#### **(b.1) Credit risk**

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers.

##### **(b.1.1) Trade accounts receivable and other current receivables**

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, the management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate.

The risk management committee has established a credit policy under which each new customer is analysed individually for creditworthiness before the Group's trade terms and conditions are offered. The Group's review includes external ratings, if they are available, financial statements, credit agency information, industry information and in some cases bank references. Sale limits are established for each customer and reviewed annually. Any sales exceeding those limits require approval from the risk management committee.



# CP ALL Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2023

The Group limits its exposure to credit risk from trade accounts receivables by establishing a maximum payment period of 90 days. Outstanding trade receivables are regularly monitored by the Group. An impairment analysis is performed by the Group at each reporting date. The provision rates of expected credit loss are based on days past due for individual trade receivables/groupings of various customer segments with similar credit risks to reflect differences between economic conditions in the past, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

Information relevant to credit risk and expected credit loss of trade accounts receivable and other current receivables are disclosed in note 6 to the financial statements.

### (b.1.2) Cash and cash equivalent and derivatives

The Group's exposure to credit risk arising from cash and cash equivalents and derivative assets is limited because the counterparties are banks and financial institutions which the Group considers to have low credit risk.

### (b.2) Liquidity risk

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows.

The following table are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted and include contractual interest payments and exclude the impact of netting agreements.

	<b>Consolidated financial statements</b>					
	Carrying amount	1 year or less	Contractual cash flows			Total
			More than 1 year but less than 2 years	More than 2 years but less than 5 years	More than 5 years	
<i>(in million Baht)</i>						
<b>At 31 December 2023</b>						
<b>Non-derivative financial liabilities</b>						
Short-term borrowings from financial institutions	9,472	9,492	-	-	-	9,492
Trade accounts payable	128,096	128,096	-	-	-	128,096
Other payables	13,022	13,022	-	-	-	13,022
Debentures	293,220	49,380	41,769	123,347	125,473	339,969
Long-term borrowings from financial institutions	24,653	7,375	4,113	15,477	-	26,965
Lease liabilities	100,181	14,945	13,738	30,098	75,326	134,107
Rental deposits from tenants	1,533	-	615	367	554	1,536
	<u>570,177</u>	<u>222,310</u>	<u>60,235</u>	<u>169,289</u>	<u>201,353</u>	<u>653,187</u>
<b>Derivative financial liabilities</b>						
Forward exchange contracts used for hedging:	62					
- Cash outflow		(2,203)	-	-	-	(2,203)
- Cash inflow		2,141	-	-	-	2,141
	<u>62</u>	<u>(62)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(62)</u>

**CP ALL Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

**Consolidated financial statements (Continued)**

	Carrying amount	1 year or less	Contractual cash flows			Total
			More than 1 year but less than 2 years	More than 2 years but less than 5 years	More than 5 years	
<i>(in million Baht)</i>						
<b>At 31 December 2022</b>						
<b>Non-derivative financial liabilities</b>						
Short-term borrowings from financial institutions	16,810	16,815	-	-	-	16,815
Trade accounts payable	115,963	115,961	2	-	-	115,963
Other payables	13,106	13,105	1	-	-	13,106
Short-term borrowings from other party	46	46	-	-	-	46
Debentures	247,261	27,049	41,124	98,720	122,999	289,892
Long-term borrowings from financial institutions	87,702	4,887	73,736	20,075	-	98,698
Lease liabilities	95,063	13,262	12,603	30,636	70,358	126,859
Rental deposits from tenants	1,821	-	889	492	444	1,825
	<u>577,772</u>	<u>191,125</u>	<u>128,355</u>	<u>149,923</u>	<u>193,801</u>	<u>663,204</u>
<b>Derivative financial liabilities</b>						
Forward exchange contracts	98					
Forward exchange contracts used for hedging:	2,873					
- Cash outflow		(38,696)	(6,787)	-	-	(45,483)
- Cash inflow		37,136	6,579	-	-	43,715
	<u>2,971</u>	<u>(1,560)</u>	<u>(208)</u>	<u>-</u>	<u>-</u>	<u>(1,768)</u>

**Separate financial statements**

	Carrying amount	1 year or less	Contractual cash flows			Total
			More than 1 year but less than 2 years	More than 2 years but less than 5 years	More than 5 years	
<i>(in million Baht)</i>						
<b>At 31 December 2023</b>						
<b>Non-derivative financial liabilities</b>						
Short-term borrowings from financial institutions	7,090	7,110	-	-	-	7,110
Trade accounts payable	50,216	50,216	-	-	-	50,216
Other payables	12,165	12,165	-	-	-	12,165
Short-term borrowings from subsidiaries	2,000	2,000	-	-	-	2,000
Debentures	223,301	29,304	22,497	99,247	111,106	262,154
Lease liabilities	48,084	8,583	8,092	17,804	20,451	54,930
	<u>342,856</u>	<u>109,378</u>	<u>30,589</u>	<u>117,051</u>	<u>131,557</u>	<u>388,575</u>

**CP ALL Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

	<b>Separate financial statements (Continued)</b>					
	Carrying amount	1 year or less	Contractual cash flows			Total
			More than 1 year but less than 2 years <i>(in million Baht)</i>	More than 2 years but less than 5 years	More than 5 years	
<b>At 31 December 2022</b>						
<b>Non-derivative financial liabilities</b>						
Short-term borrowings from financial institutions	15,173	15,178	-	-	-	15,178
Trade accounts payable	45,999	45,999	-	-	-	45,999
Other payables	8,342	8,342	-	-	-	8,342
Short-term borrowings from subsidiary	60	60	-	-	-	60
Debentures	223,796	26,295	30,671	88,143	118,758	263,867
Lease liabilities	45,861	8,373	7,613	17,880	18,206	52,072
	<u>339,231</u>	<u>104,247</u>	<u>38,284</u>	<u>106,023</u>	<u>136,964</u>	<u>385,518</u>
<b>Derivative financial liabilities</b>						
Forward exchange contracts - Cash inflow	77	1,126	-	-	-	1,126
	<u>77</u>	<u>1,126</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,126</u>

The cash inflows/cash outflows disclosed in the above table represent the contractual undiscounted cash flows relating to derivative financial liabilities held for risk management purposes and which are not usually closed out before contractual maturity. The disclosure shows net cash flow amounts for derivatives that are net cash-settled and gross cash inflow and outflow amounts for derivatives that have simultaneous gross cash settlement.

**(b.3) Market risk**

The Group is exposed to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is as follows:

**(b.3.1) Foreign currency risk**

The Group is exposed to foreign currency risk relating to borrowings from financial institutions, purchases and sales of goods which are denominated in foreign currencies. The Group primarily utilises forward exchange contracts with maturities of less than one year to hedge such financial assets and liabilities denominated in foreign currencies. The forward exchange contracts entered into at the reporting date also relate to anticipated borrowings from financial institutions, purchases and sales of goods, denominated in foreign currencies, for the subsequent period.

**CP ALL Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

At 31 December 2023 and 2022 the Group was exposed to foreign currency risk in respect of financial assets and liabilities denominated in the following currencies:

	Consolidated financial statements								Total
	United States Dollar	Australian Dollar	Pound Sterling	Euro	Japanese Yen <i>(in million Baht)</i>	Cambodia Riel	China Renminbi	Other	
<i>At 31 December 2023</i>									
Cash and cash equivalents	95	1	-	-	-	95	164	-	355
Trade accounts receivable and other receivables	52	-	-	-	-	-	-	-	52
Trade accounts payable and other payables	(770)	(71)	(6)	(101)	(348)	-	(24)	(10)	(1,330)
<b>Net statement of financial position exposure</b>	<b>(623)</b>	<b>(70)</b>	<b>(6)</b>	<b>(101)</b>	<b>(348)</b>	<b>95</b>	<b>140</b>	<b>(10)</b>	<b>(923)</b>
Forward exchange purchase contracts	2,159	-	-	-	-	-	-	-	2,159
<b>Net exposure</b>	<b>1,536</b>	<b>(70)</b>	<b>(6)</b>	<b>(101)</b>	<b>(348)</b>	<b>95</b>	<b>140</b>	<b>(10)</b>	<b>1,236</b>

## CP ALL Public Company Limited and its Subsidiaries

### Notes to the financial statements

For the year ended 31 December 2023

	Consolidated financial statements										
<i>At 31 December 2022</i>	United States Dollar	Australian Dollar	Pound Sterling	Euro	Swiss Franc	Hong Kong Dollar <i>(in million Baht)</i>	Japanese Yen	Cambodia Riel	China Renminbi	Other	Total
Cash and cash equivalents	65	4	-	-	-	1	-	289	172	6	537
Trade accounts receivable and other receivables	56	-	-	1	3	-	-	-	11	-	71
Trade accounts payable and other payables	(1,627)	(82)	(8)	(86)	(1)	-	(226)	-	(29)	(3)	(2,062)
Long-term borrowings from financial institutions	(42,840)	-	-	-	-	-	-	-	-	-	(42,840)
<b>Net statement of financial position exposure</b>	<b>(44,346)</b>	<b>(78)</b>	<b>(8)</b>	<b>(85)</b>	<b>2</b>	<b>1</b>	<b>(226)</b>	<b>289</b>	<b>154</b>	<b>3</b>	<b>(44,294)</b>
Forward exchange purchase contracts	43,560	-	-	-	-	-	-	-	-	-	43,560
<b>Net exposure</b>	<b>(786)</b>	<b>(78)</b>	<b>(8)</b>	<b>(85)</b>	<b>2</b>	<b>1</b>	<b>(226)</b>	<b>289</b>	<b>154</b>	<b>3</b>	<b>(734)</b>

**CP ALL Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

	<b>Separate financial statements</b>	
	2023	2022
	United States Dollar	United States Dollar
<i>At 31 December</i>		
Short-term loans to subsidiaries	3,243	2,229
<b>Net statement of financial position exposure</b>	<b>3,243</b>	<b>2,229</b>
Forward exchange selling contracts	-	(1,126)
<b>Net exposure</b>	<b>3,243</b>	<b>1,103</b>

*Sensitivity analysis*

A reasonably possible strengthening (weakening) of the Thai Baht against all other currencies as at reporting date would have affected the measurement of financial instruments denominated in a foreign currency. This analysis assumes that all other variables, in particular interest rates, remain constant.

<i>Impact to profit or loss</i>	Movement (%)	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
		Strengthening	Weakening	Strengthening	Weakening
<i>At 31 December 2023</i>					
United States Dollar	1	6	(6)	(32)	32
<i>At 31 December 2022</i>					
United States Dollar	1	443	(443)	(22)	22

*(b.3.2) Interest rate risk*

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Group's operations and its cash flows because some of loan interest rates (Note 16 to the financial statements) are variable. The Group manages the interest rate risk of financial assets and financial liabilities by considering fixed and floating rates depend on the market situation.

<i>Exposure to interest rate risk At 31 December</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2023	2022	2023	2022
<i>Financial instruments with variable interest rates</i>				
Financial liabilities	16,879	79,559	-	-
<b>Net statement of financial position exposure</b>	<b>16,879</b>	<b>79,559</b>	-	-
Interest rate swaps	-	-	-	-
<b>Net exposure</b>	<b>16,879</b>	<b>79,559</b>	-	-

**CP ALL Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

*Cash flow sensitivity analysis for variable-rate financial instruments*

A reasonable possible change of 1% in interest rates at the reporting date for the next 12 months; this analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

<i>Effect to profit or loss increase (decrease) of financial instrument as at 31 December</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	1% increase in interest rate	1% decrease in interest rate	1% increase in interest rate	1% decrease in interest rate
	<i>(in million Baht)</i>			
<b>2023</b>				
Financial instruments with variable interest rate	(175)	175	-	-
<b>2022</b>				
Financial instruments with variable interest rate	(812)	812	-	-

**(c) Hedge accounting**

**(c.1) Cash flow hedges**

The amounts at the reporting date relating to items designated as hedged items were as follows.

	Change in value used for calculating hedges ineffectiveness	<b>Consolidated financial statements</b>		
		Cash flow hedges reserve	Costs of hedging reserve	Balance remaining in the cash flow hedges reserve from hedging relationships for which hedge accounting is no longer applied
		<i>(in million Baht)</i>		
<b>31 December 2022</b>				
Borrowings	-	153	79	-

At 31 December 2022, the Group held the following financial instruments to hedge exposures to changes in foreign currency.

	<b>Consolidated financial statements</b>		
	1-6 months	Maturity 6-12 months	More than one year
<b>At 31 December 2022</b>			
<b>Foreign currency risk</b>			
<i>Forward exchange contracts</i>			
Net exposure <i>(in million Baht)</i>	20,823	17,525	6,787
Average USD: THB forward contracts	36.3	36.8	33.9

**CP ALL Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

The amounts relating to items designated as hedging instruments were as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2023	2022	2023	2022
	<i>(in million Baht)</i>			
<b>Foreign currency risk at 31 December</b>				
Forward exchange contracts				
- nominal amount	-	45,135	-	-
Carrying amount included in:				
- derivatives liabilities	-	2,873	-	-
<b>Foreign currency risk for the year ended 31 December</b>				
<i>Recognised in other comprehensive income</i>				
- changes in value of the hedging instrument	(1,380)	1,322	-	-
- costs of hedging	32	79	-	-
<i>Recognised in profit or loss</i>				
- reclassified from hedging reserve and included in foreign exchange gain (loss)	1,237	(1,169)	-	-

The following table provides a reconciliation of other components of equity and analysis of OCI items, net of tax, resulting from cash flow hedge accounting.

	<b>Consolidated financial statements</b>			
	2023		2022	
	Hedging reserve	Costs of hedging reserve	Hedging reserve	Costs of hedging reserve
	<i>(in million Baht)</i>			
<b>Cash flow hedges - reserve foreign currency risk</b>				
Balances at 1 January	142	(32)	(10)	(111)
Change in fair value:				
- borrowings	(1,432)	40	1,359	99
Amount reclassified to profit or loss:				
- borrowings	1,237	-	(1,169)	-
- tax on movements on reserve during the year	53	(8)	(38)	(20)
<b>Balances at 31 December</b>	<b>-</b>	<b>-</b>	<b>142</b>	<b>(32)</b>

## 32 Capital Management

The objectives of the Group's capital management are to safeguard the Company's ability to continue as a going concern in order to provide returns to the Company's shareholders and benefits to other stakeholders. The management sets strategies to support the Company's operations for more efficiency, and better performance and stronger financial status, including dividend and capital management policies to maintain the optimal capital structure and cost of capital.



**CP ALL Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2023**

**33 Commitments with non-related parties**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2023	2022	2023	2022
	<i>(in million Baht)</i>			
<b>Capital commitments</b>				
Property, plant and equipment	2,783	2,437	-	-
Computer software	125	436	-	-
<b>Total</b>	<b>2,908</b>	<b>2,873</b>	<b>-</b>	<b>-</b>
<b>Other commitments</b>				
Short-term lease commitments	167	137	167	136
Unused letters of credit for purchase of goods and supplies	724	782	-	-
Other commitments	24	6	-	-
<b>Total</b>	<b>915</b>	<b>925</b>	<b>167</b>	<b>136</b>

**Letters of guarantee**

As at 31 December 2023, the Group has commitments under letters of guarantee with financial institutions, principally guarantee for utilities, rental agreements and others totaling Baht 3,419 million and United States Dollars 0.3 million (2022: Baht 3,364 million and United States Dollars 0.3 million).

**Significant agreements**

As at 31 December 2023 the Group had the following significant agreements:

- (a) The Company has an area license agreement with 7-Eleven, Inc., to acquire a license to use the systems and trademarks of 7-Eleven, Inc. in connection with the operations of 7-Eleven convenience stores or franchising of such operations to other retailers in Thailand. The Company has also obtained certain services from 7-Eleven, Inc. in relation to training and technical assistance. In consideration thereof, the Company is committed to pay royalties to 7-Eleven, Inc. calculated as percentages of total sales of the 7-Eleven convenience stores that are operating in Thailand.
- (b) The Company has management agreements with local companies for their management of the Company-owned 7-Eleven convenience stores. Under the terms of the agreements, the Company is committed to pay management fees to those licensees calculated as percentages of gross operating profits of these convenience stores. The Company is entitled to receive the initial payments and royalties from those licensees in connection with the licenses granted for operating these 7-Eleven convenience stores. These initial payments and royalties are not refundable to the licensees in any case. The initial payments include deposits to guarantee the licensees' compliance with the agreements and any damage and/or liability that might be caused by the licensees. In consideration thereof, the Company pays interest on the deposits calculated at the time deposit rates announced by a local financial institution. These deposits will be refunded to the licensees upon termination of the agreements.

# CP ALL Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2023

- (c) The Company has sub-area license agreements for operating 7-Eleven convenience stores and franchising such operations to other retailers (“licensees”). Under the terms of the agreements, the Company will provide certain technical assistance and related services to the sub-area licensees. In consideration thereof, the Company is entitled to receive royalties from the sub-area licensees as percentages of total sales of the 7-Eleven convenience stores operating in the licensed areas.
- (d) Gosoft (Thailand) Co., Ltd., a local subsidiary, has service agreements with local companies (“the parties”), whereby the latter parties provide the installation and development of systems as stipulated in the agreements. Under the terms of the agreements, the subsidiary is committed to pay a service fee to the parties as stipulated in the agreements. These agreements are effective for periods over 1 month to 12 months, and will expire on various dates until September 2024.
- (e) Counter Service Co., Ltd., a local subsidiary, has service agreements with government entities and state enterprises (e.g., utilities, telephone expenses, etc.), and other local companies (e.g., hire purchase, life insurance premium, etc.) (“the parties”). Under the terms of the agreements, the subsidiary is committed to operate payment centers to collect customer payments on behalf of the parties then remits funds to the parties as the agreed procedures. The subsidiary can collect service income from customers or local companies as stipulated in the agreements. These agreements are effective for periods over 1 year to 5 years, and will expire on various dates up to January 2028. If either of the parties has an intention to terminate the agreement, a written notification must be made to the other party at least the number of day stipulated in the agreement before the expiry date of the agreement.
- (f) CP Retailink Co., Ltd., a local subsidiary, has repair and maintenance management service agreements with local companies (“the parties”), whereby the latter parties agree to install and repair and maintenance of computer equipment and software, utility systems, electric appliances and other equipment used for operations in retail stores. Under the terms of the agreements, the subsidiary is committed to pay a service fee to the parties as stipulated in the agreements. These agreements are for a period of 1 year and are renewable for additional periods of 1 year. If either of the parties has no intention to renew the agreement, a written notification must be made to the other party at least 30 days before the expiry date of the agreement.
- (g) Counter Service Co., Ltd., a local subsidiary, has service agreements with local financial institutions (“the parties”). Under the terms of the agreements, the subsidiary is committed to operate as banking agent for cash deposits, cash withdrawals and/or receipts of customers’ bills then remits funds to the parties as the agreed procedures. The subsidiary can collect service income from customers as stipulated in the agreements. These agreements are effective for periods over 1 year to 3 years, started and will expire on various dates up to January 2026. If either of the parties has intention to terminate or has no intention to renew the agreement, a written notification must be made to the other party at least the number of day stipulated in the agreement before the expiry date of the agreement.
- (h) Counter Service Co., Ltd., a local subsidiary, has service agreements with local financial institutions (“the parties”). Under the terms of the agreements, the subsidiary is committed to operate as agent for customer identification and verification. The subsidiary can collect service income from the parties as stipulated in the agreements. These agreements are effective for periods of 3 years, started and will expire on various dates up to February 2026. If either of the parties has intention to terminate or has no intention to renew the agreement, a written notification must be made to the other party at least the number of day stipulated in the agreement before the expiry date of the agreement.

# CP ALL Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2023

- (i) CP ALL (CAMBODIA) CO., LTD., and CP ALL LAOS COMPANY LIMITED, foreign indirect subsidiaries, have Master Franchise Agreements with 7-Eleven, Inc. (“the parties”), to obtain franchising rights in the establishment and operation of 7-Eleven convenience stores in Cambodia and Laos for a period of 30 years, which the parties may agree to extend by two additional 20-year terms. The indirect subsidiaries are committed to pay a monthly fee to 7-Eleven, Inc. calculated as percentages of total sales and other income of the 7-Eleven convenience stores that are operating in Cambodia and Laos.

### 34 Events after the reporting period

- 34.1 At the Board of Directors’ meeting of the Company held on 23 February 2024, the Company’s Board of Directors approved to propose to the annual general shareholders’ meeting of the Company for approval to declare the dividends from the profit for the equity holders of the Company for the year 2023 of Baht 1.00 per share for 8,983 million ordinary shares, totaling Baht 8,983 million. The declaration of dividend payment must be approved by the shareholders’ meeting of the Company.
- 34.2 At the Board of Directors’ meeting of the Company held on 14 February 2024 the Company’s Board of Directors approved resolutions as follows:
  - (a) Approved the Internal Business Restructuring Plan within the group of CP Aextra Public Company Limited (formerly: Siam Makro Public Company Limited (“CPAXT”)), a subsidiary of the Company, with key details as follows:
    - (a.1) CPAXT will accept the Entire Business Transfer (EBT) of a local indirect subsidiary (Lotus’s Stores (Thailand) Co., Ltd. (“Lotus’s Thailand”)) including assets, obligations, rights, duties and responsibilities of Lotus’s Thailand existing at present and will occur in the future as of the EBT date. The main assets of Lotus’s Thailand are shares in a local indirect subsidiary (Ek-Chai Distribution System Company Limited (“ECDS”)) for the total consideration of Baht 7,680 million (“EBT Transaction”). After completion of the EBT Transaction, Lotus’s Thailand will proceed with the dissolution and liquidation in accordance with the rules, procedures and conditions of the EBT under the Notification of the Director - General of the Revenue Department Re: Rules, Procedures and Conditions in Amalgamation or Entire Business Transfer amongst Public Limited Companies or Limited Companies for the Purpose of Tax Exemption, as well as other relevant laws.
    - (a.2) After the EBT Transaction has been completed, CPAXT will proceed with the amalgamation between CPAXT and ECDS under the provisions specified in the Public Limited Company Act B.E. 2535, as amended (“PLCA”), in which the two companies will cease their status as juristic persons and a new company will be formed (“NewCo”) as a result of the amalgamation (“Amalgamation”). NewCo will assume all assets, obligations, rights, duties and responsibilities of CPAXT and ECDS after the Amalgamation is completed by operation of law under the PLCA. The Amalgamation is expected to be completed by fourth quarter of year 2024.
  - (b) Approved the Company to act as the purchaser of shares from CPAXT shareholders in case the meeting of shareholders of CPAXT and ECDS resolves to approve the Amalgamation but there are CPAXT shareholders who attend the shareholders meeting and vote against the Amalgamation (the “Dissenting Shareholders”) under the terms and conditions on the purchase of shares. The Company will purchase the shares from the Dissenting Shareholders at the last traded price on the SET immediately prior to the date on which the shareholders’ meeting of CPAXT resolves to approve the Amalgamation pursuant to Section 146, second paragraph of the PLCA.

## CP ALL Public Company Limited and its Subsidiaries

### Notes to the financial statements

For the year ended 31 December 2023

- (c) Approved the Company to act as the balancer in respect of Amalgamation to ensure that the registered and paid-up capital of NewCo complies with the requirements under the PLCA.
- 34.3 At the Board of Directors' meeting of a local subsidiary (CP Aextra Public Company Limited (formerly: Siam Makro Public Company Limited) ("CPAXT")) held on 14 February 2024, CPAXT's Board of Directors approved to propose to the annual general shareholders' meeting of the Company for approved resolutions as follows:
- (a) Declare the final dividends from the profit attributable to equity holders of the Company for the year 2023 of Baht 0.39 per share for 10,580,323,500 ordinary shares, totaling Baht 4,127 million. Such declaration of final dividend payment must be approved by the shareholders' meeting.
- (b) Approved to reduce CPAXT's authorised share capital by Baht 296,000,000, from the existing authorised share capital of Baht 5,586,161,750 comprising 11,172,323,500 ordinary shares with a par value of Baht 0.50 per share, to the new authorised share capital of Baht 5,290,161,750 comprising 10,580,323,500 shares with a par value of Baht 0.50 per share, by cancelling 592,000,000 unissued shares with a par value of Baht 0.50 per share. Such reduction of authorised share capital is to ensure that the authorised and paid-up share capital of NewCo is equal to the aggregate of the authorised and paid-up share capital of CPAXT and ECDS.
- 34.4 In January 2024, a local indirect subsidiary, Ek-Chai Distribution System Co., Ltd. ("ECDS") paid for additional paid-up share capital in Sukhumvit Living Co., Ltd. ("SKL") and Sukhumvit Mixed-Use Co., Ltd. ("SKM"), associates, amounting to Baht 6.4 million and 1.1 million, respectively.
- 34.5 On 19 January 2024, a foreign indirect subsidiary, CP Wholesale India Private Limited ("CPWI")'s Board of Directors approved to call for additional paid-up share capital of INR 70 per share (with the par value of INR 10 per share and the share premium of INR 60 per share) totaling INR 400 million. The registration of the increase authorised share capital and the additional paid-up share capital were completed in January 2024, paid-up share capital totaling INR 1,116 million and the share premium of INR 6,094 million.