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| **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.

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| **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.

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| **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.

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| **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.

4.3 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.

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| **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.

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).

**5.5 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**

1. 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.

1. 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.

1. 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.

1. 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), expect 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.

1. 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.

**5.7 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.

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. |

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.

**5.11 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 recoginised 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.

**5.12 Financial liabilities**

1. 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.

1. Measurement

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

1. 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.

**5.14 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**

1. 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.

1. 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.

1. 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.

**5.18 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.

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| **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

1. 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.

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** | **US Dollar** |
|  | **Thousand Baht** | **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** | **Pesos** | **US Dollar** | **Pesos** |
|  | **Thousand Baht** | **Thousand Baht** | **Thousand Baht** | **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** | **US Dollar** |
|  | **Thousand Baht** | **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** | **US Dollar** |
|  | **Thousand Baht** | **Thousand Baht** |
|  |  |  |
| Exchange rate - increase 1% | 1,924 | 5,005 |
| Exchange rate - decrease 1% | (1,924) | (5,005) |
| \* Holding all other variables constant |  |  |

1. 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.

1. 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.

1. 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.

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** | **Derivatives** |
|  | **currency** | **assets** |
| **As at 31 December 2023** | **amounts** | **Thousand Baht** |
|  |  |  |
| Foreign exchange forward contracts | US Dollar 2.48 million | 2,139 |

|  |  |  |
| --- | --- | --- |
|  | **Consolidated and Separate**  **financial statements** | |
|  | **Foreign** | **Derivatives** |
| **As at 31 December 2022** | **currency** | **assets** |
|  | **amounts** | **Thousand Baht** |
|  |  |  |
| 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 oversea 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).

|  |
| --- |
| **10 Cash and cash equivalents** |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated**  **financial statements** | | **Separate**  **financial statements** | |
|  | **2023** | **2022** | **2023** | **2022** |
|  | **Thousand Baht** | **Thousand Baht** | **Thousand Baht** | **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** | **2022** | **2023** | **2022** |
|  | **Thousand Baht** | **Thousand Baht** | **Thousand Baht** | **Thousand Baht** |
|  |  |  |  |  |
| Trade receivables | 632,542 | 721,992 | 461,080 | **535,**34**6** |
| Less Allowance for expected credit losses | (16,731) | (12,927) | (11,900) | **(11,900)** |
|  |  |  |  |  |
| Trade receivables, net | 615,811 | 709,065 | 449,180 | **523,**44**6** |
| Amount due from related parties (Note 31 b) | - | - | 26,376 | **13,4**48 |
| 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** | | | | | |
| **As at 31 December 2022** | **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** |
|  |  |  |  |  |  |  |
| 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 |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | **Separate financial statements** | | | | | |
| **As at 31 December 2022** | **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** |
|  |  |  |  |  |  |  |
| 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** | | | | | |
| **As at 31 December 2023** | **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** |
|  |  |  |  |  |  |  |
| 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** | | | | | |
| **As at 31 December 2023** | **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** |
|  |  |  |  |  |  |  |
| 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 follows:

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

|  |
| --- |
| **13 Financial assets and financial liabilities** |

Classification financial assets and financial liabilities is as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated**  **financial statements** | | **Separate**  **financial statements** | |
|  | **2023** | **2022** | **2023** | **2022** |
|  | **Thousand** | **Thousand** | **Thousand** | **Thousand** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
| **Financial assets** |  |  |  |  |
| 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** | **2022** | **2023** | **2022** |
|  | **Thousand** | **Thousand** | **Thousand** | **Thousand** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
| **Financial liabilities** |  |  |  |  |
| 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** | | **Separate** | |
|  | **financial statements** | | **financial statements** | |
|  | **2023** | **2022** | **2023** | **2022** |
|  | **Thousand Baht** | **Thousand Baht** | **Thousand Baht** | **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 |

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

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated** | | **Separate** | |
|  | **financial statements** | | **financial statements** | |
|  | **2023** | **2022** | **2023** | **2022** |
|  | **Thousand Baht** | **Thousand Baht** | **Thousand Baht** | **Thousand Baht** |
|  | **Consolidated** | **Separate** | **Consolidated** | **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** | **2022** |
|  | **Thousand Baht** | **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** |  | **Palm seedlings** |  |
|  | **on palm tress** | **Palm seeds** | **for sales** | **Total** |
|  | **Thousand**  **Baht** | **Thousand Baht** | **Thousand Baht** | **Thousand Baht** |
|  |  |  |  |  |
| As at 1 January 2022 | 35,187 | 7,176 | 57,121 | 99,484 |
| 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 |
|  |  |  |  |  |
| As at 31 December 2022 | 32,896 | 36,678 | 52,798 | 122,372 |
| 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) |
|  |  |  |  |  |
| As at 31 December 2023 | 21,255 | 26,837 | 74,362 | 122,454 |

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 seedings, 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.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  | **Paid-up** | **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** |
|  | **Countries** | **Business** | **capital** | **(%)** | **(%)** | **(%)** | **Baht** |
|  |  |  |  |  |  |  |  |
| **Direct Subsidiaries** |  |  |  |  |  |  |  |
| Univanich Agribusiness  Corporation | Philippines | investment holding | 9,000,000 Pesos | 100 | 100 | - | 21,011 |
|  |  |  |  |  |  |  |  |
| **Subsidiary of Univanich** |  |  |  |  |  |  |  |
| **Agribusiness Corporation** |  |  |  |  |  |  |  |
| 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.

|  |
| --- |
| **17 Property, plant and equipment, net** |

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | **Consolidated financial statements** | | | | | | | | |
|  |  |  |  |  |  |  | **Furniture,** | **Assets under** |  |
|  |  |  |  |  |  |  | **fixtures and office** | **construction** |  |
|  | **Fruit bearer** | **Immature** |  | **Land** | **Buildings** | **Machinery** | **equipment and** | **and** |  |
|  | **palm trees** | **palm trees** | **Land** | **improvement** | **and plant** | **and equipment** | **motor vehicles** | **installation** | **Total** |
|  | **Thousand Baht** | **Thousand Baht** | **Thousand Baht** | **Thousand**  **Baht** | **Thousand**  **Baht** | **Thousand**  **Baht** | **Thousand**  **Baht** | **Thousand Baht** | **Thousand**  **Baht** |
| **As at 1 January 2022** |  |  |  |  |  |  |  |  |  |
| Cost | 479,099 | 4,327 | 835,520 | 345,461 | 1,129,536 | 2,117,574 | 252,680 | 96,803 | 5,261,000 |
| Less 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 |
|  |  |  |  |  |  |  |  |  |  |
| **For the year ended 31 December 2022** |  |  |  |  |  |  |  |  |  |
| 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 |
|  |  |  |  |  |  |  |  |  |  |
| **As at 31 December 2022** |  |  |  |  |  |  |  |  |  |
| Cost | 484,137 | 6,409 | 838,766 | 202,812 | 1,280,923 | 2,185,325 | 241,623 | 113,841 | 5,353,836 |
| Less 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 |
|  |  |  |  |  |  |  |  |  |  |
| **For the year ended 31 December 2023** |  |  |  |  |  |  |  |  |  |
| 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 |
|  |  |  |  |  |  |  |  |  |  |
| **As at 31 December 2023** |  |  |  |  |  |  |  |  |  |
| 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.

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | **Separate financial statements** | | | | | | | | |
|  |  |  |  |  |  |  | **Furniture,** |  |  |
|  |  |  |  |  |  |  | **fixtures and** | **Assets under** |  |
|  |  |  |  |  |  |  | **office** | **construction** |  |
|  | **Fruit bearer** | **Immature** |  | **Land** | **Buildings** | **Machinery** | **equipment and** | **and** |  |
|  | **palm trees** | **palm trees** | **Land** | **improvement** | **and plant** | **and equipment** | **motor vehicles** | **installation** | **Total** |
|  | **Thousand**  **Baht** | **Thousand Baht** | **Thousand Baht** | **Thousand**  **Baht** | **Thousand**  **Baht** | **Thousand**  **Baht** | **Thousand**  **Baht** | **Thousand Baht** | **Thousand**  **Baht** |
| **As at 1 January 2022** |  |  |  |  |  |  |  |  |  |
| 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 |
|  |  |  |  |  |  |  |  |  |  |
| **For the year ended 31 December 2022** |  |  |  |  |  |  |  |  |  |
| 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 |
|  |  |  |  |  |  |  |  |  |  |
| **As at 31 December 2022** |  |  |  |  |  |  |  |  |  |
| 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 |
|  |  |  |  |  |  |  |  |  |  |
| **For the year ended 31 December 2023** |  |  |  |  |  |  |  |  |  |
| 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 |
|  |  |  |  |  |  |  |  |  |  |
| **As at 31 December 2023** |  |  |  |  |  |  |  |  |  |
| 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.

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.

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 finalied

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** | **Revenue sharing contract** | **Total** |
|  | **Thousand Baht** | **Thousand Baht** | **Thousand Baht** |
| **As at 1 January 2022** |  |  |  |
| Cost | 3,179 | 17,291 | 20,470 |
| Less Accumulated amortisation | (481) | (8,206) | (8,687) |
|  |  |  |  |
| Closing net book amount | 2,698 | 9,085 | 11,783 |
|  |  |  |  |
| **For the year ended 31 December 2022** |  |  |  |
| 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 |
|  |  |  |  |
| **As at 31 December 2022** |  |  |  |
| Cost | 3,179 | 17,291 | 20,470 |
| Less Accumulated amortisation | (1,117) | (9,964) | (11,081) |
|  |  |  |  |
| Closing net book amount | 2,062 | 7,327 | 9,389 |
|  |  |  |  |
| **For the year ended 31 December 2023** |  |  |  |
| 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 |
|  |  |  |  |
| **As at 31 December 2023** |  |  |  |
| Cost | 3,179 | 17,291 | 20,470 |
| Less 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** |
|  | **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 |
| Deprecation 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** | **2022** | **2023** | **2022** |
|  | **Thousand Baht** | **Thousand Baht** | **Thousand Baht** | **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** | **2022** | **2023** | **2022** |
|  | **Thousand Baht** | **Thousand Baht** | **Thousand Baht** | **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 |

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

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Consolidated financial statements** | | |
|  | **As at**  **1 January** | **Charged/**  **credited to** | **As at**  **31 December** |
|  | **2022** | **profit or loss** | **2022** |
|  | **Thousand**  **Baht** | **Thousand**  **Baht** | **Thousand Baht** |
| **Deferred tax assets** |  |  |  |
| 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 |
|  |  |  |  |
| **Deferred tax liabilities** |  |  |  |
| 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** | | | |
|  |  |  | **Charged/**  **credited to** |  |
|  | **As at** | **Charged/** | **other** | **As at** |
|  | **1 January** | **credited to** | **comprehensive** | **31 December** |
|  | **2023** | **profit or loss** | **income** | **2023** |
|  | **Thousand**  **Baht** | **Thousand**  **Baht** | **Thousand**  **Baht** | **Thousand Baht** |
| **Deferred tax assets** |  |  |  |  |
| 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 |
|  |  |  |  |  |
| **Deferred tax liabilities** |  |  |  |  |
| 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 |

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Separate financial statements** | | |
|  | **As at** | **Charged/** | **As at** |
|  | **1 January** | **credited to** | **31 December** |
|  | **2022** | **profit or loss** | **2022** |
|  | **Thousand Baht** | **Thousand Baht** | **Thousand Baht** |
|  |  |  |  |
| **Deferred tax assets** |  |  |  |
| 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 |
|  |  |  |  |
| **Deferred tax liabilities** |  |  |  |
| Biological assets | (14,118) | (4,547) | (18,665) |
|  |  |  |  |
| Deferred income taxes, net | 43,534 | (15,392) | 28,142 |

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Separate financial statements** | | |
|  | **As at** | **Charged/** | **As at** |
|  | **1 January** | **credited to** | **31 December** |
|  | **2023** | **profit or loss** | **2023** |
|  | **Thousand Baht** | **Thousand Baht** | **Thousand Baht** |
|  |  |  |  |
| **Deferred tax assets** |  |  |  |
| 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 |
|  |  |  |  |
| **Deferred tax liabilities** |  |  |  |
| 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 |

|  |
| --- |
| **21 Trade and other payables** |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated** | | **Separate** | |
|  | **financial statements** | | **financial statements** | |
|  | **2023** | **2022** | **2023** | **2022** |
|  | **Thousand Baht** | **Thousand Baht** | **Thousand Baht** | **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 |
|  |  |  |  |  |
| Total trade and other payables | 128,851 | 158,634 | 106,328 | 104,043 |

|  |
| --- |
| **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** | **2022** |
|  | **Thousand Baht** | **Thousand Baht** |
|  |  |  |
| **For the year ended 31 December** |  |  |
| Opening balance | 117,986 | 153,610 |
| Repayment | (34,604) | (34,280) |
| Currency translation differences | (3,707) | (1,344) |
|  |  |  |
| Closing balance | 79,675 | 117,986 |

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** | **2022** |
|  | **Thousand Baht** | **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 |
|  |  |  |
| Total long-term loans from a financial institution | 79,675 | 117,986 |

|  |
| --- |
| **23 Employee benefit obligations** |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated** | | **Separate** | |
|  | **financial statements** | | **financial statements** | |
|  | **2023** | **2022** | **2023** | **2022** |
|  | **Thousand Baht** | **Thousand Baht** | **Thousand Baht** | **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** | **2022** | **2023** | **2022** |
|  | **Thousand Baht** | **Thousand Baht** | **Thousand Baht** | **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** | **2022** | **2023** | **2022** |
|  | **Thousand Baht** | **Thousand Baht** | **Thousand Baht** | **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% |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  |  |  | **Consolidated financial statements** | | | |
|  |  |  | **Impact on defined benefit obligation** | | | |
|  |  |  | **Increase in assumption** | | **Decrease in assumption** | |
|  | **Change in** | | **2023** | **2022** | **2023** | **2022** |
|  | **assumption** | | **Thousand** | **Thousand** | **Thousand** | **Thousand** |
|  | **2023** | **2022** | **Baht** | **Baht** | **Baht** | **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** | | | |
|  |  |  | **Increase in assumption** | | **Decrease in assumption** | |
|  | **Change in** | | **2023** | **2022** | **2023** | **2022** |
|  | **assumption** | | **Thousand** | **Thousand** | **Thousand** | **Thousand** |
|  | **2023** | **2022** | **Baht** | **Baht** | **Baht** | **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** | **2022** | **2023** | **2022** |
|  | **Thousand** | **Thousand** | **Thousand** | **Thousand** |
|  | **Baht** | **Baht** | **Baht** | **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** | **2022** |
|  | **Thousand Baht** | **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 |

|  |
| --- |
| **27 Expenses by nature** |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated**  **financial statements** | | **Separate**  **financial statements** | |
|  | **2023** | **2022** | **2023** | **2022** |
|  | **Thousand Baht** | **Thousand Baht** | **Thousand Baht** | **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** | **2022** | **2023** | **2022** |
|  | **Thousand Baht** | **Thousand**  **Baht** | **Thousand Baht** | **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** | **2022** | **2023** | **2022** |
|  | **Thousand Baht** | **Thousand**  **Baht** | **Thousand Baht** | **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:

1. **Sales / Purchases of goods and services**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated**  **financial statements** | | **Separate**  **financial statements** | |
|  | **2023** | **2022** | **2023** | **2022** |
|  | **Thousand Baht** | **Thousand Baht** | **Thousand Baht** | **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 |

1. **Amount due from related parties**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated**  **financial statements** | | **Separate**  **financial statements** | |
|  | **2023** | **2022** | **2023** | **2022** |
|  | **Thousand Baht** | **Thousand Baht** | **Thousand Baht** | **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 |

1. **Outstanding balances arising from purchases of goods and services**

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

1. **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** | **2022** |
|  | **Thousand Baht** | **Thousand**  **Baht** |
|  |  |  |
| **For the year ended 31 December** |  |  |
| 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** | **2022** |
|  | **Thousand Baht** | **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 |

1. **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** | **2022** | **2023** | **2022** |
|  | **Thousand Baht** | **Thousand Baht** | **Thousand Baht** | **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** |

**32.1 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** | |
|  | **2023** | **2022** | **2023** | **2022** |
|  |  |  |  |  |
| Construction, purchase of  machinery and  equipment agreements | Baht 92.63 million | Baht 13.99 million | Baht 88.63 million | Baht 9.65 million |

**32.2 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:

1. 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).
2. 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).
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.

|  |
| --- |
| **34 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.