



# ANNUAL REPORT 2023 / Form 56-1 One Report



บริษัท ยูนิวานิชน้ำมันปาล์ม จำกัด (มหาชน)  
Univanich Palm Oil Public Company Limited



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In 2023, the average selling price of our main products CPO and PKO declined from previous year by 30% and 45% respectively. Despite this downturn in world prices, Univanich still managed to achieve a very respectable result. Our recent factory expansions allowed Univanich to process a record breaking 1.7 million tonnes of FFB in 2023, of which 96% was supplied by independent smallholder farmers.

Thailand's total Palm Oil production was 3.3 million tonnes of crude palm oil (CPO), slightly lower than the previous year. Climate uncertainties can play an important factor in production, and for 2023, the prolonged dry season in the early part of the year, meant for lower production, particularly towards the end of the year. Thankfully the continued growth rate of new planting and replanting was able to stabilize the climate related decline in production, and with continued growth in plantings, Thailand's annual CPO production will continue on a growth trend.

In 2023 there were concerns over the impending El Nino, causing more pronounced dry weather across South east Asia in the second half of 2023. However, conditions did not appear to be as severe as forecasted. In fact, after a few years of no growth, Malaysia and Indonesia had small increases in production for 2023, and this, along with robust production from other competing vegetable oils, was enough to restore the inventories and level out the demand that we saw in 2022.

The prospects for 2024 across the South Asia region are for limited growth in Malaysia and Indonesia. There are still challenges to face with little to no expansion in planted area, labour scarcity, and the slowdown of replanting, these factors will reduce production growth. The global demand for food and energy continue to increase and this provides us with confidence that export will continue to be an important market for Thailand, despite the lower volume exported in 2023.

Univanich is set to continue expansion, with the commissioning of the additional 15 MT capacity at Pabon factory, Phattalung province, in May 2024, and we are now commencing site preparations for a new 60 MT/hr crushing mill in Nakhon Si Thammarat, where we are currently securing the necessary licenses.

The expansion to our tank farm will be completed in March 2024, which provides us with an additional 3,000 MT capacity at our export facility.

In 2023, we have seen the benefits of our diversification strategy, with strong contributions from other parts of our operations. Our seed sale business has performed well, both for domestic, and export markets. Our Univanich clonal material is performing very well in the field and our trials are showing very promising results in terms of fruit production and oil yields. With over 1.5 million seedlings being planted around southern Thailand, the future growth is promising.

Our increased factory processing capacity has led to increased methane capture, which reduces our GHG emissions, and has increased our electricity production, which led to a record-breaking year in electricity sales.



Our Philippines subsidiary has also seen growth in 2023, increasing production as more local smallholders convert their farms in to oil palm. This is a steady process and farmers are now realizing the benefits and converting their farms to oil palm. We are looking forward to commissioning our palm kernel crushing facility in 3rd quarter of 2024, and this will add significant value to the operation and we are in the process of securing a license to be able to sell electricity to the local grid through completion of our biogas project.

In November our Topi Estate forestry concession of 8,250 Rai expired, and whilst this will have no impact to our financial statement, there will be an impact through a reduction in fruit volume from our own estates, which currently makes up only 4% of our total volume. To mitigate this, we are actively looking to purchase new areas of land with secure title.

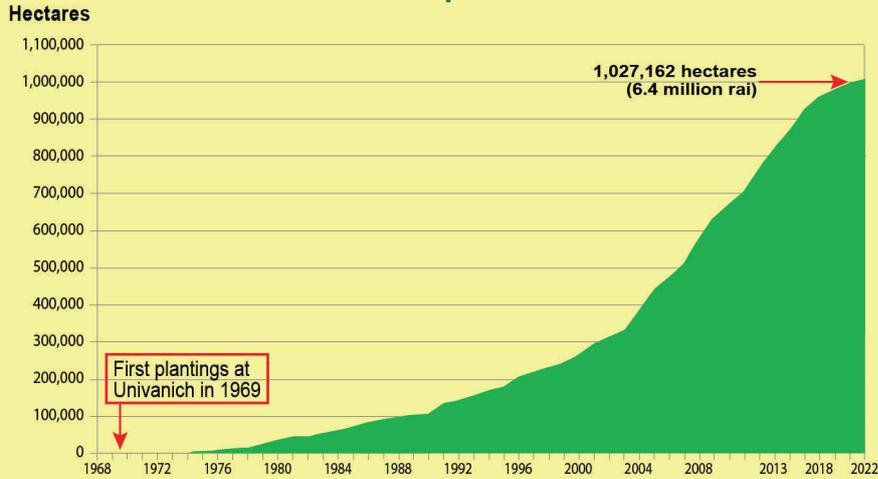
I would like to take the opportunity to congratulate our Board on the growing success of their investment strategies. I would also like to acknowledge my appreciation to the management team for their successful implementation of the strategy. Univanich continues to grow whilst ensuring the Environment, Social and Governance platform remains firmly embedded in its culture. Finally, I would like to thank our many stakeholders for their support and their continued interest in the development of the Univanich business.

Thank you for your support.

Apirag Vanich  
Chairman

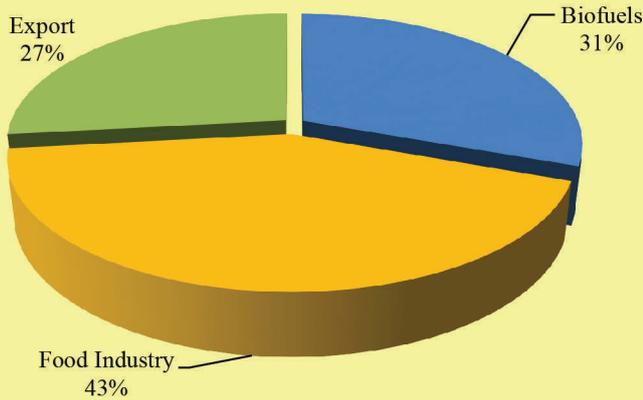
# PALM OIL INDUSTRY IN THAILAND

## พื้นที่ปลูกปาล์มน้ำมันในประเทศไทย Planted area of oil palms in Thailand



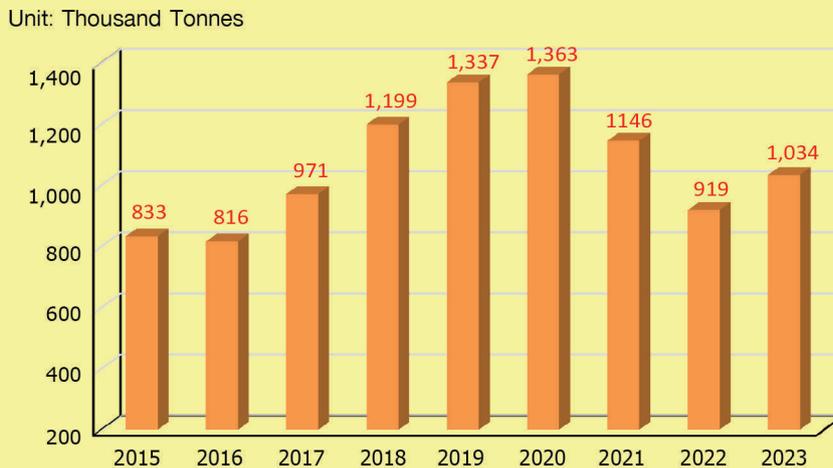
Source : Office of Agricultural Economic

## การบริโภคและการใช้น้ำมันปาล์มในประเทศไทย ในปี 2566 Consumption and Uses of Palm Oil in Thailand in 2023 2023 Production : 3,389,304 tonnes CPO



Source : Department of Internal Trade

## Thailand's Use of Crude Palm Oil for Biodiesel ปริมาณการใช้น้ำมันปาล์มดิบเพื่อการผลิตไบโอดีเซลในประเทศไทย



# FINANCIAL HIGHLIGHTS



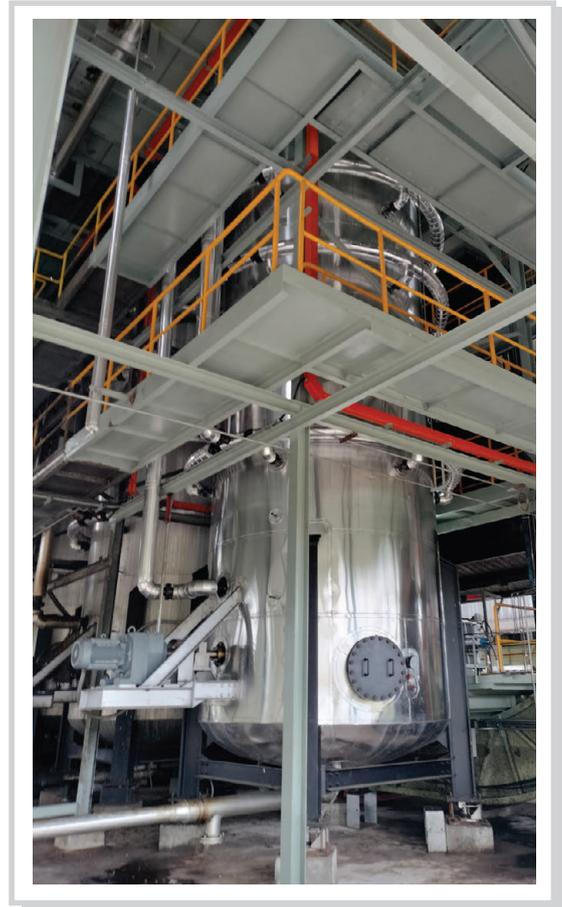
	2019	2020	2021	2022	2023
<b>Financial Status (Baht millions)</b>					
Total assets	3,644	3,885	4,436	5,271	5,154
Total accounts receivable, net	157	242	570	709	616
Property, plant & equipment, net	2,551	2,540	2,440	2,365	2,607
Total liabilities	380	537	632	649	526
Total shareholders' equity	3,265	3,349	3,803	4,622	4,628
Total equity attributable to the owners of the parent	3,151	3,215	3,614	4,385	4,377
<b>Operating Performance (Baht millions)</b>					
Sales	4,506	5,908	11,789	18,587	14,174
Total revenues	4,525	5,927	11,844	18,610	14,202
Gross profit margin	657	718	1,393	2,358	1,731
Earnings before interest expense and income tax	291	428	1,110	1,827	1,214
Corporate income tax	62	81	211	315	217
Net profit	225	342	892	1,505	994
Net profit attributable to owner of the parent	217	329	839	1,430	936
<b>Financial Ratios</b>					
Earnings (Baht/Share)	0.23	0.35	0.89	1.52	1.00
Dividend Declared (Baht/Share)	0.34	0.27	0.70	1.00	0.75*
Book Value (Baht/Share)	3.35	3.42	3.84	4.66	4.66
Net Profit margin (%)	4.98	5.77	7.53	8.09	7.00
Current ratio (Times)	9.28	8.00	7.00	7.50	8.86
Quick ratio (Times)	6.53	5.67	4.56	5.75	6.43
Return On Assets (ROA) (%)	6.06	9.09	21.45	31.02	19.06
Return on shareholders' equity (ROE) (%)	6.71	10.34	24.58	35.75	21.37
Debt to Equity Ratio (Times)	0.12	0.16	0.17	0.14	0.11

Note: \* Interim dividends totalling Baht 0.30 per share have been paid in September 2023, with a final dividend of Baht 0.45 per share proposed to be paid in May 2024, subject to shareholder approval at the Annual General Meeting on 26<sup>th</sup> April 2024

1

**Pabon Factory Expansion**

The expansion of Pabon factory from a 45 MT per hour capacity to 60 MT per hour capacity is in progress and completion is expected by May 2024. Over the past 5 years the FFB production in this area has been steadily increasing. New plantings continue and we expect production will continue to grow in this area.





## 2

### Tank Farm Expansion Project

With increasing export volumes over recent years, in 2023 we have increased our storage at our export facility in Krabi. An additional 3,000 MT capacity has been added. This allows us to prepare shipments in good time and reduce the congestion of tankers at time of shipment. This also significantly reduces the impact of through traffic for our local communities living close by to our facility.

A total storage capacity at the tank farm is now 12,000 MT.



3

**Siam Palm Estate Replant**

Replanting of our older palm stands continued as programmed. It is essential to replant the older stands of oil palm and maximise our productivity. Replanting allows for the newer improved planting material to reach potential and also reduces harvesting costs that are associated with the older taller palms, where yield is declining. A young age profile is essential to improving productivity and maximizing yield.

In 2023 we completed the terraced area of Siam Palm Estate. Best management practices were essential in this sloping area to ensure that cover crop was reestablished to prevent erosion. Empty fruit bunches were also used extensively to protect the terraces from erosion, restore organic matter back to the soils, and mulch the young palm to retain moisture and prevent weed growth.



4

**Replacement Gas Engine for Topi**

This is the first of three replacement gas engines at Topi, which were installed in 2009. After 15 years of service the gas engines are scheduled for replacement. The replacement engine is of larger capacity to enable us to improve efficiency of our operation.





5

### Second Weighbridge at CVP Factory.

Due to increased processing volumes, our single weighbridge at CVP factory has become congested. The installation of a second weighbridge has reduced waiting time for FFB and oil to be transported in and out of the factory. It also provides for a useful back up for times of maintenance and repair.



6

### CVP Dust collecting Bag Filter Unit

As part of our initiative to reduce our smoke emissions from our factories, we have completed our first dust collecting bag filter unit at CVP factory. The bag filter is able to remove suspended dust particles from the smoke emissions. Since commissioning in October 2023, it has proven to be very effective in reduction of smoke emissions, and we have been able to reduce the dust particles from over 200 mg/m<sup>3</sup> to below 100 mg/m<sup>3</sup>, which is significantly below the newly proposed regulations. Our local stakeholders are also very supportive of this initiative. We will be continuing to extend such projects to our other factories over the next consecutive years.



**7 Continuous Emissions Monitoring System (CEMS) Installation**

In June 2022 the Industrial Works Department introduced a new regulation for all Biomass Boilers of greater than 30 MT capacity. All such boilers must be installed with a continuous emissions monitoring system (CEMS) and the target date for installation is by December 2027. This system monitors the levels of dust, nitrogen oxide, sulphur dioxide and carbon monoxide that is emitted into the atmosphere from the boiler flue.

In 2023, Univanich completed the installation at all 3 factories that have a 30 MT boiler.





## 1. Organizational structure and operation of the group of companies

### 1.1 Policy and business overview

Univanich Palm Oil Public Company Limited was established on 26<sup>th</sup> December 1995 as an amalgamation of three of Thailand’s pioneer palm oil companies. The three companies were Thai Oil Palm Industry and Estate Company Limited, Siam Palm Oil and Refinery Industry Company Limited, and Hup Huat Palm Oil Industry Company Limited. The Company was listed on the Stock Exchange of Thailand on 25<sup>th</sup> November 2003 under the abbreviation UVAN.

The main company’s business are as follows:

Main Business	Nature of Business
<b>Oil Palm Factory</b>	<p>Univanich is one of Thailand’s leading producers of crude palm oil (“CPO”) and crude palm kernel oil (“PKO”). Palm oil and Palm Kernel oil are important ingredients in the manufacture of cooking oils and salad oils, margarines and shortening, snack foods, ice creams, soaps, shampoos and cosmetics. Biodiesel and biofuels are rapidly expanding to new uses of palm oil. A byproduct from the production of PKO is palm kernel cake (“PKC”) which is used in animal feeds.</p> <ul style="list-style-type: none"> <li>In Thailand, Univanich has five palm oil crushing factories and two palm kernel crushing plants, located in Krabi, Phang-nga and Phatthalung Provinces.</li> <li>In 2013, Univanich expanded its business to the Philippines by establishing a 51% owned joint venture company named Univanich Carmen Palm Oil Corporation (UCPOC). UCPOC has constructed a palm oil crushing factory in North Cotabato province of Mindanao which started processing in July 2014.</li> </ul>
<b>Oil Palm Plantation</b>	<ul style="list-style-type: none"> <li>Univanich operates oil palm plantations in Krabi, SuratThani, Phang-nga, Phattalung and Nakhon Si Thammarat Provinces with the planted area of 29,756.9 rai (4,761.1 hectares) including 1,347.5 rai (215.6 hectares) immature area as at 31 December 2023. The first plantations were established in 1969 and replanting of a new generation of palms commenced in 1992.</li> </ul>
<b>Seed and Seedlings</b>	<ul style="list-style-type: none"> <li>The Univanich Oil Palm Research Centre (OPRC) is internationally recognised for pioneering oil palm research and advanced palm breeding. Univanich drought-tolerant hybrid seeds are now exported to oil palm growers in more than fifteen countries. The company’s oil palm nurseries supply approximately 1.4 million high yielding seedlings to Thailand’s smallholder growers, annually.</li> <li>Univanich commissioned Thailand’s first laboratory for oil palm tissue culture in 2006. Since 2010, the company has been testing elite oil palm clones in field trials and in 2016 the company commenced production of clonal seeds from these elite oil palm clones.</li> </ul>
<b>Electricity</b>	<ul style="list-style-type: none"> <li>Four of the crushing factories operate methane capture systems to reduce greenhouse gas emissions and to generate approximately 8 megawatts of renewable electricity for sale to the Provincial Electricity Authority grid.</li> </ul>

# PART 1 - BUSINESS OPERATION AND OPERATING RESULTS

Main Business	Nature of Business
Others	<ul style="list-style-type: none"> <li>Univanich operates a palm oil exporting facility at the deep-water port of Laemphong in Krabi Province.</li> </ul>

## 1.1.1 Univanich Vision / Mission Statement

Our first priority is to be a profitable and sustainable business. That means investing for future growth and balancing short term and long-term business interests. It also means caring about our employees, shareholders, customers and suppliers, together with the communities and environments in which we conduct our operations.

## 1.1.2 Transition and milestone developments

Year	Milestones
<b>Year 2019</b>	
February	The company completed the palm kernel factory expansion to increase the capacity from 90 mt/day to 190 mt/day at Plaiphraya factory. The expansion was commissioned in February 2019.
March	The company completed the capacity expansion of electricity generation from the biogas plant at Siam factory to be a capacity of 2.8 Megawatt. The expansion commenced electricity sales to PEA in March.
May	The company commenced seedlings sales at the new nursery at Bangwan, Kuraburi, Phang nga province.
August	The company completed the palm kernel factory expansion to increase the capacity from 75 mt/day to 150 mt/day at Lamthap factory. The expansion was commissioned in August 2019.
<b>Year 2020</b>	
March	The company completed the factory expansion at Philippines to increase the capacity from 30 mt fruit/hour to 60 mt fruit/hour.
<b>Year 2021</b>	
August	The company completed the factory expansion to increase the capacity from 30 mt fruit/hour to 45 mt fruit/hour at Pabon factory. The expansion was commissioned in August 2021.
December	The new nursery at Plaiphraya district, Krabi was completed in December 2021 and planned to commence seedlings sales in 2022.

# PART 1 - BUSINESS OPERATION AND OPERATING RESULTS



Year	Milestones
<b>Year 2022</b>	
August	The company completed the factory expansion at Topi factory to increase the capacity from 60 mt fruit/hour to 70 mt fruit/hour.
September	The company completed the factory expansion at Siam factory to increase the capacity from 45 mt fruit/hour to 50 mt fruit/hour.
October	The company completed the factory expansion at CVP factory to increase the capacity from 60 mt fruit/hour to 70 mt fruit/hour.
<b>Year 2023</b>	
March	The company purchased Land at Tambon Paelar, Klongtom Krabi province to increase palm plantation area.
June	The expansion of nursery at Plaiphraya district, Krabi from 300,000 seedlings to 415,000 seedlings was completed.

# PART 1 - BUSINESS OPERATION AND OPERATING RESULTS

## 1.2 Nature of Business

### 1.2.1 Revenue structure

	Operated by	Shareholding (%)	Year 2021		Year 2022		Year 2023	
			Baht Millions	%	Baht Millions	%	Baht Millions	%
<b>1. Sales of goods</b>								
<u>Domestic Sales</u>								
Crude Palm Oil	UVAN		3,211.09	27.11	4,291.02	23.06	4,479.16	31.54
Palm Kernel Oil	UVAN		37.72	0.32	-	-	443.97	3.13
Others	UVAN		592.63	5.00	1,009.88	5.43	1,110.81	7.82
Total Domestic Sales			3,841.44	32.43	5,300.90	28.48	6,033.94	42.49
<u>Export Sales</u>								
Crude Palm Oil	UVAN		5,265.64	44.46	9,945.92	53.44	6,155.14	43.34
	UCPOC	51%	684.62	5.78	1,293.13	6.95	928.35	6.54
Palm Kernel Oil	UVAN		1,937.93	16.36	1,928.94	10.37	879.32	6.19
Others	UVAN		59.66	0.50	71.37	0.38	122.48	0.86
	UCPOC	51%	-	-	46.62	0.25	54.42	0.38
Total Export Sales			7,947.85	67.11	13,285.98	71.39	8,139.71	57.32
<u>Total Sales of goods</u>								
Crude Palm Oil			9,161.35	77.35	15,530.07	83.45	11,562.65	81.42
Palm Kernel Oil			1,975.65	16.68	1,928.94	10.37	1,323.29	9.32
Others			652.29	5.51	1,127.87	6.06	1,287.71	9.07
Total Sales of goods			11,789.29	99.54	18,586.88	99.88	14,173.65	99.80
<b>2. Other Income**</b>			54.22	0.46	23.19	0.12	27.95	0.20
<b>Total Revenue</b>			11,843.51	100.00	18,610.07	100.00	14,201.60	100.00

\*\*Other Income : Gains on asset disposals, Interest Income, Revenue sharing from business acquisition.

### 1.2.2 Product information

#### ● (1) Characteristics of products

##### 1) Crude Palm Oil

The purchased fresh fruit bunches from third parties and the production of fresh fruit bunches from our own plantations are processed at our factories to produce crude palm oil which is a red-brown liquid. The crude palm oil from the production is stored in large tanks before sales to the palm oil refineries in Thailand and abroad.

Most of crude palm oil that the company sells to palm oil refineries in Thailand is used in the food industry. For example, bottled vegetable oil, bucketed vegetable oil. It also be used in biodiesel industry. For overseas customers, most of them use crude palm oil in food industry and biodiesel industry.



## 2) Crude Palm Kernel Oil

After extracting the crude palm oil from palm pulp, Palm Kernel will be obtained. Palm Kernel will be further processed and crude palm kernel oil is extracted, which is a liquid similar in color to the edible vegetable oil, the company stores the palm kernel oil in storage tanks, before selling to palm kernel oil refineries in Thailand and abroad.

Most of crude palm kernel oil that the company sells to palm kernel oil refineries in Thailand are used as a substitute product for coconut oil in the food industry, such as biscuits, non-dairy creamers, ice-cream, shampoo and cosmetics. The qualification of crude palm kernel oil, is similar to coconut oil and can be used as substitute product. For overseas customers, the crude palm kernel oil supplied by the company is mainly used in oleochemical industries, such as the production of fatty acids and methyl esters, which can be used in a wide range of industries.

### By-Product: Palm Kernel, Palm Kernel Cake and Shell

The Company has by-products from the production process, such as Palm Kernel, Palm Kernel Cake and Palm Kernel Shell. In the crude palm oil production process, palm kernels are obtained as by-products first. The shell is removed from the kernel and the company then takes the aforementioned palm kernels for further extraction process to be crude palm kernel oil. Palm kernel cake is obtained after the extraction of crude palm kernel oil, The company sells palm kernel cake to animal feed manufacturers. The Palm Kernel Shell is sold as a fuel to third party biomass power stations.

### Others :

#### 1) Seeds and Seedlings

The company has a Research and Development department which focuses on the development of Univanich hybrid seed. The company has developed oil palm seed for replanting oil palm in the company's plantations and selling to farmers both domestically and internationally. The company sells both palm seeds and palm seedlings. Univanich oil palm is the first Thai oil palm cultivar. The quality of Univanich oil palm seeds and seedlings is highly suitable for Thailand's weather, with high yield per Rai and high oil extraction qualities.

#### 2) Electricity from biogas

The company has 3 biogas plants producing electricity, located at Siam Factory, Lamthap Factory and Topi Factory.

## ● (2) Marketing and competition

### (2.1) Marketing

#### (A) Competitive Strategy

The competitive strategies of the company are:

#### 1.) Increased production volume to achieve the economies of scales and improved production efficiency

Currently, the company has 5 crude palm oil crushing factories with capacity 280 tonnes per hour and two palm kernel oil factories with capacity 340 tonnes per day.

The company has a policy to continuously increase the total palm oil production as well as fully utilizing production capacity by focusing on the supply of quality raw materials or fresh palm fruit, to continuously feed into the factories. The production costs of the company will be lower due to economies of scale. The company continuously improves productivity of company's plantation by using palm cultivars that have been researched and developed by the company, and are most suitable for the climate, soils and terrain. The high fruit yield and high oil extraction from the fruit bunches help to lower the production costs. This is to enable the company to maintain its competitiveness in both domestic and international markets and will result in higher profits for our shareholders.

In addition, the company has also jointly invested in the palm oil factory in Philippines, Univanich Carmen Palm Oil Corporation (UCPOC) with the capacity of 60 tons of fresh fruit per hour. The company applies the knowledge, expertise and experience in the palm oil industry to the joint venture in Philippines. The executives and engineers from Thailand together with our team of experts in the Philippines supervise and manage the factory's operations to achieve full efficiency. In addition, the Philippines is a country with a suitable climate and environment for oil palm planting. It is expected that there will be more planting areas in close proximity to the factory, which will increase the potential of procurement of raw materials for supplying to the factory. The company's production costs will be lower from economies of scale of production.

### 2.) Replanting Policy

Replanting is often carried out when the palms become too tall, yields begin to fall and the cost of harvesting is high. This is done when the palm trees are between 25-28 years old. Replanting is also helpful as we are able to plant, high-yielding hybrid palm cultivars that have been bred by the company to provide improved yield of FFB and oil.

Since 1992, the Company has been replanting in order to balance the age of palm trees in its plantation estates and the Company will continue to adhere to the replanting policy.

### 3.) Trust from farmers

Palm oil producers in Thailand have to rely on fresh palm fruit from smallholder farmers. Relationships with nearby farmers are one of the key factors for business success. The company has a policy to build good relationships with farmers and traders. Since 1998, the company has carried out a project to improve good quality palm breeds for sale to farmers. The company has a research and development centre that develops oil palm varieties that are suitable for the weather conditions of Thailand for high fruit yields and high oil yield.

### 4.) Reputation for quality and reliability from both domestic and international customers

The company has always been trusted by customers throughout the business for over 30 years because the company has a policy to control the quality of crude palm oil to meet the standards with an FFA (Free Fatty Acid) value of not more than 4% before deliver goods to customers The company will bring fresh palm fruit into the production process within 24 hours to ensure that the crude palm oil to be extracted has good quality.





## 5.) Implementation of new knowledge and technology continuously

The company has continually applied new knowledge and technology throughout its inception. Especially during the Unilever Group era, who were joint venture partners between 1983-1998. During this time the company gained knowledge in agricultural technology and production engineering. As a result, at present, the company has developed good quality palm varieties and continuously developed the production process to be efficient. The company still maintains independent consultants to give advice on palm breeding and production efficiency to the company approximately twice a year. In addition, the company has hired factory experts from Malaysia to analyze and improve production efficiency to be up-to-date.

## ***(B) Customers, target customers and distribution channels***

### Business in Thailand

The Company's crude palm oil and crude palm kernel oil customers are divided into two main groups: domestic customers and foreign customers. For domestic customers, the Company distributes directly to palm oil refineries and biodiesel plants. The crude palm oil is refined to produce bottled palm oil, palm oil and biodiesel respectively. For other by-products such as palm kernel meal, this is sold to the animal feed factories.

For international customers mainly palm oil refinery and trading company, the company distributes through an agent, Mantras Pte Ltd, which has a good relationship with the company for a long period of time. The main export countries of the company this year are Malaysia and India.

### Overseas Business (UCPOC)

Customers in the Philippines of the subsidiary (UCPOC) are customers in the food industry with large demand.

## **(2.2) Competitive Environment**

Crude palm oil and crude palm kernel oil are agricultural products. The competitive conditions of crude palm oil and crude palm kernel oil are the same. where prices are determined by supply and demand. Key factors affecting supply and demand are weather conditions which have a direct impact on the output of palm oil and other vegetable oils in the world market. In addition, the economic growth of the countries that consume vegetable oil, as well as the policies of the country's import tariffs. The world's largest vegetable oil consumers, such as India and China, will have a direct impact on the demand for vegetable oil consumption.

### **(A) Entrepreneur**

The Company is one of the leading crude palm oil producers in Thailand. as well as being one of the leading exporters of crude palm oil and crude palm kernel oil to international markets.

Therefore, there are two types of competition in the industry, namely competition for purchasing fresh palm fruit raw materials from farmers for supplying to manufacturing plants, and competition for selling crude palm oil to customers.

### *Competition in purchasing fresh palm fruit*

The Company's competitors in purchasing FFB are factories located close to the Company's factories. Fresh palm fruits harvested from oil palm trees should be processed within 24 hours to obtain good quality crude palm oil. As a result, the competition in terms of purchasing fresh palm fruit will be quite high.

1. The company purchases palm fruit in the similar price of the competitors. The payment always fast and on time. This will be convenient to the palm fruit sellers to deliver palm fruit to the company.
2. The company has a policy to expand production capacity, increase production efficiency and improve distribution channels both domestically and internationally. This enables the company to continue production and be able to purchase fresh palm fruit in large and consistent quantities. Therefore, farmers and traders trust to bring fresh palm fruit for sale to the company continuously.
3. The company has added outside fruit buying stations in the areas where the palm fruit is in sufficient quality and quantity.
4. The company has appointed the contract ramps to purchase palm fruit in production areas, that the company cannot access, to increase the fruit volume to meet the increased production capacity.

### *Distribution Channel in Thailand*

The Palm oil industry is one of the important agricultural industries in Thailand. Domestic operators mainly produced to meet high domestic consumption. The export capacity of most operators is limited from the high production cost per unit, due to lack of efficiency in oil palm plantings, and crude palm oil production. At present, only few domestic manufacturers are competitive in the export market due to their good management systems and competitiveness, comparable to exporters in other countries. The company is one of the few operators that export crude palm oil.

Consumption: The target market for palm oil in Thailand will be in the food industry and the biodiesel industry. In terms of price, Thailand palm oil price is mainly based on the price in the Malaysian market, along with the demand and supply in Thailand.

The main factors affecting the price of palm oil in the Malaysian market. For example:

- The price of other vegetable oils that can be used interchangeably, such as soybean oil
- Demand and supply of palm oil in the world market
- Weather conditions that affect the yield and price of fresh palm fruit to the market
- Petroleum prices
- foreign exchange rates

### *Distribution Channel Overseas*

The major producer of soybean oil will be the United States, Brazil and Argentina. The United States is the country that promotes soybean cultivation the most in the world. While the main consumers of palm oil are South East Asian countries followed by India, and China, and Europe.





Thailand has more advantage than the major producing countries. For example, Malaysia's labor cost structure is higher than Thailand. While Indonesia lacks infrastructure, especially in transportation. Therefore, it is believed that if the government provides more support for the proper cultivation of palm oil to farmers, Thailand will have the potential to compete in the international market.

## (B) Trend of competition

In the future, there will be competition in the purchase of palm fruit. However, the Ministry of Agriculture and Cooperatives has developed a palm oil development plan. The main goal is to expand the palm plantation area and increase productivity

### ● (3) Procurement of products or services

#### (3.1) Production

At present, the Company and its subsidiaries have 6 crude palm oil extraction plants with a total crude palm oil production capacity of 340 tons of fresh palm fruit per hour. The location and factory capacity are as follows:-

- Siam factory (Krabi province) with a capacity of 50 tons palm fruit per hour.
- Topi factory (Krabi province) with a capacity of 70 tons palm fruit per hour and 190 tons of palm kernel per day.
- Lamthap factory (Krabi province) with a capacity of 45 tons palm fruit per hour and 150 tons of palm kernel per day.
- CVP factory (Phang Nga Province) with a capacity of 70 tons palm fruit per hour.
- Pabon factory (Phatthalung Province) with a capacity of 45 tons palm fruit per hour.
- UCPOC factory (Philippines) with a capacity of 60 tons palm fruit per hour.

In terms of production technology, the global crude palm oil extraction industry has been continuously developing to improve the production process and increase efficiency and reduce wastage. The company continually strives to invest in projects that increase production capacity and efficiency.

The company focuses on fully utilizing its production capacity by focusing on purchasing palm fruit with high quality, to the factory. This will enable the company to have low production costs from economy of scale.

	2019	2020	2021	2022	2023
Capacity (tonnes of palm fruit per hour)	270	300	300	340	340
Processed Fresh Fruit Bunch (tonnes)	1,125,596	1,100,487	1,289,085	1,681,507	1,908,151
Crude Palm Oil Production (tonnes)	203,755	194,360	227,261	294,509	343,612
Palm Kernel Production (tonnes)	58,702	57,639	65,964	83,906	98,254

This table include the number of the company and its subsidiaries (UCPOC)

### (3.2) Raw Material Procurement

The main raw material for the Company's production is palm Fresh Fruit Bunch (FFB). The sources of palm fruits are from our own estate fruit and purchased fruit. In 2023, the Company and its subsidiaries (UCPOC) purchased 96.5% palm fruit from outsiders. The rest is obtained from the company's oil palm plantations.

#### (A) *Fresh Fruit Bunch from suppliers*

The Company and its subsidiaries (UCPOC) procure palm fruit from third parties by buying from farmers, brokers (who collects palm fruits from farmers) and the contract ramps. The purchase price will be the market price announced in front of the company's factory which will be adjusted depends on the competitive conditions of purchasing FFB between factories and palm oil price. The company pay fruit prices base on the quality.

#### (B) *Fresh Fruit Bunch from company's plantation*

The Company has a total palm plantation area in Thailand of approximately 29,756.9 rai. In 2023, the company's palm plantations are capable of producing 3.5 percent of the palm fruit supplied to the Company's factories.

Typically, palm trees begin to produce at about 3 years of age and full yield from 6 years of age, with an average yield of 25 years from the start of planting.

The company has a policy to replace old palm trees about 4% of the total planted area each year. Oil Palm trees at approximately 25 years of age, are usually difficult to harvest due to the height of the palm so they need to be felled and replanted. The benefits of replanting enable the company to replace with better palm varieties that provide higher yield and improved oil extraction. The result of a balanced replanting programme are that the Company receives fresh palm fruit regularly each year. Unless it is affected by uncontrollable climatic conditions.



# PART 1 - BUSINESS OPERATION AND OPERATING RESULTS



## ● (4) Assets used in business operation

### 1) Fixed assets of the company's and subsidiaries are used in business operations

	Property Type / Characteristics	Value (Million Baht)	Obligation (mortgage)	Ownership
1.1	Land	1,008.10	No	Univanich
1.2	Land improvement	55.71	No	Univanich
1.3	Building and building improvement	517.84	No	Univanich
1.4	Machinery and equipment	579.75	No	Univanich
1.5	Furniture, fixtures and office equipment and Motor vehicles	58.47	No	Univanich
1.6	Assets under installation/construction	262.50	No	Univanich
1.7	Bearer Plants - Palm trees			} Univanich, concession and operating lease *
	- Palm trees	106.85	No	
	- Immature palm trees	17.97	No	
	<b>Property, plant and equipment, net</b>	<b>2,607.19</b>		
1.8	Intangible assets			
	- Computer software	1.43	No	
	- Revenue sharing	5.57	No	
	<b>Intangible assets, net</b>	<b>7.00</b>		

#### Remark

\*The Company's plantation has been made on the Company's own land, concession land and lease land. Details of land under concession and under operating lease agreements as at 31 December 2023 are as follows:

Name of estate	Type	Terms	Area per contract (Rai)	Planted area (Rai)
Thai Oil Palm Industry (TOPI)	Concession	For 30 years from 19 November 1993 to 18 November 2023	8,250	8,250
Thai Oil Palm Industry (TOPI)	Lease	Leased from Co-operative Promotion Department for 30 years, at the rates of Baht 100 to Baht 300 per Rai per year, commencing on 27 April 1994	2,500	2,500

# PART 1 - BUSINESS OPERATION AND OPERATING RESULTS

## Thai Oil Palm Industry concession area

### 1) Thai Oil Palm Industry concession area

The concession area of 8,250 rai located in Krabi and Surat Thani provinces was granted permission a concession for the development of an oil palm plantation for thirty years, from 19 November 1993 to 18 November 2023. However, the permission has now expired.

As the concession period at Thai Oil Palm Industry has the date ended on 18 November 2023, the Company has commenced the process to renew the land concession with the Krabi and Surat Thani Provincial Office of Natural Resources and Environment on 4 June 2021 and 25 November 2021 respectively. Forest officials inspected and found that a portion of the area could be granted an extension after deducting overlapping areas, reducing the total area from 8,250 to 6,977 rai. This reduced area comprised 6,376 rai located in Tambon Plaipraya, Plaipraya District, Krabi province and 601 rai in Tambon Bang Sawan, Phrasaeng district, Surat Thani province. However, the request has been delayed. It is still pending at the Government Forestry Department. On 15 June 2023, the Company therefore filed a lawsuit with the Phuket Administrative Court and the Nakhon Si Thammarat Administrative Court requesting the Government Forestry Department to present the Company's request to the National Reserved Forest Utilisation Committee for consideration and approval the permission request. This includes a temporary relief before judgment and permission the Company to utilise the area originally permitted while the Company's request is being considered by the court. Later, on 11 July 2023, the Phuket Administrative Court revoked the Company's complaint. The Company appealed to the Supreme Administrative Court on 8 August 2023. However, the Company also made a request to the provincial governor in the Krabi province asking to retain ownership rights and not relocate its assets from the area where the permission expired during the ongoing permit application process. Meanwhile, the Nakhon Si Thammarat Administrative Court issued an order on 20 October 2023 regarding provisional measures before the court's judgment to allow the Company to utilise the area that was originally permitted from the date of expiration according to the original permit until the court orders otherwise or until the case is finalied.

### 2) Thai Oil Palm Industry leased area

The leased area of 2,500 rai in the Tambon Plai Phraya, Plai Phraya district, Krabi province and Tambon Bang Sawang, Phrasaeng district, Surat Thani province. The Company has leased this area from the Cooperative Promotion Department for thirty years, from 27 April 1994 to 26 April 2024.

On 17 June 2022, the Cooperative Promotion Department granted permission to use an additional 610 rai, increasing the total area from 2,500 to 3,110 rai. On 1 June 2023, before the lease agreement expired, the Company applied for a lease extension to continue utilising the area. On 29 June 2023, the Provincial Cooperative approved the Company's request and it is currently being considered by the Cooperative Promotion Department.

The Group assessed that the above matters will not have impact on the financial statements presented.

Please see more information in note 17 of the Notes to Financial statements.

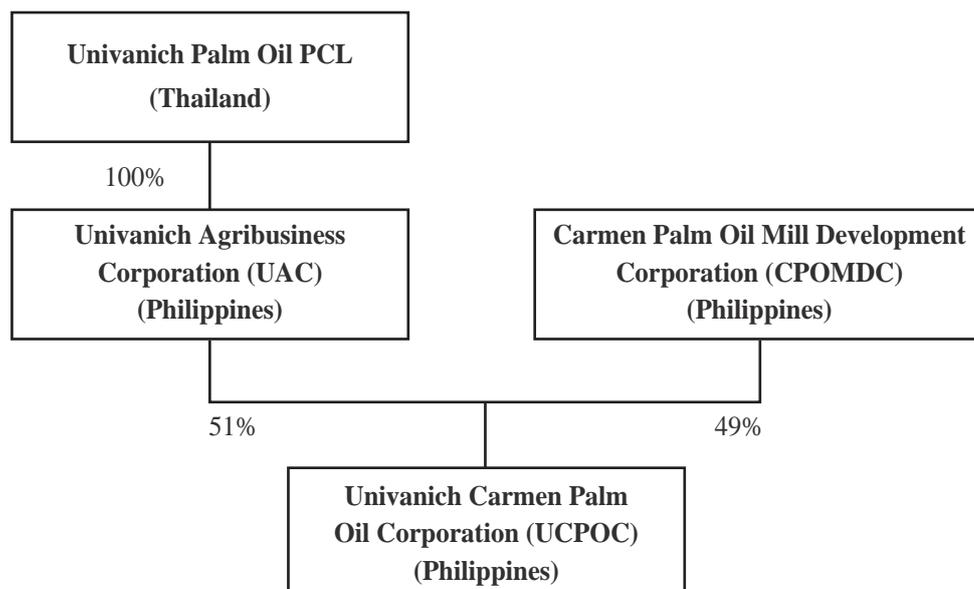


## 2) Investments in Subsidiaries and Joint ventures policy

In addition to the current subsidiary company. The company has planned to invest in oil palm industrial activities such as Biogas, current and will invest in the beneficial business for the main company's business that have the possible trend of growth. The investment proportion and administration policy of the subsidiaries and joint ventures mainly depend on the expertise in business, investment capability, and management authority.

### 1.3 Shareholding Structure

#### 1.3.1 Shareholding Structure



#### 1.3.2 Shareholders

The 10 largest shareholders as at 31 December 2023

Shareholders	Number of shares	Percent
1. Mr. Apirag Vanich	179,136,120	19.06
2. Mrs. Chantip Vanich	108,100,750	11.50
3. UBS AG Singapore, Branch	57,300,000	6.09
4. Chean Vanich Co.,Ltd.	55,966,620	5.95
5. Thai NVDR Company Limited	31,285,157	3.32
6. Mr. Narut Chitrudiamphai	27,100,320	2.88
7. Ms. Aungkhana Vanich	23,845,990	2.54
8. Ms. Rojana Vanich	23,294,820	2.48
9. Ms. Oranutch Vanich	22,554,980	2.40
10. Mrs. Anchalee Thepbut	22,104,990	2.35

# PART 1 - BUSINESS OPERATION AND OPERATING RESULTS

## Board of Directors and Management

The Company's Board of Directors	No of Shares 31 December 2022	No of Shares 31 December 2023	Change
1. Mr. Apirag Vanich	179,136,120	179,136,120	0
2. Dr. Veerathai Santiprabhob	0	0	0
3. Dr. Phortchana Manoch	6,952,840	6,952,840	0
4. Ms. Kanchana Vanich	0	0	0
5. Dr. Prote Sosothikul	0	0	0
6. Mr. Pramoad Phornprapha	0	0	0
7. Mr. Anek Pana-apichon	0	0	0
8. Mr. Harry Brock	0	0	0
9. Dr. Palat Tittinutchanon	460,000	550,000	90,000

Management Committee	No of Shares 31 December 2022	No of Shares 31 December 2023	Change
1. Mr. Harry Brock	0	0	0
2. Dr. Palat Tittinutchanon	460,000	550,000	90,000
3. Mr. Nattapong Dachanabhirom	30,000	30,000	0
4. Mr. Phiphit Khlaisombat	0	0	0
5. Mr. Santi Suanyot	200,000	270,000	70,000
6. Mr. Adoonka Kwankaew	0	24,500	24,500

### 1.4 Amounts of registered capital and paid-up capital

The Company has a registered capital of 470 million baht, of which 470 million baht is paid up with ordinary share 940,000,000 shares, at 0.50 baht per share.

### 1.5 Issuance of other securities

- None -

### 1.6 Dividend policy

The Company has a policy to pay cash dividends of not less than 50% of its net profit after taxation. However, whether the Company will pay a dividend and the amount thereof will depend, amongst other things, on the Company's financial condition, future plan and by approval by the shareholder's meeting.



## 2. Risk Management

### 2.1 Risk management policy and plan

- 1) All directors, executive members, employees and business units are risk owners and are responsible for assessment, follow-up and provision of support for having in place an efficient risk management process.
- 2) Establish integrated organization-wide risk management with systematic and continuous management and operation in line with the achievement of the objectives of the organization.
- 3) Ensure that there is a process to monitor, evaluate and report risk management results including regular reviews and updates of operational guidelines.
- 4) Promote and develop the application of modern information technology systems to be used in the risk management process of the company.

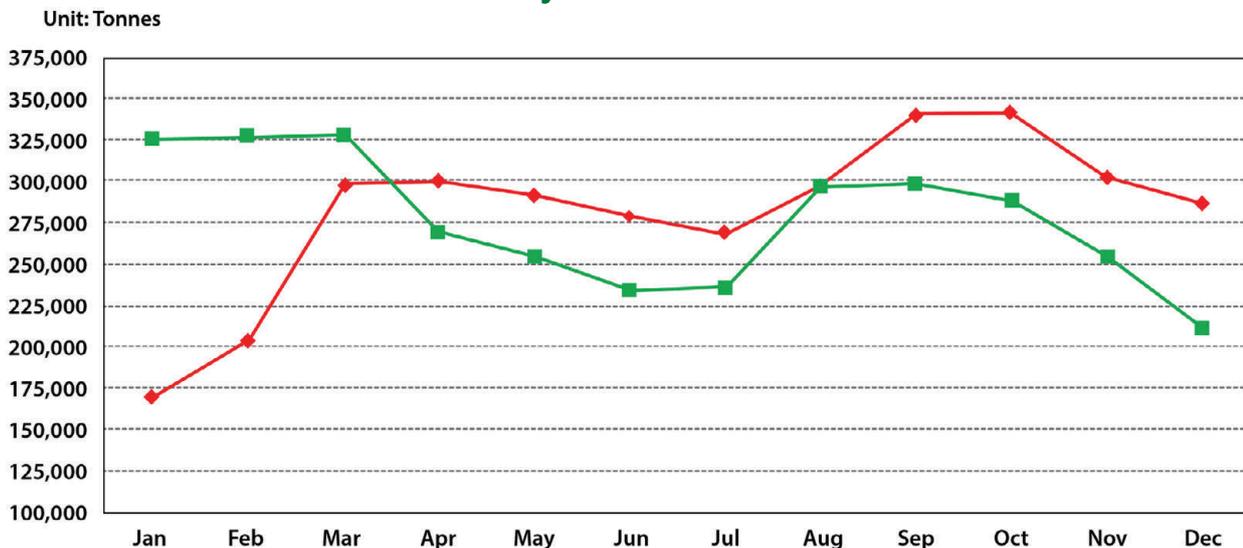
### 2.2 Risk factors on business operation

#### Climate

Climatic factors have significant influence on palm oil production.

Weather patterns, such as a severe drought, can affect average oil palm yields by more than 20%. This impact of climatic events will be experienced in the year of the drought and up to two years after the stress, when the palms produce fewer fruit bunches.

**Thailand's Monthly CPO Production 2022-2023**



Source : Department of Internal Trade

◆ 2022    ■ 2023

Thailand's annual CPO Production (tonnes)	
2017	2,626,006
2018	2,778,108
2019	3,033,743
2020	2,651,598
2021	2,963,225
2022	3,375,922
2023	3,327,808

Source : Department of Internal Trade

# PART 1 - BUSINESS OPERATION AND OPERATING RESULTS

## AFTA and Trade Barriers

Under the ASEAN Free Trade Agreement (AFTA) with effect from 1<sup>st</sup> January 2010 there are no tariffs on the trade of vegetable oils within the ASEAN region. This measure has not yet been fully implemented and palm oil imports into Thailand are subject to some controls intended to stabilise the domestic market. If tariff or non-tariff barriers were imposed to restrict free trade in palm oil it may have a negative impact on Thailand's oil palm industry.

## Thailand's Supply & Demand of Palm Oil in 2023

	Supply (Tonnes)		Demand (Tonnes)
Opening Stock 1/01/2023	348,138	Local Consumption	1,448,988
CPO Production in 2023	3,327,808	Exported CPO	905,685
Imported crude palm oil	615	Biodiesel	1,034,631
Imported RBDPO	0	Ending Stock 31/12/2023	287,257
<b>Total</b>	<b>3,676,561</b>	<b>Total</b>	<b>3,676,561</b>

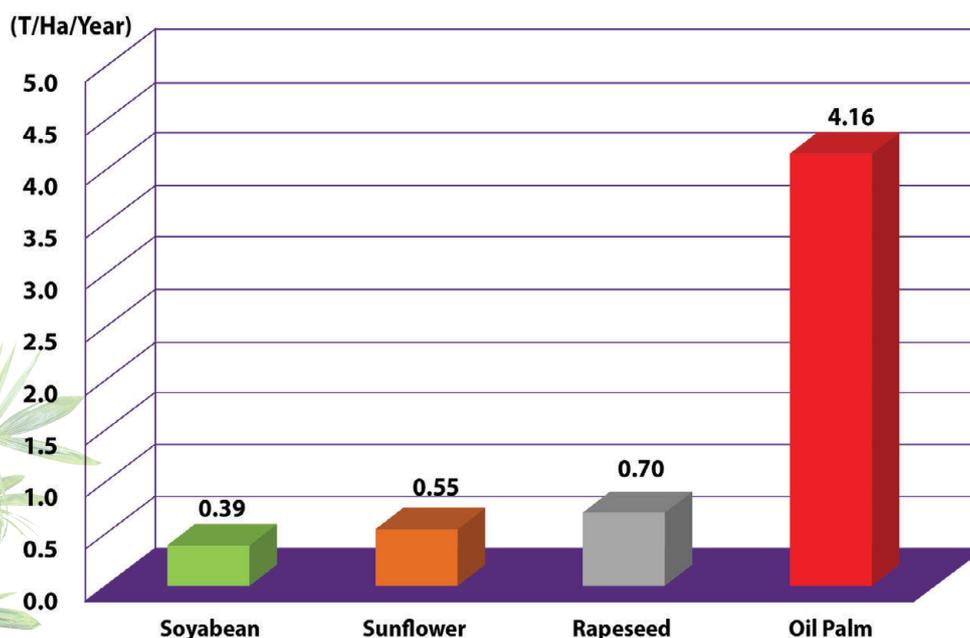
Source : Department of Internal Trade

## Competition from Soybean Oil, Rape Seed Oil and Sunflower Oil

The main competitor for palm oil in world markets and in Thailand's domestic market is soybean oil. Competition from soybean oil may increase as a result of increased plantings in South America, encouraged by growing demand for soybean meal as an animal feed and by the higher yields from genetically modified soy crops (GMOs).

However, oil palms produce an average of 4.16 tonnes oil per hectare, compared to less than 0.5 tonnes per hectare from soybeans.

## Palm Oil vs Other Oil Seed Crops Average Oil Yield (Tonnes/Hectare/Year)



Source: Oil World (2016)



For this reason, palm oil's share of world production is steadily increasing.

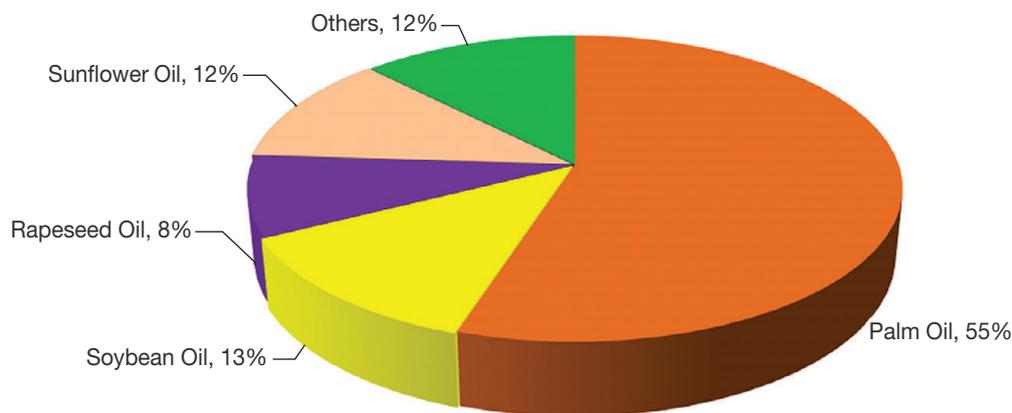
### Palm Oil's Share of World Production

	<u>Palm Oil Million tonnes</u>	<u>Share of World Production of 17 main oils &amp; fats</u>
1980	4.6	8%
1990	11.0	14%
2000	21.5	25%
2010	46.6	33%
2020	72.6	36%
2022	74.7	35%
2023	76.9	37%
2030 forecast	84.8	

Source: Glenauk (2023)

At the present time, palm oil is the most price competitive of the main oils competing for a share of the world market, and palm oil is easily the most efficient and environmentally sustainable of the main oil crops.

### Palm Oil's Share of World Trade 2023 International Trade Volume of 5 Vegetable Oils



Source: Glenauk (2023)

World oil palm plantings occupy less than 1% of the 5 billion hectares used for agriculture today. But in return, oil palms produce 37% of the world's supply of edible oils and fats.

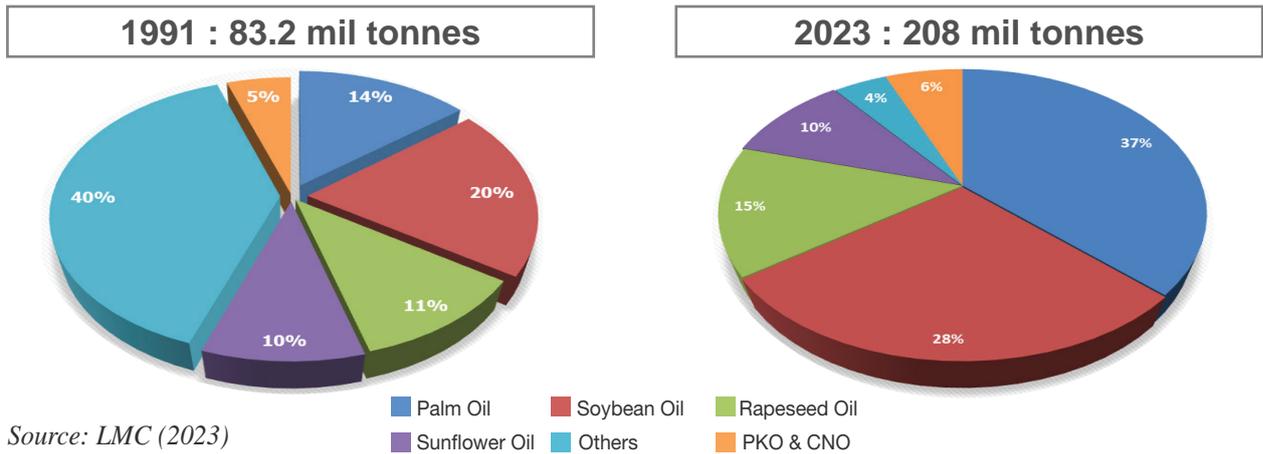
# PART 1 - BUSINESS OPERATION AND OPERATING RESULTS

## World Demand Growth

World demand growth for edible oils and fats will depend on world population growth, world economic growth and price trends which will fluctuate according to supply and demand.

The world's annual production of the 17 main edible oils and fats has grown from 80.7 million tonnes in 1990 to 208 million tonnes in 2023.

### Growth in world production of main Oils & Fats



Source: LMC (2023)

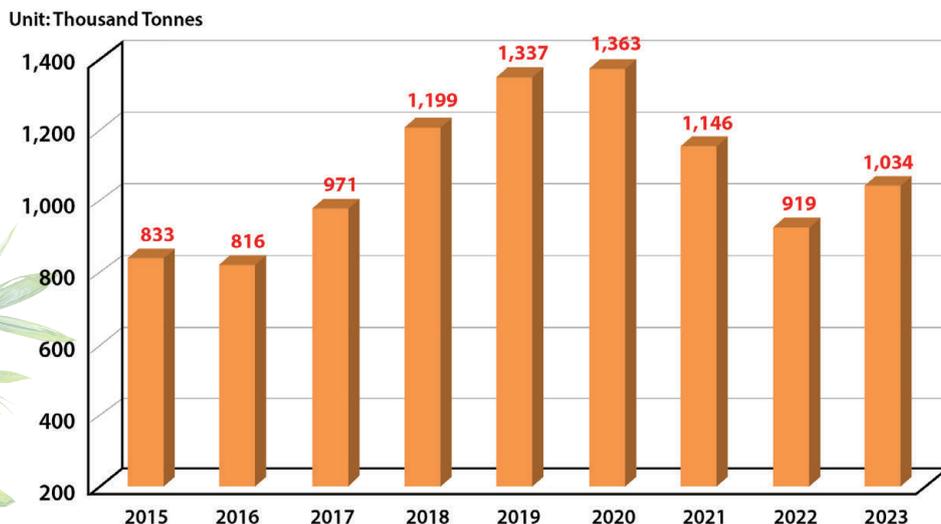
Since year 2000, world consumption of vegetable oils grew at a compound annual growth rate of 5.2%. Over the past 10 years, consumption of palm oil has increased at an average annual rate of 5.8% to become the world's leading source of vegetable oil.

One factor driving this consumption increase has been the strong economic growth in large developing countries such as India and China. With the economies of India and China now experiencing slower growth, this has reduced the rate of growth in the world's demand for vegetable oils.

## Biofuels Demand Growth

Vegetable oils are increasingly consumed as biofuels and for the manufacture of biodiesel. Over the past 16 years the world consumption of biodiesel has increased from around 4.0 million tonnes in 2004 to 51 million tonnes in 2023.

### Thailand's Use of Crude Palm Oil for Biodiesel



Source: Internal Trade Department



Biodiesel is seen to reduce the effect of fossil fuel on world climate change, and oil palm cultivation has been a very successful crop for the alleviation of rural poverty. Of the 300 million hectares deforested in the world from 1990 to 2010 about 3% was planted with oil palms (not taking crop conversion into account) in some of the world's underdeveloped regions. (Source: FAO).

In 2023, approximately 20% of total palm oil usage was used in biodiesel production. This is similar to the previous year (2022). Europe has reduced the use of biodiesel, as road transport moves away from fossil fuels altogether, for environmental reasons. Oil palm has become a target for some environmental NGOs. Stricter sustainability criteria have meant the reduction in palm oil, as international biodiesel consumers become concerned about the environmental sustainability of Asian palm oil production.

Despite this negative perception, palm oil producing countries have continued in their production of biodiesel and have legislated to mandate its use in diesel blends.

This mandated use means that future consumption growth of biodiesel may not depend on price alone, and that vegetable oil prices are now linked to petroleum prices.

If the manufacture of biodiesel is perceived to cause the price of vegetable oils to rise to an unacceptably high level, some governments may withdraw their biodiesel mandates and biodiesel subsidies. This may cause a reduction in the use of biodiesel and a surplus of vegetable oils on world markets and lower prices for oil palm farmers. Such interventions will continue to cause annual fluctuations of palm oil usage for biodiesel. In Thailand this is very much the case, where we saw a relaxing of the blending in 2022, when global demand for veg oil was very high and exports were encouraged, providing better prices for farmers. In 2023 as the palm oil inventories were restored and as prices lowered, usage of palm oil for biodiesel increased again.

Univanich is a member of the Roundtable on Sustainable Palm Oil (RSPO) and the company is a certified supplier of sustainable palm oil. While sustainability certification increases production costs it also presents an opportunity for a company like Univanich, which can demonstrate a proven track record of environmental, economic and social sustainability.

## Exchange rates

International trade in palm oil is conducted in US dollars. Importers and Exporters from Thailand can therefore be affected by the value of the Thai Baht relative to the US dollar.

In the short term, Univanich hedges any currency risk on individual sales contracts which are denominated in US dollars.

## Renewal of Land Concessions

Parts of the Univanich oil palm plantations are planted on land leased under concession from the Government.

The Topi concession area 8,250 rai expired on 18<sup>th</sup> November 2023, and is currently still under the renewal process. This is detailed in Auditor Note 17. Loss of this land would mean a reduction in the company's plantation area, however, the impact is not considered to be significant as the current supply base from our own plantations is less than 5% and there will be no impact to the financial statement.



## PART 1 - BUSINESS OPERATION AND OPERATING RESULTS

### Competition from new crushing factories

In Thailand there is strong competition for purchased fruit amongst at least 50 major crushing mills. Univanich has approximately 10% share of this market. New crushing factories and expansion of existing factories can affect the level of competition for purchased fruit.

Although new crushing capacity is entering the industry every year, Univanich has achieved a good long term growth rate. This has been made possible by the company's continuing investment in new processing capacity and by the expansion of Thailand's oil palm planted area which is reported to have increased from 320,000 hectares (2.0 million rai) in 2003 to 1,027,162 hectares (6.4 million rai) in 2022 (source: Office of Agricultural Economics). At this rate of planting growth, Thailand will require a similar rate of expansion of crushing capacity but expansion of new planting and expansion of new crushing capacity will not always match.





## 3. Business Sustainability Development

### 3.1 Policy and objectives of Sustainable Management



The Univanich company’s 5,000 hectares of oil palm plantations now produces less than 5% of the total fruit processed by the company’s five crushing factories. More than 4,000 independent small farmers produce more than 95% of fruit processed by the company, and it is through encouragement of this smallholder participation that Univanich business has grown into a sustainable agribusiness success.

Univanich Palm Oil PCL was listed on the stock exchange of Thailand in 2003, under the abbreviation of UVAN. Today, it is one of Thailand’s leading producers of crude palm oil (CPO) and crude palm kernel oil (PKO) for

domestic and international markets. Biodiesel and other renewable biofuels are rapidly expanding new uses for palm oil, within Thailand’s domestic palm oil market.

In helping to promote this successful transformation, Univanich has always emphasized what it perceives as the “four Pillars of Sustainability” which are:



#### Advances in Science

In 1983, Univanich commenced a collaboration with the UK based Unilever Plantations and Plant Science Group. During the ensuing fifteen years, the company’s Oil Palm Research Centre (OPRC) was established to carry out research into unique features of Thailand’s oil palm agronomy and in particular, into oil palm breeding for improved drought tolerance.

Today, the Univanich OPRC is recognised internationally as a leader in oil palm research.

High yielding, drought tolerant Univanich seeds are exported globally to oil palm growers in more than 15 countries. In 2006 the company established Thailand’s first laboratory for oil palm tissue culture, with an objective to clone the elite parent palms from the Univanich breeding programme. This long-term research is now coming to fruition with Thailand’s first planting of high yielding clones in 2010, and in 2016 the company produced Thailand’s first semi clonal oil palm seeds, which are now available for sale. The latest advance in science should ensure the competitiveness of Thailand’s oil palm industry into future generations.

# PART 1 - BUSINESS OPERATION AND OPERATING RESULTS



## Environmental Best Practice

Since the company's first Environmental charter in the 1980's, which prohibited clearing of primary forests, Univanich has been at the forefront of promoting environmental best practice. The company's pioneering investment to reduce greenhouse gas emissions has led to development of four methane capture projects which together supply renewable electricity to many thousands of households through Thailand's national grid and which have generated more than 100,000 Gold Standard

Certified Emission Reductions (CERs) annually, under the United Nations Clean Development Mechanism. This creation and sale of Gold Standard CERs from Palm oil waste was another world first for the Univanich company.



## Social Sustainability

Independent smallholders now make up more than 80% of Thailand's 1 million hectares of oil palm, mostly located in the Southern provinces of Krabi and Surat Thani. What had been an impoverished and politically unstable region 40 years ago, has achieved a new prosperity, largely as a result of this successful agricultural development. Univanich has encouraged this development through the annual supply of more than 1.5 million high yielding seedlings to local farmers and through field- days at the company's OPRC training centre.

The company's strategy of 'sharing the technology and spreading prosperity' has paid off for the entire community. As thousands of small farmers have expanded and prospered, so too has the Univanich business.

These three pillars of sustainability have been developing into the culture of the Univanich Business since the early plantings by Khun Chean Vanich in the late 1960s.

The realization of stakeholder engagement and sharing the value with the local community has meant that the business has grown in a sustainable manner through the decades.



## **This fourth and final pillar is the Development of Sustainable markets with RSPO Certification.**

In the early 2000's there were strong links developing that associated palm oil with deforestation, threats to species survival, environmental damage and severe social consequences. In response to this urgent and pressing global call for the production of sustainable palm oil, the Round Table for Sustainable Palm Oil (RSPO) was formed in 2004. With the objective of promoting growth and use of sustainable oil palm products through a credible global standard, and engagement of stakeholders from all sectors of the palm oil industry:

Producers & Processors, Traders, Consumer goods manufacturers, Retailers, Banks, Investors, Environmental conservation NGO's and Social or Developmental NGO's.

The aim was to develop and implement a global standard for Sustainable Palm Oil.

This multi stakeholder approach developed a set of Principles and Criteria (with supporting Indicators) that the industry players could adhere to.

The Principle is the fundamental statement about the desired outcome and the Criteria is the implementation of this principle, the means of judging whether or not the Principle has been fulfilled.

## RSPO Principles and Criteria Topics and Objectives

Principle No.	Criteria Topic	Objective				
<b>Prosperity</b>	1. Information and public availability Communication and consultation Commitment to ethical conduct	A sustainable, competitive and resilient palm oil sector ensures long term viability of the entire supply chain and shared benefits for both private sector as well as the livelihoods of communities where oil palm is grown. Effective planning and management system to address economic viability, environmental and social compliance and risk, establish procedures and systems for ensuring conformance to the RSPO P&C, and supports continuous improvement towards sustainable palm oil.				
	2. Legal compliance Third party contractors legal Third party FFB legally sourced					
	3. Long term plan and economic viability Continuous Improvement and Reporting Standard Operating Procedures SEIA and Plans System for managing human resources Occupational Health and Safety Plan Training					
	<b>People</b>		4. Human Rights Complaints and Grievances Contribution to local sustainable development Land use and Free, Prior, Informed Consent (FPIC) Land use: Compensation Land use: Conflict	Human rights protected, respected and remedied. The palm sector contributes to reducing poverty, and palm oil production is a source of sustainable livelihoods. Human rights are respected. People participate in processes that affect them with shared access and benefits. Everyone engaged in palm oil production has equal opportunities to fulfill their potential in work and community with dignity and equality and in a healthy working and living environment.		
			5. Improved smallholder livelihoods Pay and working conditions			
			6. No discrimination Freedom of association No child labour No harassment No forced or trafficked labour Safe working environment			
			<b>Planet</b>		7. Effective Integrated Pest Management Pesticide Usage Waste management Soil health fertility Soil Conservation (erosion and degradation) Soil surveys and topographic information Peat Water quality and quantity Energy use Pollution and GHG's Fire HCV and HCS	Impact Goal: Conserved, protected and enhanced ecosystems that provided for the next generation. Ecosystems and their services are protected, restored and resilient, including through sustainable management of natural resources (sustainably manage forests, combat desertification, halt and reverse and degradation, halt biodiversity loss. Climate change is addressed through continuous GHG reduction and air and water pollution are controlled.

Univanich Palm Oil PLC, with its previously embedded sustainable and inclusive culture, became an early member of the RSPO, and the RSPO has now provided Univanich with a globally recognised and certifiable framework.

As a certified member of RSPO since 2013, Univanich engages in an annual audit and verification of the production process to the stringent RSPO Principles and Criteria for Sustainable Palm Oil Production by accredited Certifying Bodies. The certificate can be withdrawn at any time in case of infringement of the rules and standards.

# PART 1 - BUSINESS OPERATION AND OPERATING RESULTS



Univanich uses the RSPO Principles and Criteria as its foundation and guidance for its Environment, Social and Governance (ESG) platform, where we can demonstrate benchmarks and continuous improvement through the monitoring of key performance indicators with targets to highlight our sustainable and responsible growth, and mitigate our enterprise risk.



The remainder of this report focuses on the methods Univanich use in addressing the RSPO Principles and Criteria in regards to maintaining certification since 2013, and how we monitor continuous improvement through annual KPI's.

## 3.2 Management of Impacts on stakeholders in the Business Supply Chain

### 3.2.1 Business Value Chain.



## 3.3 Management of Environmental Sustainability

### Climate Change

Global weather patterns and sea levels are changing because of increasing temperatures caused by human activities releasing greenhouse gases (GHGs) into the atmosphere.

Carbon dioxide has been the main cause of global warming to date, releasing into the atmosphere by use of fossil fuels, land use change, such as deforestation and agricultural conversion. Methane is another significant greenhouse gas (the impact of methane on global warming is 23 times greater than that of CO<sub>2</sub>).

GHG emissions and temperatures will continue to increase throughout the 21<sup>st</sup> century. This will encourage a greater frequency of extreme weather events such as heatwaves, droughts and sudden heavy rainfall.

The RSPO has a strong focus on reducing Green House Gas emissions and the attempts to limit the contribution of the palm oil industry to climate change.

Members are required to monitor and report emissions and implement plans to reduce emissions.

Univanich takes the matter of climate change seriously and as a member of RSPO we currently monitor and look for opportunities to reduce our GHG emissions.

Univanich weather conditions are also on the drier spectrum of growing oil palm, with longer dry seasons than other more suitable growing regions. The longer drier period can have pronounced effects on the yield and this has also led to a focus on our water management practices and water usage which we monitor, and look for innovative methods of irrigation to support our production.

### Reducing our Carbon Footprint

RSPO Principle No.	Criteria Topic	Objective
Planet	7.	Energy use
		Pollution and GHG's
		Use of renewable energy
		Reduction in GHG emissions

Our target is to maintain a carbon negative footprint and continue to improve on these reductions from our 2018 baseline data.

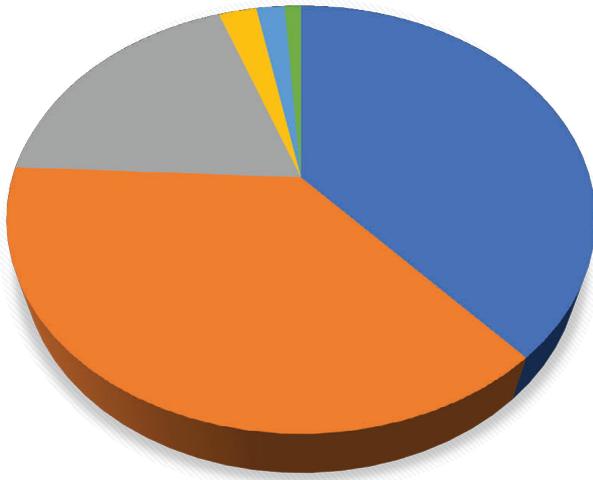
The 2018 baseline was an overall palm product carbon footprint of -0.23 MTCO<sub>2</sub>e/MT CPO/PK (ex-factory). Our method of monitoring this measurement is through the use of the RSPO Palm GHG calculator, which came into effect in January 2020.

The pie chart below highlights the most significant pie source of emissions from the Univanich operations. In 2023 the POME (palm oil mill effluent) continues to be our leading emission, as our processing of fresh fruit bunches in our factories increased in 2023 to a total of 1.74 million metric tonnes (15% yoy increase in FFB processed), this increase came from our smallholder farmers.

Our second highest emissions came from land conversion, which is now reduced from 37% in 2022 to 31% in 2023. This is the measured over the full life cycle of the plantation. Generally, the emission is higher in new planting areas, however, Univanich is now only replanting existing plantations hence the GHG emissions from land use conversion are reducing.



## Univanich Gross GHG Emissions by Source 2023 (MT CO<sub>2</sub> e%)



Pome	42%
Land Conversion	31%
Factories Fuel	20%
CO <sub>2</sub> Emissions Fertiliser	2%
N <sub>2</sub> O Emissions	2%
Fuel (Field Operations)	1%

Emissions from fuel use in the processing factories is the third highest GHG emission, an increase from 18% to 20%, this is a combination of the requirement from fossil fuels, as well as the requirement to use power from the main grid, on occasions.

As we have increased our processing volume we have more requirement for power. However, we hope to see this reduce over next few years as we look to improve our power efficiencies and become less dependent on fossil fuels as the feedstock for our power requirements. In 2024 we will be installing larger steam turbines at Topi and Lamthap factories. Both these factories are our larger power consumers as they have Palm Kernel crushing plants and depend on grid power to run. With the larger turbine we will be able to run the plants solely on our own generated biomass power.

We have also reduced emissions from fertiliser in 2023, both CO<sub>2</sub> and N<sub>2</sub>O (which is 300 times more potent than CO<sub>2</sub>). Fertiliser inputs were lower in 2023 as some areas are scheduled for replants in next few years, hence the fertiliser inputs are not required.

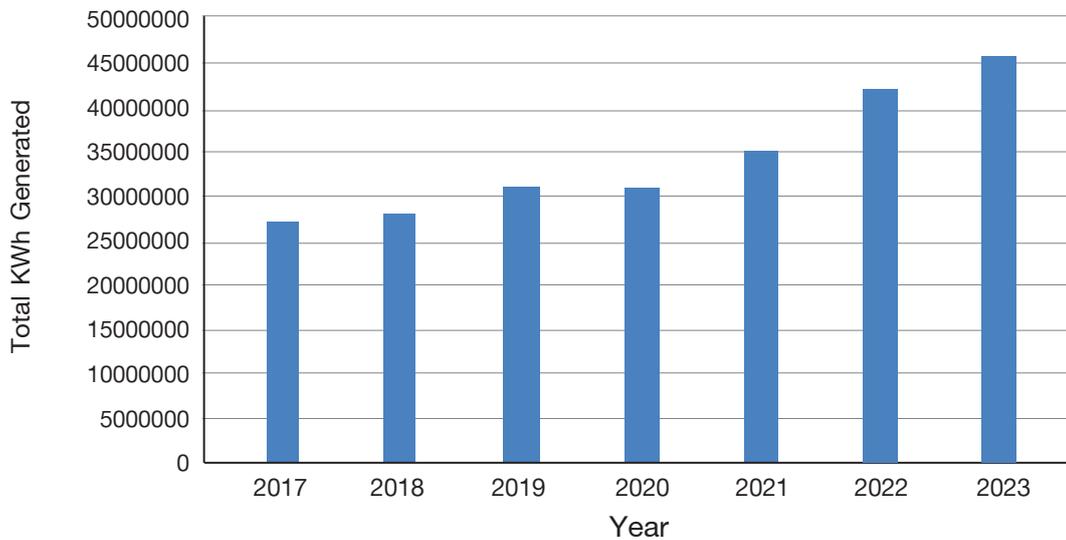
Univanich remains strongly committed in the reduction of our greenhouse gas (GHG) emissions and carbon footprint at our plantations and factory processing operations. Nearly 20% of the planets warming can be attributed to methane gas and with our top GHG emission coming from POME, Univanich is able to harness this emission through use of our biodigesters and gas engines, which have been in operation since 2008. Through this technology, we are able to capture the methane from our POME and convert this into energy, which is then used in our own operation or sold to the local power grid.

The increased processed volume at our factories has meant that POME has become our largest source of GHG, however we are able to capture this and convert it into a renewable power source. We can convert this increased GHG source into increased renewable power.

Our electricity generated has increased by 69% over the past 7 years.

# PART 1 - BUSINESS OPERATION AND OPERATING RESULTS

## Electricity Generated through our Methane Capture Projects 2017-2023

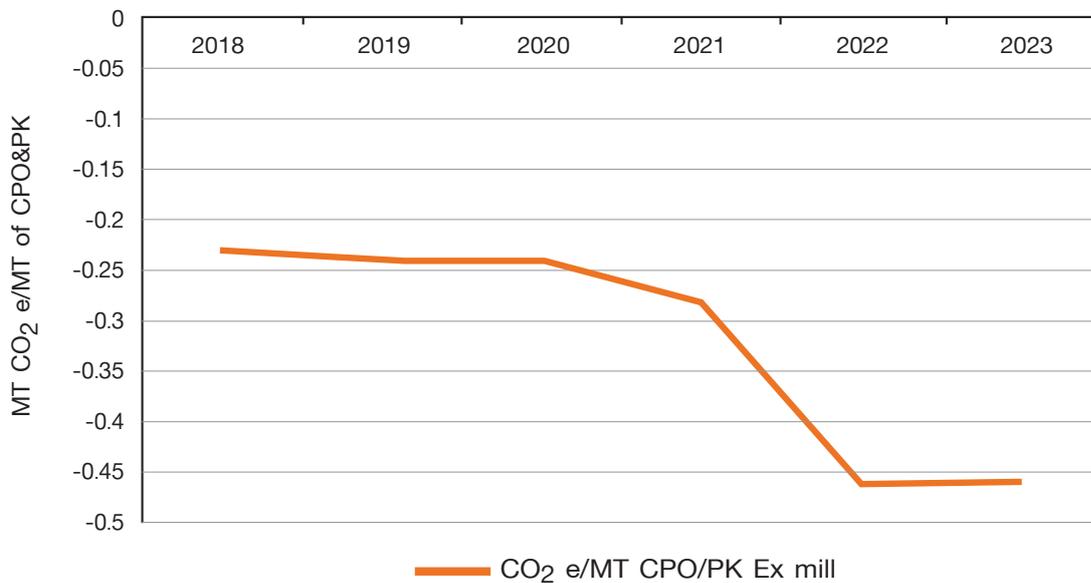


Univanich Form 56-1 One Report 2023

Year	Emission Sources							Credits			Summary		
	Land Clearing	CO <sub>2</sub> Emissions Fertiliser	N <sub>2</sub> O Emissions	Fuel (Field Ops)	POME	Mill Fuel	Grid Electricity	Crop Sequestration	Export of Electricity	Sales of PKS & EFB	Net Emissions	Total Palm Product	CO <sub>2</sub> e/MT CPO/PK Ex mill
2018	46,344	3,075	17,158	1,534	25,663	2,783	11,899	- 44,767	- 4,746	- 114,782	- 55,838	237,787	- 0.23
2019	47,481	3,312	2,429	1,320	23,754	2,495	12,122	- 42,959	- 7,302	- 101,239	- 58,587	240,087	- 0.24
2020	31,601	3,058	2,554	1,225	23,103	1,821	12,705	- 32,542	- 5,161	- 93,675	- 55,309	231,116	- 0.24
2021	36,039	2,632	2,121	940	28,096	1,821	13,879	- 33,173	- 6,489	- 120,804	- 74,938	267,623	- 0.28
2022	34,997	2,357	1,760	1,020	36,004	2,356	15,171	- 29,442	- 8,823	- 211,284	- 155,883	339,011	- 0.46
2023	31,061	2,071	1,498	1,011	42,398	2,589	17,909	- 26,801	- 7,456	- 248,942	- 184,662	404,240	- 0.46



## 2023 Univanich CO<sub>2</sub> Emissions per MT of CPO and PK Produced



The net CO<sub>2</sub> emissions from Univanich operations in 2023 was a total of – 184,662 MT CO<sub>2</sub>, or - 0.46MT CO<sub>2</sub> / MT CPO & PK. This is the same result as 2022 when considering reduction in CO<sub>2</sub> per MT of palm Product, primarily due to the following reasons.

The significant increase in volume of fresh fruit bunches received from smallholder farmers. This led for an increase in crude palm oil production as well as large increases in the by products such as fibre, Palm Kernel Shell (PKS), empty fruit bunches (EFB) and POME (Palm oil mill effluent).

The additional volumes of PKS, and EFB produced, are then sold to third party biomass power producers.

We continue to use the EFB as a fertiliser source to substitute the quantities of inorganic fertiliser that we require. With the use of EFB, we are able to reduce the emissions from fertiliser usage. In addition to this substitution of inorganic fertiliser, we also required less quantities of inorganic fertiliser as we are approaching replanting for some of our older palms, so inorganic inputs were not required.

The increased POME allowed for a higher production of methane that we utilised to produce increased electricity from our gas engines to produce more electricity for the local power grid.

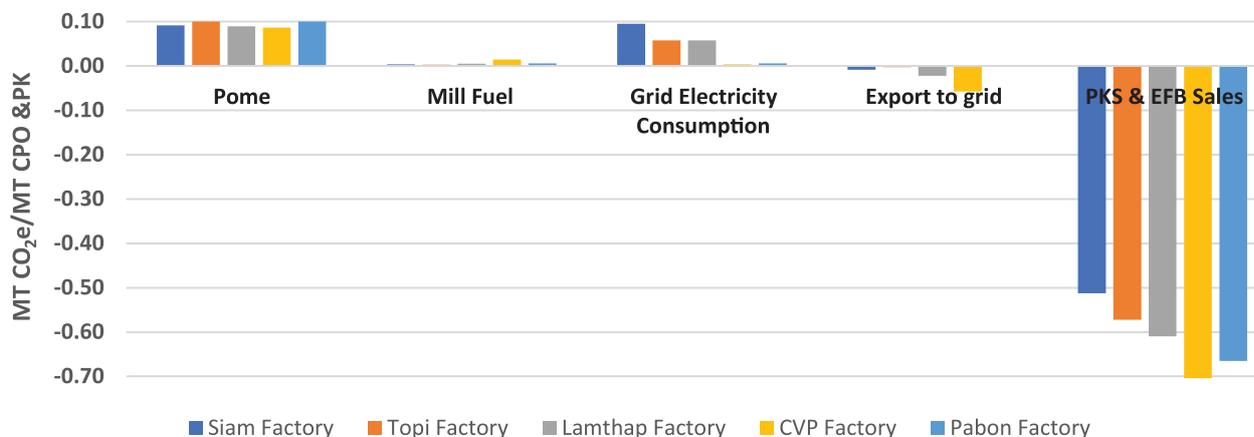
We continue to make improvements to our energy management operation at our processing factories to ensure we maximise the use of our biomass fuel supply and run our boilers as efficiently as possible to reduce our power requirement from fossil fuels.

The improvement in efficiency has allowed for additional credits from electricity export to the grid, and sales of palm kernel shell to third parties for their own fuel supplies.

Our ability to be able to recycle our byproducts of fibre, and palm kernel shell, and our biogas operations, allows Univanich operations to demonstrate negative GHG emissions, or a carbon negative operation.

Whilst we are able to demonstrate very low GHG emissions within our operations, we are very much aware that we are currently not tracking the emissions from the smallholder activities that are providing Univanich with the fruit to process. We are now embarking on a study to quantify the GHG emissions from the smallholders and this will then provide a more accurate picture of the emissions from the complete supply chain, starting from the smallholder, through to the production of CPO at our factories.

2023 Processing Emissions From Univanich Factories (MTCO<sub>2</sub> e/MT CPO&PK Ex-Factory)



To highlight potential areas of improvement in our operation, we analyze the emissions for each factory.

Emissions from POME fluctuate subject to processing fruit volumes and the volume of water used in the process. In 2023 we increased our processing volumes and hence volumes of POME increased. However, this increase in emissions from POME is offset by our methane capture operation. The increased methane is burnt in our gas engines to produce renewable electricity. In 2023 we were able to increase our electricity sales by 23%.

At Pabon we have completed the digester infrastructure and the methane gas collected is flared off.

However, we are now exploring the potential to produce compressed biogas (CBG) for transportation. This project is likely to commence construction in 2024 and will be able to further offset our Pome emissions.

The factories fuel emissions and grid electricity consumption are an area for focus, where we can look to offset further emissions. We are currently progressing on turbine and boiler upgrades at Topi, Lamthap and Pabon factories. This will allow us to reduce emissions from use of fossil fuels and increase our sales of byproducts (renewable biomass fuel in the form of Palm kernel shell, fibre and Empty Fruit Bunches) to third party power producers.

Overall, our processing factories continue to demonstrate negative emissions from the collection of methane in our biodigesters and converting this methane to electricity, which is sold to the local grid. Also the sale of renewable biomass products to third party energy producers and lastly through improvements to our current steam turbines, so that we are no longer dependent on buying in electricity or using fossil fuels to power generators. This reduces the requirement of fossil fuels to the operations.

It is pleasing to note that the byproducts from Palm Oil processing factories have evolved, from once being considered as a waste product, to now becoming very suitable renewable replacements for fossil fuels and an important product to offset emissions from the operation. Univanich will continue to review new technology in this area and aim to reduce GHG emissions further.

RSPO Principle No.	Criteria Topic	Objective
Planet	7. Waste Management	Waste Management Plan and reduction in waste
	Soil Conservation (erosion and degradation)	Protecting soil structure and water conservation
	Water quality and quantity	Management of water usage



## Water Management and Protection

The average long term annual rainfall for the Univanich operations is below 2,000mm and therefore it is important to manage our use of water with care and attention. Whilst we consume water for the processing of FFB, it is also vital we look for ways to recycle and conserve water for the field operations.

Being in a region with lower rainfall means we tend to experience a pronounced dry season in the early part of the year that can lead to consecutive months with rainfall below the 150mm mark. This can strongly influence our yield performance and hence the reason for our focus on water conservation, recycling and irrigation opportunities.

For 2023 we experienced a lower total rainfall of 1,839mm for the full year, 8% below the long term mean. However, more importantly was the fact that we experienced a prolonged dry period, with 4 consecutive months below 150mm of rain. This meant that soil water deficit was much higher, which created stress to the palms and meant that yield was lower for the 2<sup>nd</sup> half of the year.

**Univanich Rainfall 2023**



Water for our factories processing and nurseries, is drawn from local rivers and from Univanich reservoirs that have been constructed for operational use. These reservoirs can act as a buffer, especially in years where the rainfall is much lower.

The palm oil factories water usage does fluctuate year on year, depending on the volume of FFB, process management, boiler efficiency and sterilizing methods used at each factory.

Univanich’s current target is to maintain usage below 1.40m<sup>3</sup> per tonne of FFB processed. In 2023 the average water usage per MT of FFB processed was 0.93 m<sup>3</sup> per MT of FFB processed. This is a reduction from 0.98 m<sup>3</sup> of water used in 2022.

A reduction has been maintained for the past five years where we have seen a 18% reduction in water usage at our processing factories. This reduction is through upgrading of mill equipment, active monitoring and improved management attention to improve efficiency and reduce losses through the processing cycle, by recycling and conserving the use of water.

**Palm oil mill water usage intensity for Univanich mills  
(2018 - 2023 (m<sup>3</sup>/MT FFB Processed))**



The higher recorded usage at Pabon is due to additional consumption by our small oil palm seedling nursery.

Our CVP processing factory shows lower usage and this is because of different equipment used for the oil recovery system which requires less water in the process.

Continuous monitoring and improvements to the processes will allow us to continue in our efforts to reduce water usage.

All palm oil factories effluent (POME) is processed through our bioreactors and treatment ponds before being discharged. For all factories, upon completion of water treatment, the water is used for land application and provides a useful source of water for irrigation of the oil palms, allowing for a steady flow of water to maintain soil moisture through the pronounced dry periods that we experience.



To improve the treatment process, we carry out regular desilting of the treatment ponds. The recovered silt is also applied to our plantations, as it is a useful source of organic matter to maintain soil structure and provide nutrients for the oil palms.

We monitor the Biological Oxygen Demand (BOD) levels of our final treatment pond to ensure the level does not exceed 20 ppm at the last pond of water treatment.



## Chemical Management and Pest Control

RSPO Principle No.	Criteria Topic	Objective
<b>Prosperity</b>	3. Occupational Health and Safety Plan	Health & Safety Procedures
	Training	Chemical Handling Training
<b>People</b>	6. Safe working environment	Personal Protective Equipment
<b>Planet</b>	7. Effective Integrated Pest Management	Alternative Solutions to using pesticides
	Pesticide Usage	Monitoring of chemicals applied

Principle 3,6 and 7 of RSPO focuses on the commitments to monitor pesticide usage within our own plantation estates, and the implementation of integrated pest management (IPM) plans, to reduce the use of chemicals application and find alternative methods to minimise the use of chemicals on the plantations.

The Univanich plantation estates utilise the following pesticides in their field management practices.

	Brand Name	Active Ingredient	Target Pest
<b>HERBICIDES</b>	Roundup Garlon Starane Basta Ally	Glyphosate Triclopyr Fluroxypyr Glufosinate Ammonium Metsulfuron	Broadleaf weeds & grasses Broadleaf & woody weeds Broadleaf & woody weeds Broadleaf weeds & grasses Broadleaf weeds
<b>INSECTICIDES</b>	Cypermethrin	Alpha-cypermethrin	Rhinoceros Beetle
<b>RODENTICIDES</b>	Deadline, Lanirat	Bromadiolone	Rodents

Since the very early years, Univanich has been implementing IPM through best management practices. A high standard of replanting with focus on sanitation and effective palm chipping, to reduce potential breeding sites for Rhinoceros beetle, a major pest to oil palm. The Rhinoceros beetle larvae chew into the growing point of young palms and can kill the palm. They are a very significant pest in oil palm plantations.

If replanting, and sanitation is maintained to a high standard, this can significantly reduce the amount of insecticide, namely cypermethrin, which is used as a prophylactic, to control the numbers of Rhinoceros beetle at the replant area.

## PART 1 - BUSINESS OPERATION AND OPERATING RESULTS

Cover crops are planted early, to establish good ground cover, and suppress weeds in the early stages of the palm growth. Palm circles are cleared and empty fruit bunches are applied in a single layer around the palm to form an effective mat to prevent weed emergence in the early years. This allows management to reduce the number of rounds of chemical herbicide control in the immature stage when there is no canopy to assist in weed suppression. The empty fruit bunches provide a much-needed supply of nutrients as well as suppressing weed species that will compete with the newly planted oil palm for both light and soil nutrients. It is important that the young palms are provided with optimum growing conditions so as to reach early maturity and fresh fruit bunch formation.



At Univanich we do not use chemicals identified by World Health Organisation (WHO) as Class1A (extremely Hazardous) or 1B (Highly Hazardous).

Rats are a major pest causing damage to oil palm plantations. They can eat the leaf bases of young palms, sometimes killing the palms and in older palms, rats eat the ripening fruits on the bunch and thereby reduce the oil content of the fruitlets which can affect overall yield. Most farmers use poisons or rodenticides to control rat numbers.



Barn owls are efficient predators of rats and at Univanich Plantations, we have been actively encouraging barn owls to reside in the plantations as an environmentally sustainable method of rat control.



The Univanich team has been erecting Barn owl boxes in the plantation blocks to encourage barn owls to live and breed on the estate.



Adult barn owls can catch up to three rats per day, thereby reducing the need for chemical poisons to control rat numbers.

Numbers of barn owls has remained high for the past few years. In 2023 we attribute the slight fall in numbers due to the drier weather and the likely drop in population of rat numbers in our estates.

## Barn Owl Population in the Univanich Estates



An annual census is carried out to record, adult numbers, occupancy rates, egg counts and owlet numbers. Univanich has also developed a breeding programme to be able to carry out awareness and assist with rearing and providing barn owls for smallholder farmers that are interested in biological control for their own estates.



## 3.4 Social Sustainability Management

### Managing our People

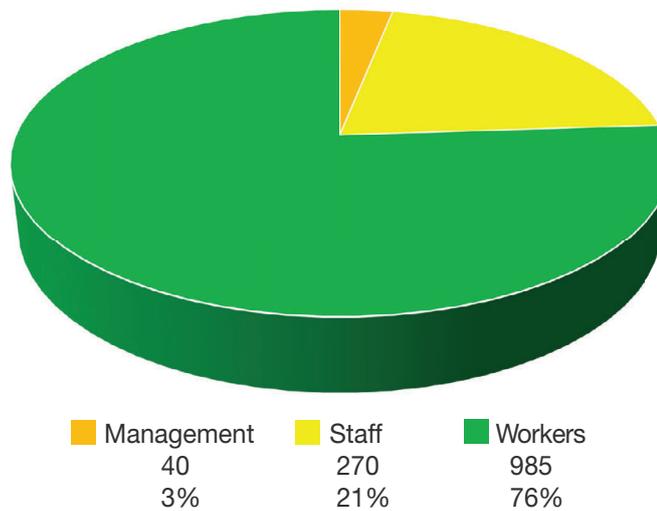
RSPO Principle No.	Criteria Topic	Objective	
<b>People</b>	4.	Human Rights	Policy in place to protect our employees
		Complaints and Grievances	Grievance Procedures
	5.	Pay and working conditions	Policy in place to protect our employees
	6.	No discrimination	Policy in place to protect our employees
		Freedom of association	Policy in place to protect our employees
		No child labour	Policy in place to protect our employees
		No harassment	Policy in place to protect our employees
		No forced or trafficked labour	Policy in place to protect our employees

Univanich employs over 1,295 people across the operations in Thailand and Philippines. It is key for Univanich to uphold the highest standards to ensure we are a fair and safe place to work.

We are guided by the national laws in the respective countries and by the RSPO Principles and Criteria guidelines, to which we are audited against annually.

The number of employees as of December 2023 is displayed below.

**Univanich Employees by level 2023**

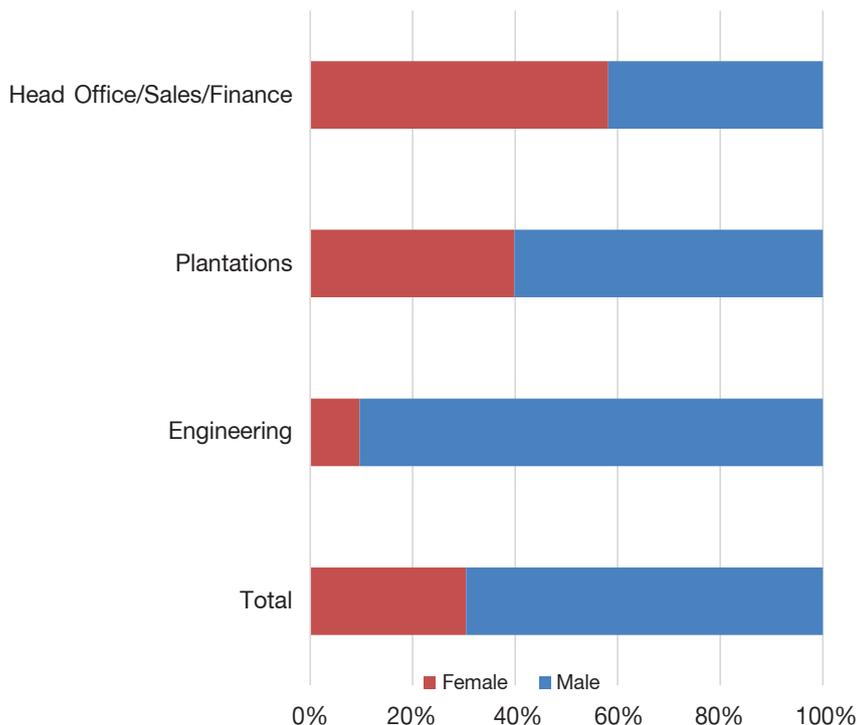


Our employees are predominantly from the local areas of operations for both Thailand and Philippines, as it is part of our social responsibility to support the local community, by providing employment.



The company also provides the majority of employees with housing and utilities. In December 2023 the minimum wages were revised in Thailand and the company ensures that wages are paid above the national minimum wage.

### No. of Male and Female Employees within Univanich Operations 2023



Univanich is an equal opportunities employer that does not allow any forms of discrimination. All our employees receive the same pay and benefits regardless of gender.

Univanich actively supports gender equality and continues to challenge traditional notions of what gender roles should be. We monitor the gender balance across all our operations and are encouraged by the changes that we are seeing over time, to balance what was previously perceived as a male dominated industry.

# PART 1 - BUSINESS OPERATION AND OPERATING RESULTS

Under the guidance of RSPO Principles and Criteria Univanich has established a set of policies in relation to our employees.

Our labour standards are benchmarked against the ILO core labour standards and the National Labour Protection Act (No.7) that include

- All employees have the right of freedom of expression to join and form organisations of their own choosing.
- No children below the age of 18 are permitted to work on Univanich premises, either paid or unpaid.
- There is no engagement or support of discrimination on the grounds of race, colour, gender, disability, age, national origins, marital status, religion or ethical beliefs.

## Health and Safety of our People

RSPO Principle No.	Criteria Topic	Objective
Prosperity	3. Occupational Health and Safety Plan	Health & Safety Procedures Committee Establishment, Awareness, Training and regular monitoring of Incidents and Prevention Plans.
	Training	
People	6. Safe working environment	

Improving health and safety standards and safeguarding the health and safety of our employees has always been a major focus for Univanich.

Monthly Health and Safety briefings are held at our operational sites on rotational basis, throughout the year. This provides an opportunity for the operational teams to visit and inspect other sites of the Univanich operations to support and share knowledge, experience and awareness to improve the Health and Safety culture within each of our operations.

The key performance indicators used to measure our performance are

1. No of Lost Time Cases across all Univanich Operations  
A lost time case is an occupational injury/incident which results in an employee being unable to return to meaningful work.
2. The Lost Time Incident Rates  
This represents the number of cases that result in lost days' work over a given time period. The current industry standard is to use 1,000,000 working hours as the time unit for comparison across other oil palm companies.
3. Severity Rate  
This is a calculation that gives the average number of lost days per recordable incident.

We currently record all lost time incidents resulting in more than 3 lost days of work, and have been tracking this information since 2017.

Our target is to reduce all Health and Safety KPI's by 5% each year.

The number of incidents in the Univanich operations is showing a reduction over the past 5 years. We have seen a sharp decline in the number of incidents since 2020, particularly in our factory operations. Near miss reporting and ongoing awareness has encouraged management to target areas of concern with specialized training.

# PART 1 - BUSINESS OPERATION AND OPERATING RESULTS



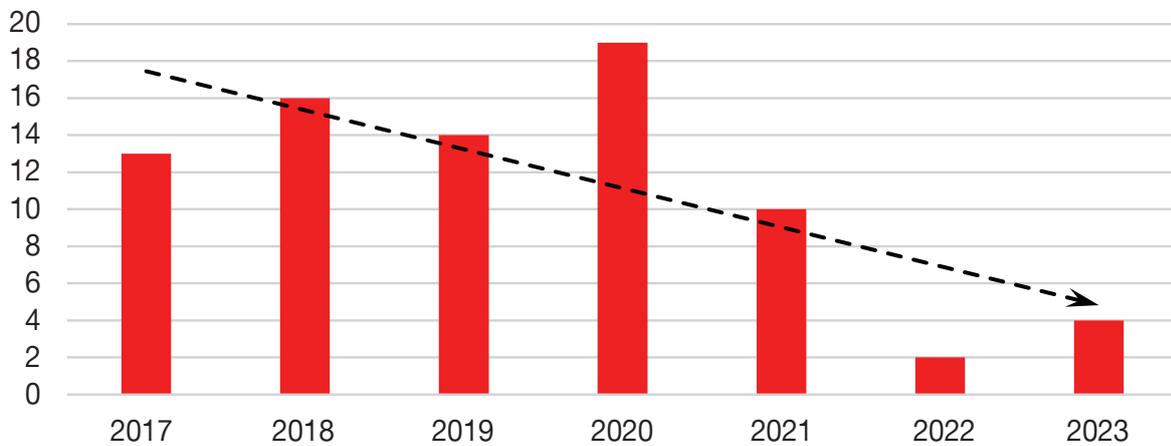
In 2020 we also embarked on the ISO 9001 certification across all our processing factories, which helped us develop a quality management system to focus on areas of concern in the factories, this also encompasses our Health and Safety monitoring systems, which in turn heightens our awareness.

For each Lost time incident, a detailed investigation is carried out and an Improvement and Prevention Plan (IPP) is completed and implemented.

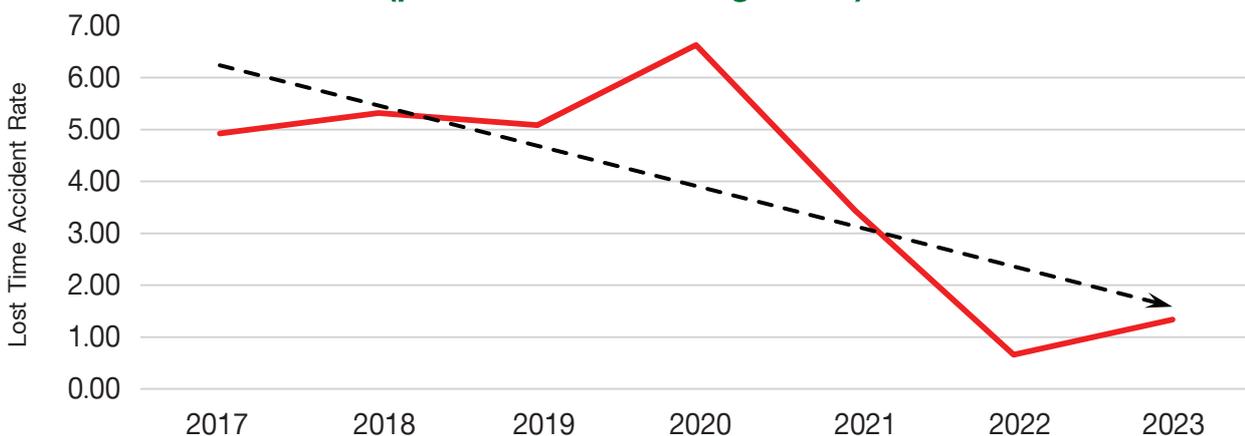
Our target is to reduce the number of incidents by 5% each year. Since our monitoring programme commenced in 2017, we have seen an 85% reduction in lost time cases.

For our lost time rate, or the number of lost time cases per 1,000,000 work hours. We have continued to see a downward trend as a result of our improved awareness and attention to Health and Safety.

## No. of Incidents for all Univanich Operations 2017-2023

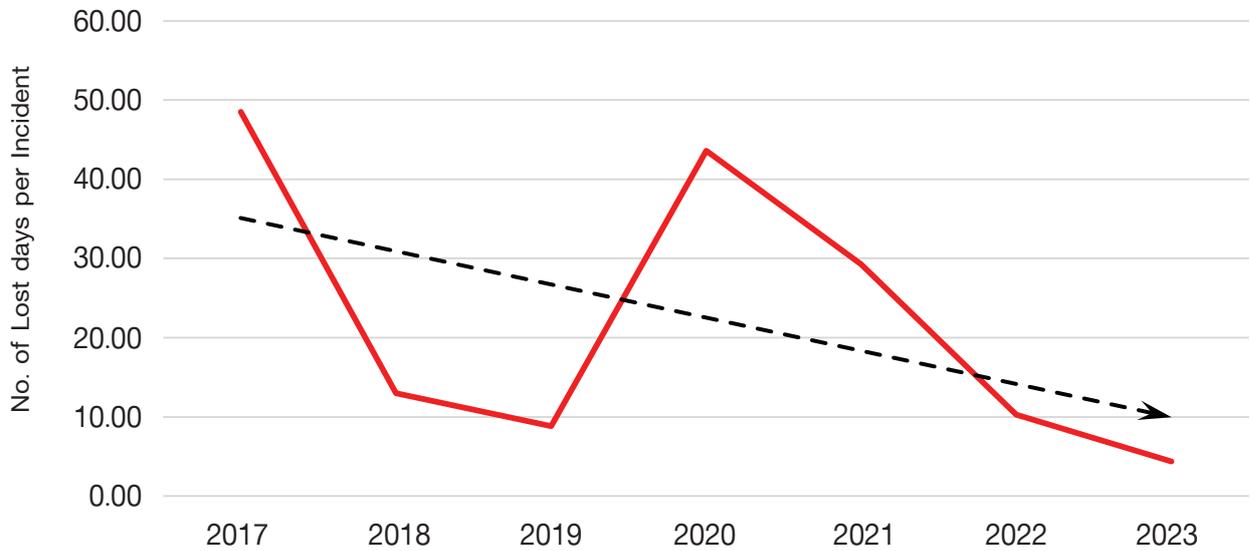


## Lost Time Accident Rate 2017-2023 (per 1,000,000 working hours)



The severity rate (average number of lost days per recordable incident) has seen a significant downward trend since 2020, and this highlights the progress made. This performance indicator can fluctuate based on the scale or severity of the incident.

**Severity Rate 2017-2023  
average lost days per incident**



Overall, since 2017 we have managed to reduce the severity by 91%. Our target remains to maintain this low level and further reduce by 1%.

In 2024 we will continue our Health and Safety awareness and training in order to continue the downward trend in terms of lost time incidents and the severity of these such incidents.

One area of focus is to curb our excessive overtime hours. This is a common issue across the industry given the seasonality of the crop and the large peak periods when the factory is running 24 hours a day.

It is important to note that the overtime is voluntary overtime that is authorized and recorded.

Workers generally prefer the extra hours and earnings and understand that in other periods of the year there is no opportunity for overtime.

However, we also need to be concerned that our team can become tired and tiredness can lead to lack of concentration and more accidents at work. Management is looking at methods to try and reduce the overtime and believes this will help to improve the Health and Safety KPI's further.

**Stakeholder Extension Services**

RSPO Principle No.	Criteria Topic	Objective
<b>People</b> 5.	Improved Smallholder livelihoods	Extension service for support and Advice

With 95% of our FFB volume coming from smallholders, it is paramount that we work together and support our local farmers and maximise their production. Univanich has the benefit of being vertically integrated, from seed production to estate management and factory processing. This provides the opportunity for a supportive extension service for knowledge sharing and technical advice on growing oil palm.



Through coordination with the District Agriculture Department, Univanich are regularly invited to participate in oil palm field days. These events are held across all districts and are designed to educate farmers on the following:

1. General knowledge of oil palm farming
2. Planting techniques and the importance of selecting the correct planting material.
3. Oil Palm Seedling handling.
4. Upkeep practices.
5. Pest and Disease Control.
6. Fertiliser Application.
7. Replanting methods.
8. Basic Budgeting.
9. Sustainable production of oil palm and benefits of becoming RSPO certified.



The Univanich team attended 22 events in 2023. These events were very well supported by farmers and other stakeholders.

Seed and Seedling Customer visits were also carried out throughout the year, to provide an after sales and support service to ensure the quality standard is maintained and to provide further advice on nursery and immature field practices. These visits allow our team to look at new market areas and receive feedback from our customers for future improvements in our customer relations.

# PART 1 - BUSINESS OPERATION AND OPERATING RESULTS



## Univanich Oil Palm Seeds

28K likes · 41K followers

ยูนิวานิช ผลิตและจำหน่ายเมล็ดพันธุ์ปาล์มน้ำมันมานานกว่า 45 ปี ส่งออกกว่า 15 ประเทศทั่วโลก

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In addition to Field Days and Customer visits, Univanich also runs a very active Facebook page with regular updates and this is a good method of reaching out to smallholders for advice and support.

Followers to our Facebook page have increased 25% in 2023.



Univanich continues to support the Univanich Plaipraya Community Enterprise Group in their ongoing RSPO certification. Univanich provides logistical and administrative support, as well as agronomic advice and support.

Univanich Form 56-1 One Report 2023



This group of 235 members with 1,193.43 ha have been certified under RSPO since 2012. The Univanich Plaipraya Community Enterprise Group was the first independent smallholder farmers to become RSPO certified in Thailand, under the Book and Claim model. This model allows for smallholder farmers to be able to sell RSPO credits against physical sales of oil palm products.



## Univanich CVP Factories “To Be Number One” Campaign.

RSPO Principle No.	Criteria Topic	Objective
<b>People</b>	4.	Contribute to local sustainable development
		Supporting stakeholders and local community

The “To be Number One” campaign is an initiative that was founded by Princess Ubolratana Rajakanya which was established in 2002. The main aim is to help youths stay away from the dangers of drug use. The drug problem in Thailand has been escalating year on year. The Princess recognises the very important role that the youth population has to play in the development of the country. This age group is also the high-risk group for drug addiction.

The “To be Number One” initiative is aimed to prevent and solve this increasing drug problem through awareness and information. With the support from a multi stakeholder approach, organisations and government agencies are to join forces and share the challenges to reduce the drug problems across the whole nation.

The main objectives of the “To Be Number One” programme are:

1. To create a set of values and to strengthen the youth population to say no to drugs.
2. To develop a new generation who believes in and is proud of their achievements.
3. To provide a social support group to organizes creative activities.
4. To provide support to addicts and their families.
5. To provide general awareness and knowledge about the preventions, and options for rehabilitation.

Our Phang Nga processing factory, at CVP, has been a part of the “To be Number One” campaign since January 2016. It is 1 of 3 companies to join in Southern Thailand and has 113 members.

The main activities are promoting the recycling of our waste products such as ash, fibre, empty bunches and decanter cake for organic vegetable farming.



The team continues to work with local communities and schools to encourage the benefits of using our waste products as a soil medium for growing organic vegetables. The team have supported the community with the supply of the organic produce. This has helped to create positive awareness to demonstrate that the processing factories waste products have enormous value as an organic fertiliser.

# PART 1 - BUSINESS OPERATION AND OPERATING RESULTS



The ‘To be Number One’ programme has also helped establish a strong network amongst stakeholders, in particular linking the Univanich operation with the local community, and local leaders at the sub district level and, district level. Strong links have also been established with the local Health Authority at the District and Provincial level. This has allowed the team at CVP to be involved in numerous community events in Phang Nga province.



*Collecting rubbish on Ao Khoei beach, Phang Nga Province*

# PART 1 - BUSINESS OPERATION AND OPERATING RESULTS



For our operation, this initiative has encouraged teamwork and created awareness amongst our own workforce of the dangers of taking drugs and the importance of a close community.

*Participating in Education Programme  
at Kuraburi Chaipattana  
Pittayakom School*



Supporting Rescue team in Kuraburi, Phang Nga in raising funds for the building of Phetkasem foundation.



“To be Number One” open day at Univanich Kuraburi Mill, Phang Nga Province with Mr Sinchai Thanomsin, Former Chief Inspector General of Department of Community Development, and Mrs. Nusara Wongsuwan, Deputy Director General of Probation Services.

# PART 1 - BUSINESS OPERATION AND OPERATING RESULTS

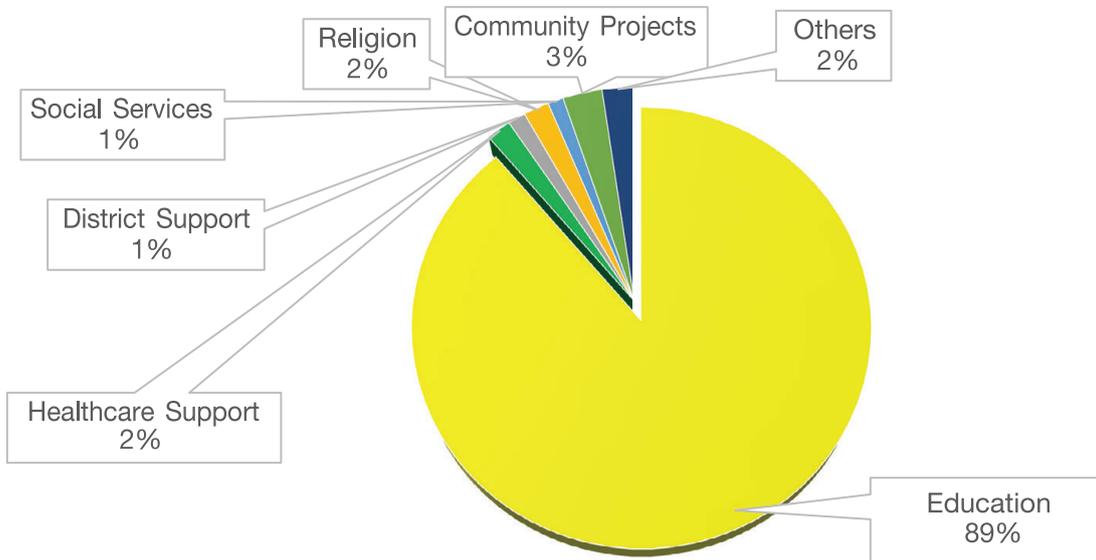
## Community Support

RSPO Principle No.	Criteria Topic	Objective
<b>People</b>	4.	Contribute to local sustainable development
		Supporting stakeholders and local community

Univanich Palm Oil Public Company appreciates and understands the importance of its stakeholders within the community. Being a large footprint in the community in terms of employment, and support to smallholder farmers, Univanich is committed to community development within its area of operations.

Each year Univanich donates towards community programs, primarily in areas of Health and Education. For 2023, Univanich has supported several community projects. The chart below highlights the areas of focus, for this year it has predominantly been in educational support.

### 2023 Donations for Community Support



# PART 1 - BUSINESS OPERATION AND OPERATING RESULTS



## Establishments supported by Univanich in 2023

Krabi	Phang nga / Phuket	Others
1 Lamthap Municipality	1 Red-cross Phang nga	1 POCA
2 Krabi Hospital	2 Bangwan Subdistrict, Phang nga	2 Thapraja Subdistrict, Nakornsrihammarat
3 Nongtalay District	3 Kuraburi district, Phang nga	3 Redcross Ranong
4 Lamthap District & Subdistrict	4 Phang-nga Province	4 Don Ma Prang Temple, Cha uat, Nakorn
5 Ministry of Interior	5 Baan Tream Temple	5 Baan Toon School, Cha Uat
6 Krabi Governor	6 Self Help Settlement Group, Taimuang	
7 Lamthap School		
8 Labor office, Krabi		
9 Aoluk District		
10 Wat praison School		
11 Wat Pak Nam School		
12 Aoluk Coop		
13 Resource and Environment Dept		
14 Red-cross Krabi		
15 Municipal Aoluk Tai School		
16 Lamthap Pracha Nukor School		
17 Baan Rai Pattana School		
18 Aoluk Rescue Team		
19 Public Health Office		
20 Krabi Industrial Office		
21 Social Security Office		
22 Plaipraya Police station		
23 Bang Yai Temple		
24 Dept of labour protection & welfare		
25 Ministry of Commerce		
26 Ministry of Labour		
27 Playpraya district		
28 Krabi Energy Department		
29 Anuban Aoluk School		



# PART 1 - BUSINESS OPERATION AND OPERATING RESULTS

## 4. Management Discussion and Analysis (MD&A)

### Weather

Table 1: Univanich Soil Moisture Deficit (2019 - 2023)

(mm)

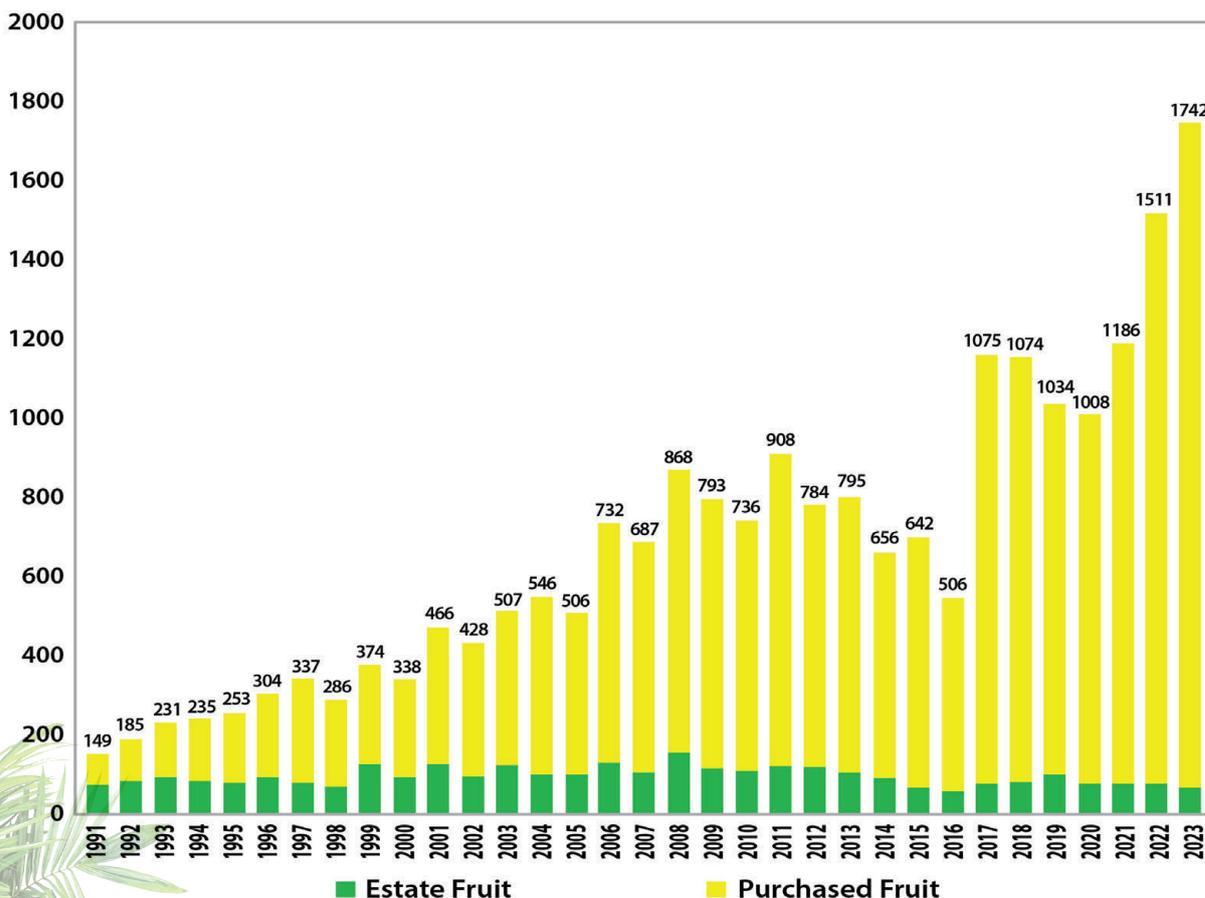
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2019	0	14	52	6	3	0	0	1	0	0	0	0	76
2020	50	114	72	3	1	0	0	0	0	0	0	0	240
2021	0	64	79	1	0	1	1	0	1	0	0	0	147
2022	71	3	0	1	0	8	0	1	1	0	0	0	85
2023	0	78	114	51	6	10	1	3	0	0	0	0	263

In 2023, the company had a pronounced dry period that lasted 5 months, which caused significant moisture deficit. As a result there was no second peak and this led to slightly lower yields from our own estate for the full year.

### Production

#### Univanich Fruit Processed (1991 – 2023)

(Thousand tonnes)

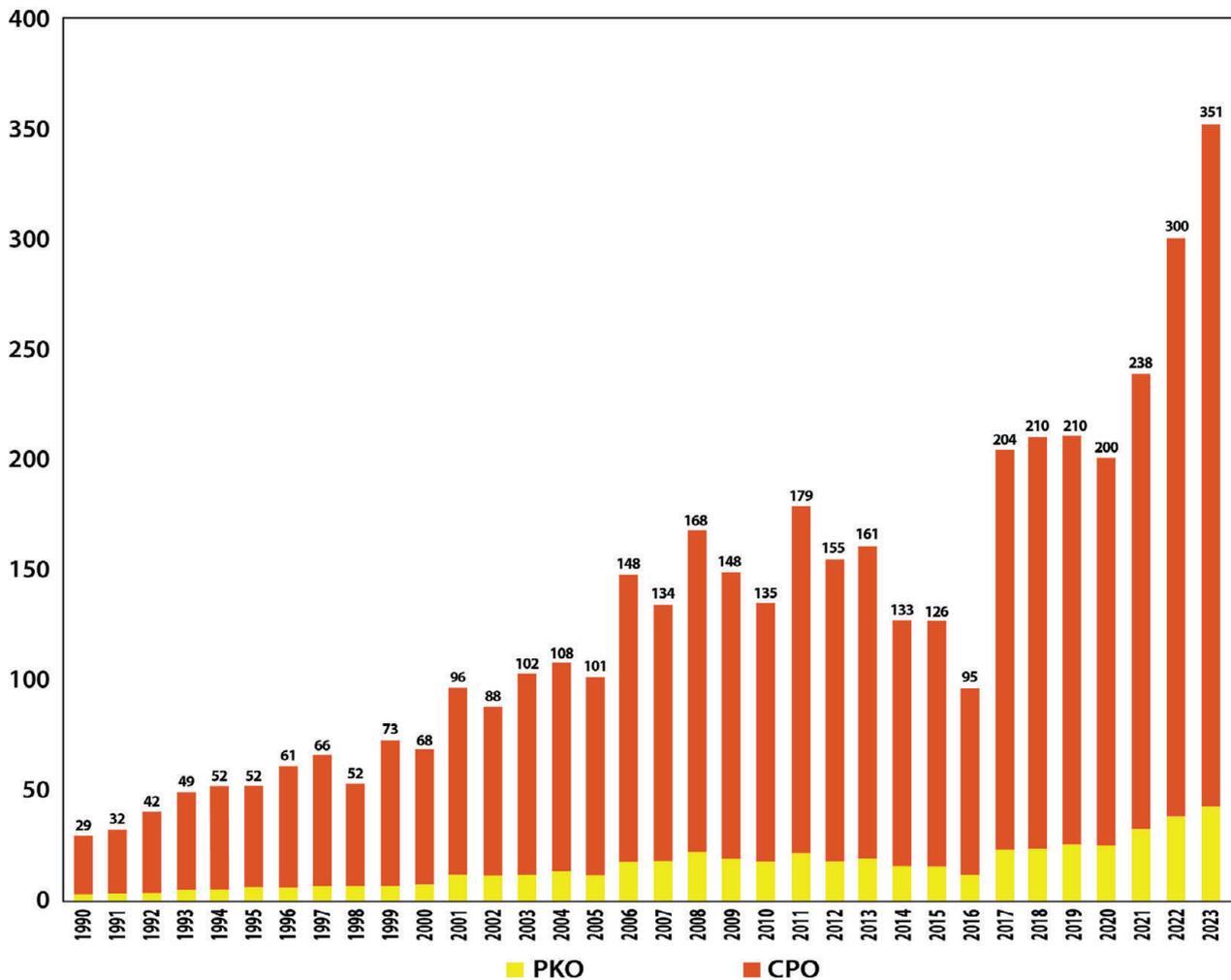


2023 volume of outside Fruit Purchases at 1,675,156 tonnes were 16.3% higher than the previous year mainly from the recovery of the older palms in Q1 and Q2 of 2023, following their disappointing yield in 2022 and new areas coming into production in Nakhon Sri Thammarat, Phattalung. Our increased capacity has also allowed us to increase our market share in the purchasing of FFB volumes through the contract ramp initiatives and increasing our extension services with growers.



## Univanich Palm Oil Production (1990 – 2023)

Thousand tonnes



### Sales

Total sales revenue of Baht 14,174 million was 23.7% lower than in the previous year due to the following effects:

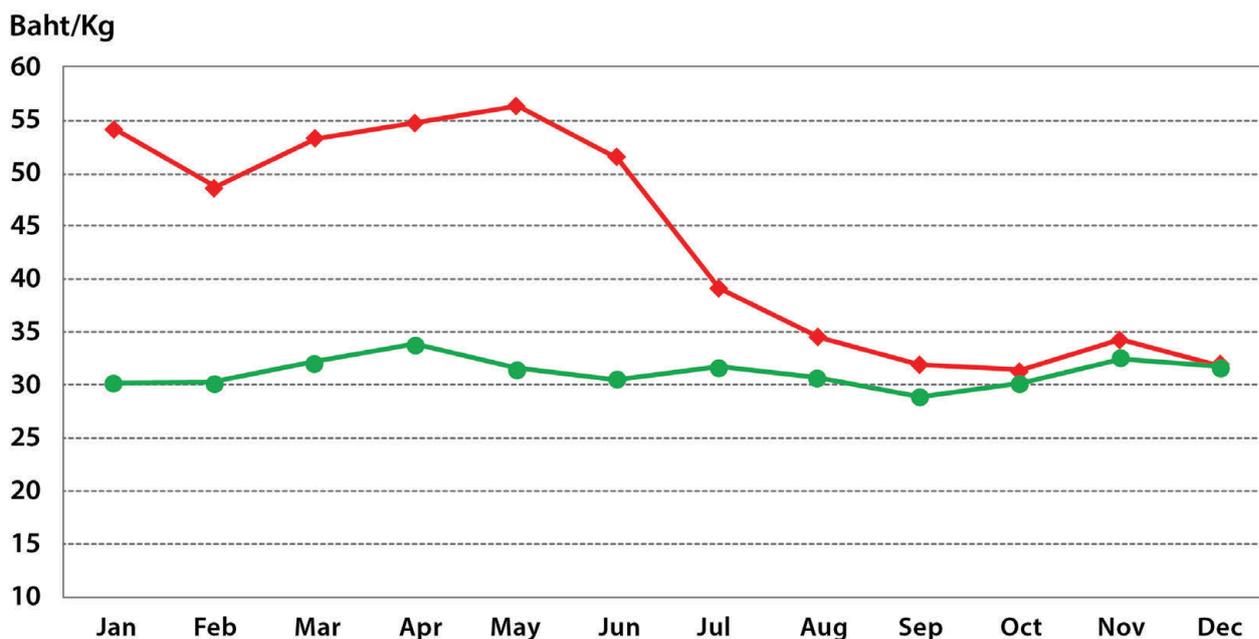
The average selling price of Crude Palm Oil (CPO) and Palm Kernel Oil (PKO) were respectively 29.9% and 44.7% lower than the previous year. The palm oil price remained at a lower level throughout the year, when compared to 2022. However, there was volatility with the price, driven upwards by speculation of the El Nino arriving in second half of 2023. This was followed by improved production levels out of Indonesia and Malaysia, and increased supply of alternative vegetable oils. These factors limited any increase in price. Thailand FFB supply remained steady, despite concerns of FFB shortage in Q3 and Q4, caused by the high moisture deficit in the first half of the year. The concerns of crop shortage added to the potential El Nino impact, pushed fruit prices higher, in anticipation of demand intensifying, and higher oil prices. However, the Thailand CPO inventory was stable throughout the year with supply keeping up with the demand. 2023 Export volumes were lower, with the domestic price remaining higher than international prices for the majority of the year, this meant the inventory levels were maintained higher than in recent years.

Total sales volume increased by 8.0% from previous year mainly due to increased production. This is offset with a decrease in trading of third-party oil for export.

# PART 1 - BUSINESS OPERATION AND OPERATING RESULTS

The previous year's higher prices have encouraged new oil palm plantings and replanting of old palms. This momentum continued into 2023 and has led to a significant increase in demand for Univanich hybrid oil palm seeds, both from domestic and export customers. Seed sales volume increased by 40% year on year. Our oil palm seedlings continue to be in high demand, sales were slightly lower than previous year due to delays in planting because of the very dry period in the first half of the year. However, this has allowed orders to carry over into 2024.

## Thailand CPO Price 2022-2023



Source: Department of Internal Trade

—◆— 2022    —●— 2023

### Cost of Sales

Cost of sales of Baht 12,443 million was 23.3% lower than the previous year mainly due to lower outside fruit price from the lower palm oil prices.

Overall, the gross profit margin for the year was 12.2%, similar to the gross profit margin of the previous year which was 12.7%.

### Overseas Operations

In 2023, CPO sales volume of Univanich Carmen Palm Oil Corporation decreased by 11.0%, despite the increase 3.1% of CPO production. The decrease in CPO sales volume was mainly due to the decrease in third party purchases for export trading and higher inventory at the end of the year.

The profit after tax of PHP 187.83 million was 21.8% lower than previous year mainly due to the falling palm oil price. The profit attributed to UVAN shareholders was Baht 59.85 million and this has been consolidated in the UVAN trading result.

### Trading Result

For the financial year ending 31<sup>st</sup> December 2023, the consolidated net profit after tax of Baht 936.0 million (Baht 1.00 per share) was 34.5% lower than the result of Baht 1,429.76 million in the previous year. The main factors affecting this lower profit were lower CPO and PKO price resulting to the much lower crushing margins, lower profit of our estates from lower fruit price and decreased profit from third-party oil purchases for export.



## **Capital Projects**

Investment in Capital Projects during 2023 was Baht 478.90 million.

Plantation projects included the routine replanting of another 180.30 ha (1,126.88 rai) of oil palms. The company's plantations have been replanted with a new generation of palms. This routine annual replacement has achieved a stable, well-balanced age profile.

In 2023, the company purchased land 820 rai at Pealar, Klongtom Krabi to increase palm plantation area.

The capacity expansion project at Pabon factory to increase the capacity from 45 mt palm fruit/hour to 60 mt. The project is expected to be completed in Q1 2024.

The project of expansion capacity for the existing tank farm from 9,000 mt to 12,000 mt has been started in 2023 and is expected to be completed in Q1 2024. This project will increase the company's ability for palm oil export.

Other investment projects include Energy Improvement projects so that the factory can produce enough electricity to meet the factory's demand.

During 2023 the company continued investigations in Thailand and several overseas countries seeking suitable investment opportunities related to our palm oil business.

## **Cash Flow and Capital Structure**

Cash or cash equivalents on hand at 31 December 2023 were Baht 1,191.61 million, compared to Baht 1,389.43 million at end of 2023.

- Net cash inflow of Baht 1,180.37 million for operating activities resulted from the net profit before tax of Baht 1,210.75 million, depreciation, amortization and other non cash charges in total of Baht 235.10 million, tax paid of Baht 256.21 million and an increase in working capital of Baht 9.27 million.
- Net cash outflow of Baht 372.61 million for investment purposes, included proceed from redemption of short-term investment of Baht 80 million, net cash expenditure of Baht 464.87 million, proceed from settlement of loans to contractors of Baht 0.94 million and interest income of Baht 11.32 million.
- Net cash outflow of Baht 1,013.84 million for financing activities was mostly due to the dividend payment of Baht 940 million, being Baht 1.00 per share paid during 2023, Baht 39.24 million cash payment of loans and interest from financial institution of subsidiary in the Philippines and the dividend payment to non-controlling interest of Baht 36.40 million.
- Effect of exchange rate adjustment Baht 8.25 million

The company's capital structure at 31<sup>st</sup> December 2023 was strong with a debt to equity ratio of 0.11 times

## 5. General Information and Other Key Information

### 5.1 General Information

<b>Name</b>	<b>Univanich Palm Oil Public Company Limited</b>
<b>Registered Head Office</b>	258 Aoluk-Laemsak Road, Aoluk, Krabi 81110 Thailand
<b>Operation Headquarters</b>	<b>HQ Offices and Siam Factory:</b> 258 Aoluk-Laemsak Road, Aoluk, Krabi 81110 Tel: 075-681-126, 075-681-127, Facsimile: 075-681-124
	<b>Plai Phraya Branch:</b>
	<b>TOPI Factory:</b> 592 Aoluk-Pasaeng Road, Plai Phraya, Krabi 81160 Tel: 075-652-066-8, Facsimile: 075-652-067
	<b>Lamthap Branch:</b>
	<b>Lamthap Factory:</b> 142 Moo 1 Tambol Toongsaitong, Lamthap District, Krabi 81120 Tel: 086-470-2729, Facsimile: 086-470-2730
	<b>Kuraburi Branch:</b>
	<b>CVP Factory:</b> 1/4 Moo 3 Tambol Kura , Kuraburi District, Phang-nga 82150 Tel: 076-410-957
	<b>Bangwan Nursery:</b> 355 Moo 3 Tambol Bangwan , Kuraburi District, Phang-nga 82150 Tel: 076-670271
	<b>Pabon Branch:</b>
	<b>Pabon Factory:</b> 659 Moo 8 Tambol Pabon, Pabon District, Phatthalung 93170 Tel: 074-820-371
	<b>Cha-Uat Branch:</b>
	<b>Cha-Uat Nursery:</b> 173/2 Tambol Thapaja, Cha-Uat, Nakhon Sri Thammarat 80180 Tel: 075-380-754, Facsimile: 075-380-754 Ext.100

### Direct and Indirect Subsidiaries

Company	Country	Business	% Ownership interest	Paid-up capital
Univanich Agribusiness Corporation	Philippines	Investment Holding	99.99	9,000,000 Pesos
Univanich Carmen Palm Oil Corporation	Philippines	Palm Oil Mill	51.00 (Indirect)	386,000,000 Pesos

<b>Web Site</b>	www.univanich.com
<b>E-mail address</b>	info@univanich.com
<b>Registered No.</b>	0107543000066
<b>Type of Business</b>	Oil palm plantations and crushing factories, oil palm breeding and seed production. The company's main products comprise crude palm oil (CPO), crude palm kernel oil (CPKO), palm kernel cake (PKC), hybrid oil palm seeds and seedlings and electricity.
<b>Registered Capital</b>	940,000,000 common shares
<b>Registered Paid-up Capital</b>	Baht 470 million
<b>Par Value per Share</b>	Baht 0.50



## 5.2 Other key information

### Reference Persons

#### Share Registrar

Thailand Securities Depository Company Limited  
62 The Stock Exchange of Thailand Building, 7<sup>th</sup> Floor, Rachadapisek Road,  
Klongtoey, Bangkok 10110  
Tel: 0-2229-2800 Facsimile: 0-2359-1262-3

#### Auditor

Ms Sukhumaporn Wong-ariyaporn, Certified Public Accountant (Thailand)  
No.4843 of Pricewaterhouse Coopers ABAS Limited, 15<sup>th</sup> Floor,  
Bangkok City Tower, 179/74-80 South Sathorn Road, Bangkok 10120  
Tel: 0-2844-1000 Facsimile: 0-2286-5050

#### Provident Fund

AIA Munkhong Registered Provident Fund

### Investor Relations

Name	Position	Telephone	E-mail
Mr Harry Brock	Chief Executive Officer	075 681 126 Ext 111	harry.brock@univanich.com
Mr.Nattapong Dachanabhirom	Chief Financial Officer	075 681 126 Ext 224	nattapong.d@univanich.com

## 5.3 Legal Disputes

1) Cases that may have a negative impact on the assets of the Company that are higher than 5% of shareholders' equity at the end of fiscal year.

-None-

2) Cases that might significantly impact the Company's business operation as follow.

### 2.1) Chean Vanich concession area

The concession area of 20,000 rai located at Tambon Plaipraya, Plaipraya District and Tambon Klongya, Aoluk District of Krabi Province. The Company was granted a concession for the development of an oil palm plantation for thirty years, from 22 April 1983 to 21 April 2013. However, the concession for this area is currently expired.

Additional documents and aerial photographic surveys disclosed during the above legal actions concerning renewal of the Chean Vanich concession reveal that the Company or its predecessors, from whom the Company purchased the land, had occupied approximately 15,510 rai of this area before the Land Laws introduced in 1954. Survey maps reveal that the Government's Land Department "Walking Survey" had investigated and surveyed those occupied areas in 1977, before the announcement of the National Forest Reserve "Pa Plai Klong Phraya" in 1983. The Company claims ownership rights over that land by virtue of the Civil and Commercial Code, Section 1367 and Section 1336, having rights under the Land Code B.E. 2497, Section 4 and Section 27tri. Therefore, the company made a request to the government agency under the Land Department to issue the land title deeds, and also filed a lawsuit with the Supreme Administrative Court requesting the Court to order the Land Department to issue the land title deeds to the Company. At present, the Supreme Administrative Court is considering the case.

## 2.2) Thai Oil Palm Industry area

### 2.2.1) Thai Oil Palm Industry concession area

The concession area of 8,250 rai located in Krabi and Surat Thani provinces was granted permission a concession for the development of an oil palm plantation for thirty years, from 19 November 1993 to 18 November 2023. However, the permission has now expired.

As the concession period at Thai Oil Palm Industry has the date ended on 18 November 2023, the Company has commenced the process to renew the land concession with the Krabi and Surat Thani Provincial Office of Natural Resources and Environment on 4 June 2021 and 25 November 2021 respectively. Forest officials inspected and found that a portion of the area could be granted an extension after deducting overlapping areas, reducing the total area from 8,250 to 6,977 rai. This reduced area comprised 6,376 rai located in Tambon Plaipraya, Plaipraya, District, Krabi province and 601 rai in Tambon Bang Sawan, Phrasaeng district, Surat Thani province. However, the request has been delayed. It is still pending at the Government Forestry Department. On 15 June 2023, the Company therefore filed a lawsuit with the Phuket Administrative Court and the Nakhon Si Thammarat Administrative Court requesting the Government Forestry Department to present the Company's request to the National Reserved Forest Utilisation Committee for consideration and approval the permission request. This includes a temporary relief before judgment and permission the Company to utilise the area originally permitted while the Company's request is being considered by the court. Later, on 11 July 2023, the Phuket Administrative Court revoked the Company's complaint. The Company appealed to the Supreme Administrative Court on 8 August 2023. However, the Company also made a request to the provincial governor in the Krabi province asking to retain ownership rights and not relocate its assets from the area where the permission expired during the ongoing permit application process. Meanwhile, the Nakhon Si Thammarat Administrative Court issued an order on 20 October 2023 regarding provisional measures before the court's judgment to allow the Company to utilise the area that was originally permitted from the date of expiration according to the original permit until the court orders otherwise or until the case is finalised.

### 2.2.2) Thai Oil Palm Industry leased area

The leased area of 2,500 rai in the Tambon Plai Phraya, Plai Phraya district, Krabi province and Tambon Bang Sawang, Phrasaeng district, Surat Thani province. The Company has leased this area from the Cooperative Promotion Department for thirty years, from 27 April 1994 to 26 April 2024.

On 17 June 2022, the Cooperative Promotion Department granted permission to use an additional 610 rai, increasing the total area from 2,500 to 3,110 rai because in the past the measurement of space was not as accurate as it is today. This can cause the area to be inaccurate. Moreover, within the (formerly) permitted area, there is a large mountain located in the middle of the area.

On 1 June 2023, before the lease agreement expired, the Company applied for a lease extension to continue utilising the area. and it is currently being considered by the Cooperative Promotion Department.

The company assessed that the Legal Disputes above matters will not have impact on the company's oil palm production. This is because the total oil palm production from the company's own palm plantations between 2021-2023 averages approximately 5% of the total palm fruit that the company accepts into the production process.





## 6. Corporate Governance Policy

### 6.1 Overview of the Policy and Guidelines

Before becoming a listed company in 2003, Univanich followed the Unilever Code of Corporate Governance. Since listing, the company has adopted the Stock Exchange of Thailand (SET) guidelines on Good Corporate Governance.

The 16 principles of Corporate Governance adopted by Univanich are as follows;

#### 1. Policy on corporate governance

- Treat all shareholders and other stakeholders equally.
- The Board of Directors must manage the Company with diligence and care and be fully responsible for their duties.
- Support the management and employees to work with ethical conduct.
- Set up an efficient organization structure with the delegation of decision-making authority to different levels to allow the correct planning, quick delegation and efficient supervision of the work.
- Arrange for risk assessment from both internal and external sources through regular meetings between management and internal auditors to consider various risk factors that could affect the Company's operation and projections.

#### 2. Right and equality of shareholders

The Company builds up equity among all groups of shareholders, whether major shareholders, minor shareholders, institutional investors or foreign shareholders with the same priority. The Company has in place an approach for supervision in order to protect basic rights of every shareholders and treats all shareholders equality.

- The right of the votes in the meeting, given by the Company depends on the number of Company's shares, one share one vote.
- The Company's website has been used for facilitating shareholders to reach the Company's information thoroughly, adequately and timely. The minor shareholders shall also have an opportunity to propose an agenda for shareholders meeting and nominate any person to be elected as the Director of the Board in advance, the criteria and process of which has been publicized on the Company's website.
- The matters discussed at the shareholder meetings shall be in the sequence as given in the invitation notice, any matter which is not noticed prior to shareholders, shall not be discussed in the meeting.
- The shareholders have the right to give all of the votes they have to an individual, or a group for an election of the Company's Directors. The votes of each shareholder could not allocate more or less to nominees.
- The Company encourages voting by use of a polling card for each matter in the agenda. A polling card especially used when shareholders wish to vote "No" or do not wish to make their votes. This practice also brings more transparency and be inspected for inspection.
- The Company has a preventive measure of unfair using insider information by related persons. The Directors and executives include their spouse and minor children who have the change in the Company's shares owner they have to immediately inform to the Company Secretary before the information shall be reported further to The Office of the Securities and Exchange Commission within 3 working days form the date of transaction, sell-purchase or transfer. In addition, the Director and Executives or insider department, who are closed to the Company's internal data, are supposed not to make advantage for themselves or their relatives and not to disclose any information to outsider or unrelated persons before the important information is publicized.

### 3. Right of other stakeholders

The Company places great importance on the rights of various groups of stakeholders as follows:

- **Employees:** The Company treats all its employees equally.
- **Trading partners:** The Company establishes fair policy and operational procedures with its trading partners.
- **Creditors:** The Company conforms with the terms and conditions of any loan.
- **Clients:** The Company sells quality products to its clients at fair prices.
- **Competitors:** The Company does not conduct business in a way that damages its competitors.
- **Society:** The Company conducts business that does not negatively affect society or the environment.

### 4. Shareholders' Meeting

#### • Schedule for shareholders' meeting

The Company held an Annual General Meeting of Shareholders for the year 2023 on Friday, 28 April 2023 at 09.00 A.M. at Ballroom 1, 5th Floor, Hyatt Regency Bangkok Sukhumvit Hotel, No.1 Sukhumvit Soi 13 Klongtoey Nua Wattana Bangkok 10110.

In this regard, the selection for the meeting place apart considered on basis of convenience transportation. The Company is also aware of health and safety of shareholders is important. Under the epidemic situation of the COVID-19 virus, the Company has arranged the meeting room is suitable size, social distancing and able to accommodate the meeting attendees sufficiently to comply with policy and measures to prevent the spread of the COVID -19 virus strictly.

#### • The Invitation notice to the meeting.

The Board of Directors recognizes the rights of shareholders to receive adequate information in a timely basis and in a form appropriate for making decisions. The invitation notice to the meeting which contains adequate information, such as, agenda which will be clearly defined whether which agenda is for the information or for the consideration purpose. The supporting documents for each agenda will include the opinions of the Board to facilitate the decision making as well. In 2023, an invitation of the meeting was sent at least 14 days prior to the meeting. The invitation notice and supporting documents were posted on the Company's website, announced via the Stock Exchange of Thailand's website to inform the shareholders in advance before the meeting.

To ensure compliance with the principles of good corporate governance regarding the shareholders' rights and to demonstrate fairness and equality among the shareholders, Univanich gave the shareholder an opportunity to propose agenda items for the Meeting and nominate in advance the qualified candidates for election as director for the 2023 Annual General Meeting of Shareholders during the period between 1st October 2022 to 31st December 2022. In this regard, this was announced via the SET news portal and on Company's website. However, no shareholder had proposed any agenda items or nominated any candidates for election as directors whatsoever.



- **Proxy to attend and vote in shareholders meeting**

When shareholders could not attend a meeting in person, the Company shall encourage the exercising of attending and voting rights by shareholders, at least by appointing their proxy or the Company's Independent Directors to vote on their behalf. The details of 3 Independent Directors of the Company are entirely attached to the Notice of Annual General Meeting for their considerations. The shareholders can direct their vote guideline by fill in the proxy "form B" which has been sent to the shareholders as an attached document with the invitation notice, or the shareholders can download it from the Company's website.

- **Preparation for shareholders meeting and Registration**

The Company provides one hour registration prior to convening the meeting, a computerized registration and vote forms shall be facilitated properly, as well as the revenue stamp shall also be free serviced.

- **Attending shareholders meeting by the Board of Directors**

The Board of Directors recognizes the importance of the shareholder meetings, all directors shall attend every shareholder meeting. The shareholders shall be given an opportunity to make comments and inquires by the Chairman. The minutes of shareholder meeting shall be prepared where all enquiry and important comments shall be recorded. In 2023, 10 directors from the total 10 directors, executives and external auditors attended the annual general meeting of shareholders in order to receive shareholders' opinion and answer their questions. The minutes of the Annual General Meeting of Shareholders 2023 was completed within 14 days and disclosed on the Company [www.univanich.com](http://www.univanich.com)

## 5. Leadership and Vision

The Board of Directors participates in establishing and approving the Company's policies including the business plan, and budgets. The Board constantly monitors the Company's progress according such business plan and budgets. This also involves assigning responsibility to Management to implement such policies efficiently in order to increase the enterprise's value and to generate expected returns to the shareholders, as well as to disclose accurate information to shareholders in a transparent and timely manner.

Although the Board of Directors has delegated management authority to the Chief Executive Officer, the Board of Directors still retains the highest approval authority according to the Company's Articles of Association.

## 6. Conflicts of Interest and insider

The Company has implemented measures to prevent potential conflicts of interest. The Company will strictly comply with the SEC Act and SET rules and regulations. In any transactions in which directors, management or shareholders are persons whose personal interest may conflict with the Company's interest, such persons will not be eligible to vote approval of such transactions. Any such transactions will be conducted according to the Company's normal practice under which the market price will be regarded as a key benchmark and to be comparable to prices in transactions conducted with unrelated third parties.

The Company publicly discloses its connected party transactions in order to safeguard investors' interests. Details can be found in the notes to the audited financial statements. These connected transactions also have to have Audit Committee approval regarding the necessity and reasonableness of the transactions.

In order to prevent exploitation of inside information, the Company strictly prohibits its directors, management and employees from using any undisclosed inside information to trade the company's securities during 1 month prior to the public disclosure of the financial statement that can affect the share price. The company determines that all directors and executives must acknowledge any related announcements from the Office of the Securities and Exchange Commission (SEC) which specify that all directors and executives of the company must report any change in shareholding of the company to SEC in accordance with Provision 59 of the Securities and Exchange Act B.E. 2535 within 3 days after the change in shareholding. The Company shall seek litigation against any person who is found to use such inside information for personal benefit.

### **7. Code of Best Practice**

The Company's directors comply with the code of best practice as set out by SET guidelines.

### **8. Directors' Roles**

At the end of 2023, seven of nine directors of the Company are not members of the management team. Three of these seven directors are Independent Directors who make up the Audit Committee.

### **9. Separation of Responsibilities**

Currently, the Chairman of the Board of Directors, Mr. Apirag Vanich, does not hold a management position in the Company. Although Mr. Apirag Vanich is a representative of the Vanich Group, the major shareholder, he is not the Chief Executive Officer. Therefore, there is added assurance that the company's management and policies are independent.

### **10. Director and Management Remuneration**

Compensations and incentives provided to directors and management are comparable to other companies within the same or similar industry and business sectors as the Company and therefore, are justifiable.

The Company agrees to disclose information concerning director and management remuneration according to the requirement from the SEC.

### **11. The Board of Directors' Meeting**

The Company organises Board of Directors' meeting at least once every three months and be scheduled through the year in advance to ensure that all directors shall manage their time to attend the meetings. In case of needed, a meeting shall be convened. The agenda and attached documents for Board Meetings must be prepared and determined clearly whether for information or consideration. Invitations are sent out to all directors not less than seven days prior to the meeting, according to the Company's Articles of Association, to ensure smooth meeting procedure with clear decisions and resolutions. In addition, related Executives should attend the board meeting to present information and express opinions which benefit to the meeting.

All directors shall be allocated appropriate time for free discussion and to express their opinions, with regard to the benefit and fairness of the Company's shareholders and related persons. In case there are any benefits or significances related in such agenda for interested directors or executives, they all not participate in such agenda unless the meeting goes on to next agenda. The secretary of the Board of Directors shall take the minutes and then presents to the Board of Directors for consideration before submitting to the Board of Directors in the next Board Meeting for its approval and acknowledgement.



## 12. Specific Committee

In 2023 there were three Specific Committees

### **Audit Committee:**

The Board created the Audit Committee on 29 July 2003. Members of the Audit Committee have tenure of three years. During 2023, the Audit Committee conducted five meetings. Each quarter the Audit Committee, together with the Chief Financial Officer and the external Auditor reviews the Company's Financial reports and consider the implementation of the Company's Internal Audit system.

### **Strategic Planning Committee:**

On 13 November 2004 the Board created the Strategic Planning Committee to consider the Company's long-term growth options, the Company's Long Term Plan, and other long-term strategic issues.

### **Nominating and Remuneration Committee:**

On 11 August 2005 the Board created the Nominating and Remuneration Committee to review and recommend to the Board the framework of senior management appointment and remuneration, and to ensure that there is a succession plan of senior management.

## 13. Board Assessment

The Board of Directors set an evaluation form for the Board's performance at least once a year. The Board conduct the evaluation in individual evaluation (Self - Evaluation), and group evaluation, for the Board's review of performance outcome and problems for performance development.

## 14. Internal Control System and Internal Audit

The Company set up an internal audit system on 29 July 2003 to be supervised by the Audit Committee. This team may include an internal audit firm employed by the company from time to time to help set up and monitor the internal control system.

## 15. Report of the Board of Directors

The Board of Directors appointed the Audit Committee for the purpose of seeking opinions regarding the necessity and reasonableness of connected transactions, which were certified and documented in the notes of the financial statement. In the case where the Audit Committee cannot or does not have the capability to assess transactions in a reasonable manner, the Company will be responsible for finding an independent specialist to provide opinions on the transaction on the Audit Committee's behalf in order to provide the Board of Directors and shareholders with the best information for their consideration.

### 16. Investor Relations

In compliance with SEC requirements, the Company has provided sufficient information in the filing report and prospectus. The Company will continue to disclose relevant information to the public in a timely and correct manner with respect to the SEC and SET regulations. The Board of Directors is aware that the company's information, finance-related or not, can have an impact or influence how investors and other stakeholders make their decision. Therefore, the Board of Director has always explicitly instructed all Executives to be extraordinarily careful in disclosing the information which must be done completely, truthfully, reliably, regularly, and also in a timely manner. The Executives has always given priority to the aforementioned principles and behave accordingly. And regarding to services given to sustain investor's relations. The Company has appointed the Chief Executive Officer and the Chief Financial Officer as the persons responsible for investor relations affairs. For further information or specific inquiries, please contact us at 075-681-126 or visit our website at [www.univanich.com](http://www.univanich.com) or email : [info@univanich.com](mailto:info@univanich.com)

In 2023, the Company had no late submission of quarterly financial reports and annual financial reports, and there was no case for the revision of the quarterly financial statements and annual financial statements.





## 6.2 Business code of conduct

### Introduction by Board of Directors

#### Code of Business Principles

Univanich enjoys a reputation for conducting its business with integrity and with respect for the interests of those people and environments our activities can affect. This reputation is an asset, just as real as our people, factories and brand.

Our first priority is to be a profitable business and that means investing for growth and balancing short term and long term business interests. It also means caring about our customers, employees, shareholders, suppliers, and the communities and environments in which we conduct our operations.

In the course of meeting our business objectives, we consider it essential that all employees understand and comply with our values and therefore share the Univanich way of doing things.

It is very easy in the realm of the business ethics to make high sounding statements of little practical value. The general principles contained in this Code are the bedrock; more detailed guidance tailored to the needs of different countries and companies will be further developed.

This Code of Business Principles is a core Univanich statement and we commend it to you.

Apirag Vanich  
Chairman

#### Standard of Conduct

Univanich will conduct its business with honesty and integrity and with respect for the interests of those with whom it has relationships.

#### Obeying the Law

Univanich will comply with the laws and regulations of the countries in which we operate.

#### Employees

Univanich will recruit, employ and promote employees on the sole basis of the qualifications and abilities needed for the work to be performed. Univanich is committed to providing safe and healthy working conditions for all its employees. Univanich believes it is essential to maintain good communications with employees, through transparent information and consultation procedures.

#### Conflicts of Interest

Univanich expects its employees to avoid personal activities and financial interests which could conflict with their commitments to their jobs.

## PART 2 - CORPORATE GOVERNANCE

### Public Activities

Univanich neither supports political parties nor contributes to the funds of groups whose activities are calculated to promote party interests.

Univanich companies are encouraged to promote and defend their legitimate business interests. In so doing they may either directly, or through bodies such as trade associations, raise questions and discuss particular government actions or decisions.

Univanich will respond to requests from governments and other agencies for information, observations or opinions on issues relevant to business and the community in which operate.

### Product Assurance

Univanich is committed to providing products which consistently offer value in terms of price and quality. Where possible this will be supported by ISO certification.

### Environmental Issues

Univanich is committed to running its business in an environmentally sound and sustainable manner. Our aim is to ensure that our processes and products have the minimum adverse environmental impact commensurate with the legitimate needs of the business. Where possible this will be supported by appropriate certification of environmental sustainability.

### Competition

Univanich believes in vigorous yet fair competition and supports the development of appropriate competition laws. Employees receive guidance to ensure that they understand such laws and do not transgress them.

### Reliability of Financial Reporting

Univanich accounting records and supporting documents must accurately describe and reflect the nature of the underlying transactions. No undisclosed or unrecorded account, fund or asset will be established or maintained.

### Bribery

Univanich does not give or receive bribes in order to retain or bestow business or financial advantages. Univanich employees are directed that any demand for or offer of such bribe must be immediately rejected.

### Application

This Code applies to Univanich activities throughout the world. Where Univanich companies participate in joint ventures the application of these principles will be actively promoted.

### Compliance

It is the responsibility of Univanich managers to ensure that the principles embodied in this Code are communicated to, understood and observed by all employees. Independent Internal Auditors will support the Board in monitoring compliance with the Code.

The Board of Univanich will not criticize management for any loss of business resulting from adherence to these principles. Equally, the Board of Univanich undertakes that no employee will suffer as a consequence of bringing to their attention or that of senior management, a breach or suspected breach of these principles.

*In this Code the expressions "Univanich" and "Univanich companies" are used for convenience and mean the Univanich Group of companies comprising Univanich Palm Oil Public Company Limited and its subsidiary companies. The Board of Univanich means the Directors of Univanich Palm Oil PCL.*

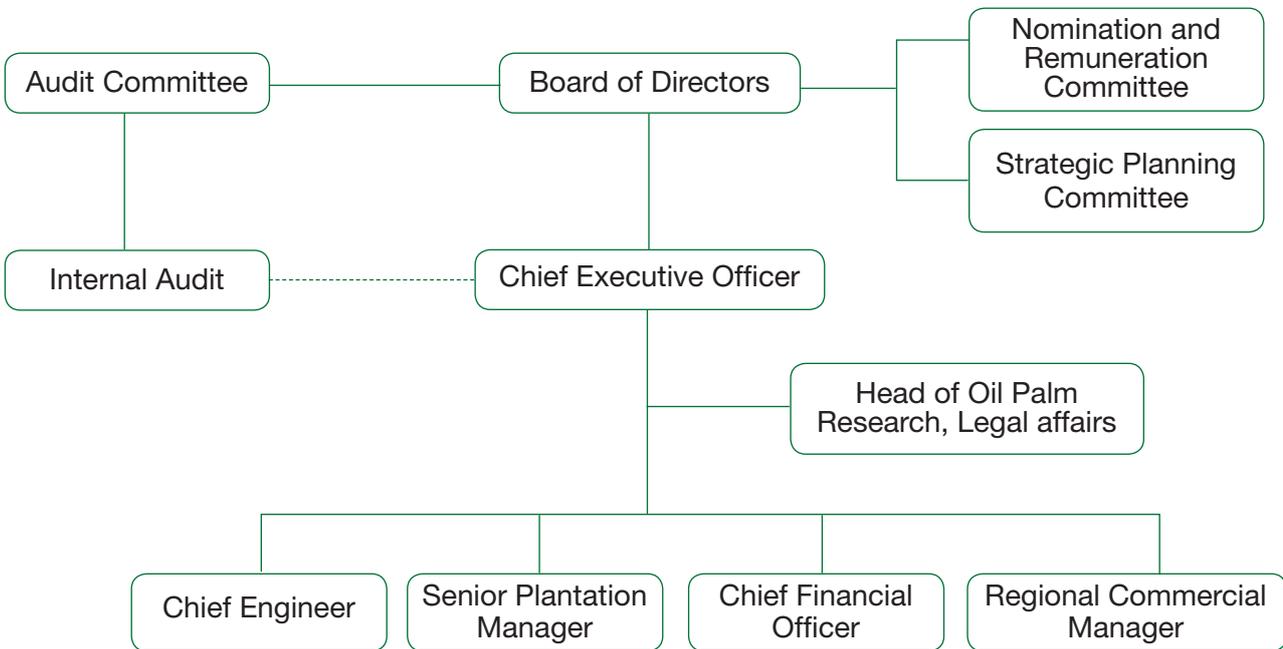


**7. Corporate governance structure and significant information related to the Board of Directors, subcommittees, executives, employees and others**

**7.1 Corporate Governance Structure**

The Board of Directors and the management perform in the best interests of Univanich and its shareholders under a clear, balanced, and accountable management structure. The Board monitors and ensures that the management implements its policies, plans and strategies, and that there is clear distinction of roles and responsibilities between the Board and the management. The Board appoints sub-committees to consider significant matters, consist of the Audit Committee, Nomination and Remuneration Committee and Strategic Planning Committee. The CEO is the top executive.

**Information of Board of directors**



## 7.2 Board of Directors

### Board of Directors

As at 31 December 2023, the Company had nine Directors, including three Independent Directors, who make up the Audit Committee.

#### The Company's Board of Directors at 31 December 2023

Name	Position	Board skills matrix				
		Accounting, Finance Economics	Business Administrative	Agriculture	Strategy / risk management	Analysis, Marketing, Information Technology
Mr. Apirag Vanich	Chairman	•	•	•	•	•
Dr. Veerathai Santiprabhob	Independent Director	•	•		•	•
Dr. Phortchana Manoch	Director	•	•		•	•
Ms. Kanchana Vanich	Director	•	•			•
Dr. Prote Sosothikul	Director	•	•		•	•
Mr. Pramoad Phornprapha	Independent Director	•	•		•	•
Mr. Anek Pana-apichon	Independent Director	•	•		•	•
Mr. Harry Thomas Brock	Chief Executive Officer	•	•	•	•	•
Dr. Palat Tittinutchanon	Executive Director	•	•	•	•	

**Remark :** Each skill is related to individual directors' educational background, work experience and specialty evaluation.

#### Scope of duties and responsibilities of the Board of Directors

1. The Board of Directors is responsible for managing the public company to be in compliance with the Public Companies Act and in accordance with the Company's Memorandum and Articles of Association.
2. The Board of Directors is responsible for managing the Company to be in line with the objectives and resolutions of the shareholders' meetings.
3. In a transaction in which a director has a personal interest or may have some other conflict of interest with the Company, that director will not have the right to vote on the matter.
4. Authorized directors must comprise two directors co-signing together with the Company's seal in order to bind the Company to its obligations.



5. The Board of Directors can assign power of attorney to any one or more persons or juristic persons to act jointly or severally on behalf of the Company according to the Memorandum and Articles of Association of the Company, including appointment or removal of Company employees. The Board of Directors has the right to change or withdraw such power of attorney already assigned to such persons. The assignment of the power of attorney must not be in such a way that it will cause the Chief Executive Officer or management, or potentially conflicting persons, to have a conflict of interest with the Company. Such approval is granted in a case of normal business and when the Board of Directors has already defined the scope of approval clearly.
6. The Chairman of the Board of Directors must not be the same person with the Chief Executive Officer. In 2023 Mr. Apirag Vanich is the Chairman of the Board of Directors and Mr. Harry Thomas Brock is Chief Executive Officer.
7. The following activities can be done with the majority approval from the Board of Directors in which one director possesses one vote:
  - 7.1 Budget approval and the annual business plan
  - 7.2 Borrowing or lending the amount of more than Baht 70 million including borrowing at one time or several times from the same lender
  - 7.3 Provision of guarantee of an amount over Baht 70 million, whether at one time or several times for the same borrower
8. The director must inform the Company immediately if:
  - 8.1 He or she has an interest in a contract whether directly or indirectly involving the Company, or
  - 8.2 He or she increases or decreases his/her holding in both shares or debentures of the Company or group companies
9. The Board of Directors is responsible for monitoring the Company in compliance with the rules and regulations of both the SET and SEC regarding connected transactions as well as acquisition and disposal of assets of listed companies.
10. The tenure of a director is fixed and must be in accordance with rules and regulation which stipulate that during the Annual General Meeting of every year, one-third of the directors, or, if their number is not a multiple of three, then the number nearest to one-third must retire from office.

The directors to retire during the first and second years following the registration of the Company shall be drawn by lots. In every subsequent year, the directors who have been longest in office shall retire. A retiring director shall be eligible for re-election.
11. The Board of Directors possess leadership skills, visions, and are able to make decision independently in order to maximize the company's and all shareholders' benefits. The Board of Directors also participates in the process of determining and approving the company's visions, missions, strategies and objectives. The Management reviews the proposals for the Board of Directors every 1-3 years, or, whenever major changes occur both in the business operation and in the economy

## 12. Training for Director and Executive

All directors possess knowledge, abilities, aptitudes and have undergone a training course necessary to become and act as Director. The program are provided by Thai Institute of Directors (IOD). The following list shows committee members who have undertaken the programs.

Board member	Training program
Mr. Apirag Vanich	<ul style="list-style-type: none"> <li>- Director Accreditation Program (DAP) #37/2005</li> <li>- Director Certification Program (DCP) #60/005</li> <li>- Finance for Non-Finance Director (FND) #19/2005</li> <li>- The Role of Chairman (RCP) #13/2006</li> </ul>
Dr. Veerathai Santiprabhob	<ul style="list-style-type: none"> <li>- Director Accreditation Program (DAP 2007)</li> <li>- Director Certification Program (DCP 2014)</li> <li>- Advance Audit Committee Program (AACP)#41/2021</li> </ul>
Dr. Phortchana Manoch	<ul style="list-style-type: none"> <li>- Director Certification Program (DCP) #25/2005</li> <li>- Financial Statement for Directors (FSD) #13/2011</li> <li>- Anti-Corruption for Executive Program (ACEP) #13/2014</li> <li>- Corporate Governance for Executive (CGE) #14/2019</li> <li>- Director Accreditation Program (ACP) #175/2020</li> </ul>
Miss Kanchana Vanich	<ul style="list-style-type: none"> <li>- Director Accreditation Program (DAP) #36/2005</li> </ul>
Dr. Prote Sosothikul	<ul style="list-style-type: none"> <li>- Director Certification Program (DCP) #40/2004</li> </ul>
Mr. Pramoad Phornprapha	<ul style="list-style-type: none"> <li>- Director Certification Program (DCP) #55/2005</li> <li>- Advance Audit Committee Program (AACP) # 41/2021</li> </ul>
Mr. Anek Pana-apichon	<ul style="list-style-type: none"> <li>- Director Certification Program (DCP)# 111/2008</li> <li>- Risk Management Program for Corporate Leaders (RCL)# 30/2023</li> <li>- Advance Audit Committee Program (AACP) #48/2023</li> <li>- Role of the Chairman Program (RCP) #53/2023</li> </ul>
Mr. Harry Thomas Brock	<ul style="list-style-type: none"> <li>- Director Accreditation Program (DAP) #173/2020</li> </ul>
Dr. Palat Tittinutchanon	<ul style="list-style-type: none"> <li>- Director Accreditation Program (DAP) #176/2020</li> </ul>





### 7.3 Subcommittees

#### Audit Committee

As at 31 December 2023, the Company's Audit Committee comprises three Independent Directors, as follows:

Name	Position
1. Dr. Veerathai Santiprabhob	Chairman of the Audit Committee
2. Mr. Pramoad Phornprapha	Audit Committee member
3. Mr. Anek Pana-apichon	Audit Committee member

#### Scope of Duties and Responsibilities of the Audit Committee

- (1) To review the company's financial reporting process to ensure that it is accurate and adequate.
- (2) To review the company's internal control system and internal audit system to ensure that they are suitable and efficient, to determine an internal audit unit's independence, as well as to approve the appointment, transfer and dismissal of the chief of an internal audit unit or any other unit in charge of an internal audit.
- (3) To review the Company's compliance with the law on securities and exchange, the Exchange's regulations, and the laws relating to the Company's business.
- (4) To consider, select and nominate an independent person to be the Company's auditor, and to propose such person's remuneration, as well as to attend a non-management meeting with an auditor at least once a year.
- (5) To review the Connected Transactions, or the transaction that may lead to conflicts of interests, to ensure that they are in compliance with the laws and the Exchange's regulations, and are reasonable and for the highest benefit of the Company.
- (6) To prepare, and to disclose in the Company's annual report, an audit committee's report which must be signed by the audit committee's chairman and consist of at least the following information;
  - (a) An opinion on the accuracy, completeness and creditability of the Company's financial report.
  - (b) An opinion on the adequacy of the Company's internal control system.
  - (c) An opinion on the compliance with the law on securities and exchange, the Exchange's regulations, or the laws relating to the Company's business.
  - (d) An opinion on the suitability of an auditor.
  - (e) An opinion on the transactions that may lead to conflicts of interests.
  - (f) The number of the audit committee meetings, and the attendance of such meetings by each committee member.
  - (g) An opinion or overview comment received by the audit committee from its performance of duties in accordance with the charter.
  - (h) Other transaction which, according to the audit committee's opinion, should be known to the shareholders and general investors, subject to the scope of duties and responsibilities assigned by the Company's board of directors.
- (7) To perform any other act as assigned by the Company's board of directors, with the approval of the audit committee.

### Strategic Planning Committee

The Strategic Planning Committee was established by the Board. Currently it comprises eight Directors, as follows:

Name	Position
1. Mr. Apirag Vanich	Chairman
2. Dr. Veerathai Santiprabhob	Member
3. Dr. Phortchana Manoch	Member
4. Dr. Prote Sosothikul	Member
5. Mr. Pramoad Phornprapha	Member
6. Mr. Anek Pana-apichon	Member
7. Mr. Harry Brock	Member
8. Dr. Palat Tittinutchanon	Member

The Strategic Planning Committee meets as required and at least once each year, to review the Company strategy for long-term growth, the Company's Long-term Plan, and other long-term strategic issues.

### Nominating and Remuneration Committee

The Nominating and Remuneration Committee, whose members comprise Non-Executive Directors was established by the Board. Currently the committee comprises three Directors, as follows:

Name	Position
1. Mr. Apirag Vanich	Chairman
2. Dr. Prote Sosothikul	Member
3. Mr. Anek Pana-apichon	Member

The Nominating and Remuneration Committee meets as required and at least once each year, to review and recommend to the Board the framework of senior management appointment and remuneration, and to ensure that there is a succession plan of senior management. As the Executive Directors are not members of the Committee, they do not play any part in the decisions of their own remuneration.



## 7.4 Management



As of 31 December 2023, the Company's Management Committee of senior managers comprises six members as follows:

Name	Position
1. Mr. Harry Brock	Chief Executive Officer
2. Dr. Palat Tittinutchanon	Executive Director, Head of Oil Palm Research
3. Mr. Nattapong Dachanabhirom	Chief Financial Officer
4. Mr. Phiphit Khlaisombat	Chief Engineer
5. Mr. Santi Suanyot	Senior Plantations Manager
6. Mr. Adoonka Kwankaew	Regional Commercial Manager

### Duties and Responsibilities of the Chief Executive Officer (CEO)

The CEO has the authority to manage the Company's normal business activities, including procurement of raw materials, machinery and sale of the company's products, engagement of employees, and development of the Univanich business, within the scope of authority and responsibility granted by the Board of Directors.

The CEO's authority does not include approval of any transaction that may involve the CEO or other connected persons which may cause any conflict of interest within the Company. In compliance with SET regulations, connected transactions or transactions involving the acquisition or disposal of Company assets for which require shareholders' approval, unless such transactions are in the normal course of business and for which the Board of Directors has already clearly defined the scope of approval.

## Duties and Responsibilities of the Management

1. Collectively decide on the Company's operational issues including establishing duties, objectives, guidelines, policies, corporate governance, production, community and customer relations as being responsible to the Board of Directors.
2. Authority to approve general expenses, project expenses or investments according to the scope of authorities and responsibilities assigned by the Board of Directors.
3. Authority to hire, appoint, dismiss, define the salary, offer reward, raise the salary and compensate bonus for employees in the various departments of the company, according to the authorities assigned by the Board of Directors
4. Authority to act for and on behalf of the Company in any business that is relevant and beneficial to the Company.
5. Act on the Company's behalf for general management affairs.

The Management's authority does not include approval of any transactions that may involve Management interest that may cause any conflict of interest within the Company, including connected transactions or transactions involving the acquisition or disposal of Company assets, unless such transactions are in the normal course of business and for which the Board of Directors has already clearly defined the scope of approval.

## Remuneration for six senior managers

Remuneration Type	2022 (Baht million)	2023 (Baht million)
Salary, awards and compensation	34.80	41.82 *

Cash basis

\* include Mr. Adoonka Kwankaew who was started on 1<sup>st</sup> June 2022

## 7.5 Information on employees

	2022	2023
Number of employees	1,279	1,275

Remuneration of employees

The Company has established a retirement fund for its employees. Retiring employees will receive retirement benefits according to the labour law and other benefits according to the Company's retirement regulations.

## 7.6 Other significant information

### Audit Fee

Remuneration Type	2022	2023
Audit Fees	1,870,140 Baht	1,963,000 Baht
Audit for Profit per BOI Certificate	65,000 Baht/Certificate	65,000 Baht/Certificate



## 8. Report on key operating results on corporate governance

### 8.1 Performance of the Board of Directors

#### 8.1.1 Appointment of Directors and Management

##### 1 Appointment of Directors

- The Board of Directors comprises at least five directors appointed by the shareholders.
- The Board of Directors shall elect the directors to be Chairman, Chief Executive Officer and any other positions as deemed appropriate.
- At each annual general meeting, at least one-third of the total number of directors must resign. If the number of directors cannot be divided evenly into threes, the number of directors to resign must be close to one-third.
- Since the Company's Articles of Association do not specify the method for electing the Board of Directors, therefore, the election of the Board of Director will be done according to the Public Companies Act which sets out an election method known as a "cumulative voting" that has the following principles:
  1. One shareholder has a total number of votes equal to the number of shares held multiplied by the number of directors to be elected.
  2. Each shareholder can cast the total number of votes according to clause (1) above to elect one or more candidate to become directors. In case of voting for many candidates, the shareholder can divide votes in proportion among the candidates.
  3. Candidates will be ranked in descending number of votes, and those with the highest number of votes will be elected to become directors according to the number of vacant positions. In the event of a tie, the decision will be made by drawing lots.

##### 2 Independent Directors

The company has three Independent Directors whose personal profiles are included with the Board of Directors in this Annual Report.

All three Independent Directors fulfill the following criteria;

- They are not shareholders of the company or of any related, affiliated or associated company, either directly or indirectly.
- They are not involved in the management of the company or of any related, or associated company, and do not receive a regular salary from any such company.
- They have no direct or indirect beneficial interest in the finance or management of the company or of any related or associated company.
- They are not related in any way to a member of management or to the majority shareholders of the company or of a related or associated company.
- They have not been appointed as a representative to safeguard interests of the company's directors, majority shareholders or shareholders who are related to the company's majority shareholders.
- They are skilled and highly capable of performing the duties of Independent Directors, including giving opinions and reporting on the financial performance of the company, and to carry out other duties delegated to them by the Board of Directors, free of the control of management, major shareholders or the close relatives of such connected persons.

### 3 Appointment of the CEO and Senior Management

The Board's Nominating and Remuneration Committee has responsibility to review and recommend senior management appointment and succession planning.

#### 8.1.2 Meeting attendance

During 2023, the Company organized Board of Directors' meetings and specific committees with directors' participation as follows:

Name	Number of meeting attended / Numbers of meeting year 2023				
	Board of Director	Audit Committee	Strategic Planning Subcommittee	Nominating and Remuneration Subcommittee	Annual General Meeting of Shareholders
Mr. Apirag Vanich	4/4	-	1/1	1/1	1/1
Dr. Veerathai Santiprabhob	4/4	5/5	1/1	-	1/1
Dr. Phortchana Manoch	2/4	-	1/1	-	1/1
Ms. Kanchana Vanich	3/4	-	-	-	1/1
Dr. Prote Sosothikul	4/4	-	1/1	1/1	1/1
Mr. Pramoad Phornprapha	4/4	5/5	1/1	-	1/1
Mr. Anek Pana-apichon	4/4	5/5	0/1	1/1	1/1
Mr. John Harvey Clendon*	1/4	-	-	1/1	1/1
Mr. Harry Thomas Brock	4/4	-	1/1	-	1/1
Dr. Palat Tittinutchanon	4/4	-	1/1	-	1/1

\* Mr. John Harvey Clendon retired from the Director on 28<sup>th</sup> April 2023

#### 8.1.3 Remuneration

Remuneration of Directors, Univanich Palm Oil PCL has defined the remuneration of directors, taking into account both its fairness and appropriateness, which reflects the extent of their responsibilities and performance relative to the Company's overall operational performance and related factors, inclusive of comparisons to remuneration of other companies within the same or similar industry and business sectors as the Company. At the Annual General Meeting of Shareholders No. 54 on 28<sup>th</sup> April 2023, shareholders voted to maintain Director's remuneration without change.

Description	Annual Remuneration (Baht)	
	2022	2023
Director's Fees	406,000.00	406,000.00
Chairman's Fees	609,000.00	609,000.00
Chairman's Expenses	2,196,150.00	2,196,150.00

Description	Remuneration (per meeting)	
	2022	2023
Audit Committee's Chairman	37,500.00	37,500.00
Audit Committee's Members	30,000.00	30,000.00



## Remuneration

Remuneration for directors (in terms of money)

Remuneration Type	2022 (Baht million)	2023 (Baht million)
Fees and compensation	6.72	6.68

**Other benefit** --None--

### 8.1.4 Supervision of subsidiaries and associated companies

The Board commands a mechanism for supervising the management and the responsibility of subsidiaries, associates, and joint-venture companies to safeguard the interests of Univanich's investment capital, including

- Secondment of executives by the Board to serve as directors and executives in those companies proportionate to its own shareholding.
- Definition of an oversight approach for joint-venture companies for representative directors to uphold so that the businesses of subsidiaries, associates, and joint-venture companies may be uniform and in line with Univanich's policy approach and relevant legislation.
- Institution of a corporate governance policy and a suitable, watertight internal control system in each of the subsidiaries.
- Supervision of disclosure of these companies' financial status and performance outcomes, as well as engagement in key transactions, must be properly done in line with Univanich's criteria.

In order to manage and monitor the company's oversea subsidiaries, the Board of Directors has appointed representatives to be directors in these subsidiaries as at 31 December 2023 as shown below:

Name	Position		
	Univanich Palm Oil PCL (Thailand)	Univanich Agribusiness Corporation (Philippines)	Univanich Carmen Palm Oil Corporation (Philippines)
1. Mr.Apirag Vanich	Chairman	Chairman	Director
2. Dr. Veerathai Santiprabhob	Chairman of Audit Committee		
3. Dr. Phortchana Manoch	Director		
4. Ms.Kanchana Vanich	Director		
5. Dr.Prote Sosothikul	Director		
6. Mr.Pramoad Phornprapha	Audit Committee		
7. Mr. Anek Pana-apichon	Audit Committee		
8. Mr. Harry Brock	Chief Executive Officer	Chief Executive Officer	Chief Executive Officer
9. Dr.Palat Tittinutchanon	Executive Director		

## 8.2 Performance Appraisal of the Board of Directors, Committee

The Company conducts the performance appraisal of the Board of Directors and its subcommittee, both collectively and individually, at least once a year. The evaluation results serve as a framework to verify the Board of Directors' performance over the past year whether it is completed and appropriate within the defined scope of authorities and in accordance with the principle of good corporate governance.

### Performance Appraisal of the Board of Directors

#### Criteria

The performance appraisal of the Board of Directors follows guidelines from the Stock Exchange of Thailand and Thai Institute of Directors Association. These guidelines are adjusted to suit the characteristics and structure of the Board. The evaluation results serve as key factors for the enhancement of Directors' performance and related duties.

Overall self-assessment of the Board of Directors covers 6 areas, which are :

- 1) Board structure and qualifications
- 2) Roles, duties and responsibilities of the board
- 3) The board meeting
- 4) Duties of directors
- 5) Relationship with management
- 6) Director's self improvement and management training

Self-assessment of the Board of Directors on an individual basis covers 3 areas, which are :

- 1) Board structure and qualifications
- 2) The board meeting
- 3) Roles, duties and responsibilities of the board

Rating is indicated based on each Director's opinion by ticking (✓) in the score box, from 0-4 with only 1 slot in the evaluation form, with the following meanings :

- 0 = Absolutely disagree, or no actions taken on that matter
- 1 = Disagree, or few actions taken on that matter
- 2 = Agree, or fair actions taken on that matter
- 3 = Rather agree, or adequate actions taken on that matter
- 4 = Absolutely agree, or excellent actions on that matter

All scores are evaluated through a percentage calculation of full score under the following criteria :

- |                               |   |                  |
|-------------------------------|---|------------------|
| Equivalent or over 90 percent | = | Excellent        |
| Equivalent of over 80 percent | = | Very Good        |
| Equivalent or over 70 percent | = | Good             |
| Equivalent of over 60 percent | = | Fair             |
| Less than 60 percent          | = | Need improvement |



### Procedures

The Company Secretary submits the assessment form to each Director at the year end. After completion, each Director shall return the evaluation form to the Company Secretary to gather and report to the Board in the next meeting in order to set standards for further efficiency improvement of the Board.

### Performance Appraisal of Specific Committees

The Company's specific committees comprise 1) The Audit Committee 2) The Strategic Planning Committee 3) The Nominating and Remuneration Committee. The Company conducts a self-assessment of the specific committees at least once a year. The evaluation results contributed to performance improvement of the specific committees to support the Board of Directors and the Company's business operations.

### Criteria

The performance appraisal of the specific committees follows guidelines from the Stock Exchange of Thailand and Thai Institute of Directors Association. These guidelines are adjusted to suit the characteristics and structure of the specific committees. The evaluation results serve as key factors for the enhancement of specific committees' performance and related duties.

Self-assessment of the specific committees, both on a collective and individual basis, cover 3 areas, which are :

- 1) Board structure and qualifications
- 2) The specific committees meeting
- 3) Roles, duties and responsibilities of the specific committees

The scoring methodology, evaluation process and procedure of the specific committees are similar to the Board of Directors as specified above.

The outcome of the Board, individual Director and specific committee performance assessment in 2023 can be summarized as follows :

Evaluation	Outcome (%)
<b>The Board of Directors</b>	
1. The Board of Directors (Full Board)	91.67
2. The Board of Directors (Individual)	96.16
<b>Subcommittees</b>	
3. The Audit Committee	90.67
4. The Strategic Planning Committee	93.13
5. The Nominating and Remuneration Committee	93.16

AUDIT COMMITTEE REPORT

The Audit Committee of Univanich Palm Oil PCL was established by resolution of the Board of Directors on 29 July 2003. In 2023, the committee comprised of the following Independent Directors:

Dr. Veerathai Santiprabhob	:	Chairman of Audit Committee
Mr. Pramoad Phornprapha	:	Member of Audit Committee
Mr. Anek Pana-apichon	:	Member of Audit Committee

Details of the scope of duties of the Audit Committee, as defined by the Board of Directors, can be found in the Company’s Annual Report.

During 2023, the Audit Committee held five meetings. The Committee reviewed the Quarterly Financial Statements, prepared by the external auditor, and recommended these statements to the Board of Directors.

The Audit Committee reviewed the Annual Consolidated Financial Statements for 2023 together with the company’s management, and the external auditor. The Audit Committee is of the opinion that the Annual Consolidated Financial Statements present fairly, in all material respects, the financial position of Univanich Palm Oil Public Company Limited, as at 31 December 2023, and 2022, including the results of the company’s operations, and its cash flows for those years, in accordance with Thai Financial Reporting Standards.

Thai Accounting Standard No.41: Agriculture (TAS41) was applied for the first time in 2016, and this standard continues to be applied for the 2023 Financial Statements. This standard requires the recording of biological assets, such as fruit on the palms, and oil palm seeds, and seedlings in the nurseries. The external auditor reported no significant impacts, for this standard, in the 2023 Financial Statements.

Following the recommendation of the audit committee in 2023, management engaged the audit firm Kaudit Advisory Services Co. Ltd to conduct internal audits of human resource management, procurement operations and spare parts control to ensure that the company has adequate and appropriate internal control systems.

The Audit Committee is of the opinion that the management of the company has performed its duties in accordance with relevant laws and regulations. The Committee is also of the opinion that all related party transactions have been conducted according to the guidelines established by the Securities and Exchange Commission and the Stock Exchange of Thailand to avoid conflict of interest, and that the published code of good corporate governance has been applied.

The Audit Committee has proposed that the Board of Directors consider the reappointment of Price waterhouseCoopers ABAS Limited, as the company’s statutory auditor for 2024. This nomination will be proposed to the Annual General Meeting of Shareholders for confirmation.



Dr. Veerathai Santiprabhob  
Chairman of Audit Committee



## 9. Internal control and related party transactions

### 9.1 Internal control

Under the management of Unilever PLC, during the years 1983 - 1998, the company established systems of internal controls which were periodically reviewed by Unilever's Internal Audit Department. In 2003 the company established its own Internal Audit function, reporting to the Audit Committee which comprises three Independent Directors.

During 2004 – 2005, in order to further develop the Company's internal audit skills, the Audit Committee appointed BDO Richfield Ltd, of Bangkok, to carry out risk assessments and audits of key business activities.

During 2010 - 2018, the Audit Committee appointed KPMG Phoomchai Business Advisory Ltd., to develop an internal audit plan based on the results of risk assessment and conducting the internal audit execution of key business activities.

During 2019 , the Audit Committee appointed Grant Thornton to review the key business processes relating to the Internal Control implemented by the company.

During 2020 - 2023 , the Audit Committee appointed Kandit Advisory Services Company Limited to review the key business processes relating to the Internal Control implemented by the company and to conduct Risk Assessment.

## 9.2 Related party transactions

Name	Relationship	Transaction Description	Amount (Baht million)	
			2022	2023
<b>Related Transactions for the year ended 31<sup>st</sup> December</b>				
Phuket Rubber Co., Ltd	Common directors and (or), shareholders	• Purchase palm fruit at market price	3.87	1.70
Chean Vanich Co., Ltd	Common directors and (or), shareholders	• Purchase palm fruit at market price	8.03	5.01
Chean Vanich Transport Co., Ltd	Common directors and (or), shareholders	• Port charge for export shipping	16.14	14.32
Univanich Carmen Palm Oil Corporation (UCPOC)	Univanich's indirect subsidiary in the Philippines where UAC owns 51% of UCPOC shares.	• Univanich charges service fee for managing subsidiary UCPOC.	19.42	12.13
<b>Amount due from/amount due to related as at 31<sup>st</sup> December</b>				
Univanich Agribusiness Corporation (UAC)	Univanich's subsidiary in the Philippines. Univanich owns 99.99% shares.	• Univanich provided the loan of USD 3 million which will be due for the first repayment on 1 January 2026 and Peso 71.4 million which is due after 5 years commencing from the first draw-down date. This loan is non-collateral and interest-free.	141.95	142.89
Univanich Carmen Palm Oil Corporation (UCPOC)	Univanich's indirect subsidiary in the Philippines where UAC owns 51% of UCPOC shares.	• Univanich advance payments for UCPOC and service fee payable to Univanich for managing subsidiary UCPOC.	13.42	26.38
Chean Vanich Transport Co., Ltd	Common directors and (or), shareholders	• Port charge for export shipping	1.67	0.97

### The necessity and appropriateness of related transactions

The Company has carefully considered the necessity and the appropriateness in order to obtain the greatest benefit for the Company and its shareholders. The Company has received and paid the compensation at fair market prices as shown in the above table.

### Measures or procedures to approve related transactions

1. Connected persons were excluded from the approval process whenever the Company entered into connected transactions. Former connected transactions were proven to be normal business of the Company and the pricing policy of those transactions were based on prices comparable to other transactions conducted with other unrelated parties as described by the Company's Auditor in the notes to financial statements as well as in the opinion of the Company's Audit Committee.
2. The process for approval of connected transactions must comply with rules and regulations of SET. The Company clearly defines rules and process for approval of the connected transactions. Conflicted parties have no voting rights in approving such connected transactions.



## Independent Auditor's Report

### To the shareholders of Univanich Palm Oil Public Company Limited

#### My opinion

In my opinion, the consolidated financial statements and the separate financial statements present fairly, in all material respects, the consolidated financial position of Univanich Palm Oil Public Company Limited (the Company) and its subsidiaries (the Group) and the separate financial position of the Company as at 31 December 2023, and its consolidated and separate financial performance, and its consolidated and separate cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRS).

#### What I have audited

The consolidated financial statements and the separate financial statements comprise:

- the consolidated and separate statements of financial position as at 31 December 2023;
- the consolidated and separate statements of comprehensive income for the year then ended;
- the consolidated and separate statements of changes in equity for the year then ended;
- the consolidated and separate statements of cash flows for the year then ended; and
- the notes to the consolidated and separate financial statements, which include significant accounting policies and other explanatory information.

#### 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 (TFAC Code) that are relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with the TFAC Code. 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 judgement, were of most significance in my audit of the consolidated and separate financial statements of the current period. I determine one key audit matter, valuation of biological assets - palm seedlings for sales. The matter was 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 the matter.

Key audit matter	How my audit addressed the key audit matter
<p><b>Valuation of biological assets - palm seedlings for sales</b></p> <p>As described in Note 5.7 ‘Accounting policies for biological assets’ and Note 15 “Biological assets” to the consolidated and separate financial statements which determined that biological assets are measured at fair value less costs to sell.</p> <p>As at 31 December 2023, management had estimated the fair value of the Company’s palm seedlings for sales at Baht 74 million in the consolidated and separate financial statements. In assessing the fair value of palm seedlings for sales, significant management estimates and judgments are required to determine underlying assumptions. The discounted cash flow method is used to determine fair value. Significant assumptions are such as quantity of sellable palm seedlings, selling prices, cost of growing palm seedlings until ready for sales and discount rates.</p> <p>I focused on this area because the fair value of palm seedlings for sales was material to the consolidated and separate financial statements. In addition, the fair value of palm seedlings for sales involved a significant level of estimation and judgement by management in determining the assumptions used to assess the future cash flows of palm seedlings for sales. These assumptions include the estimated quantity of sellable palm seedlings, the estimated selling prices of palm seedlings, the estimated cost of growing palm seedlings until ready for sales and the discounted rate applied.</p>	<p>I assessed the appropriateness of key assumptions used by management to estimate the fair value of palm seedlings for sales by performing the following procedures:</p> <ul style="list-style-type: none"> <li>• challenged management on the reasonableness of key assumptions used to assess the possibility of future cash flows, for example;                     <ul style="list-style-type: none"> <li>- the estimated selling prices of palm seedlings by considering the historical and current selling prices, and comparing with other traders’ selling prices, including comparisons with the actual selling price after year end.</li> <li>- the estimated quantity of sellable of palm seedlings by considering the historical and current performance and the forecasting market demand trends, including comparisons with the actual quantity sales of palm seedlings after year end.</li> </ul> </li> <li>• tested the actual cost of growing palm seedlings during the year to assess the suitability of the data used to estimate cost of growing palm seedlings until they were ready for sales.</li> <li>• observed the physical count of palm seedlings for sales at the year end, which was used as part of the data to assess the reasonableness of the estimated quantity of sellable palm seedlings and their existence.</li> <li>• assessed the reasonableness of the discount rate applied by comparing with relevant economic and industry indicators.</li> </ul> <p>Based on these procedures, I found that the assumptions used in calculating the fair value of palm seedlings for sales were reasonable based on supporting evidence.</p>



### Other information

The directors are 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. The annual report is expected to be made available to me after the date of this auditor's report.

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 identified above when it becomes available 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.

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to the audit committee.

### Responsibilities of the directors for the consolidated and separate financial statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with TFRS, and for such internal control as the directors determine 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, the directors are 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 the directors either intend to liquidate the Group and the Company or to cease operations, or has no realistic alternative but to do so.

The audit committee assists the directors in discharging their responsibilities 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 judgement and maintain professional scepticism 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 the directors.
- Conclude on the appropriateness of the directors' 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 the audit committee 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 the audit committee 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, related safeguards.

From the matters communicated with the audit committee, 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.

PricewaterhouseCoopers ABAS Ltd.

**Sukhumaporn Wong-ariyaporn**

Certified Public Accountant (Thailand) No. 4843

Bangkok

23 February 2024

# PART 3 - FINANCIAL STATEMENTS

## Univanich Palm Oil Public Company Limited

### Statement of Financial Position As at 31 December 2023

	Notes	Consolidated financial statements		Separate financial statements	
		2023 Baht	2022 Baht	2023 Baht	2022 Baht
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	10	1,191,606,390	1,389,431,181	1,081,385,252	1,287,732,319
Short-term investment	11	-	80,000,000	-	80,000,000
Trade and other receivables, net	12	636,957,697	736,953,757	488,506,459	546,385,000
Inventories, net	14	480,131,393	460,910,094	385,063,685	420,403,752
Biological assets	15	122,454,324	122,371,672	122,454,324	122,371,672
Current portion of long-term loans to subsidiary	30 d)	-	-	40,820,860	-
Other current assets		57,323,234	51,208,597	40,993,204	39,026,517
<b>Total current assets</b>		<b>2,488,473,038</b>	<b>2,840,875,301</b>	<b>2,159,223,784</b>	<b>2,495,919,260</b>
<b>Non-current assets</b>					
Investment in subsidiaries	16	-	-	21,011,417	21,011,417
Loans to contractors		845,067	1,788,940	845,067	1,788,940
Long-term loans to a subsidiary	30 d)	-	-	102,066,722	141,947,580
Property, plant and equipment, net	17	2,607,193,296	2,365,362,561	2,310,040,029	2,049,646,062
Intangible assets, net	18	6,994,565	9,388,654	6,994,565	9,388,654
Right-of-use assets, net	19	12,294,859	13,003,135	-	-
Deferred tax assets, net	20	16,038,532	26,449,546	22,930,869	28,141,654
Other non-current assets		22,385,764	14,220,159	7,653,362	3,173,281
<b>Total non-current assets</b>		<b>2,665,752,083</b>	<b>2,430,212,995</b>	<b>2,471,542,031</b>	<b>2,255,097,588</b>
<b>Total assets</b>		<b>5,154,225,121</b>	<b>5,271,088,296</b>	<b>4,630,765,815</b>	<b>4,751,016,848</b>

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



## Univanich Palm Oil Public Company Limited

### Statement of Financial Position (continued) As at 31 December 2023

	Notes	Consolidated financial statements		Separate financial statements	
		2023 Baht	2022 Baht	2023 Baht	2022 Baht
<b>Liabilities and equity</b>					
<b>Current liabilities</b>					
Trade and other payables	21	128,851,185	158,634,167	106,328,485	104,042,990
Contract liabilities		56,145,541	55,636,387	56,145,541	55,636,387
Current portion of long-term loans from a financial institution	22	17,717,584	35,727,471	-	-
Income tax payable		69,454,124	118,829,478	56,635,674	118,829,478
Other current liabilities		8,747,459	9,838,678	7,797,661	7,012,863
<b>Total current liabilities</b>		<b>280,915,893</b>	<b>378,666,181</b>	<b>226,907,361</b>	<b>285,521,718</b>
<b>Non-current liabilities</b>					
Long term loans from a financial institution	22	61,957,681	82,258,702	-	-
Employee benefit obligations	23	183,407,268	188,442,607	181,884,067	188,442,607
<b>Total non-current liabilities</b>		<b>245,364,949</b>	<b>270,701,309</b>	<b>181,884,067</b>	<b>188,442,607</b>
<b>Total liabilities</b>		<b>526,280,842</b>	<b>649,367,490</b>	<b>408,791,428</b>	<b>473,964,325</b>
<b>Equity</b>					
Share capital					
Registered share capital					
940,000,000 ordinary shares					
at par value of Baht 0.50 each					
		470,000,000	470,000,000	470,000,000	470,000,000
Issued and paid-up share capital					
940,000,000 ordinary shares					
paid-up of Baht 0.50 each					
		470,000,000	470,000,000	470,000,000	470,000,000
Premium on share capital		267,503,419	267,503,419	267,503,419	267,503,419
Retained earnings					
Appropriated - legal reserve					
	24	47,000,000	47,000,000	47,000,000	47,000,000
Appropriated - general reserve					
		20,000,000	20,000,000	20,000,000	20,000,000
Unappropriated					
		3,568,683,391	3,572,280,757	3,417,470,968	3,472,549,104
Other components of equity		3,821,517	7,805,291	-	-
<b>Total equity attributable to the owners of the Company</b>		<b>4,377,008,327</b>	<b>4,384,589,467</b>	<b>4,221,974,387</b>	<b>4,277,052,523</b>
Non-controlling interests	26	250,935,952	237,131,339	-	-
<b>Total equity</b>		<b>4,627,944,279</b>	<b>4,621,720,806</b>	<b>4,221,974,387</b>	<b>4,277,052,523</b>
<b>Total liabilities and equity</b>		<b>5,154,225,121</b>	<b>5,271,088,296</b>	<b>4,630,765,815</b>	<b>4,751,016,848</b>

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

# PART 3 - FINANCIAL STATEMENTS

## Univanich Palm Oil Public Company Limited

### Statement of Comprehensive Income For the year ended 31 December 2023

	Notes	Consolidated financial statements		Separate financial statements	
		2023 Baht	2022 Baht	2023 Baht	2022 Baht
Sales of goods	32	14,173,652,994	18,586,883,850	13,190,883,271	17,247,128,780
Cost of sales		(12,442,808,633)	(16,229,076,710)	(11,717,265,340)	(15,161,722,334)
<b>Gross profit</b>		<b>1,730,844,361</b>	<b>2,357,807,140</b>	<b>1,473,617,931</b>	<b>2,085,406,446</b>
Other income		27,954,666	23,193,316	42,678,288	42,575,988
Gains (losses) on fair value re-measurement of biological assets	15	(3,131,171)	22,848,211	(3,131,171)	22,848,211
Selling expenses		(313,815,587)	(277,025,479)	(250,074,365)	(216,581,791)
Administrative expenses		(158,313,746)	(202,539,526)	(139,223,420)	(159,757,132)
Expected credit losses of trade receivables		(4,189,613)	2,415,630	-	-
Gains (losses) on exchange rates, net		(56,037,474)	(114,429,077)	(50,211,899)	(127,933,190)
Fair value gains (losses) on derivatives		(9,509,071)	15,138,139	(9,509,071)	15,138,139
Finance cost		(3,053,941)	(6,826,769)	-	-
<b>Profit before income tax</b>		<b>1,210,748,424</b>	<b>1,820,581,585</b>	<b>1,064,146,293</b>	<b>1,661,696,671</b>
Income tax	28	(217,243,751)	(315,103,403)	(179,224,429)	(305,138,822)
<b>Profit for the year</b>		<b>993,504,673</b>	<b>1,505,478,182</b>	<b>884,921,864</b>	<b>1,356,557,849</b>
Other comprehensive income					
<i>Item that will be reclassified subsequently to profit or loss</i>					
- Currency translation differences on financial statements		(11,660,433)	(3,247,782)	-	-
<i>Item that will not be reclassified subsequently to profit or loss</i>					
- Remeasurement of post-employment benefit obligations	23	1,041,070	-	-	-
- Income tax relating on item that will not be reclassified subsequently to profit and loss	20	(260,268)	-	-	-
Total item that will not be reclassified subsequently to profit or loss		780,802	-	-	-
<b>Other comprehensive income for the year, net of tax</b>		<b>(10,879,631)</b>	<b>(3,247,782)</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income for the year</b>		<b>982,625,042</b>	<b>1,502,230,400</b>	<b>884,921,864</b>	<b>1,356,557,849</b>

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



## Univanich Palm Oil Public Company Limited

### Statement of Comprehensive Income (continued) For the year ended 31 December 2023

	Notes	Consolidated financial statements		Separate financial statements	
		2023 Baht	2022 Baht	2023 Baht	2022 Baht
Profit attributable to:					
Owners of the Company		936,004,425	1,429,764,687	884,921,864	1,356,557,849
Non-controlling interests		57,500,248	75,713,495	-	-
		<u>993,504,673</u>	<u>1,505,478,182</u>	<u>884,921,864</u>	<u>1,356,557,849</u>
Total comprehensive income attributable to:					
Owners of the Company		932,418,860	1,428,673,661	884,921,864	1,356,557,849
Non-controlling interests	26	50,206,182	73,556,739	-	-
		<u>982,625,042</u>	<u>1,502,230,400</u>	<u>884,921,864</u>	<u>1,356,557,849</u>
<b>Earnings per share</b>					
Basic earnings per share (Baht)	29	<u>1.00</u>	<u>1.52</u>	<u>0.94</u>	<u>1.44</u>

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

# PART 3 - FINANCIAL STATEMENTS

## Univanich Palm Oil Public Company Limited

### Statement of Changes in Equity For the year ended 31 December 2023

	Consolidated financial statements												
	Attributable to owners of the Company						Other components of equity						
	Issued and paid-up share capital			Retained earnings			Currency translation differences			Non-controlling interests			
	Notes	Baht	Baht	Legal reserve	Appropriated General reserve	Unappropriated	Baht	Baht	Baht	Total owners of the Company	Baht	Baht	Total equity
<b>Opening balance as at 1 January 2022</b>	470,000,000	267,503,419	47,000,000	20,000,000	2,800,516,070	8,896,317	3,613,915,806	189,275,037	3,803,190,843				
Dividend paid during the year	-	-	-	-	(658,000,000)	-	(658,000,000)	(25,700,437)	(683,700,437)				
Total comprehensive income for the year	-	-	-	-	1,429,764,687	(1,091,026)	1,428,673,661	73,556,739	1,502,230,400				
<b>Closing balance as at 31 December 2022</b>	470,000,000	267,503,419	47,000,000	20,000,000	3,572,280,757	7,805,291	4,384,589,467	237,131,339	4,621,720,806				
<b>Opening balance as at 1 January 2023</b>	470,000,000	267,503,419	47,000,000	20,000,000	3,572,280,757	7,805,291	4,384,589,467	237,131,339	4,621,720,806				
Dividend paid during the year	-	-	-	-	(940,000,000)	-	(940,000,000)	(36,401,569)	(976,401,569)				
Total comprehensive income for the year	-	-	-	-	936,402,634	(3,983,774)	932,418,860	50,206,182	982,625,042				
<b>Closing balance as at 31 December 2023</b>	470,000,000	267,503,419	47,000,000	20,000,000	3,568,683,391	3,821,517	4,377,008,327	250,935,952	4,627,944,279				

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

## Univanich Palm Oil Public Company Limited

Statement of Changes in Equity (continued)  
For the year ended 31 December 2023

	Note	Separate financial statements									
		Issued and paid-up share capital		Retained earnings				Unappropriated		Total equity	
		Baht	Premium on share capital	Appropriated		General reserve	Unappropriated	Baht	Baht	Baht	Baht
				Legal reserve	General reserve						
<b>Opening balance as at 1 January 2022</b>		470,000,000	267,503,419	47,000,000	20,000,000	20,000,000	2,773,991,255	3,578,494,674			
Dividend paid during the year	25	-	-	-	-	-	(658,000,000)	(658,000,000)			
Total comprehensive income for the year		-	-	-	-	-	1,356,557,849	1,356,557,849			
<b>Closing balance as at 31 December 2022</b>		470,000,000	267,503,419	47,000,000	20,000,000	20,000,000	3,472,549,104	4,277,052,523			
<b>Opening balance as at 1 January 2023</b>		470,000,000	267,503,419	47,000,000	20,000,000	20,000,000	3,472,549,104	4,277,052,523			
Dividend paid during the year	25	-	-	-	-	-	(940,000,000)	(940,000,000)			
Total comprehensive income for the year		-	-	-	-	-	884,921,864	884,921,864			
<b>Closing balance as at 31 December 2023</b>		470,000,000	267,503,419	47,000,000	20,000,000	20,000,000	3,417,470,968	4,221,974,387			

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

# PART 3 - FINANCIAL STATEMENTS

## Univanich Palm Oil Public Company Limited

### Statement of Cash Flows For the year ended 31 December 2023

	Notes	Consolidated financial statements		Separate financial statements	
		2023 Baht	2022 Baht	2023 Baht	2022 Baht
<b>Cash flows from operating activities</b>					
Profit before income tax		1,210,748,424	1,820,581,585	1,064,146,293	1,661,696,671
Adjustments to:					
(Gains) losses on change in fair value of biological assets	15	3,131,171	(22,848,211)	3,131,171	(22,848,211)
Fair value gains (losses) on derivatives		9,509,071	(15,138,139)	9,509,071	(15,138,139)
Expected credit losses of trade receivables (reversal)	12	4,189,613	(2,415,630)	-	-
Depreciation and amortisation	17,18,19	227,969,725	233,481,509	182,222,427	188,630,224
(Gains) losses on disposal and write-off of property, plant and equipment		(8,512,537)	(6,372,009)	(8,512,537)	(432,520)
Unrealised (gains) losses on exchange rate		(14,008,390)	(6,163,073)	1,689,480	(763,240)
Employee benefit obligations	23	21,134,830	30,437,166	18,570,559	30,437,166
Interest income		(11,363,278)	(3,339,803)	(13,957,473)	(5,831,075)
Interest expenses		3,053,941	6,826,769	-	-
Cash flows before changes in working capital		1,445,852,570	2,035,050,164	1,256,798,991	1,835,750,876
Changes in working capital:					
- trade and other receivables		96,238,544	(148,538,985)	57,925,190	(8,686,497)
- inventories		(19,221,299)	64,908,515	35,340,067	55,124,671
- biological assets		(3,213,823)	(39,751)	(3,213,823)	(39,751)
- other current assets		(15,623,708)	(20,240,021)	(1,966,687)	(20,022,278)
- other non-current assets		(4,133,140)	338,403	(4,480,081)	336,702
- trade and other payables		(37,607,160)	43,042,560	(6,428,475)	25,123,799
- contract liabilities		509,154	16,654,850	509,154	16,654,851
- other current liabilities		(1,091,218)	11,234,935	(8,724,271)	9,953,120
- cash payment for employee benefit obligations	23	(25,129,099)	(81,309,467)	(25,129,099)	(81,309,467)
Cash generated from operations		1,436,580,821	1,921,101,203	1,300,630,966	1,832,886,026
Income tax paid		(256,208,092)	(250,871,694)	(236,207,450)	(230,003,111)
<b>Net cash generated from operating activities</b>		<b>1,180,372,729</b>	<b>1,670,229,509</b>	<b>1,064,423,516</b>	<b>1,602,882,915</b>

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


**Univanich Palm Oil Public Company Limited**
**Statement of Cash Flows (Continued)**  
**For the year ended 31 December 2023**

	Notes	Consolidated financial statements		Separate financial statements	
		2023 Baht	2022 Baht	2023 Baht	2022 Baht
<b>Cash flows from investing activities</b>					
Payment for purchase of short-term investment		(20,000,000)	(80,000,000)	(20,000,000)	(80,000,000)
Proceeds from redemption of short-term investment		100,000,000	-	100,000,000	-
Payment for purchases of property, plant and equipment		(471,298,736)	(170,357,099)	(433,453,177)	(152,525,303)
Proceeds from disposals of property, plant and equipment		10,457,378	15,953,892	10,457,378	7,289,640
Payment for advance of purchase fixed assets		(4,032,466)	(10,840,822)	-	-
Proceeds from settlement of loans to contractors		943,873	1,582,407	943,873	1,582,407
Interest received		11,316,629	3,330,126	11,281,343	3,292,655
<b>Net cash flows used in investing activities</b>		<b>(372,613,322)</b>	<b>(240,331,496)</b>	<b>(330,770,583)</b>	<b>(220,360,601)</b>
<b>Cash flows from financing activities</b>					
Repayment on loans from a financial institution	22	(34,603,827)	(34,280,196)	-	-
Dividend paid	25	(940,000,000)	(658,000,000)	(940,000,000)	(658,000,000)
Dividend paid to non-controlling interest	16	(36,401,569)	(25,700,437)	-	-
Interest paid		(2,833,671)	(6,994,694)	-	-
<b>Net cash flows used in financing activities</b>		<b>(1,013,839,067)</b>	<b>(724,975,327)</b>	<b>(940,000,000)</b>	<b>(658,000,000)</b>
Net increase (decrease) in cash and cash equivalents		(206,079,660)	704,922,686	(206,347,067)	724,522,314
Cash and cash equivalents at the beginning of the year		1,389,431,181	679,992,536	1,287,732,319	563,210,005
Exchange gains on cash and cash equivalents		8,254,869	4,515,959	-	-
Cash and cash equivalents at the end of the year	10	1,191,606,390	1,389,431,181	1,081,385,252	1,287,732,319
<b>Non-cash transaction</b>					
Purchases of property, plant and equipment on payable	21	12,689,507	5,085,599	12,689,507	3,975,538

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

## Univanich Palm Oil Public Company Limited

### Notes to the Consolidated and Separate Financial Statements For the year ended 31 December 2023

#### 1 General information

Univanich Palm Oil Public Company Limited (the Company) is a public limited company which listed on the Stock Exchange of Thailand and was formed from the amalgamation, according to the Civil and Commercial Code, of Hup Huat Palm Oil Industry Company Limited, Siam Palm Oil and Refinery Industry Company Limited and Thai Oil Palm Industry and Estate Company Limited.

The Company's head office is located at 258 Aoluk-Laemsak Road, Ampur Aoluk, Krabi province.

The Company has 5 branches located at the following addresses:

- 1) Plai Phraya Branch : 592 Aoluk-Prasaeng Road, Plaiphraya District, Krabi province.
- 2) Lamthap Branch : 142 Moo 1 Tambol Toongsaitong, Lamthap District, Krabi province.
- 3) Cha-Uat Branch : 173/2 Moo 6 Tambol Thapraja, Cha-Uat District, Nakhon Sri Thammarat province.
- 4) Chokvallapa Branch : 1/4 Moo 3 Tambol Khura, Khura Buri District, Phang-nga province.
- 5) Pabon Branch : 659 Moo 8 Tambol Pabon, Pabon District, Phatthalung province.

For reporting purposes, the Company and its subsidiaries are referred to as the Group.

The Group is engaged in oil palm plantations, crushing mills, oil palm research and seed businesses and electric power plant with methane capture biogas project.

These consolidated and separate financial statements were authorised by the Board of Directors on 23 February 2024.

#### 2 Significant events during the current year

In 2023, significant events relate to renew the concession are as follows:

##### 1. Chean Vanich concession area

On 10 February 2023, the Supreme Administrative Court judged that the Company's request for permission to use the reserved forest area should be considered a request under the new National Reserved Forests Act BE 2559 (2016). The committee responsible for considering the use of the area did not approve the Company's request to establish a forest plantation or to plant trees for palm oil cultivation. Therefore, it is not necessary for the Company to submit a request for the Cabinet's further consideration, as stated in Note 17.

##### 2. Thai Oil Palm Industry concession area

On 18 November 2023, the 30-year lease period, started on 19 November 1993, for the Thai Oil Palm Industry concession area expired. The Company has requested permission since 2021 from the Department of Natural Resources and Environment to continue using the area, but the request remains pending with the Department of Forestry. Due to the delay, the Company filed a lawsuit with the Administrative Court on 15 June 2023, as stated in Note 17.



### 3 Basis of preparation

The consolidated and separate financial statements have been prepared in accordance with Thai Financial Reporting Standards (“TFRS”) and the financial reporting requirements issued under the Securities and Exchange Act.

The consolidated and separate financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with TFRS requires management to use certain critical accounting estimates and to exercise its judgement in applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas that are more likely to be materially adjusted due to changes in estimates and assumptions are disclosed in Note 8.

An English-language version of the consolidated and separate financial statements have been prepared from the statutory financial statements that are in the Thai-language. In the event of a conflict or a difference in interpretation between the two languages, the Thai-language statutory financial statements shall prevail.

### 4 New and amended financial reporting standards

4.1 New financial reporting standards that are effective for accounting period beginning on or after 1 January 2023 do not have significant impacts to the Group.

4.2 Amended financial reporting standards that are effective for accounting period beginning or after 1 January 2024 that are relevant to the Group and have not been early adopted by the Group.

- a) **Amendment to TAS 1 - Presentation of financial statements** revises the disclosure from ‘significant accounting policies’ to ‘material accounting policies’. The amendment also provides guidelines on identifying when the accounting policy information is material. Consequently, immaterial accounting policy information does not need to be disclosed. If it is disclosed, it should not obscure material accounting information.
- b) **Amendment to TAS 8 - Accounting policies, changes in accounting estimates and errors** revises to the definition of ‘accounting estimates’ to clarify how companies should distinguish between changes in accounting policies and changes in accounting estimates. The distinction is important because changes in accounting estimates are applied prospectively to transactions, other events and conditions from the date of that change. Whereas changes in accounting policies are generally applied retrospectively to past transactions and other past events as well as the current period as if the new accounting policy had always been applied.
- c) **Amendments to TAS 12 - Income taxes** requires companies to recognise any deferred tax related to assets and liabilities arising from a single transaction that, on initial recognition, gives rise to equal amounts of taxable and deductible temporary differences. Example transactions are leases and decommissioning obligations.

The amendment should be applied to transactions on or after the beginning of the earliest comparative period presented. In addition, entities should recognise deferred tax assets (to the extent that they can probably be utilised) and deferred tax liabilities at the beginning of the earliest comparative period for all deductible and taxable temporary differences associated with:

- right-of-use assets and lease liabilities, and
- decommissioning, restoration and similar liabilities, and the corresponding amounts recognised as part of the cost of the related assets.

The Group’s management assesses these financial reporting standards will not have material impact to the Group.

### 4 New and amended financial reporting standards (Cont'd)

- 4.3 Amended financial reporting standards that are effective for the accounting period beginning on or after 1 January 2025 do not have significant impacts to the Group. The Group has not early adopted these standards.

### 5 Accounting policies

#### 5.1 Principles of consolidation accounting

##### a) Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group 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. Subsidiaries are consolidated from the date on which control is transferred to the Group until the date that control ceases.

In the separate financial statements, investments in subsidiaries are accounted for using cost method

##### b) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A difference between the amount of the adjustment to non-controlling interests to reflect their relative interest in the subsidiary and any consideration paid or received is recognised within equity.

If the ownership interest in associates and joint ventures is reduced but significant influence and joint control is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate. Profit or loss from reduce of the ownership interest in associates and joint ventures is recognise in profit or loss.

When the Group losses control, joint control or significant influence over investments, any retained interest in the investment is remeasured to its fair value, with the change in carrying amount recognised in profit or loss. The fair value becomes the initial carrying amount of the retained interest which is reclassified to investment in an associate, or a joint venture or a financial asset accordingly.

##### c) Intercompany transactions on consolidation

Intra-group transactions, balances and unrealised gains on transactions are eliminated. Unrealised losses are also eliminated in the same manner unless the transaction provides evidence of an impairment of the asset transferred.

#### 5.2 Foreign currency translation

##### a) Functional and presentation currency

The financial statements are presented in Thai Baht, which is the Group and the Company's functional and presentation currency.



## 5 Accounting policies (Cont'd)

### b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss.

Any exchange component of gains and losses on a non-monetary item that recognised in profit or loss, or other comprehensive income is recognised following the recognition of a gain or loss on the non-monetary item.

### c) Group companies

The operational results and financial position of the Group's entities (none of which has the currency of a hyper-inflationary economy) that have a different functional currency from the Group's presentation currency are translated into the presentation currency as follows.

- Assets and liabilities are translated at the closing rate at the date of respective statement of financial position;
- Income and expenses for statement of comprehensive income are translated at average exchange rates; and
- All resulting exchange differences are recognised in other comprehensive income.

## 5.3 Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call, short-term highly liquid investments with maturities of three months or less from acquisition date.

## 5.4 Trade receivables

Trade receivables are amounts due from customers for goods sold or service performed in the ordinary course of business.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, they are recognised at fair value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost.

The impairment of trade receivables is disclosed in Note 5.6 e).

## 5 Accounting policies (Cont'd)

### 5.5 Inventories

Inventories are stated at the lower of cost or net realisable value.

Cost of inventories is determined by the weighted average method. Cost of raw materials comprise all purchase cost and costs directly attributable to the acquisition of the inventory less all attributable discounts. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and directly attributable costs in bringing the inventories to their present location and condition.

Net realisable value is the estimate of the selling price in the ordinary course of business, less applicable variable selling expenses. Allowance is made, where necessary, for obsolete, slow-moving and defective inventories, and presented as cost of sales.

### 5.6 Financial asset

#### a) Classification

The Group classifies its debt instrument financial assets in the following measurement categories depending on i) business model for managing the asset and ii) the cash flow characteristics of the asset whether they represent solely payments of principal and interest (SPPI).

- those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss); and
- those to be measured at amortised cost.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

#### b) Recognition and derecognition

Regular way purchases, acquires and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

#### c) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at FVPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether the cash flows are solely payment of principal and interest.



## 5 Accounting policies (Cont'd)

### d) Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the financial assets. There are three measurement categories into which the Group classifies its debt instruments:

- **Amortised cost:** Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as a separate line item in the statement of comprehensive income.
- **FVOCI:** Financial assets that are held for i) collection of contractual cash flows; and ii) for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through other comprehensive income (OCI), except for the recognition of impairment gains or losses, interest income using the effective interest method, and foreign exchange gains and losses which are recognised in profit or loss. When the financial assets is recognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income is included in other income. Impairment expenses are presented separately in the statement of comprehensive income.
- **FVPL:** Financial assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

### e) Impairment

The Group applies the TFRS 9 simplified approach in measuring the impairment of trade receivables which applies lifetime expected credit loss, from initial recognition, for all trade receivables.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The expected credit loss rates are based on payment profiles, historical credit losses as well as forward-looking information and factors that may affect the ability of the customers to settle the outstanding balances.

For other financial assets carried at amortised cost and FVOCI, the Group applies TFRS 9 general approach in measuring the impairment of those financial assets. Under the general approach, the 12-month or the lifetime expected credit loss is applied depending on whether there has been a significant increase in credit risk since the initial recognition.

The significant increase in credit risk (from initial recognition) assessment is performed every end of reporting period by comparing i) expected risk of default as of the reporting date and ii) estimated risk of default on the date of initial recognition.

Impairment (and reversal of impairment) losses are recognised in profit or loss as separate line item.

## 5 Accounting policies (Cont'd)

### 5.7 Biological assets

Biological assets are measured at fair value less costs to sell. Fair value is determined based on the present value of expected net cash flows from the biological assets, the expected net cash flows are estimated market price of the biological asset less costs to sell.

Biological assets comprise fresh fruit bunches (FFB) growing on palm trees, palm seeds and palm seedlings for sales.

The palm trees are bearer plants and are therefore presented and accounted for as property, plant and equipment. However, the FFB growing on the palm trees is accounted for as biological assets until the point of harvest. Harvested FFB are transferred to cost of inventory at fair value less costs to sell when harvested.

Any gains or losses arising from changes in the fair value less costs to sell of the FFB growing on palm trees, palm seeds for sales and seedlings for sales are recognised in profit or loss.

### 5.8 Property, plant and equipment

Land is stated at cost. Plant and equipment are stated at historical cost less accumulated depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the item will flow to the Group, capitalised where there is future economic benefits. The carrying amount of the replaced part is derecognised.

The Group will recognise other repairs and maintenance to profit or loss when incurred.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Land improvement	20 years
Buildings and plants	10 - 20 years
Machinery and equipment	5 - 10 years
Furniture, fixtures and office equipment	5 - 10 years
Motor vehicles	5 - 10 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains or losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in other gains or losses.



## 5 Accounting policies (Cont'd)

Fruit bearer palm trees are recognised as property, plant and equipment and are stated at historical cost less accumulated depreciation and impairment, if any.

Fruit bearer palm trees are stated at cost. All costs comprising mainly palm falling and clearing, land terracing and drainage, palm planting, weeding and fertilizing involved during the immature period until the palms are ready for commercial harvesting at approximately 2 - 3 years, are capitalised.

Depreciation on fruit bearer palm trees is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Fruit bearer palm trees	20 years or over the remaining period of the concessions to which it relates, whichever is shorter.
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Fruit bearer palm trees are classified as immature until the produce can be commercially harvested. At that point they are reclassified as mature palm and depreciation commences. Immature fruit bearer palm trees are measured at accumulated cost.

### 5.9 Intangible assets

#### Revenue sharing contract

Revenue sharing contract from electricity sales under a very small power plant project, which are identifiable assets acquired from business acquisition. Revenue sharing contract from electricity sales are recognised at fair value at the acquisition date. Amortisation is calculated using the straight-line method over the expected life of the contract of 10 years.

#### Computer Software

Acquired computer software is measured at cost. These costs are amortised over their estimated useful lives not over than 5 years.

Cost associated with maintaining computer software are recognised as an expense as incurred.

### 5.10 Impairment of assets

Assets that have an indefinite useful life are tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired. Assets that are subject to amortisation are reviewed for impairment whenever there is an indication of impairment. An impairment loss is recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

Where the reasons for previously recognised impairments no longer exist, the impairment losses on the assets concerned other than goodwill is reversed.

## 5 Accounting policies (Cont'd)

### 5.11 Leases

#### Leases - where the Group is the lessee

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the group is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate
- amounts expected to be payable by the lessee under residual value guarantees
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

The Group has elected not to recognise ROU assets and lease liabilities for short-term leases that have a lease term of 12 months or leases of low-value assets. The Group recognised the lease payments associated with these leases as an expense on a straight-line basis over the lease term.



## 5 Accounting policies (Cont'd)

### 5.12 Financial liabilities

#### a) Classification

Financial instruments issued by the Group are classified as either financial liabilities or equity securities by considering contractual obligations.

- Where the Group has an unconditional contractual obligation to deliver cash or another financial asset to another entity, it is considered a financial liability unless there is a predetermined or possible settlement for a fixed amount of cash in exchange of a fixed number of the Group's own equity instruments.
- Where the Group has no contractual obligation or has an unconditional right to avoid delivering cash or another financial asset in settlement of the obligation, it is considered an equity instrument.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

#### b) Measurement

Financial liabilities are initially recognised at fair value and are subsequently measured at amortised cost.

#### c) Derecognition and modification

Financial liabilities are derecognised when the obligation specified in the contract is discharged, cancelled, or expired.

Where the terms of a financial liability are renegotiated/modified, the Group assesses whether the renegotiation / modification results in the derecognition of that financial liability. Where the modification results in an extinguishment, the new financial liability is recognised based on fair value of its obligation. The remaining carrying amount of financial liability is derecognised. The difference as well as proceed paid is recognised as other gains/(losses) in profit or loss.

Where the modification does not result in the derecognition of the financial liability, the carrying amount of the financial liability is recalculated as the present value of the renegotiated / modified contractual cash flows discounted at its original effective interest rate. The difference is recognised in other gains/(losses) in profit or loss.

### 5.13 Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets (assets that take 12 months to get ready for its intended use or sale) are added to the cost of those assets less investment income earned from those specific borrowings. The capitalisation of borrowing costs is ceased when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

Other borrowing costs are expensed in the period in which they are incurred.

## 5 Accounting policies (Cont'd)

### 5.14 Current and deferred income taxes

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

#### *Current tax*

The current income tax is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

#### *Deferred income tax*

Deferred income tax is recognised on temporary differences arising from differences between the tax base of assets and liabilities and their carrying amounts in the financial statements. However, deferred income tax is not recognised for temporary differences arise from:

- initial recognition of an asset or liability in a transaction other than a business combination that affects neither accounting nor taxable profit or loss is not recognised.
- investments in subsidiaries, associates and joint arrangements where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax is measured using tax rates of the period in which temporary difference is expected to be reversed, based on tax rates and laws that have been enacted or substantially enacted by the end of the reporting period.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

### 5.15 Employee benefits

#### **a) Short-term employee benefits**

Liabilities for short-term employee benefits such as wages, salaries and bonuses that are expected to be settled wholly within 12 months after the end of the period are recognised in respect of employees' service up to the end of the reporting period. They are measured at the amount expected to be paid.

#### **b) Defined contribution plan**

The Group pays contributions to a separate fund which is managed by an external fund manager in accordance with the provident fund Act. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due.



## 5 Accounting policies (Cont'd)

### c) Defined benefit plans

Amount of employee benefits is defined by the agreed benefits the employees will receive after the completion of employment or resign from the Company after working for the Company for the period or at age as specified in the employee benefit schemes. It usually depends on factors such as age, years of service and an employee's latest compensation at retirement or resignation.

The defined benefit obligation is calculated by an independent actuary using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yield of government bonds that matches the terms and currency of the expected cash outflows.

Remeasurement gains and losses are recognised directly to other comprehensive income in the period in which they arise. They are included in retained earnings in the statement of changes in equity.

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

### 5.16 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation. The increase in the provision due to passage of time is recognised as interest expense.

### 5.17 Revenue recognition

Revenue includes all revenues from ordinary business activities.

Revenue is recognised when the Group satisfies a performance obligation by transferring goods to customers. The goods are transferred when the customers obtain control of that goods. Control of the goods has transferred when the goods are delivered to customers. Delivery occurs when the goods have been shipped to the specific location. A receivable is recognised when the goods are delivered as this is the performance obligations satisfied at a point in time.

The Group recognises revenue from sales of goods at the price which is entitled in exchange for the goods, net of value-added tax, returns and discounts. For the contract with more than one performance obligations, the transaction price will be allocated to each distinct performance obligation based on the relative standalone selling price of the goods and other performance obligations.

#### *Contract liabilities*

A contract liability is recognised when the customer paid consideration or a receivable from the customer that is due before the Group fulfilled a contractual performance obligation.

### 5 Accounting policies (Cont'd)

#### 5.18 Dividend distribution

Dividend distributed to the Company's shareholders is recognised as a liability when interim dividends are approved by the Board of Directors, and when the annual dividends are approved by the shareholders.

#### 5.19 Derivatives

Derivatives that do not qualify for hedge accounting is initially recognised at fair value. Changes in the fair value are included in other gains(losses).

Fair value of derivatives is classified as a current or non-current following its remaining maturity.

### 6 Financial risk management

#### 6.1 Financial risk

The Group exposes to a variety of financial risk: market risk (including foreign exchange risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The Group uses derivative financial instruments to hedge certain exposures.

Financial risk management is carried out by the Group financial management. The Group's policy includes areas such as foreign exchange risk, interest rate risk, credit risk and liquidity risk. The framework parameters are approved by the Board of Directors and uses as the key communication and control tools for Group financial management.

##### 6.1.1 Market risk

###### a) Foreign exchange risk

The Group's primary functional currency is Thai Baht. The Group is exposed to foreign currency risk arises mainly from trading transactions, cash and cash equivalents and loans to a subsidiary that are denominated in foreign currencies. The Group seeks to reduce this risk by entering into forward exchange contracts when it considers appropriate.

The Group uses forward contracts to hedge their exposure to foreign currency risk in connection with measurement currency. The Group minimises the potential adverse effects of fluctuation currency values on the financial performance of the Group by using forward foreign exchange contracts to hedge all such export sales currency risk.

The Group does not enter into forward foreign exchange contracts to hedge foreign exchange rate risk on its cash and cash equivalents and loans to a subsidiary because the management consider that the impact was immaterial.



## 6 Financial risk management (Cont'd)

The Group's exposure to foreign currency risk at the end of the reporting period, expressed in Baht is as follows:

	Consolidated financial statements			
	2023		2022	
	US Dollar Thousand Baht		US Dollar Thousand Baht	
Cash and cash equivalents		15,530		26,747
Trade and other receivables, net		90,194		397,362

	Separate financial statements			
	2023		2022	
	US Dollar Thousand Baht	Pesos Thousand Baht	US Dollar Thousand Baht	Pesos Thousand Baht
Trade and other receivables, net	90,194	-	397,362	-
Loans to a subsidiary	102,067	40,821	101,396	40,552

### Sensitivity

As shown in the table above, the Group is primarily exposed to changes in Baht/US Dollar and Baht/Pesos exchange rates. The sensitivity of profit or loss to changes in the exchange rates arises mainly from financial assets and financial liabilities denominated in US Dollar.

	Consolidated financial statements			
	2023		2022	
	US Dollar Thousand Baht		US Dollar Thousand Baht	
Exchange rate - increase 1%		1,057		4,241
Exchange rate - decrease 1%		(1,057)		(4,241)
* Holding all other variables constant				

	Separate financial statements			
	2023		2022	
	US Dollar Thousand Baht		US Dollar Thousand Baht	
Exchange rate - increase 1%		1,924		5,005
Exchange rate - decrease 1%		(1,924)		(5,005)
* Holding all other variables constant				

## 6 Financial risk management (Cont'd)

### b) Interest rate risk

The Group's income and operating cash flows are substantially independent of changes in market interest rates. The Group is exposed to interest rate risk relates primarily to its deposits at financial institutions and long-term loans from a financial institution. Most of the Group's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

The Group does not apply hedge accounting.

Changes in interest rate have no significant impact on the Group's net profit.

### 6.1.2 Credit risk

Credit risk arises from cash and cash equivalents carried and outstanding receivables.

#### a) Risk management

The Group has a concentration of credit risk with respect to receivables from customers. However, the Group has policies in place to ensure that contracts are made with customers who have an appropriate credit history, limiting customers' credit limit. Derivative counterparties and deposits are limited to high credit quality financial institutions. The Group has policies that limit the amount of credit exposure to any one financial institution.

#### b) Impairment of financial assets

The Group has financial assets that are subject to the expected credit loss model:

- Trade and other receivables
- Loans to contractors
- Loans to a subsidiary

While cash and cash equivalents and short-term investment are also subject to the impairment requirements of TFRS 9, the identified impairment loss was immaterial.

The Group assesses expected credit losses for trade and other receivables, loans to contractors and loans to a subsidiary at the initial recognition and at the end of reporting period. There is no materiality impact to the Group.

### 6.1.3 Liquidity risk



Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. At the end of the reporting period, the group held deposits at call of Baht 693 million (2022: Baht 1,389 million) Due to the dynamic nature of the underlying businesses, the Group financial management maintains flexibility in funding by maintaining availability under committed credit lines.



## 6 Financial risk management (Cont'd)

### Maturity of financial liabilities

The tables below analyse the maturity of financial liabilities grouping based on their contractual maturities. The amounts disclosed are the contractual undiscounted cash flows.

		Consolidated financial statements				
		2023				
	Within 1 year	1 - 5 years	Over 5 years	Total contractual cash flows	Carrying amount	
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	
Long-term loans from a financial institution	15,973	69,189	2,994	88,156	79,675	

		Consolidated financial statements				
		2022				
	Within 1 year	1 - 5 years	Over 5 years	Total contractual cash flows	Carrying amount	
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	
Long-term loans from a financial institution	41,693	67,835	29,474	139,002	117,986	

### 6.2 Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amounts of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

7 Fair value

Fair values are categorised into hierarchy based on inputs used as follows:

- Level 1 : The fair value of financial instruments is based on the current bid price / closing price by reference to the Stock Exchange of Thailand / the Thai Bond Dealing Centre.
- Level 2 : The fair value of financial instruments is determined using significant observable inputs and, as little as possible, entity-specific estimates.
- Level 3 : The fair value of financial instruments is not based on observable market data.

The carrying amounts of financial assets and liabilities with a maturity of less than one year are assumed to approximate their fair values. The fair values of long-term loans from a financial institution have interest charged at the floating rates, the carrying amount of such loans approximates the fair value.

The Group is party to derivative financial instruments, which mainly comprise foreign currency forward contracts. The fair values of foreign currency forward contracts have been calculated using the net present value technique which is the estimated amount that a bank would receive or pay to terminate the forward contracts. Fair value of foreign currency forward contracts is within level 2 of the value hierarchy. As at 31 December 2023, the favourable fair values of the outstanding foreign exchange forward contracts amounted to Baht 2.14 million. (2022: the favourable fair values amounted to Baht 11.65 million) are recorded as derivative assets which has been included in other current assets in the consolidated and separate financial statements.

	Consolidated and Separate financial statements	
	Foreign currency amounts	Derivatives assets Thousand Baht
<b>As at 31 December 2023</b>		
Foreign exchange forward contracts	US Dollar 2.48 million	2,139

	Consolidated and Separate financial statements	
	Foreign currency amounts	Derivatives liabilities Thousand Baht
<b>As at 31 December 2022</b>		
Foreign exchange forward contracts	US Dollar 10.60 million	11,648

As at 31 December 2023, the Group has no transfers between fair value hierarchy levels.

For disclosure of biological assets that are measured at fair value, please see Note 15.



## 8 Critical accounting estimates and judgments

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

### 8.1 Defined retirement benefit obligations

The present value of the retirement benefit obligations depends on a number of factors that are determined by an actuarial basis comprising a number of assumptions, including the discount rate, inflation rate and salary increment. Any changes in these assumptions will have an impact on the carrying amount of retirement benefit obligations. The additional information of key assumptions is disclosed in Note 23.

### 8.2 Biological assets valuation

Biological assets are measured at fair value less costs to sell. In assessing the fair value of biological assets, significant management estimates and judgments are required to determine underlying assumptions, such as estimated market prices and expected sales volumes of palm fruit, palm seeds and palm seedlings. Significant assumptions used in determining the fair value of biological assets are disclosed in Note 15.

### 8.3 Impairment of financial assets

The loss allowances for financial assets are based on assumptions about default risk and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs used in the impairment calculation, based on the Group's past history and existing market conditions, as well as forward-looking estimates at the end of each reporting period.

## 9 Segment information

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as Chief Executive Officer that makes strategic decisions which is reported as two operating segments information as follows:

1. Oil palm plantations, crude palm oil and palm kernel oil processing and palm seed business
2. Electric power plant with methane capture biogas project

There was no material activity pertaining to the electric power plant with methane capture biogas project. The Group's total sales and total assets of the electric power plant with methane capture biogas project represented 1.15% and 0.84% (2022: 0.72% and 0.48%) of the total balance in the consolidated financial statements, respectively. Therefore, the internal reporting is reported as one operating segment information and presented in the same manner as the consolidated financial statements and reported to Chief Executive Officer for the purpose of assessment of operating performance by considering from profit before income tax.

The Group has aggregate overseas revenues from the entities incorporated in Philippines, amounting to Baht 982.77 million (2022: Baht 1,339.76 million).

During the year ended 31 December 2023 and 2022, the Group recognises all revenues at a point in time.

### Information about major customers

For the year ended 31 December 2023, the Group had revenues from 3 major customers, generated from oil palm plantations, crude palm oil and palm kernel oil processing and palm seed business amounting to Baht 5,780 million (2022: 3 major customers amounting to Baht 7,603 million).

## PART 3 - FINANCIAL STATEMENTS

### 10 Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	2023 Thousand Baht	2022 Thousand Baht	2023 Thousand Baht	2022 Thousand Baht
Cash on hand	9	10	-	-
Deposits at banks				
- current accounts	47,075	84,847	492	49,130
- savings accounts	645,491	1,304,574	581,862	1,238,602
Investment in bonds	499,031	-	499,031	-
Total cash and cash equivalents	1,191,606	1,389,431	1,081,385	1,287,732

As at 31 December 2023, savings accounts bear interest at the rates of 0.125% - 0.45% per annum (2022: 0.125% - 0.45% per annum). Investment in bonds represented investment in Bank of Thailand bonds with maturity of 65 and 87 days and carried yield at the rate of 1.8% and 2.0% per annum respectively.

### 11 Short-term investment

As at 31 December 2022, short-term investment is 4 months fixed deposit of Baht 80 million which bears interest at the rate of 1.05 % per annum.

### 12 Trade and other receivables, net

	Consolidated financial statements		Separate financial statements	
	2023 Thousand Baht	2022 Thousand Baht	2023 Thousand Baht	2022 Thousand Baht
Trade receivables	632,542	721,992	461,080	535,346
Less Allowance for expected credit losses	(16,731)	(12,927)	(11,900)	(11,900)
Trade receivables, net	615,811	709,065	449,180	523,446
Amount due from related parties (Note 31 b)	-	-	26,376	13,448
Interest receivable	60	14	60	14
Advance payment	17,187	22,939	12,433	8,935
Prepayments	3,900	4,936	457	542
Total trade and other receivables, net	636,958	736,954	488,506	546,385

The loss allowance for trade receivables is determined as follows:

	Consolidated financial statements					Total Thousand Baht
	Not yet due Thousand Baht	Up to 3 months Thousand Baht	3 - 6 months Thousand Baht	6 - 12 months Thousand Baht	Over 12 months Thousand Baht	
<b>As at 31 December 2022</b>						
Gross carrying amount	661,027	47,853	168	1,071	11,873	721,992
Allowance for expected credit losses	13	56	5	980	11,873	12,927



## 12 Trade and other receivables, net (Cont'd)

## Separate financial statements

	Not yet due Thousand Baht	Up to 3 months Thousand Baht	3 - 6 months Thousand Baht	6 - 12 months Thousand Baht	Over 12 months Thousand Baht	Total Thousand Baht
<b>As at 31 December 2022</b>						
Gross carrying amount	521,799	1,674	-	-	11,873	535,346
Allowance for expected credit losses	7	20	-	-	11,873	11,900

## Consolidated financial statements

	Not yet due Thousand Baht	Up to 3 months Thousand Baht	3 - 6 months Thousand Baht	6 - 12 months Thousand Baht	Over 12 months Thousand Baht	Total Thousand Baht
<b>As at 31 December 2023</b>						
Gross carrying amount	514,471	96,858	6,470	2,870	11,873	632,542
Allowance for expected credit losses	591	836	561	2,870	11,873	16,731

## Separate financial statements

	Not yet due Thousand Baht	Up to 3 months Thousand Baht	3 - 6 months Thousand Baht	6 - 12 months Thousand Baht	Over 12 months Thousand Baht	Total Thousand Baht
<b>As at 31 December 2023</b>						
Gross carrying amount	432,792	16,415	-	-	11,873	461,080
Allowance for expected credit losses	2	25	-	-	11,873	11,900

The reconciliations of loss allowance for trade receivables are as follow:

	Consolidated financial statements Thousand Baht	Separate financial statements Thousand Baht
<b>As at 1 January 2022</b>	17,237	11,900
Reversal of expected credit losses during the year	(2,416)	-
Currency translation differences	(1,894)	-
<b>As at 31 December 2022</b>	12,927	11,900
Expected credit losses during the year	4,190	-
Currency translation differences	(386)	-
<b>As at 31 December 2023</b>	16,731	11,900

## PART 3 - FINANCIAL STATEMENTS

### 13 Financial assets and financial liabilities

Classification financial assets and financial liabilities is as follows:

	Consolidated financial statements		Separate financial statements	
	2023 Thousand Baht	2022 Thousand Baht	2023 Thousand Baht	2022 Thousand Baht
<b>Financial assets</b>				
Financial assets at amortised cost				
- Cash and cash equivalents	1,191,606	1,389,431	1,081,385	1,287,732
- Short-term investment	-	80,000	-	80,000
- Loans to contractors	845	1,789	845	1,789
- Trade and other receivables, net	633,058	732,018	488,049	545,843
- Short-term loans to a subsidiary	-	-	142,888	141,948
Derivative financial instruments				
- Foreign exchange forward contracts	2,139	11,648	2,139	11,648

	Consolidated financial statements		Separate financial statements	
	2023 Thousand Baht Consolidated	2022 Thousand Baht Separate	2023 Thousand Baht Consolidated	2022 Thousand Baht Separate
<b>Financial liabilities</b>				
Financial liabilities at amortised cost				
- Trade and other payables	128,851	158,634	106,328	104,043
- Long-term loans from a financial institution	79,675	117,986	-	-

### 14 Inventories, net

	Consolidated financial statements		Separate financial statements	
	2023 Thousand Baht	2022 Thousand Baht	2023 Thousand Baht	2022 Thousand Baht
Palm oil	408,000	388,465	321,796	350,085
By products from palm oil production	17,641	24,724	15,501	22,598
Fertilizers and general supplies	56,890	50,121	50,167	50,121
	482,531	463,310	387,464	422,804
Less Allowance for obsolescence of general supplies	(2,400)	(2,400)	(2,400)	(2,400)
Total inventories, net	480,131	460,910	385,064	420,404



## 14 Inventories, net (Cont'd)

During the year 2023 and 2022, amounts recognised as cost of sales in profit or loss are as follows:

	Consolidated financial statements		Separate financial statements	
	2023 Thousand Baht Consolidated	2022 Thousand Baht Separate	2023 Thousand Baht Consolidated	2022 Thousand Baht Separate
Inventories recognised as an expense	12,442,809	16,229,077	11,717,265	15,161,722
	12,442,809	16,229,077	11,717,265	15,161,722

## 15 Biological assets

	Consolidated and Separate financial statements	
	2023 Thousand Baht	2022 Thousand Baht
Fresh fruit bunches (FFB) growing on palm trees	21,255	32,896
Palm seeds	26,837	36,678
Palm seedlings for sales	74,362	52,798
Total biological assets	122,454	122,372

The movement in the biological assets is as follows:

	Consolidated and Separate financial statements			
	FFB growing on palm trees Thousand Baht	Palm seeds Thousand Baht	Palm seedlings for sales Thousand Baht	Total Thousand Baht
<b>As at 1 January 2022</b>	<b>35,187</b>	<b>7,176</b>	<b>57,121</b>	<b>99,484</b>
Cost incurred during the year	-	170,167	230,525	400,692
Decrease due to sale of palm seeds and palm seedlings	-	(166,682)	(233,971)	(400,653)
Gains (losses) on change in fair value of biological assets	(2,291)	26,017	(877)	22,849
<b>As at 31 December 2022</b>	<b>32,896</b>	<b>36,678</b>	<b>52,798</b>	<b>122,372</b>
Cost incurred during the year	-	242,763	240,870	483,633
Decrease due to sale of palm seeds and palm seedlings	-	(242,287)	(238,133)	(480,420)
Gains (losses) on change in fair value of biological assets	(11,641)	(10,317)	18,827	(3,131)
<b>As at 31 December 2023</b>	<b>21,255</b>	<b>26,837</b>	<b>74,362</b>	<b>122,454</b>

15 Biological assets (Cont'd)

Biological assets are measured at fair value less costs to sell, determined on the following basis:

- The fair value of FFB growing on palm trees is determined the assumption that measurable value of FFB growing on palm trees is related to the increase in oil palm content, which accrues exponentially one month prior to harvest, as well as of the estimated oil palm content yield. Net cash flows are forecasted using the estimated market price of the FFB growing on palm trees less costs to harvest and transport.
- The fair value of palm seeds is determined based on the quantity of sellable palm seeds expected to be sold and the estimated selling prices less estimated costs to sell.
- The fair value of palm seedlings for sales is determined by using Discounted Cash Flow Method is used to determine fair value. Significant assumptions are such as quantity of sellable palm seedlings, selling prices, cost of growing palm seedlings until ready for sales and discount rates.

The Group’s finance department includes a team that performs the valuations of biological assets required for financial reporting purposes. The valuation processes have been prepared at least once every quarter, in line with the Group’s quarterly reporting dates.

Management estimates the fair value of FFB growing on palm trees, palm seeds for sales and seedlings for sales. The fair value measurement of the Group’s biological assets is categorised within Level 3 of the fair value hierarchy. The main inputs to the valuation model are unobservable, as they comprise production volume of FFB growing on palm trees and their estimated market prices, the estimated quantity of sellable palm seeds and palm seedlings, the estimated selling prices of palm seeds and palm seedlings, the estimated cost of growing palm seedlings until ready for sales and the discounted rate applied.

Relationship of unobservable inputs to fair value are as follows:

Description	Unobservable inputs	Relationship of unobservable inputs to fair value
Fresh fruit bunches growing on palm trees	- Estimated palm oil content of FFB growing - Estimated market price - Costs to harvest and transport	An increase in the palm oil content of FFB growing and market price, the fair value would increase.
Palm seeds	- Quantity of sellable palm seeds - Estimated selling prices	An increase in the quantity of palm seeds and selling prices, the fair value would increase.
Palm seedlings for sales	- Quantity of sellable palm seedlings by age - Estimated selling prices	An increase in the quantity of palm seedlings and selling prices, the fair value would increase.



## 16 Investment in subsidiaries

The Group has the following subsidiaries.

	Countries	Business	Paid-up capital	Proportion of ordinary shares directly held by parent (%)	Proportion of ordinary shares held by the group (%)	Proportion of shares held by non-controlling interests (%)	Cost value Thousand Baht
<b>Direct Subsidiaries</b>							
Univanich Agribusiness Corporation	Philippines	investment holding	9,000,000 Pesos	100	100	-	21,011
<b>Subsidiary of Univanich Agribusiness Corporation</b>							
Univanich Carmen Palm Oil Corporation	Philippines	Palm oil crushing mill	386,000,000 Pesos	51	51	49	-
							21,011

All subsidiary undertakings are included in the consolidation. The proportion of the voting rights in the subsidiary undertakings held directly by the parent company do not differ from the proportion of ordinary shares held.

During the first quarter of 2023, Univanich Carmen Palm Oil Corporation, an indirect subsidiary, declared the dividend payment in an amount of Pesos 119.66 million or equivalent to Baht 74.29 million. The dividend is for Univanich Agribusiness Corporation, a direct subsidiary, in an amount of Baht 37.89 million and for non-controlling interests in an amount of Baht 36.40 million. The dividend was paid on 25 April 2023.

As at 31 December 2023, the total non-controlling interest is Baht 245 million, that is attributed to Univanich Carmen Palm Oil Corporation. Management assessed that it was not material to the Group. Therefore, the Group did not disclose the financial information of Univanich Camen Palm Oil Corporation.

## PART 3 - FINANCIAL STATEMENTS

## 17 Property, plant and equipment, net

## Consolidated financial statements

	Fruit bearer palm trees Thousand Baht	Immature palm trees Thousand Baht	Land Thousand Baht	Land improvement Thousand Baht	Buildings and plant Thousand Baht	Machinery and equipment Thousand Baht	Furniture, fixtures and office equipment and motor vehicles Thousand Baht	Assets under construction and installation Thousand Baht	Total Thousand Baht
<b>As at 1 January 2022</b>									
Cost	479,099	4,327	835,520	345,461	1,129,536	2,117,574	252,680	96,803	5,261,000
<u>Less</u> Accumulated depreciation	(368,163)	-	-	(195,638)	(610,853)	(1,443,184)	(203,288)	-	(2,821,126)
Net book amount	110,936	4,327	835,520	149,823	518,683	674,390	49,392	96,803	2,439,874
<b>For the year ended 31 December 2022</b>									
Opening net book amount	110,936	4,327	835,520	149,823	518,683	674,390	49,392	96,803	2,439,874
Reclassification, net	-	-	-	(85,532)	85,532	-	-	-	-
Opening net book amount (after adjust)	110,936	4,327	835,520	64,291	604,215	674,390	49,392	96,803	2,439,874
Addition	-	5,204	3,246	-	-	12,298	11,777	130,309	162,834
Transfer in (out)	5,038	(3,122)	-	914	11,648	79,122	19,175	(112,775)	-
Disposal - net	-	-	-	-	(2,724)	(580)	(338)	-	(3,642)
Depreciation charged	(11,078)	-	-	(4,857)	(53,492)	(139,841)	(21,511)	-	(230,779)
Currency translation differences	-	-	-	-	(783)	(1,657)	12	(496)	(2,924)
Closing net book amount	104,896	6,409	838,766	60,348	558,864	623,732	58,507	113,841	2,365,363
<b>As at 31 December 2022</b>									
Cost	484,137	6,409	838,766	202,812	1,280,923	2,185,325	241,623	113,841	5,353,836
<u>Less</u> Accumulated depreciation	(379,241)	-	-	(142,464)	(722,059)	(1,561,593)	(183,116)	-	(2,988,473)
Net book amount	104,896	6,409	838,766	60,348	558,864	623,732	58,507	113,841	2,365,363



17 Property, plant and equipment, net (Cont'd)

Consolidated financial statements

	Fruit bearer palm trees Thousand Baht	Immature palm trees Thousand Baht	Land Thousand Baht	Land improvement Thousand Baht	Buildings and plant Thousand Baht	Machinery and equipment Thousand Baht	Furniture, fixtures and office equipment and motor vehicles Thousand Baht	Assets under construction and installation Thousand Baht	Total Thousand Baht
<b>For the year ended 31 December 2023</b>									
Opening net book amount	104,896	6,409	838,766	60,348	558,864	623,732	58,507	113,841	2,365,363
Addition	5,990	17,748	169,337	-	567	32,345	6,985	245,930	478,902
Transfer in (out)	6,184	(6,184)	-	-	14,281	66,564	13,999	(94,844)	-
Disposal - net	-	-	-	-	-	(268)	(12)	(1,664)	(1,994)
Depreciation charge	(10,233)	-	-	(4,637)	(53,324)	(136,193)	(20,833)	-	(225,210)
Currency translation differences	-	-	-	-	(2,549)	(6,431)	(177)	(761)	(9,918)
Closing net book amount	106,847	17,973	1,008,103	55,711	517,839	579,749	58,469	262,502	2,607,193
<b>As at 31 December 2023</b>									
Cost	496,311	17,973	1,008,103	202,812	1,291,177	2,240,708	250,172	262,502	5,769,758
Less: Accumulated depreciation	(389,464)	-	-	(147,101)	(773,338)	(1,660,959)	(191,703)	-	(3,162,565)
Net book amount	106,847	17,973	1,008,103	55,711	517,839	579,749	58,469	262,502	2,607,193

Borrowing costs of Baht 4 million (2022 : Baht 6 million), arising from loans specifically entered into the project for the construction of factory building, are capitalised during the year. A capitalisation rate of 5.29% per annum (2022 : 4.23% per annum) is used representing the actual borrowing costs of the loan used to finance the construction of assets.

17 Property, plant and equipment, net (Cont'd)

Separate financial statements

	Fruit bearer palm trees Thousand Baht	Immature palm trees Thousand Baht	Land Thousand Baht	Land improvement Thousand Baht	Buildings and plant Thousand Baht	Machinery and equipment Thousand Baht	Furniture, fixtures and office equipment and motor vehicles Thousand Baht	Assets under construction and installation Thousand Baht	Total Thousand Baht
<b>Aa at 1 January 2022</b>									
Cost	479,099	4,327	835,520	345,461	996,076	1,728,024	249,247	44,803	4,682,557
Less Accumulated depreciation	(368,163)	-	-	(195,638)	(569,912)	(1,257,001)	(200,055)	-	(2,590,769)
Net book amount	110,936	4,327	835,520	149,823	426,164	471,023	49,192	44,803	2,091,788
<b>For the year ended 31 December 2022</b>									
Opening net book amount	110,936	4,327	835,520	149,823	426,164	471,023	49,192	44,803	2,091,788
Reclassification, net	-	-	-	(85,532)	85,532	-	-	-	-
Opening net book amount (after adjust)	110,936	4,327	835,520	64,291	511,696	471,023	49,192	44,803	2,091,788
Addition	-	5,204	3,246	-	-	458	5,794	130,309	145,011
Disposal/Write off - net	-	-	-	-	-	(580)	(338)	-	(918)
Transfer in (out)	5,038	(3,122)	-	914	11,648	51,825	19,175	(85,478)	-
Depreciation charged	(11,078)	-	-	(4,857)	(45,587)	(103,756)	(20,957)	-	(186,235)
Closing net book amount	104,896	6,409	838,766	60,348	477,757	418,970	52,866	89,634	2,049,646
<b>As at 31 December 2022</b>									
Cost	484,137	6,409	838,766	202,812	1,151,287	1,758,677	232,220	89,634	4,763,942
Less Accumulated depreciation	(379,241)	-	-	(142,464)	(673,530)	(1,339,707)	(179,354)	-	(2,714,296)
Net book amount	104,896	6,409	838,766	60,348	477,757	418,970	52,866	89,634	2,049,646



17 Property, plant and equipment, net (Cont'd)

		Separate financial statements								
		Fruit bearer palm trees	Immature palm trees	Land	Land improvement	Buildings and plant	Machinery and equipment	Furniture, fixtures and office equipment and motor vehicles	Assets under construction and installation	Total
		Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
<b>For the year ended 31 December 2023</b>										
	Opening net book amount	104,896	6,409	838,766	60,348	477,757	418,970	52,866	89,634	2,049,646
	Addition	5,990	17,748	169,337	-	46	339	5,535	241,507	440,502
	Disposal/Write off - net	-	-	-	-	-	(268)	(12)	-	(280)
	Transfer in (out)	6,184	(6,184)	-	-	14,281	66,564	13,999	(94,844)	-
	Depreciation charged	(10,233)	-	-	(4,637)	(45,635)	(99,895)	(19,438)	-	(179,828)
	Closing net book amount	106,847	17,973	1,008,103	55,711	446,449	385,710	52,950	236,297	2,310,040
<b>As at 31 December 2023</b>										
	Cost	496,311	17,973	1,008,103	202,812	1,165,092	1,795,452	239,614	236,297	5,161,654
	Less Accumulated depreciation	(389,464)	-	-	(147,101)	(718,643)	(1,409,742)	(186,664)	-	(2,851,614)
	Net book amount	106,847	17,973	1,008,103	55,711	446,449	385,710	52,950	236,297	2,310,040

The addition is mainly from purchase of land 711 rai which composed of land amounting to Baht 169.33 million and palm trees growing on land amounting to Baht 9.41 million.

## 17 Property, plant and equipment, net (Cont'd)

The Company's plantation has been made on the Company's own land, concession land and lease land. Details of land under concession and under lease agreements as at 31 December 2023 are as follows:

### 1. Chean Vanich concession area

The concession area of 20,000 rai located at Tambon Plaipraya, Plaipraya District and Tambun Klongya, Aoluk District of Krabi Province. The Company was granted a concession for the development of an oil palm plantation for thirty years, from 22 April 1983 to 21 April 2013. However, the concession for this area is currently expired.

On 1 July 2010, before the concession period ended, the Company commenced the due process to renew the land concession (the Chean Vanich concession) by reduced the area to 10,849 rai. Although the process for this renewal was completed by 28 March 2012, approval by the Government authority has been delayed. Therefore, on 7 March 2013 the Company submitted a petition to the Administrative Court in Nakhon Sri Thammarat seeking a Court order that the renewal application should proceed for Cabinet endorsement according to the due process. On 11 May 2016, the Administrative Court in Nakhon Sri Thammarat judged that the Minister of Natural Resources must propose the Company's application to the Cabinet for approval within 60 days after final judgment. The Minister of Natural Resources did not appeal the judgment, so the Government Forestry Department considered the Company's application by the National Reserved Forest Utilisation Committee before submitting it for Cabinet consideration under the new National Reserved Forest Act B.E. 2559. The National Reserved Forest Utilisation Committee had disapproved of the Company's request for permission to plant a forest plantation or plant perennial trees within the National Reserved Forest for palm oil plantation. As a result, the Company filed an appeal with the Supreme Administrative Court. On 10 February 2023, the Supreme Administrative Court ruled that since the National Reserved Forest Utilisation Committee did not approve the application to use the area, the Department of Forestry was no need to bring the Company's request for approval to the Cabinet.

Furthermore, On 30 August 2013, the Government Forestry Department instructed the Company to cease operations within the Chean Vanich concession area. Therefore, on 20 December 2013 the Company submitted another petition to the Administrative Court in Nakhon Sri Thammarat seeking compensation for this unlawful restriction of the Company's activities in that area while the application for permit renewal was pending. On 19 February 2018, the Nakhon Sri Thammarat Administrative Court dismissed the Company's petition on the above case. The Company therefore submitted an appeal to the Supreme Administrative Court on 19 March 2018 and the Court has accepted the Company's appeal on 5 April 2018. The matter is now under consideration by the Supreme Administrative Court.

Additional documents and aerial photographic surveys disclosed during the above legal actions concerning renewal of the Chean Vanich concession reveal that the Company or its predecessors, from whom the Company purchased the land, had occupied approximately 15,510 rai of this area before the Land Laws introduced in 1954. Survey maps reveal that the Government's Land Department "Walking Survey" had investigated and surveyed those occupied areas in 1977, before the announcement of the National Forest Reserve "Pa Plai Klong Phraya" in 1983. The Company claims ownership rights over that land by virtue of the Civil and Commercial Code, Section 1367 and Section 1336, having rights under the Land Code B.E. 2497, Section 4 and Section 27tri. Therefore, the Company made a request to the government agency under the Land Department to issue the land title deeds, and also filed a lawsuit with the Nakhon Si Thammarat Administrative Court. The case was transferred to the Phuket Administrative Court and dismissed. A further lawsuit was then filed with the Supreme Administrative Court requesting the Court to order the Land Department to issue the land title deeds to the Company. At present, the Supreme Administrative Court is considering the case.



## 17 Property, plant and equipment, net (Cont'd)

### 2. Thai Oil Palm Industry concession area

#### 2.1. Thai Oil Palm Industry concession area

The concession area of 8,250 rai located in Krabi and Surat Thani provinces was granted permission a concession for the development of an oil palm plantation for thirty years, from 19 November 1993 to 18 November 2023. However, the permission has now expired.

As the concession period at Thai Oil Palm Industry has the date ended on 18 November 2023, the Company has commenced the process to renew the land concession with the Krabi and Surat Thani Provincial Office of Natural Resources and Environment on 4 June 2021 and 25 November 2021 respectively. Forest officials inspected and found that a portion of the area could be granted an extension after deducting overlapping areas, reducing the total area from 8,250 to 6,977 rai. This reduced area comprised 6,376 rai located in Tambon Plaipraya, Plaipraya, District, Krabi province and 601 rai in Tambon Bang Sawan, Phrasaeng district, Surat Thani province. However, the request has been delayed. It is still pending at the Government Forestry Department. On 15 June 2023, the Company therefore filed a lawsuit with the Phuket Administrative Court and the Nakhon Si Thammarat Administrative Court requesting the Government Forestry Department to present the Company's request to the National Reserved Forest Utilisation Committee for consideration and approval the permission request. This includes a temporary relief before judgment and permission the Company to utilise the area originally permitted while the Company's request is being considered by the court. Later, on 11 July 2023, the Phuket Administrative Court revoked the Company's complaint. The Company appealed to the Supreme Administrative Court on 8 August 2023. However, the Company also made a request to the provincial governor in the Krabi province asking to retain ownership rights and not relocate its assets from the area where the permission expired during the ongoing permit application process. Meanwhile, the Nakhon Si Thammarat Administrative Court issued an order on 20 October 2023 regarding provisional measures before the court's judgment to allow the Company to utilise the area that was originally permitted from the date of expiration according to the original permit until the court orders otherwise or until the case is finalised

#### 2.2. Thai Oil Palm Industry leased area

The leased area of 2,500 rai in the Tambon Plai Phraya, Plai Phraya district, Krabi province and Tambon Bang Sawang, Phrasaeng district, Surat Thani province. The Company has leased this area from the Cooperative Promotion Department for thirty years, from 27 April 1994 to 26 April 2024.

On 17 June 2022, the Cooperative Promotion Department granted permission to use an additional 610 rai, increasing the total area from 2,500 to 3,110 rai. On 1 June 2023, before the lease agreement expired, the Company applied for a lease extension to continue utilising the area. On 29 June 2023, the Provincial Cooperative approved the Company's request and it is currently being considered by the Cooperative Promotion Department.

The Group assessed that the above matters will not have impact on the financial statements presented.

18 Intangible assets, net

Consolidated and Separate financial statements

	Software Thousand Baht	Revenue Sharing contract Thousand Baht	Total Thousand Baht
<b>As at 1 January 2022</b>			
Cost	3,179	17,291	20,470
<u>Less</u> Accumulated amortisation	(481)	(8,206)	(8,687)
Closing net book amount	2,698	9,085	11,783
<b>For the year ended 31 December 2022</b>			
Opening net book amount	2,698	9,085	11,783
Amortisation charged	(636)	(1,758)	(2,394)
Closing net book amount	2,062	7,327	9,389
<b>As at 31 December 2022</b>			
Cost	3,179	17,291	20,470
<u>Less</u> Accumulated amortisation	(1,117)	(9,964)	(11,081)
Closing net book amount	2,062	7,327	9,389
<b>For the year ended 31 December 2023</b>			
Opening net book amount	2,062	7,327	9,389
Amortisation charged	(636)	(1,758)	(2,394)
Closing net book amount	1,426	5,569	6,995
<b>As at 31 December 2023</b>			
Cost	3,179	17,291	20,470
<u>Less</u> Accumulated amortisation	(1,753)	(11,722)	(13,475)
Closing net book amount	1,426	5,569	6,995





## 19 Right-of-use assets, net

	Consolidated and Separate financial statements	
	Land Thousand Baht	
Opening net book amount as at 1 January 2022	15,227	
Depreciation charged	(309)	
Currency translation differences	(1,915)	
Closing net book amount as at 31 December 2022	13,003	
Opening net book amount as at 1 January 2023	13,003	
Depreciation charged	(364)	
Currency translation differences	(344)	
Closing net book amount as at 31 December 2023	12,295	

## 20 Deferred income taxes, net

	Consolidated financial statements		Separate financial statements	
	2023 Thousand Baht	2022 Thousand Baht	2023 Thousand Baht	2022 Thousand Baht
Deferred income tax assets	43,549	53,224	41,397	46,807
Deferred income tax liabilities	(27,510)	(26,774)	(18,466)	(18,665)
Deferred income taxes, net	16,039	26,450	22,931	28,142

The gross movement in deferred income taxes is as follows:

	Consolidated financial statements		Separate financial statements	
	2023 Thousand Baht	2022 Thousand Baht	2023 Thousand Baht	2022 Thousand Baht
Opening balance	26,450	41,305	28,142	43,534
Charged/(credited)				
to profit or loss (Note 28)	(10,151)	(14,855)	(5,211)	(15,392)
Charged/(credited)				
to other comprehensive income	(260)	-	-	-
Closing balance	16,039	26,450	22,931	28,142

## PART 3 - FINANCIAL STATEMENTS

### 20 Deferred income taxes, net (Cont'd)

The movement in deferred tax assets and liabilities during the year is as follows:

	Consolidated financial statements		
	As at 1 January 2022 Thousand Baht	Charged/ credited to profit or loss Thousand Baht	As at 31 December 2022 Thousand Baht
<b>Deferred tax assets</b>			
Employee benefit obligations	50,792	(9,877)	40,915
Amortisation of intangible assets	1,168	(1,168)	-
Amortisation of palm plantation	6,682	(616)	6,066
Others	3,769	2,474	6,243
	62,411	(9,187)	53,224
<b>Deferred tax liabilities</b>			
Biological assets	(14,118)	(4,547)	(18,665)
Right-of-use assets	(3,356)	105	(3,251)
Others	(3,632)	(1,226)	(4,858)
	(21,106)	(5,668)	(26,774)
Deferred income taxes, net	41,305	(14,855)	26,450

	Consolidated financial statements			
	As at 1 January 2023 Thousand Baht	Charged/ credited to profit or loss Thousand Baht	Charged/ credited to other comprehensive income Thousand Baht	As at 31 December 2023 Thousand Baht
<b>Deferred tax assets</b>				
Employee benefit obligations	40,915	(3,898)	(260)	36,757
Amortisation of palm plantation	6,066	(1,805)	-	4,261
Others	6,243	(3,712)	-	2,531
	53,224	(9,415)	(260)	43,549
<b>Deferred tax liabilities</b>				
Biological assets	(18,665)	626	-	(18,039)
Right-of-use assets	(3,251)	177	-	(3,074)
Others	(4,858)	(1,539)	-	(6,397)
	(26,774)	(736)	-	(27,510)
Deferred income taxes, net	26,450	(10,151)	(260)	16,039



## 20 Deferred income taxes, net (Cont'd)

## Separate financial statements

	As at 1 January 2022 Thousand Baht	Charged/ credited to profit or loss Thousand Baht	As at 31 December 2022 Thousand Baht
<b>Deferred tax assets</b>			
Employee benefit obligations	48,986	(11,298)	37,688
Amortisation of intangible assets	1,168	(1,168)	-
Amortisation of palm plantation	6,682	(616)	6,066
Others	816	2,237	3,053
	57,652	(10,845)	46,807
<b>Deferred tax liabilities</b>			
Biological assets	(14,118)	(4,547)	(18,665)
Deferred income taxes, net	43,534	(15,392)	28,142

## Separate financial statements

	As at 1 January 2023 Thousand Baht	Charged/ credited to profit or loss Thousand Baht	As at 31 December 2023 Thousand Baht
<b>Deferred tax assets</b>			
Employee benefit obligations	37,688	(1,312)	36,376
Amortisation of palm plantation	6,066	(1,805)	4,261
Others	3,053	(2,293)	760
	46,807	(5,410)	41,397
<b>Deferred tax liabilities</b>			
Biological assets	(18,665)	626	(18,039)
Others	-	(427)	(427)
	(18,665)	199	(18,466)
Deferred income taxes, net	28,142	(5,211)	22,931

## PART 3 - FINANCIAL STATEMENTS

### 21 Trade and other payables

	Consolidated financial statements		Separate financial statements	
	2023 Thousand Baht	2022 Thousand Baht	2023 Thousand Baht	2022 Thousand Baht
Trade payables	45,869	66,328	33,365	29,221
Other payables for purchase of fixed assets	12,690	5,086	12,690	3,976
Accrued expense	61,903	78,815	52,007	62,578
Others	8,389	8,405	8,266	8,268
<b>Total trade and other payables</b>	<b>128,851</b>	<b>158,634</b>	<b>106,328</b>	<b>104,043</b>

### 22 Long term loans from a financial institution

Univanich Camen Palm Oil Corporation, the subsidiary, made an interest-bearing loan with a bank in Philippines amounting to Pesos 234 million. The proceeds of the loan were used to finance the construction of a palm oil mill and fabrication of certain machinery. The interest-bearing loan is payable for ten years with one year grace period on principal which is payable in 36 equal quarterly payments. The loan is secured by land belonging to a related party of the subsidiary.

The movement in long-term loans from a financial institution is as follows:

	Consolidated financial statements	
	2023 Thousand Baht	2022 Thousand Baht
<b>For the year ended 31 December</b>		
Opening balance	117,986	153,610
Repayment	(34,604)	(34,280)
Currency translation differences	(3,707)	(1,344)
<b>Closing balance</b>	<b>79,675</b>	<b>117,986</b>

As at 31 December 2023, the weighted average effective interest rate of the long-term loans is approximately 7% per annum (2022: 8% per annum).

Maturity of long-term loans from a financial institution is as follows:

	Consolidated financial statements	
	2023 Thousand Baht	2022 Thousand Baht
Long-term loans from a financial institution		
- Within 1 year	17,718	35,727
- Later than 1 year but no later than 5 years	59,007	57,890
- Later than 5 years	2,950	24,369
<b>Total long-term loans from a financial institution</b>	<b>79,675</b>	<b>117,986</b>



### 23 Employee benefit obligations

	Consolidated financial statements		Separate financial statements	
	2023 Thousand Baht	2022 Thousand Baht	2023 Thousand Baht	2022 Thousand Baht
Statement of financial position	183,407	188,443	181,884	188,443
Expenses of employee benefits for the year	21,134	30,437	18,570	30,437

The movement in the employee benefit obligations for the year is as follows:

	Consolidated financial statements		Separate financial statements	
	2023 Thousand Baht	2022 Thousand Baht	2023 Thousand Baht	2022 Thousand Baht
Opening balance	188,443	239,315	188,443	239,315
Current service cost	17,482	27,178	15,076	27,178
Interest cost	3,652	3,259	3,494	3,259
Remeasurement of post-employment benefits	(1,041)	-	-	-
Benefits paid	(25,129)	(81,309)	(25,129)	(81,309)
Closing balance	183,407	188,443	181,884	188,443

The amounts recognised in profit or loss are as follows:

	Consolidated financial statements		Separate financial statements	
	2023 Thousand Baht	2022 Thousand Baht	2023 Thousand Baht	2022 Thousand Baht
Current service cost	17,482	27,178	15,076	27,178
Interest cost	3,652	3,259	3,494	3,259
Total (included in staff costs)	21,134	30,437	18,570	30,437

The principle actuarial assumptions used are as follows;

	Consolidated financial statements		Separate financial statements	
Discount rate	1.66 - 6.09%	1.66%	1.66%	1.66%
Salary growth rate	2.0% - 6.0%	2.0% - 3.5%	2.0% - 3.5%	2.0% - 3.5%

23 Employee benefit obligations (Cont'd)

	Consolidated financial statements					
	Impact on defined benefit obligation					
	Change in assumption		Increase in assumption		Decrease in assumption	
	2023	2022	2023 Thousand Baht	2022 Thousand Baht	2023 Thousand Baht	2022 Thousand Baht
Discount rate	1.0%	1.0%	Decrease by 18,379	Decrease by 17,713	Increase by 21,359	Increase by 20,619
Salary increase rate	1.0%	1.0%	Increase by 26,424	Increase by 23,724	Decrease by 22,731	Decrease by 20,553

	Separate financial statements					
	Impact on defined benefit obligation					
	Change in assumption		Increase in assumption		Decrease in assumption	
	2023	2022	2023 Thousand Baht	2022 Thousand Baht	2023 Thousand Baht	2022 Thousand Baht
Discount rate	1.0%	1.0%	Decrease by 18,209	Decrease by 17,713	Increase by 21,157	Increase by 20,619
Salary increase rate	1.0%	1.0%	Increase by 26,224	Increase by 23,724	Decrease by 22,559	Decrease by 20,553

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the employee benefits obligation recognised within the statement of financial position.

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

The weighted average duration of the defined benefit obligation is 11-12 years (2022: 11 years).

Expected maturity analysis of undiscounted retirement is as follows:

	Consolidated financial statements		Separate financial statements	
	2023 Thousand Baht	2022 Thousand Baht	2023 Thousand Baht	2022 Thousand Baht
Retirement benefits				
- Between 1 to 2 years	24,208	29,781	24,118	29,781
- Between 2 to 5 years	17,175	37,051	17,175	37,051
- More than 5 years	524,425	539,405	524,163	539,405
	565,808	606,237	565,456	606,237



## 24 Legal reserve

Under the Public Companies Act, the Company is required to set aside as statutory reserve at least 5 percent of its net profit after accumulated deficit brought forward (if any) until the reserve is not less than 10 percent of the registered capital. The Company has fully set the legal reserve. This reserve is not available for dividend distribution.

## 25 Dividends paid

### 2023

At the Annual General Shareholders' Meeting held on 28 April 2023, the totalling Shareholders approved a dividend payment for the year ended 31 December 2022 of Baht 1.00 per share, totalling Baht 940 million. During 2022, the Company has already paid the interim dividend at Baht 0.30 per share, totalling Baht 282 million. Therefore, the remaining dividend of Baht 0.70 per share, totalling Baht 658 million is paid in May 2023.

At the Board of Directors' Meeting held on 11 August 2023, the Board of Directors passed a resolution to approve an interim dividend for the year ended 31 December 2023 of Baht 0.30 per share, totalling Baht 282 million. The Company paid the interim dividend in September 2023.

### 2022

At the Annual General Shareholders' Meeting held on 22 April 2022, the totalling Shareholders approved a dividend payment for the year ended 31 December 2021 of Baht 0.70 per share, totalling Baht 658 million. During 2021, the Company has already paid the interim dividend at Baht 0.30 per share, totalling Baht 282 million. Therefore, the remaining dividend of Baht 0.40 per share, totalling Baht 376 million is paid in May 2022.

At the Board of Directors' Meeting held on 11 August 2022, the Board of Directors passed a resolution to approve an interim dividend for the year ended 31 December 2022 of Baht 0.30 per share, totalling Baht 282 million. The Company paid the interim dividend in September 2022.

## 26 Non-controlling interests

	Consolidated financial statements	
	2023 Thousand Baht	2022 Thousand Baht
Opening balance	237,131	189,275
Dividend paid to non-controlling interests	(36,401)	(25,701)
Total comprehensive income attributable to non-controlling interests	50,206	73,557
Closing balance	250,936	237,131

## PART 3 - FINANCIAL STATEMENTS

### 27 Expenses by nature

	Consolidated financial statements		Separate financial statements	
	2023 Thousand Baht	2022 Thousand Baht	2023 Thousand Baht	2022 Thousand Baht
Raw materials and consumables used	11,500,557	15,165,548	10,814,494	14,197,887
Changes in inventories of palm oil and by products	(13,723)	67,801	35,385	58,452
Staff costs	394,886	406,521	395,135	391,457
Transportation expenses	291,254	249,296	227,513	188,852

### 28 Income tax

Income tax for the year comprises the following:

	Consolidated financial statements		Separate financial statements	
	2023 Thousand Baht	2022 Thousand Baht	2023 Thousand Baht	2022 Thousand Baht
Current income tax expense	226,241	300,894	193,161	290,393
Adjustment in respect of prior year	(19,148)	(646)	(19,148)	(646)
Deferred income tax during the year (Note 20)	10,151	14,855	5,211	15,392
Total income tax expense for the year	217,244	315,103	179,224	305,139

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the basic tax rate of the home country of the Company, as follows:

	Consolidated financial statements		Separate financial statements	
	2023 Thousand Baht	2022 Thousand Baht	2023 Thousand Baht	2022 Thousand Baht
Profit before tax	1,210,748	1,820,582	1,064,146	1,661,697
Tax calculated 20% and 30%		20% and 25%	20%	20%
Current income tax on accounting profit	250,993	373,353	212,829	332,339
Tax effect of:				
- Income not subject to tax	(18,160)	(59,226)	(15,077)	(26,762)
- Taxable income not recognised as accounting income	151	153	151	153
- Expenses with double deductible for tax	(200)	-	(200)	-
- Expenses not deductible for tax purpose	3,205	1,618	266	204
- Adjustment in respect of prior year	(19,148)	(646)	(19,148)	(646)
- Change in temporary differences which was not recognised	403	(149)	403	(149)
Tax charge	217,244	315,103	179,224	305,139

The weighted average applicable tax rates for the Group and the Company are 17.9% and 16.8%, respectively (2022: 17.3% and 18.4%, respectively).



## 29 Basic earnings per share

Basic earnings per share is calculated by dividing the net profit attributable to ordinary shareholders by the weighted average number of ordinary shares in issue during the year.

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Profit attributable to owners of the Company (Thousand Baht)	936,004	1,429,765	884,922	1,356,558
Weighted average number of ordinary shares in issue during the year (Shares)	940,000,000	940,000,000	940,000,000	940,000,000
Basic earnings per share for the owners of the Company (Baht)	1.00	1.52	0.94	1.44

There are no potential dilutive ordinary shares for the years ended 31 December 2023 and 2022.

## 30 Related party transactions

Major shareholders of the Company are Mr. Apirag Vanich and member of his family.

The following significant transactions were carried out with related parties:

### a) Sales / Purchases of goods and services

	Consolidated financial statements		Separate financial statements	
	2023 Thousand Baht	2022 Thousand Baht	2023 Thousand Baht	2022 Thousand Baht
Other income				
- Subsidiaries	-	-	12,129	19,420
Interest income				
- Subsidiaries	-	-	2,629	2,529
Purchases of goods				
- the same shareholders and directors	6,709	11,906	6,709	11,906
Purchases of services				
- the same shareholders and directors	14,317	16,142	14,317	16,142

### b) Amount due from related parties

	Consolidated financial statements		Separate financial statements	
	2023 Thousand Baht	2022 Thousand Baht	2023 Thousand Baht	2022 Thousand Baht
Amount due from related parties				
- Amount due from subsidiaries	-	-	23,513	12,009
- Advance to subsidiaries	-	-	2,863	1,439
	-	-	26,376	13,448

30 Related party transactions (Cont'd)

c) Outstanding balances arising from purchases of goods and services

	Consolidated financial statements		Separate financial statements	
	2023 Thousand Baht	2022 Thousand Baht	2023 Thousand Baht	2022 Thousand Baht
Accrued expenses				
- the same shareholders and directors	967	1,668	967	1,668

d) Long-term loans to a subsidiary

In 2013, the Company has entered into a long-term loan agreement with Univanich Agribusiness Corporation, a subsidiary, for a maximum of USD 3 million, for investment in a joint venture business project to construct a new palm oil mill factory. The repayment of principal will be due annually at the amount specified in the loan agreement. The first repayment is due after 5 years, commencing from the first draw-down date which is due for the first repayment on 21 June 2018.

On 21 June 2018, the Company entered into Supplemental Agreement to amend the term of repayment by changing the first repayment to be due on 21 June 2021. Later on 30 December 2020, the Company entered into Supplemental Agreement to amend the term of repayment by changing the first repayment to be due on 1 January 2026. Other terms are the same as of the principal loan agreement.

In addition, on 2 August 2019, the Company entered into an additional long-term loan agreement with Univanich Agribusiness Corporation amounting to Peso 71 million. The repayment of loan is due within 5 years commencing from the draw-down date.

These loans are uncollateralised and interest-free.

The movement in long-term loans to a subsidiary can be analysed as follows:

	Separate financial statements	
	2023 Thousand Baht	2022 Thousand Baht
<b>For the year ended 31 December</b>		
Opening balance	141,948	138,656
Recognised interest income calculated using the effective interest method	2,629	2,529
Unrealised gains (losses) on exchange rate	(1,689)	763
Closing balance	142,888	141,948

Maturity of long-term loans to a subsidiary is as follows:

	Separate financial statements	
	2023 Thousand Baht	2022 Thousand Baht
Long-term loans to a subsidiary		
- Within 1 year	40,821	-
- Later than 1 year	102,067	141,948
Total	142,888	141,948



### 31 Related party transactions (Cont'd)

#### e) Key management compensation

Key management includes the Company's Chairman, Directors and Audit Committee members. The key management compensation is as follows:

	Consolidated financial statements		Separate financial statements	
	2023 Thousand Baht	2022 Thousand Baht	2023 Thousand Baht	2022 Thousand Baht
Short-term employee benefits	51,274	51,826	45,971	45,524
Post-employment benefits	6,235	23,621	6,166	23,022
	57,509	75,447	52,137	68,546

### 31 Commitments and contingencies

#### 31.1 Capital commitments

The Group has capital commitments as at the statement of financial position date but not recognised in the financial statements as follows:

	Consolidated financial statements		Separate financial statements	
Construction, purchase of machinery and equipment agreements	Baht 92.63 million	Baht 13.99 million	Baht 88.63 million	Baht 9.65 million

#### 31.2 Letters of guarantee

As at 31 December 2023, the Group had commitments for bank guarantees arising in the ordinary course of business amounted to Baht 1 million (2022: Baht 2 million).

### 32 Promotional privileges

The Company has promotional privileges from the BOI as follows:

- On 9 June 2007, the Company received approval for promotion privileges from the BOI for electricity from Biogas at Aoluk Branch per promotional privilege certificate no. 60-0642-1-00-1-0. The main privileges include the exemption of import duties on machinery; exemption of corporate income tax for the total promoted activities, but not exceeding 100% of investment excluding land and working capital, for the period of 8 years from the date income is first derived (28 March 2019).
- On 28 December 2009, the Company received approval for promotion privileges from the BOI for seed and seedling production under promotional privilege certificate no. 1209(2)/2553. The main privileges include the exemption of import duties on machinery, exemption of corporate income tax for the total promoted activities, but not exceeding 100% of investment excluding land and working capital, for the period of 8 years from the date income is first derived (2 August 2010).

### 32 Promotional privileges (Cont'd)

3. On 5 March 2012, the Company received approval for promotion privileges from the BOI for crude palm oil and palm kernel production under promotional privilege certificate no. 1564(2)/2555. The main privileges include the exemption of import duties on machinery, exemption of corporate income tax for the total promoted activities, but not exceeding 100% of investment excluding land and working capital, for the period of 8 years from the date income is first derived (3 March 2012).
4. On 27 May 2015, the Company received approval for promotion privileges from the BOI for crude palm oil and palm kernel under promotional privilege certificate no. 1683(2)/2558. The main privileges include the exemption of import duties on machinery, exemption of corporate income tax for the total promoted activities, but not exceeding 100% of investment excluding land and working capital, for the period of 8 years from the date income is first derived (2 March 2018).
5. On 26 June 2018, the Company received the transfer of rights of promotion privileges from the BOI arising from the business acquisitions from a third party, which has transferred the rights of promotion privileges certificate no. 1873(2)/2553 dated 20 August 2010 to the Company as per certificate no. 61-0738-0-00-1-2. The Company received approval for promotion privileges from the BOI for crude palm oil. The main privileges include the exemption of import duties on machinery, exemption of corporate income tax for the total promoted activities, but not exceeding 100% of investment excluding land and working capital until 6 March 2021.
6. On 16 August 2018, the Company received approval for promotion privileges from the BOI for crude palm oil production under promotional privilege certificate no. 61-0979-1-00-1-0. The main privileges include the exemption of import duties on machinery, exemption of corporate income tax for the total promoted activities, but not exceeding 100% of investment excluding land and working capital, for the period of 5 years from the date income is first derived (1 March 2019).
7. On 25 March 2019, the Company received approval for promotion privileges from the BOI for crude palm oil production under promotional privilege certificate no. 62-0292-1-00-1-0. The main privileges include the exemption of import duties on machinery, exemption of corporate income tax for the total promoted activities, but not exceeding 100% of investment excluding land and working capital, for the period of 5 years from the date income is first derived (19 August 2019).

The Company must comply with conditions and restrictions indicated in the promotional certificates.

### 33 Events after the reporting period

At the Board of Directors of the Company's meeting on 23 February 2024, it approved a proposed dividend payment for the operating results of 2023 at Baht 0.75 per share, totalling Baht 705 million. During 2023, the Company has already paid the interim dividend at Baht 0.30 per share, totalling Baht 282 million. Therefore, the remaining dividend will be paid at Baht 0.45 per share, totalling Baht 423 million. The proposed dividend payment will be further proposed at the Annual Shareholders' Meeting for the year 2023 for the consideration and approval.



## Attachment 1

### Details of directors, executives, controlling persons and the Company's secretary.

#### (1) Details of directors



**Mr. Apirag Vanich**

#### Current Position

*Chairman / Chairman of the Strategic Planning Committee /  
Chairman of the Nominating and Remuneration Committee*

**Age** 58

**Appointment date** 26 September 2003

**Education** Master's degree in Business Administration from Indiana University, USA  
Bachelor degree in Agricultural Economics from Purdue University, USA

**Training**

- Director Accreditation Program (DAP) #37/2005 Thai Institute of Directors Association (IOD)
- Director Certification Program (DCP) #60/2005 Thai Institute of Directors Association (IOD)
- Finance for Non-Finance Director (FND) #19/2005 Thai Institute of Directors Association (IOD)
- The Role of Chairman (RCP) #13/2006 Thai Institute of Directors Association (IOD)
- Leadership Program, Capital Market Academy #11
- Energy Literacy for the World #16, Thailand Energy Academy

**Other current position** Listed Company :

- Chairman of the Board – Aikchol Hospital Public Co.,Ltd.

Non-Listed Company :

- Chairman of Chean Vanich Co.,Ltd.
- Chairman of Chean Vanich Transport Co.,Ltd.
- Chairman of Vanich Gypsum Co.,Ltd.
- Chairman of Vanich Lineal Co.,Ltd.
- Chairman of Phuket Rubber Co.,Ltd.
- Chairman of Aik Rock Industry Co.,Ltd.
- Chairman of Assets-R-Us Co.,Ltd.

**Experience** Director of the Vanich group of companies in 1990 and Executive Chairman of the group since 1992. The Vanich group of companies is concentrated mainly in Thailand in mining, transport, property development and hospital services.

Shareholding in UVAN (as at 31 December 2023)

- Held personally 179,136,120 shares (19.06)
- Held by spouse 108,100,750 shares (11.50)

Family relationships among Directors and Executives :

- Dr. Phortchana Manoch                      Sibling
- Ms. Kanchana Vanich                        Sibling



**Dr. Veerathai Santiprabhob**

**Current Position**

*Independent Director / Chairman of the Audit Committee /  
Member of the Strategic Planning Committee*

**Age** 54

**Appointment date** 30 April 2021

**Education**

- Ph.D. in Economics, Harvard University
- A.M. in Economics, Harvard University
- B.A. in Economics, First Class Honors, Thammasat University

**Training**

- Director Accreditation Program (DAP 2007) Thai Institute of Directors Association (IOD)
- Directors Certification Program (DCP 2014) Thai Institute of Directors Association (IOD)
- Advanced Audit Committee Program (AACP 41/2021) Thai Institute of Directors Association (IOD)
- Leadership Program, Capital Market Academy
- Corporate Strategy Executive Education Program, MIT Sloan School of Management, Cambridge, MA, USA.

**Other position  
in listed  
company**

- Independent Director, Member of the Risk Management Committee,  
and Member of the Corporate Governance and Sustainable Development Committee,  
**PTT Exploration and Production**
- Independent Director and Member of the Audit Committee,  
**Bangkok Dusit Medical Services PCL**

**Experience**

- 1994– 2000 - Economist, International Monetary Fund, Washington, DC, U.S.A.
- 1998– 2000 - Co-Director, Policy Research Institute, Fiscal Policy Office,  
Ministry of Finance (on leave from the IMF)
- 2000– 2008 - Siam Commercial Bank PCL, last designation held as Executive Vice President  
and Head of Business Bank - Strategic Planning Division
- 2009 – 2013 - Executive Vice President and Chief Strategy Officer,  
The Stock Exchange of Thailand
- 2013 – 2015 - Advisor, Thailand Development Research Institute
- 2015 – 2020 - Governor, Bank of Thailand



### Positions and Professional Associations

- Chair, Central Bank Governance Group, Bank for International Settlements (BIS)
- Chair, Asian Consultative Council, Bank for International Settlements (BIS)
- Member of the International Monetary and Financial Committee, International Monetary Fund (IMF)
- Member of the National Economic and Social Development Council
- Member of the Board, Securities and Exchange Commission
- Member of the Board, Insurance Commission
- Independent Director and Member of the Risk Management Committee, Thanachart Capital PCL
- Independent Director and Audit Committee Member, Central Pattana PCL
- Independent Director, Thai Airways International PCL
- Council Member and Audit Committee Member, Thammasat University
- Council Member and Audit Committee Member, Chiang Mai University
- Member, Independent Expert Oversight Advisory Committee, World Health Organization
- Chair, Southeast Asian Central Banks (SEACEN) Board of Governors
- Member, State Enterprise Policy and Supervisory Committee

Shareholding in UVAN (as at 31 December 2023)

--None--

Family relationships among Directors and Executives :

--None--

# BOARD OF DIRECTORS



**Dr. Phortchana Manoch**

**Current Position**

*Director / Member of the Strategic Planning Committee*

**Age** 69

**Appointment date** 26 September 2003

**Education** Doctorate of Philosophy in Philosophy and Ethics from Suan Sunandha University  
Master's degree in Hospital Administration from the University of Wisconsin, USA  
Bachelor of Science in Business Administration from the University of Wisconsin, USA  
Bachelor of Laws from Dhurakij Pundit University.

**Training**

- Director Certification Program (DCP) #25/2005 Thai Institute of Directors Association (IOD)
- Financial Statements for Directors (FSD) #13/2011 Thai Institute of Directors Association (IOD)
- Good Governance for Medical Executive Course, King Prajadhipok's Institute #1/2012
- Anti-Corruption for Executive Program (ACEP) #13/2014 Thai Institute of Directors Association (IOD)
- Governance for Executives (CGE) #14/2019 Thai Institute of Directors Association (IOD)
- Director Accreditation Program (DAP) #175/2020 Thai Institute of Directors Association (IOD)

**Other current position** Listed Company :

- Chairman of the Executive Board – Aikchol Hospital Public Co.,Ltd.

Non-Listed Company :

- Director of Chean Vanich Co.,Ltd.
- Director of Vanich Lineal Co.,Ltd.

Shareholding in UVAN (as at 31 December 2023)

- Held personally 6,952,840 shares (0.74)
- Held by spouse 700,000 shares (0.07)

Family relationships among Directors and Executives :

- Mr. Apirag Vanich Sibling
- Ms. Kanchana Vanich Sibling



**Ms. Kanchana Vanich**

**Current Position** *Director*

**Age** 65

**Appointment date** 26 September 2003

**Education** Bachelor degree in finance from the University of Wisconsin, USA

**Training**

- Director Accreditation Program (DAP) # 36/2005 Thai Institute of Directors Association (IOD)

**Other current position** Listed Company :

- Director – Aikchol Hospital Public Co.,Ltd.

Non-Listed Company :

- Director of Chean Vanich Co.,Ltd.
- Director of Vanich Transport Co.,Ltd.
- Director of Vanich Pilok Mining Co.,Ltd.
- Director of Vanich Gypsum Co.,Ltd.
- Director of Vanich Lineal Co.,Ltd.
- Director of Phuket Rubber Co.,Ltd.

Shareholding in UVAN (as at 31 December 2023)

--None--

Family relationships among Directors and Executives :

- Mr. Apirag Vanich                      Sibling
- Dr. Phortchana Manoch              Sibling

## BOARD OF DIRECTORS



### **Dr. Prote Sosothikul**

#### **Current Position**

*Director / Member of the Strategic Planning Committee /  
Member of the Nominating and Remuneration Committee*

**Age** 56

**Appointment date** 26 September 2003

**Education**      Doctorate in Business Administration from the American University of Hawaii  
Master of Science degree from Boston University, USA.

**Training**       • Director Certification Program (DCP) #40/2004, Thai Institute of Directors Association (IOD)

**Experience**     Currently Vice President of Operation Group for Seacon Development Public Company Limited,  
the developer and operator of the largest retail shopping complex in Thailand.

Shareholding in UVAN (as at 31 December 2023)

--None--

Family relationships among Directors and Executives :

--None--



### Mr. Pramoad Phornprapha

#### Current Position

*Independent Director / Member of the Audit Committee /  
Member of the Strategic Planning Committee*

**Age** 57

**Appointment date** 30 September 2017

**Education** MPA in Business and Government, Kennedy School of Government,  
Harvard University (Honours), USA

MBA in Marketing, Kellogg School of Management, Northwestern University (Honours), USA

BS in Electrical Engineering, Northwestern University (Honours), USA

**Training**

- Directors Certification Program, DCP 55/2005, Thai Institute of Directors Association (IOD)
- Leader Program, CMA10, Capital Market Academy
- Advance Audit Committee Program (AACCP) 41/2021, Thai Institute of Directors Association (IOD)

**Other current position** Position in listed companies in Thailand:

2012 – present	Independent Director, Member of Corporate Governance Committee / Member of Nominating and Remuneration Committee / Member of Sustainability and Risk Management Committee <b>Sermsuk Public Company Limited</b>
2017 – present	Independent Director / Chairman of the Nomination and Remuneration Committee / Member of the Corporate Governance Committee <b>Amarin Printing and Publishing Public Company Limited</b>

Position in listed companies in overseas:

October – Present	Non-Executive and Independent Director
January – Present	Chairman of the Sustainability and Risk Management Committee / Chairman of the Remuneration Committee / Member of Board Executive Committee <b>Frasers Property (Thailand) PCL</b>
2018 – Present	Chairman of Audit Committee and Independent Director <b>Saigon Beer-Alcohol-Beverage Corporation</b>

## BOARD OF DIRECTORS

### Positions in unlisted companies :

- 2020 – Present Independent Director Food & Beverage United Co.,Ltd.
- 2019 – Present Director Claris EA Co.,Ltd.
- 2016 – Present Director Conservatory Co.,Ltd.
- 2015 – Present Chairman Talaypu Natural Products Co.,Ltd.
- 2011 – Present Managing Director My DNA Co.,Ltd.
- 2008 – Present Director EcoFuture Co.,Ltd.
- 2004 – Present Managing Director Claris Co.,Ltd.
- 2002 – Present Director Pornmit Co.,Ltd.
- 2002 – Present Managing Director Wanwarin & Associates Co.,Ltd.
- 2000 – Present Director Danpundao Co.,Ltd.  
(Former name P Garden Co.,Ltd.)
- 1997 – Present Director P Landscape Co.,Ltd.
- 1992 – Present Director Plim 369 Co.,Ltd.
- 1989 – Present Director Plimboonluck Co.,Ltd.

Shareholding in UVAN (as at 31 December 2023)

--None--

Family relationships among Directors and Executives:

--None--





### Mr. Anek Pana-apichon

#### Current Position

*Independent Director / Member of the Audit Committee/  
Member of the Strategic Planning Committee /  
Member of the Nominating and Remuneration Committee*

**Age** 58

**Appointment date** 22 April 2022

**Education** Master Degree in Business Administration, Chulalongkorn University

**Training**

- Diploma, National Defence College, The National Defence Course Class 62: Thailand National Defence College
- Harvard Leadership Development Program: Harvard Business Publishing (2017-2018)
- Advance Management Program: The Wharton School of the University of Pennsylvania, USA
- Executive Program Class 15, The Capital Markets Academy (CMA)
- Directors Certification Program (DCP) Class 111/2008, IOD
- Risk Management Program for Corporate Leaders (RCL) # 30/2023, IOD
- Advance Audit Committee Program (AACP) #48/2023, IOD
- Role of the Chairman Program (RCP) #53/2023, IOD

**Position in other listed companies**

- Chairman of the Board of Directors / Independent Director/ Member of Nomination Remuneration and Governance Committee  
**Premier Quality Starch Public Company Limited**
- Independent Director / Chairman of Audit Committee  
**SC Asset Corporation Public Company Limited**

**Other Positions** 2019-2021 : Director, Thai Listed Companies Association

**Experience**

2019-2021: Chief Executive Office, Intouch Holding Plc

2017-2021: Member of the CSR Committee for Sustainable development  
Member of the strategic & Organizational Review Committee  
Director and Authorized Director, Intouch Holdings Plc

2020-2021: Member of the Governance and Nomination Committee and  
Member of the New Business Development Committee, Thaicom Plc

2019-2021: Director and Member of the Executive Committee, Advanced Info Service Plc  
Director, Advance Wireless Network Co., Ltd

2018-2021 : Member of the Compensation Committee and Chairman of the Executive Committee, Thaicom Plc



## BOARD OF DIRECTORS

- 2017-2021 : Director and Authorized Director, Thaicom Plc  
Chairman of the Board of Directors and Authorized Director, High Shopping Co.,Ltd.  
Director and Authorized Director, Intouch Media Co.,Ltd.  
Director and Authorized Director, Touch TV Co.,Ltd.
- 2018-2019 : Director and Member of the Executive Committee, CS Loxinfo Plc  
Director and Member of the Executive Committee, Teleinfo MediaPlc
- 2017-2018 : Acting Chief Executive Officer, Intouch Holdings Plc
- 2015-2021: Director and Authorized Director, High Shopping TV Co.,Ltd.  
Director and Authorized Director, I.T. Applications and ServicesCo.,Ltd.
- 2010-2018: Member of the Executive Committee, Thaicom Plc.  
Executive Vice President – Finance & Accounting, Intouch Holding Plc
- 2015-2017: Director and Authorized Director, High Shopping Co.,Ltd.
- 2010-2015: Director, Thaicom Plc.

Shareholding in UVAN (as at 31 December 2023)

--None--

Family relationships among Directors and Executives :

--None--



### Mr. Harry Brock

#### Current Position

Director / Member of the Strategic Planning Committee / Chief Executive Officer

**Age** 49

**Appointment date** 22 April 2022

- Education**
- Masters in Business Administration (MBA) (with Distinction), Bath University, UK
  - Bachelor of Science, Biological Sciences at Birmingham University, UK

**Training** Director Accreditation Program (DAP) #173/2020, Thai Institute of Directors Association (IOD)

**Other current position** Listed Company :  
--None--

None-Listed Company :  
--None--

**Experience** From 1998 to 2018 Harry was employed by New Britain Palm Oil Ltd, Papua New Guinea (wholly owned subsidiary of Sime Darby Plantations), holding various management positions. From 2011 – 2018, Harry was General Manager of New Britain Palm Oil Ltd, West New Britain Operations, and in 2018, joined Sime Darby Plantations Malaysia, as Regional Chief Executive Officer for the Central West Region.  
Harry joined Univanich in September 2019 as General Manager responsible for management of all Univanich's operations in Thailand. He was appointed Chief Executive Officer in 2022

Shareholding in UVAN (as at 31 December 2023)

--None--

Family relationships among Directors and Executives :

--None--

## BOARD OF DIRECTORS



**Dr. Palat Tittinutchanon**

**Current Position**

*Executive Director / Member of the Strategic Planning Committee / Head of Oil Palm Research*

**Age** 77

**Appointment date** 27 April 2012

**Education** Ph.D. (Soil and Plant Science) University of Florida, U.S.A.,  
Master's degree (Plant Physiology) from North Carolina State University, USA.  
Bachelor degree (Soil and Plant Science) from Kasetsart University

**Training** Director Accreditation Program (DAP) class #176/2020 Thai Institute of Directors Association (IOD)

**Other current position** Listed Company :  
--None--

None-Listed Company :  
--None--

**Experience** Before joining Univanich in 1988, Palat Tittinutchanon was Senior Oil Palm Agronomist in Thailand's Department of Agriculture. In 1988 he was appointed Research Officer responsible for the Univanich R&D programme. From 1994 he was seconded overseas by Unilever for two years as Estate Manager in Pamol Plantations Sdn Bhd in Malaysia. Upon his return to Thailand in 1996, he was appointed as Plantations Manager, responsible for operations in Univanich oil palm estates.  
  
During 2012 - 2023, Dr Palat was appointed to the Head of Oil Palm Research.

Shareholding in UVAN (as at 31 December 2023)

- Held personally 550,000 shares (0.06)
- Held by spouse 335,000 shares (0.04)

Family relationships among Directors and Executives :  
--None--

# MANAGEMENT COMMITTEE



1. Mr. Harry Brock	Chief Executive Officer
2. Dr. Palat Tittinutchanon	Executive Director, Head of Oil Palm Research
3. Mr. Nattapong Dachanabhirom	Chief Financial Officer
4. Mr. Phiphit Khlaisombat	Chief Engineer
5. Mr. Santi Suanyot	Senior Plantations Manager
6. Mr. Adoonka Kwankaew	Regional Commercial Manager

## MANAGEMENT COMMITTEE

### (2) Details of executives or controlling persons

#### Mr. Harry Brock

**Position** : Director/ Strategic Planning Committee / CEO

*Please refer Board of Directors for personal profile*

#### Dr. Palat Tittinutchanon

**Position** : Executive Director/ Strategic Planning Committee / Head of Oil Palm Research

*Please refer Board of Directors for personal profile*

#### Mr. Nattapong Dachanabhirom

**Position** : Chief Financial Officer / Secretary of Audit Committee

**Age** : 53

**Training** : How to Develop a Risk Management Plan (HRP) # 36/2023 Thai Institute of Directors Association (IOD)

**Education** : Master of Business Administration, Prince of Songkla University.  
Bachelor of Accounting, The University of the Thai Chamber of Commerce.  
Certified Public Accountant (Thailand).

**Experience** : Nattapong Dachanabhirom worked as an Audit Supervisor with Coopers & Lybrand (TH) Company Limited for 5 years from 1992. In 1997 he joined Univanich as Financial Controller and was promoted to Accounting Manager in 2000, responsible for the company's accounting and finance operations. In January 2016 he was promoted to be Chief Financial Officer responsible for financial operations and new business development throughout the Univanich Group

#### Mr. Phiphit Khlaisombat

**Position** : Chief Engineer

**Age** : 53

**Education** : Bachelor of Engineering in Industrial/Production Engineering, King Mongkut's University of Technology Thonburi

**Experience** : Before joining Univanich, Phiphit Khlaisombat worked as a Project Manager in Berli Jucker Public Company Limited. He joined Univanich in 2005 as a Factory Engineer and in 2008 was appointed as Factories Manager responsible for the operation of the company's three palm oil crushing mills in Thailand. In January 2016 he was promoted to Chief Engineer responsible for factory operations and new capital projects throughout Univanich group.



## Mr. Santi Suanyot

**Position** : Senior Plantations Manager

**Age** : 60

**Education** : Bachelor of Science (Agriculture) from Chiang Mai University in Thailand

**Experience** : Prior to joining Univanich, as an Estate Manager in 1993, Santi Suanyot had been employed in the government's Horticulture Research Centre and as an assistant estate manager elsewhere in the oil palm industry. Since 1993 he has managed several Univanich estates and in 2006 was appointed as the company's District Manager in LamThap District, Krabi Province and in Cha Uat District, Nakhon Sri Thammarat Province. In January 2016 he was promoted to be Senior Plantations Manager with responsibility for management of all Univanich's plantations in Thailand.

## Mr. Adoonka Kwankaew

**Position** : Regional Commercial Manager

**Age** : 41

**Education** : Master of Arts (M.A.) Economics – Binghamton University  
 Master of Arts (M.A.) Economics – State University of New York at Albany, New York  
 Master of Management (M.M.) Finance – Mahidol University  
 Bachelor of Business Administration (B.B. A.) Finance (2003) Prince of Songkhla University

**Experience** : Prior to joining Univanich, Mr. Adoonka Kwankaew has 10 years experience with raw material sourcing, procurement and sales with CPF India. Mr. Adoonka Kwankaew joined the management team of CPF India in 2012, rising to the position of Deputy General Manager for the past 4 years, completing his tenure in December 2021.

Mr. Adoonka joined Univanich in June 2022 as Regional Commercial Manager.

## (3) Details of Company Secretary

### Miss Supaporn Na Songkhla

<b>Position</b>	: Company Secretary
<b>Age</b>	: 54
<b>Education</b>	: Bachelor in Business Administration from Songkhla Rajabhat University
<b>Training</b>	: • Company Secretary Program #47/2012, Thai Institute of Directors Association (IOD) • Effective Minute Taking Program #24/2012, Thai Institute of Directors Association (IOD)
<b>Experience</b>	: 2021 - present Company Secretary Univanich Palm Oil PCL 2014 - present Executive Assistant Univanich Palm Oil PCL

### Duties and Responsibilities of Company Secretary

The Company Secretary perform duties as stipulated in section 89/15 and section 89/16 Of the Securities and Exchange Act (No. 4) B.E 2551, effective on 31 August 2008 with responsibilities, careful and honesty as well as complying with the law, objectives, Company regulations and Directors' resolutions as well as meeting resolutions However, the duties of Company Secretary as follow:

1. Prepare and file documents related to
  - A. Director Registration
  - B. Notice of the Board of Directors Meeting, Minutes of Board of Directors Meeting and Company Annual Report
  - C. Notice and Minutes of Shareholder Meetings.
2. Keep record of conflict of interest report from the Directors or the Executive
3. Act as contact person for completed information disclosure as required by relevant laws to the Securities and Exchange Commission and Stock Exchange of Thailand

In addition, the Company Secretary has other duties as follows:

- Giver advice related to relevant laws and regulations including the code of conduct of corporate governance practice so that any activities of the Board of Directors are undertaken in compliance with those relevant laws.
- Handle the Board of Directors Meetings and Annual General Meeting of Shareholders
- Act as contact person for completed information disclosure as required by relevant laws to the Securities and Exchange Commission and Stock Exchange of Thailand
- Carry out any tasks as assigned by the Company



## Attachment 2

Name of Directors	Subsidiaries	
	<u>UAC</u>	<u>UCPOC</u>
1. Mr. Apirag Vanich	X	/
2. Mr. John Harvey Clendon	/	/
3. Mr. Harry Thomas Brock	/	/
4. Amer Hussein Mambuay	/	/
5. Aaron Roi B. Riturban	/	
6. Noemi J Talino		X
7. Mary Ching Talino Noveda		/
8. Jocelyn Talino Taray		/

**Remarks :**

- 1) UAC = Univanich Agribusiness Corporation
- 2) UCPOC = Univanich Carmen Palm Oil Corporation
- 3) X = Chairman, / = Director



## Univanich Palm Oil Public Company Limited

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Website: [www.univanich.com](http://www.univanich.com)

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THAILAND BUSINESS LEADER AWARDS  
BEST PERFORMANCE COMPANY IN SECTOR