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CHAIRMAN'S REPORT



In last's year's report, I wrote of the increased optimism for palm oil producers. In early 2021 global palm oil stocks were at a multiyear low, with the slowing growth of plantings and production due to the well intentioned, but misguided anti palm oil pressures. The increase in global biofuels markets has also stimulated demand. These factors encouraged higher palm oil prices.

This supply concern was further exacerbated in 2021 by a second consecutive year of lower production in the main producing regions of Indonesia and Malaysia which account for 85% of a total production.

On the demand side, the Biodiesel market has remained encouraging, sustained by international commitments to reduce greenhouse gas emissions. Biodiesel mandates have been maintained, notably in Indonesia which has enforced a 30% biodiesel blend.

The global palm oil market has tightened further in early 2022, highlighted recently by James Fry, Chairman of Commodities Consultancy LMC International, who remarked "We are facing a perfect storm", initiated with Indonesia further restricting exports, which has led to buyers seeking alternative supplies, the drought in South America has hit the soybean output, and the Russia/ Ukraine conflict has blocked 80% of the global supply of sun oil, which was seen as a possible supply gap filler. Without the support of these soft oils, this tight supply and demand situation, is driving the palm oil price to record levels, and this looks to remain for a significant part of 2022.

Despite the low production elsewhere, production from Thailand's palm oil industry in 2021 recovered by 12% to nearly 3.0 million tonnes, similar to the record 3.03 million tonnes CPO achieved in 2019. This resulted in a domestic surplus of production over local demand of almost 600,000 tonnes. Thailand's Government has encouraged the export of this domestic surplus as a means of supporting the domestic palm oil market. This is a positive approach, as exporting becomes an essential feature of Thailand's market, as the annual palm oil surplus continues to increase.

In 2021, Univanich processed a record of 1.185 million tonnes of fresh fruit bunches, with 93% of this FFB volume sourced from independent smallholder farmers, who received record prices for their fruit. This demonstrates the success of Thailand's palm oil industry supporting more than 300,000 smallholder farmers and their families. These high fruit prices have been very beneficial during 2021 when other parts of Thailand's economy have been heavily impacted during the second year of the pandemic. The record fruit prices provided much relief to the rural economies of the oil palm regions.

Our Philippines subsidiary, Univanich Carmen Palm Oil Corporation, has also performed very well during the ongoing pandemic. Increased production volumes, reduced operation costs, and higher oil prices have all contributed to a significant increase in the 2021 result.

Our Univanich Seed and Seedling business has also gained momentum with the increasing oil prices. Higher palm oil prices encourage farmers to look at agricultural conversion of other crops to oil palm farming. Farmers also look at these periods as an opportune time to replant older stands with newer, more productive genetic material that will boost their yields. This is where our significant investment into our Research and Development has come into fruition.



Overall, in 2021, Univanich has performed very well. Our forward-thinking strategy, timely investments and prudent management over the years has allowed the company to be well positioned for these unprecedented times of a tight palm oil market with record prices.

I would like to congratulate our management team in Thailand and Philippines for the production records and very good consolidated result achieved in 2021. Also, for their support of our people and communities during this very challenging second year of the covid pandemic.

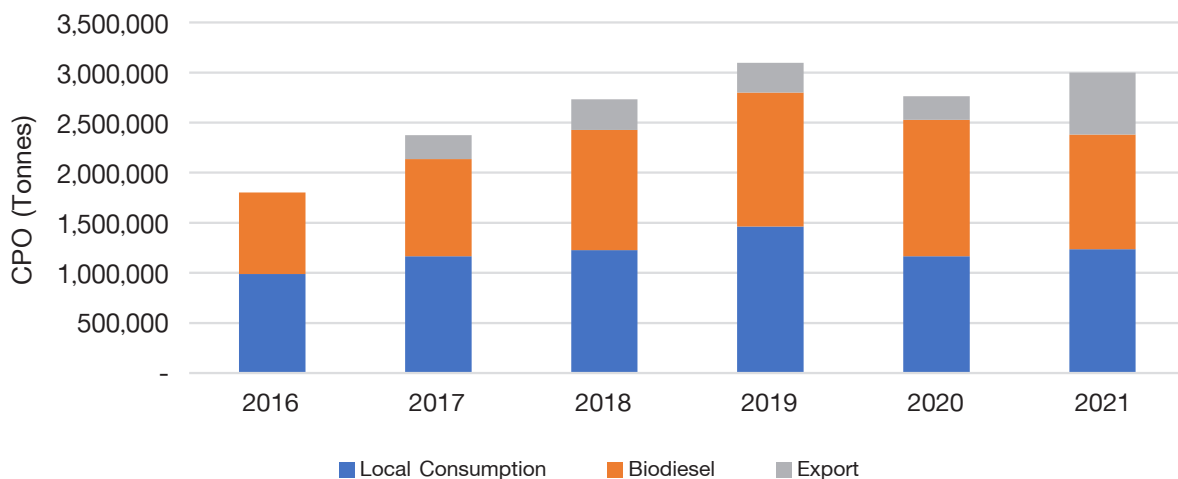
I would also like to thank our shareholders and many other stakeholders for their loyal support during these challenging times. Our Board remains confident in our investment strategy and the dedicated commitment and loyalty of our experienced management team.

Thank you for your support.

Apirag Vanich
Chairman

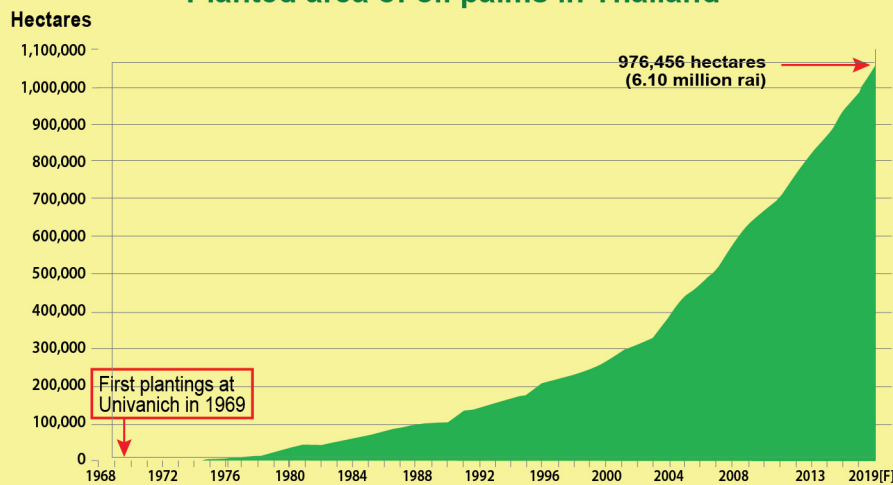
Thailand Palm Oil Demand 2016 -2021

CPO MT	2016	2017	2018	2019	2020	2021
Local Consumption	987,803	1,165,632	1,227,350	1,462,953	1,164,985	1,235,300
Biodiesel	815,956	971,176	1,199,671	1,337,160	1,363,651	1,146,381
Export		237,878	304,485	296,297	236,251	618,839
Total	1,803,759	2,374,686	2,731,506	3,096,410	2,764,887	3,000,520

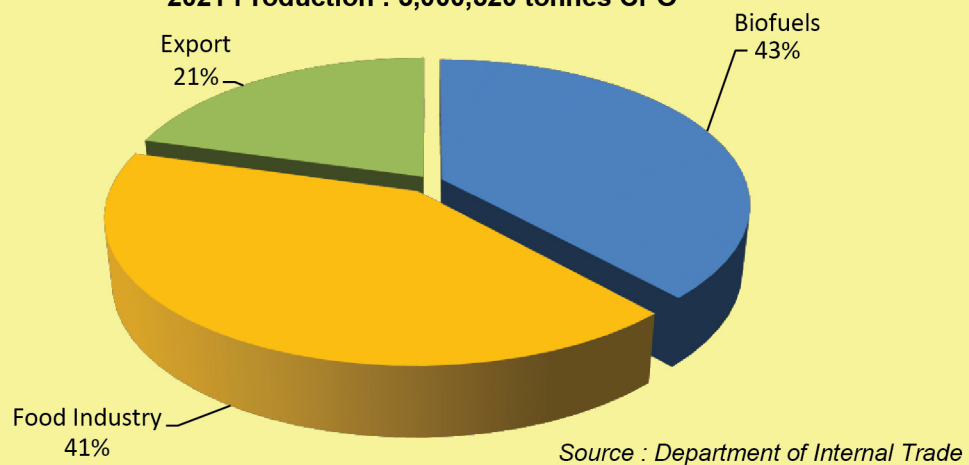


PALM OIL INDUSTRY IN THAILAND

พื้นที่ปลูกปาล์มน้ำมันในประเทศไทย Planted area of oil palms in Thailand

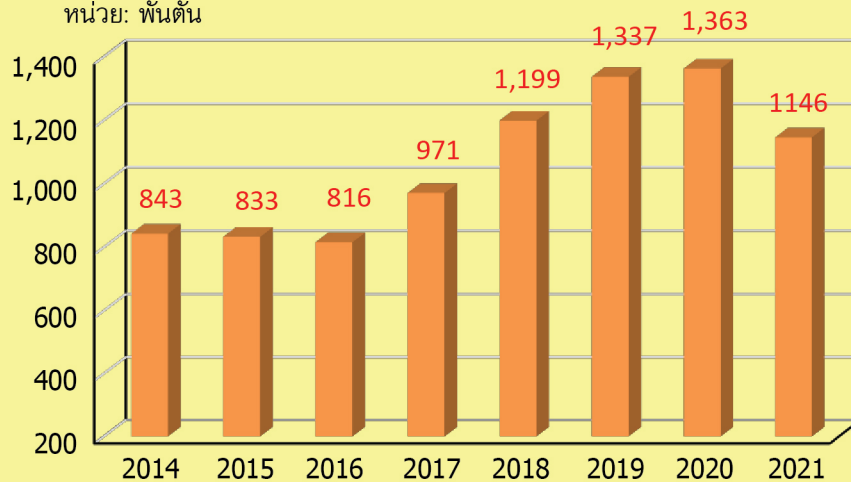


การบริโภคและการใช้น้ำมันปาล์มในประเทศไทย Consumption and Uses of Palm Oil in Thailand 2021 Production : 3,000,520 tonnes CPO



Thailand's Use of Crude Palm Oil for Biodiesel ปริมาณการใช้น้ำมันปาล์มดิบเพื่อการผลิตไบโอดีเซลในประเทศ

Unit: Thousand Tonnes
หน่วย: พันตัน



FINANCIAL HIGHLIGHTS



	2017	2018	2019	2020	2021
Financial Status (Baht millions)					
Total assets	4,127	3,799	3,644	3,885	4,436
Total accounts receivable, net	248	218	157	242	570
Property, plant & equipment, net	2,263	2,420	2,551	2,540	2,440
Total liabilities	598	424	380	537	632
Total shareholders' equity	3,530	3,375	3,265	3,349	3,803
Total equity attributable to the owners of the parent	3,473	3,309	3,151	3,215	3,614
Operating Performance (Baht millions)					
Sales	5,964	5,718	4,506	5,908	11,789
Total revenues	5,977	5,748	4,525	5,927	11,844
Gross profit margin	1,060	714	657	718	1,393
Earnings before interest expense and income tax	760	389	291	428	1,110
Corporate income tax	124	71	62	81	211
Net profit	627	316	225	342	892
Net profit attributable to owner of the parent	625	304	217	329	839
Financial Ratios					
Earnings (Baht/Share)	0.66	0.32	0.23	0.35	0.89
Dividend Declared (Baht/Share)	0.50	0.40	0.34	0.27	0.70*
Book Value (Baht/Share)	3.69	3.52	3.35	3.42	3.84
Net Profit margin (%)	10.49	5.50	4.98	5.77	7.53
Current ratio (Times)	6.20	9.30	9.28	8.00	7.00
Quick ratio (Times)	3.78	6.57	6.53	5.67	4.56
Return On Assets (ROA) (%)	15.98	7.97	6.06	9.09	21.45
Return on shareholders' equity (ROE) (%)	18.66	8.96	6.71	10.34	24.58
Debt to Equity Ratio (Times)	0.17	0.13	0.12	0.16	0.17

Note: * Interim dividends totalling Baht 0.30 per share have been paid in September 2021, with a final dividend of Baht 0.40 per share proposed to be paid in May 2022, subject to shareholder approval at the Annual General Meeting on 22nd April 2022

2021 NEWS HIGHLIGHTS

1

A new Nursery was constructed at Topi with a capacity of 300,000 seedlings per year. This year's rally in prices is encouraging farmers to plant more palms and replant old stands. The Topi nursery will allow Univanich to meet this demand.



2

Univanich has been trialing the use of drones to carry out spraying of fungicide and foliar fertiliser in our nurseries. The benefits of using drones significantly reduces our risks in Health and Safety, and allows us to make improvements in our productivity at our nursery operations. Most importantly, is the significant improvement in the quality of seedling that we can offer to our customers.



3

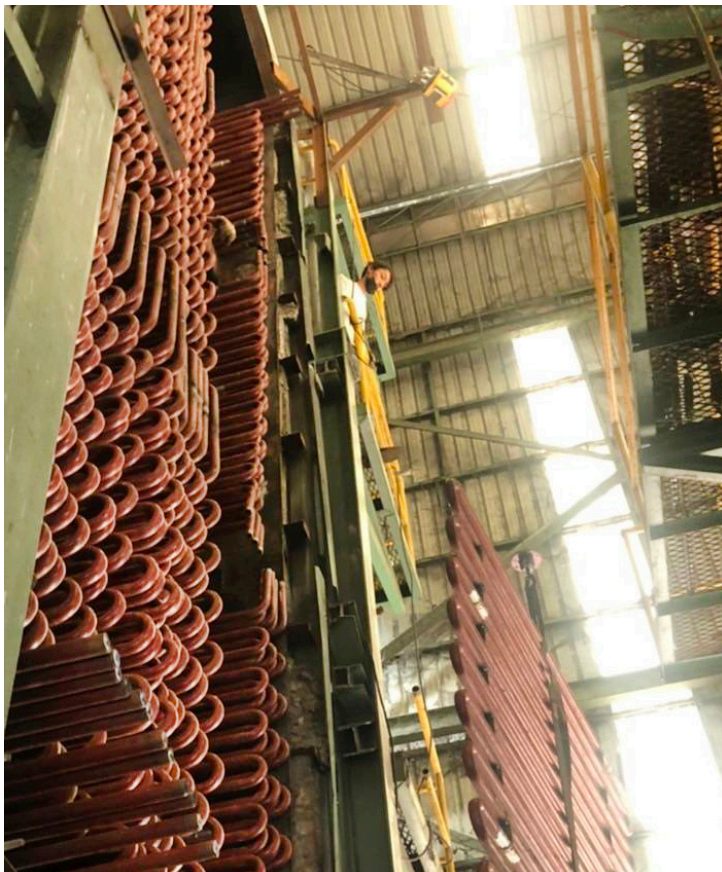
The Installation of two sludge separator machines at Lamthap Factory. This is to help reduce our oil losses by recovering the residual oil from the waste water, empty fruit bunches liquor, and sterilizer condensate. This oil recovery will help to improve our factory efficiency.



4

The economizer at CVP Factory was reconditioned. An economizer uses the waste heat, from the flue gases, to heat up the boiler feedwater which lowers the energy required to produce steam for the milling process.

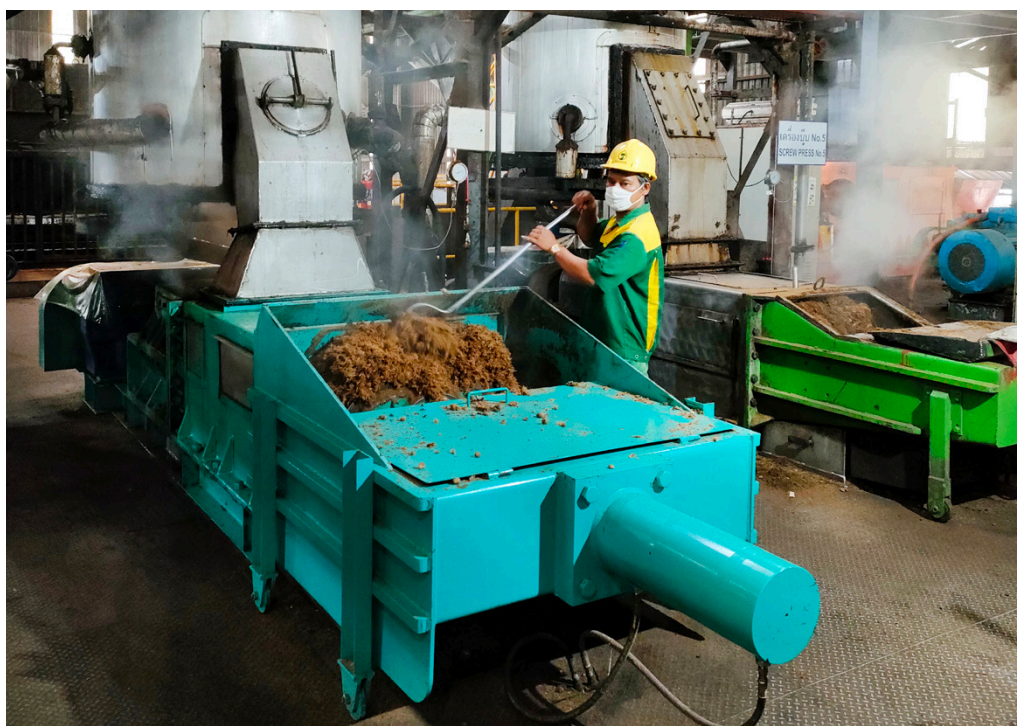
This has greatly improved the steam pressure quality for the milling process and allows us to be more efficient with our fuel. We have lowered our dependency on using electricity from the grid, and have been able to sell our excess fibre to third party buyers.



2021 NEWS HIGHLIGHTS

5

The installation of larger 25 tph screw press at Topi to improve efficiency in high cropping periods. This will allow greater throughput from the normal 60 TFFB/hr to 70 TFFB/hr during periods of peak production.



6

A fourth sterilizer was added to the Pabon factory to allow for increased milling capacity of the factory, during the peak cropping period. This will increase the milling throughput from 30 TFFB/hr to 45TFFB/hr. This will enable the factory to keep the ramp balance at a lower level, and allow for purchasing of fruit to continue unhindered in the peak crop period.





1. Organizational structure and operation of the group of companies

1.1 Policy and business overview

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

The main company's business are as follows:

Main Business	Nature of Business
Oil Palm Factory	Univanich is one of Thailand's leading producers of crude palm oil ("CPO") and crude palm kernel oil ("PKO"). Palm oil and Palm Kernel oil are important ingredients in the manufacture of cooking oils and salad oils, margarines and shortening, snack foods, ice creams, soaps, shampoos and cosmetics. Biodiesel and biofuels are rapidly expanding to new uses of palm oil. A byproduct from the production of PKO is palm kernel cake ("PKC") which is used in animal feeds. - In Thailand, Univanich has five palm oil crushing factories and two palm kernel crushing plants, located in Krabi, Phang-nga and Phatthalung Provinces. - In 2013, Univanich expanded its business to the Philippines by establishing a 51% owned joint venture company named Univanich Carmen Palm Oil Corporation (UCPOC). UCPOC has constructed a new palm oil crushing factory in North Cotabato province of Mindanao. The new palm oil factory started processing in July 2014.
Oil Palm Plantation	Univanich operates oil palm plantations in Krabi, Surat Thani, Phattalung and Nakhon Si Thammarat Provinces of Southern Thailand, with a planted area in 2021 of 37,008 rai (5,921.3 hectares) including 739 rai (118.2 hectares) immature area. The first plantations were established in 1969 and replanting of a new generation of palms commenced in 1992.
Seed and Seedlings	- The Univanich Oil Palm Research Centre (OPRC) is internationally recognised for pioneering oil palm research and advanced palm breeding. Univanich drought-tolerant hybrid seeds are now exported to oil palm growers in more than fifteen countries. The company's oil palm nurseries supply approximately 1.5 million high yielding seedlings to Thailand's smallholder growers, annually. - Univanich commissioned Thailand's first laboratory for oil palm tissue culture in 2006. Since 2010, the company has been testing elite oil palm clones in field trials and in 2016 the company commenced production of clonal seeds from these elite oil palm clones.

PART 1 - BUSINESS OPERATION AND OPERATING RESULTS

Main Business	Nature of Business
Electricity	Four of the crushing factories operate methane capture systems to reduce greenhouse gas emissions and to generate approximately 7 megawatts of renewable electricity for sale to the Provincial Electricity Authority grid.
Others	Univanich operates a palm oil exporting facility at the deep-water port of Laemphong in Krabi Province.

1.1.1 Univanich Vision / Mission Statement

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

1.1.2 Transition and milestone developments

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

PART 1 - BUSINESS OPERATION AND OPERATING RESULTS



1.2 Nature of Business

1.2.1 Revenue structure

	Operated by	Shareholding (%)	Year 2019		Year 2020		Year 2021	
			Baht Millions	%	Baht Millions	%	Baht Millions	%
1. Sales of goods								
<u>Domestic Sales</u>								
Crude Palm Oil	UVAN		2,515.28	55.59	3,747.91	63.24	3,211.09	27.11
Palm Kernel Oil	UVAN		15.28	0.34	65.65	1.11	37.72	0.32
Others	UVAN		346.61	7.66	405.49	6.84	617.19	5.21
Total Domestic Sales			2,877.17	63.59	4,219.05	71.19	3,866.00	32.64
<u>Export Sales</u>								
Crude Palm Oil	UVAN		704.59	15.57	760.45	12.83	5,265.64	44.46
	UCPOC	51%	333.61	7.37	336.44	5.68	684.62	5.78
Palm Kernel Oil	UVAN		537.30	11.87	557.84	9.41	1,937.93	16.36
Others	UVAN		20.19	0.45	12.83	0.22	35.10	0.30
	UCPOC	51%	32.75	0.72	21.48	0.36	-	-
Total Export Sales			1,628.44	35.99	1,689.04	28.50	7,923.29	66.90
<u>Total Sales of goods</u>								
Crude Palm Oil			3,553.48	78.53	4,844.80	81.74	9,161.35	77.35
Palm Kernel Oil			552.58	12.21	623.49	10.52	1,975.65	16.68
Othes			399.55	8.83	439.80	7.42	652.29	5.51
Total Sales of goods			4,505.61	99.58	5,908.09	99.68	11,789.29	99.54
2. Other Income**			19.16	0.42	18.75	0.32	54.22	0.46
Total Revenue			4,524.77	100.00	5,926.84	100.00	11,843.51	100.00

**Other Income : Gains on asset disposals, Interest Income, Revenue sharing from business acquisition and subsidy for export shipments.

1.2.2 Product information

- (1) Characteristics of products

1) Crude Palm Oil

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

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

2) Crude Palm Kernel Oil

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

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

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

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

Others :

1) Seeds and Seedlings

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

2) Electricity from biogas

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





● (2) Marketing and competition

(2.1) Marketing

(A) *Competitive Strategy*

The competitive strategies of the company are:

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

Currently, the company has 5 crude palm oil crushing factories with capacity 240 tonnes per hour and two palm kernel oil factories with capacity 340 tonnes per day.

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

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

2.) Replanting Policy

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

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

3.) Trust from farmers

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

PART 1 - BUSINESS OPERATION AND OPERATING RESULTS

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

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

5.) Implementation of new knowledge and technology continuously

The company has continually applied new knowledge and technology throughout its inception. Especially during the Unilever Group era, who were joint venture partners between 1983-1998. During this time the company gained knowledge in agricultural technology and production engineering. As a result, at present, the company has developed good quality palm varieties and continuously developed the production process to be efficient. However, after the Unilever Group sold the Company's shares to the Company Ek Stone Industry Co., Ltd, the company still maintains good relationships with many experts working for the Unilever Group. Such experts remain independent consultants to the company. These experts will give advice on palm breeding and production efficiency to the company approximately twice a year. In addition, the company has hired factory experts from Malaysia to analyze and improve production efficiency to be up-to-date.

(B) Customers, target customers and distribution channels

Business in Thailand

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

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

Overseas Business (UCPOC)

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



(2.2) Competitive Environment

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

A. Entrepreneur

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

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

Competition in purchasing fresh palm fruit

The Company's competitors in purchasing FFB will be factories located close to the Company's factories. Fresh palm fruits harvested from oil palm trees should be processed within 24 hours to obtain good quality crude palm oil.

As a result, the competition in terms of purchasing fresh palm fruit will be quite high.

1. The company purchases palm fruit in the similar price of the competitors. The payment always fast and on time. This makes palm fruit sellers convenient to deliver palm fruit to the company.
2. The company has a policy to expand production capacity, increase production efficiency and improve distribution channels both domestically and internationally. This enables the company to continue production and be able to purchase fresh palm fruit in large and consistent quantities. Therefore, farmers and traders trust to bring fresh palm fruit for sale to the company continuously.
3. The company has added outside fruit buying stations in the areas where the palm fruit is in sufficient quality and quantity.

Distribution Channel in Thailand

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

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

PART 1 - BUSINESS OPERATION AND OPERATING RESULTS

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

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

Distribution Channel Overseas

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

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

(B) Trend of competition

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

● (3) Procurement of products or services

(3.1) Production

At present, the Company and its subsidiaries have 6 crude palm oil extraction plants with a total crude palm oil production capacity of 300 tons of fresh palm fruit per hour. The location and factory capacity are as follows:-

- Siam factory (Krabi province) with a capacity of 45 tons palm fruit per hour.
- Topi factory (Krabi province) with a capacity of 60 tons palm fruit per hour and 190 tons of palm kernel per day.
- Lamthap factory (Krabi province) with a capacity of 45 tons palm fruit per hour and 150 tons of palm kernel per day.
- CVP factory (Phang Nga Province) with a capacity of 60 tons palm fruit per hour.
- Pabon factory (Phatthalung Province) with a capacity of 30 tons palm fruit per hour.
- UCPOC factory (Philippines) with a capacity of 60 tons palm fruit per hour.

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

PART 1 - BUSINESS OPERATION AND OPERATING RESULTS



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

	2017	2018	2019	2020	2021
Capacity (tonnes of palm fruit per hour)	270	270	270	300	300
Processed Fresh Fruit Bunch (tonnes)	1,157,326	1,190,852	1,125,596	1,100,487	1,289,085
Crude Palm Oil Production (tonnes)	198,337	209,412	203,755	194,360	227,261
Palm Kernel Production (tonnes)	57,504	60,854	58,702	57,639	65,964

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

(3.2) Raw Material Procurement

The main raw material for the Company's production is palm Fresh Fruit Bunch (FFB). The sources of palm fruits are from our own estate fruit and purchased fruit. In 2021, the Company and its subsidiaries (UCPOC) purchased 94.2% palm fruit from outsiders. The rest is obtained from the company's oil palm plantations.

(A) Fresh Fruit Bunch from suppliers

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

(B) Fresh Fruit Bunch from company's plantation

The Company has a total palm plantation area in Thailand of approximately 37,008 rai. In 2021, the Company's palm plantations are capable of producing 5.8 percent of the palm fruit supplied to the Company's factories.

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

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

PART 1 - BUSINESS OPERATION AND OPERATING RESULTS

● (4) Assets used in business operation

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

	Property Type / Characteristics	Value (Million Baht)	Obligation (mortgage)	Ownership
1.1	Land	835.52	No	Univanich
1.2	Land improvement	149.82	No	Univanich
1.3	Building and building improvement	518.68	No	Univanich
1.4	Machinery and equipment	674.39	No	Univanich
1.5	Motor vehicles	41.64	No	Univanich
1.6	Furniture fixtures and office equipment	7.75	No	Univanich
1.7	Assets under installation/construction	96.80	No	Univanich
1.8	Bearer Plants - Palm trees			
	- Palm trees	110.94	No	Univanich, concession and operating lease *
	- Immature palm trees	<u>4.33</u>	No	
	Property, plant and equipment, net	2,439.87		
1.9	Intangible assets			
	- Computer software	2.70	No	
	- Revenue sharing	<u>9.08</u>	No	
	Intangible assets, net	11.78		

Remark

*The Company's plantation has been made on the Company's own land, concession land and lease land. Details of land under concession and under operating lease agreements as at 31 December 2021 are as follows:

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

In addition, Univanich Palm Oil Public Company Limited's predecessor was granted a concession for the development of an oil palm plantation on 20,000 rai in Krabi Province. The concession was for thirty years, from 22 April 1983 to 21 April 2013.

Please see more information in note 16 of the Notes to Financial statements.

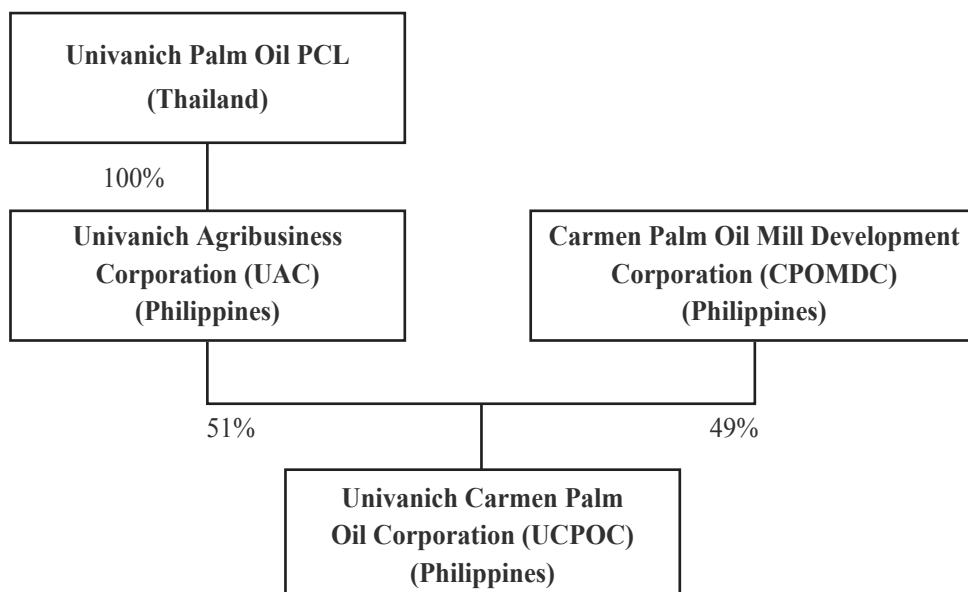


2) Investments in Subsidiaries and Joint ventures policy

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

1.3 Shareholding Structure

1.3.1 Shareholding Structure



1.3.2 Shareholders

The 10 largest shareholders as at 31 December 2021

Shareholders	Number of shares	Percent
1. Mr. Apirag Vanich	177,850,420	18.92
2. Mrs. Chantip Vanich	91,116,300	9.69
3. UBS AG Singapore, Branch	57,300,000	6.09
4. Chean Vanich Co.,Ltd.	55,966,620	5.95
5. Mrs. Nuanchan Ratanakulsereeroengrith	36,370,900	3.87
6. Mr. Narut Chitrudiamphai	27,100,320	2.88
7. Thai NVDR Company Limited	24,453,455	2.60
8. Ms. Aungkhana Vanich	23,819,990	2.53
9. Ms. Rojana Vanich	23,294,820	2.48
10. Ms. Oranutch Vanich	22,554,980	2.40

PART 1 - BUSINESS OPERATION AND OPERATING RESULTS

Board of Directors and Management

The Company's Board of Directors	No of Shares 31 December 2020	No of Shares 31 December 2021	Change
1. Mr. Apirag Vanich	177,850,420	177,850,420	0
2. Mrs. Phorthana Manoch	6,952,840	6,952,840	0
3. Ms. Kanchana Vanich	0	0	0
4. Dr. Prote Sosothikul	0	0	0
5. Dr. Palat Tittinutchanon	310,000	350,000	40,000
6. Mr. John Clendon	10,843,500	10,843,500	0
7. Mr. Suchad Chiaranussati	0	0	0
8. Mr. Pramoad Phornprapha	0	0	0
9. Dr. Veerathai Santiprabhob	0	0	0

Management Committee	No of Shares 31 December 2020	No of Shares 31 December 2021	Change
1. Mr. John Clendon	10,843,500	10,843,500	0
2. Dr. Palat Tittinutchanon	310,000	350,000	40,000
3. Mr. Harry Brock	0	0	0
4. Mr. Nattapong Dachanabhirom	30,000	30,000	0
5. Mr. Phiphit Khlaisombat	0	0	0
6. Mr. Santi Suanyot	100,000	60,000	(-40,000)
7. Mr. Thanaphol Leelangamwong *	0	0	0

*Mr. Thanaphol Leelangamwong retired from the Univanich Management committee on 30th April 2021

1.4 Amounts of registered capital and paid-up capital

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

1.5 Issuance of other securities

- None -

1.6 Dividend policy

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



2. Risk Management

2.1 Risk management policy and plan

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

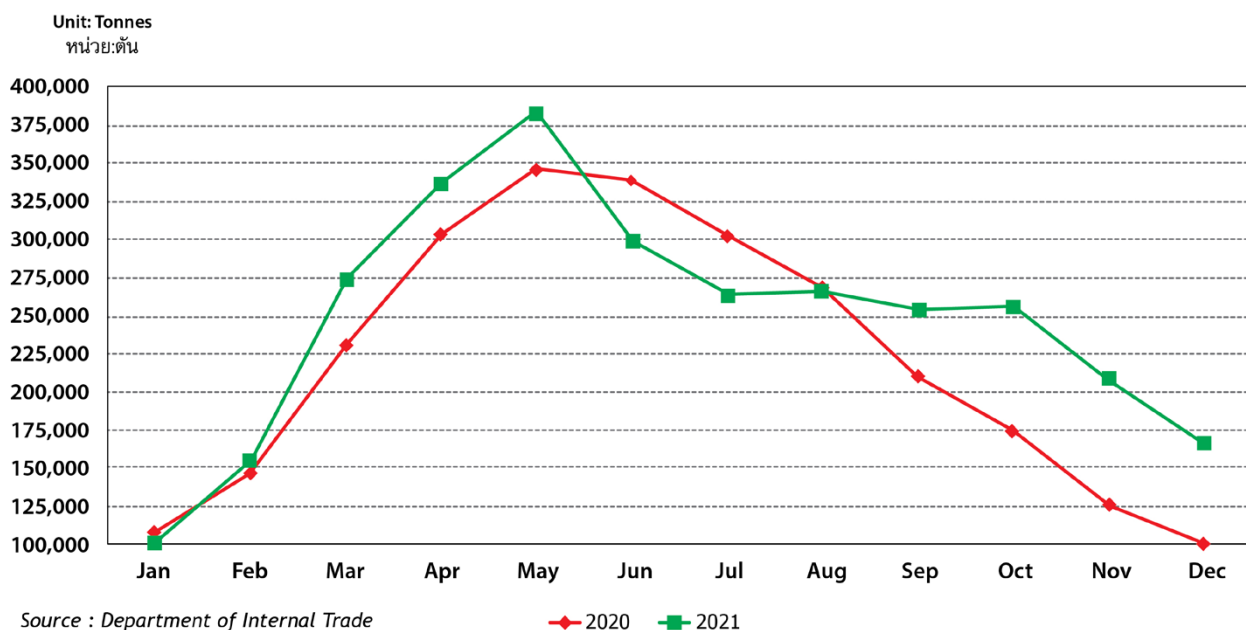
2.2 Risk factors on business operation

Climate

Climatic factors have significant influence on palm oil production.

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

Thailand's Monthly CPO Production 2020-2021



Thailand's annual CPO Production (tonnes)	
2015	2,068,475
2016	1,804,449
2017	2,626,006
2018	2,778,108
2019	3,033,743
2020	2,651,598
2021	2,963,225

Source : Department of Internal Trade

PART 1 - BUSINESS OPERATION AND OPERATING RESULTS

AFTA and Trade Barriers

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

Thailand's Supply & Demand of Palm Oil in 2021

	Supply (Tonnes)		Demand (Tonnes)
Opening Stock 1/01/2021	209,328	Local Consumption	1,235,300
CPO Production in 2021	2,963,225	Exported CPO	618,839
Imported crude palm oil	624	Biodiesel	1,146,381
Imported RBDPO	0	Ending Stock 31/12/2021	172,657
Total	3,173,177	Total	3,173,177

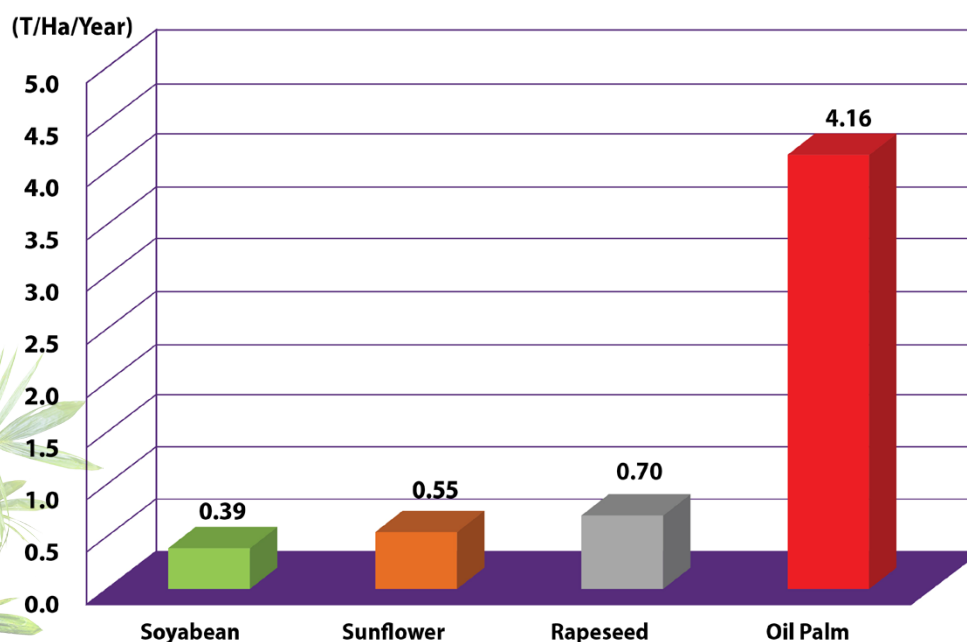
Source : Department of Internal Trade

Competition from Soybean Oil, Rape Seed Oil and Sunflower Oil

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

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

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



Source: Oil World (2016)



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

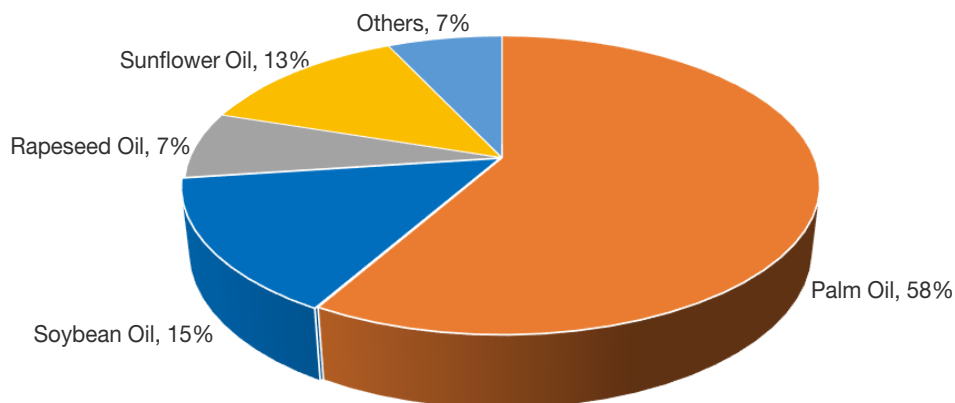
Palm Oil's Share of World Production

	Palm Oil Million tonnes	Share of World Production of 17 main oils & fats
1980	4.6	8%
1990	11.0	14%
2000	21.9	19%
2010	47.5	27%
2020	75.1	32%
2021	72.7	36%
2030 forecast	95.0	estimated minimum requirement to meet consumption demand

Source: LMC (2022)

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

Palm Oil's Share of World Trade 2021 International Trade Volume of 5 Vegetable Oils



Source: LMC (2022)

World oil palm plantings occupy less than 1% of the 5 billion hectares used for agriculture today. But in return, oil palms produce 36% of the world's supply of edible oils and fats.

PART 1 - BUSINESS OPERATION AND OPERATING RESULTS

World Demand Growth

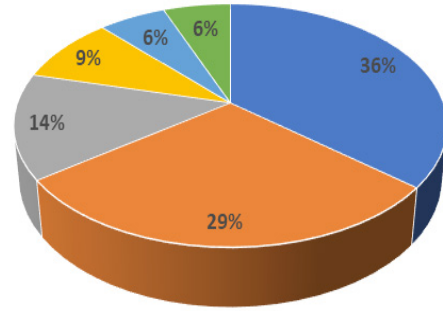
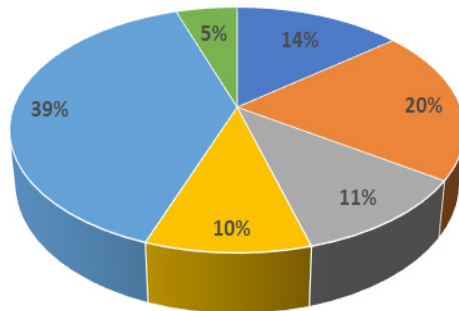
World demand growth for edible oils and fats will depend on world population growth, world economic growth and price trends which will fluctuate according to supply and demand.

The world's annual production of the 17 main edible oils and fats has grown from 80.7 million tonnes in 1990 to 203 million tonnes in 2021.

Growth in world production of main Oils & Fats

1991 : 83.2 mil tonnes

2021 : 203 mil tonnes



■ Palm Oil ■ Soybean Oil ■ Rapeseed Oil
■ Sunflower Oil ■ Others ■ PKO & CNO

Source: LMC (2022)

Since year 2000, world consumption of vegetable oils grew at a compound annual growth rate of 5.2%. During this period, consumption of palm oil increased at an average annual rate of 8.1% to become the world's leading source of vegetable oil.

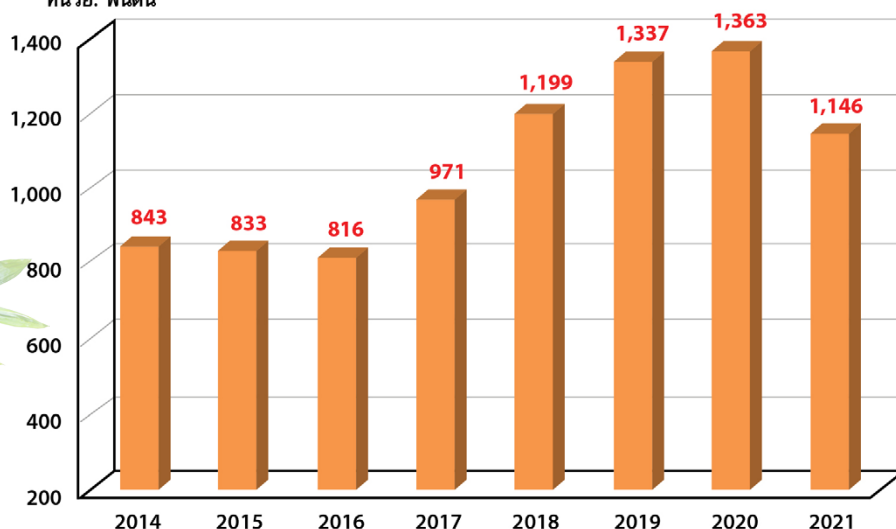
One factor driving this consumption increase has been the strong economic growth in large developing countries such as India and China. With the economies of India and China now experiencing slower growth, this has reduced the rate of growth in the world's demand for vegetable oils.

Biofuels Demand Growth

Vegetable oils are increasingly consumed as biofuels and for the manufacture of biodiesel. Over the past 16 years the world consumption of biodiesel has increased from around 4.0 million tonnes in 2004 to 46 million tonnes in 2021.

Thailand's Use of Crude Palm Oil for Biodiesel

Unit: Thousand Tonnes
หน่วย: พันตัน



Source: Internal Trade Department



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

In 2021, approximately 23% of total palm oil usage was used in biodiesel production. This is slightly lower than the previous year (2020). Europe has reduced the use of biodiesel, as road transport moves away from fossil fuels altogether, for environmental reasons. Oil palm has become a target for some environmental NGOs. Stricter sustainability criteria have meant the reduction in palm oil, as international biodiesel consumers become concerned about the environmental sustainability of Asian palm oil production.

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

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

If the manufacture of biodiesel is perceived to cause the price of vegetable oils to rise to an unacceptably high level, some governments may withdraw their biodiesel mandates and biodiesel subsidies. This may cause a reduction in the use of biodiesel and a surplus of vegetable oils on world markets and lower prices for oil palm farmers. Recent supply concerns and higher prices of palm oil, coupled with covid lockdowns, have meant a partial withdrawal of such mandates and subsidies in certain countries. Such interventions will continue to cause annual fluctuations of palm oil usage for biodiesel.

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

Exchange rates

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

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

Renewal of Land Concessions

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

The Topi concession was renewed in 1993 and runs for a further 30 years to 2023.

The Chean Vanich concession was issued in 1983 and ran for 30 years to 2013.

The Chean Vanich concession expired on April 21st, 2013. In 2010 the company submitted a renewal application to continue utilizing 10,849-1-60 rai of the concession area. The company is continuing to pursue legal action to gain access to this land. This is detailed in Auditor Note 16.

Loss of this land would mean a reduction in the company's plantation area and some of the company's research programs would be terminated.

PART 1 - BUSINESS OPERATION AND OPERATING RESULTS

Competition from new crushing factories

In Thailand there is strong competition for purchased fruit amongst at least 50 major crushing mills. Univanich has approximately 7% share of this market. New crushing factories and expanded existing factories can affect the level of competition for purchased fruit.

Although new crushing capacity is entering the industry every year, Univanich has achieved a good long term growth rate. This has been made possible by the company's continuing investment in new processing capacity and by the expansion of Thailand's oil palm planted area which is reported to have increased from 320,000 hectares (2.0 million rai) in 2003 to 1,008,000 hectares (6.3 million rai) in 2021 (source: Office of Agricultural Economics). At this rate of planting growth, Thailand will require a similar rate of expansion of crushing capacity but expansion of new planting and expansion of new crushing capacity will not always match.



3. Business Sustainability Development

3.1 Policy and objectives of Sustainable Management



The Univanich company's 6,000 hectares of oil palm plantations now produces approximately 6% of the fruit processed by the company's five crushing factories. More than 4,000 independent small farmers produce 94% of fruit processed by the company, and it is through encouragement of this smallholder participation that Univanich business has grown into an agribusiness success.

Univanich Palm Oil PCL was listed on the stock exchange of Thailand in 2003, under the abbreviation of UVAN. Today, it is one of Thailand's leading producers of crude palm oil

(CPO) and crude palm kernel oil (PKO) for domestic and international markets. Biodiesel and other renewable biofuels are rapidly expanding new uses for palm oil, within Thailand's domestic palm oil market.

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



Advances in Science

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

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

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

PART 1 - BUSINESS OPERATION AND OPERATING RESULTS



Environmental Best Practice

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

more than 100,000 Gold Standard Certified Emission Reductions (CERs) annually, under the United Nations Clean Development Mechanism. This creation and sale of Gold Standard CERs from Palm oil waste was another world first for the Univanich company.



Social Sustainability

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

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

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

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

PART 1 - BUSINESS OPERATION AND OPERATING RESULTS



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

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

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

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

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

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

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

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

PART 1 - BUSINESS OPERATION AND OPERATING RESULTS

RSPO Principles and Criteria Topics and Objectives

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

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

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



3.2 Management of Impacts on stakeholders in the Business Supply Chain

3.2.1 Business Value Chain.



PART 1 - BUSINESS OPERATION AND OPERATING RESULTS

3.3 Management of Environmental Sustainability

Climate Change

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

Carbon dioxide has been the main cause of global warming to date, releasing into the atmosphere by use of fossil fuels, land use change, such as deforestation and agricultural conversion. Methane is another significant greenhouse gas (the impact of methane on global warming is 23 times greater than that of CO₂).

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

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

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

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

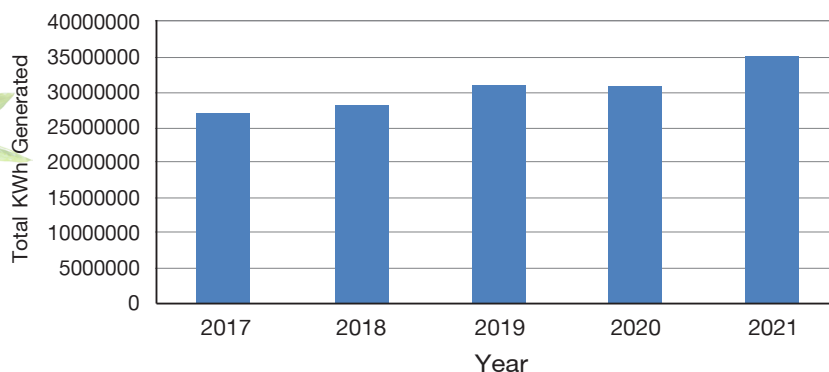
Univanich weather conditions are also on the drier spectrum of growing oil palm, with longer dry seasons than other more suitable growing regions. The longer drier period can have pronounced effects on the yield and this has also led to a focus on our water management practices and water usage which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

Reducing our Carbon Footprint

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

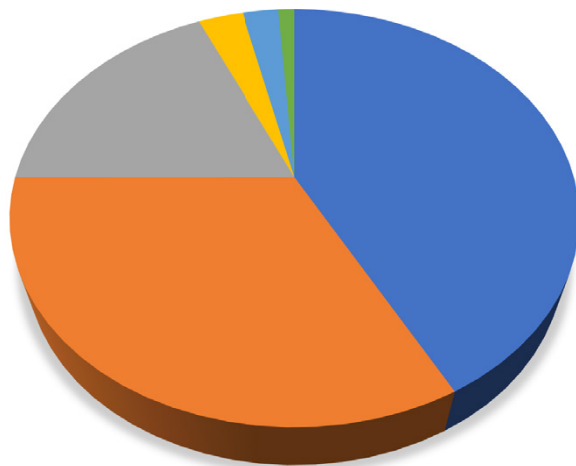
Univanich remains strongly committed in the reduction of our greenhouse gas (GHG) emissions and carbon footprint at our plantations and factory processing operations. Nearly 20% of the planets warming can be attributed to methane gas. Since 2008 we have been harnessing the methane gas from our waste water treatment ponds at our factories and converting this into energy through our biodigesters and gas engines. This energy is then sold into the local power grid.

Electricity Generated through our Methane Capture Projects 2017-2021





Univanich Gross GHG Emissions by Source 2021 (MT CO₂ e%)



Land Conversion	42%
Pome	33%
Factories Fuel	18%
CO ₂ Emissions Fertiliser	3%
N ₂ O Emissions	3%
Fuel (Field Operations)	1%

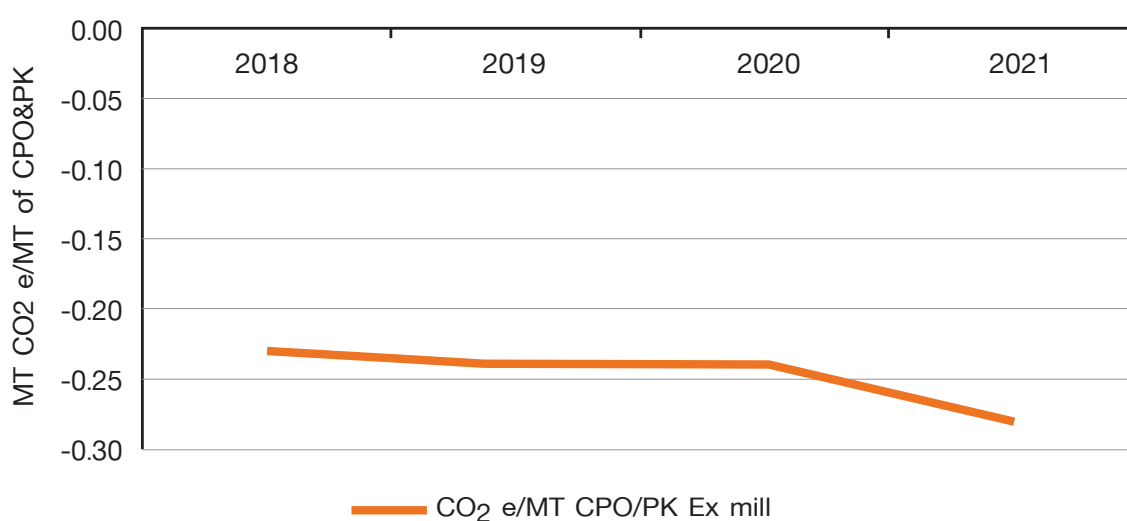
Our most significant source of emissions comes from our land use change of the establishment and operations of our own plantation estates, with a CO₂ emission of 38,683.01 MT of CO₂. This makes up 42% of our total CO₂ emissions from all our operations in 2021 (based on the assumptions made in the RSPO Palm GHG calculator). Our second most significant GHG source comes from the palm oil mill effluent (POME) from our factories, at 33%. Emissions from fuel use in the processing factories represents 18% of the total emissions, and this is a combination of the requirement for fossil fuel use, as well as the requirement to use power from the main grid on occasions. The majority of factories fuel is independent from fossil fuel, as it relies heavily on the biomass supply from the process.

The remaining 7% of our CO₂ emissions is made up from fertiliser which emits both CO₂ and N₂O (which is 300 times the potency of CO₂), and fuel use from carrying out field operations.

PART 1 - BUSINESS OPERATION AND OPERATING RESULTS

Year	Emission Sources							Credits			Summary		
	Land Clearing	CO ₂ Emissions Fertiliser	N ₂ O Emissions	Fuel (Field Ops)	POME	Mill Fuel	Grid Electricity	Crop Sequestration	Export of Electricity	Sales of PKS	Net Emissions	Total Palm Product	CO ₂ e/MT CPO/PK Ex mill
2018	46,344	3,075	17,158	1,534	25,663	2,783	11,899	- 44,767	- 4,746	- 114,782	- 55,838	237,787	- 0.23
2019	47,481	3,312	2,429	1,320	23,754	2,495	12,122	- 42,959	- 7,302	- 101,239	- 58,587	240,087	- 0.24
2020	31,601	3,058	2,554	1,225	23,103	1,821	12,705	- 32,542	- 5,161	- 93,675	- 55,309	231,116	- 0.24
2021	36,039	2,632	2,121	940	28,096	1,821	13,879	- 33,173	- 6,489	- 120,804	- 74,938	267,623	- 0.28

2021 Univanich CO₂ Emissions per MT of CPO and PK Produced



Our target is to maintain a carbon negative footprint and continue to improve on these reductions from our 2018 baseline data. The 2018 baseline was an overall palm product carbon footprint of -0.23 MT CO₂e/MT CPO/PK (ex-factory). Our method of monitoring this measurement is through the use of the RSPO Palm GHG calculator, which came into effect in January 2020.

The net CO₂ emissions from Univanich operations in 2021 was a total of - 74,938 MT CO₂, or -0.28 MT CO₂ / MT CPO & PK. This is a significant reduction in emissions from 2020 (- 0.24 MT CO₂ / MT CPO & PK), primarily due to the following reasons.

An increased palm production and therefore increased credit from carbon dioxide sequestration.

The substitution of inorganic fertiliser, with the increased use of our own empty fruit bunches.

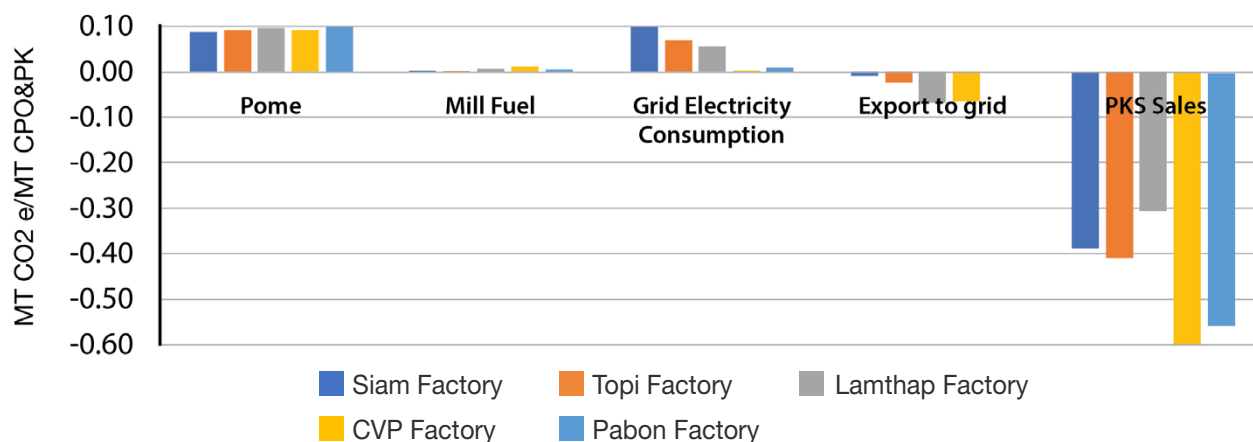
Improvements in our energy management at our processing factories to ensure we maximise the use of our biomass fuel supply and run our boilers as efficiently as possible to reduce our power requirement from fossil fuels.

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

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



2021 Processing Emissions From Univanich Factories (MTCO₂ e/MT CPO&PK Ex-mill)



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

Emissions from POME fluctuate subject to processing fruit volumes and the volume of water used in the process. By strictly monitoring our water usage at our factories. We are able to reduce our emissions from POME.

The factories fuel emissions and grid electricity consumption are our main areas for focus, through the improved boiler operations, and improvements in our energy management and use and sale of byproducts. This is where we can aim to reduce emissions further over the next few years and we have highlighted a number of projects to address this area of efficiency.

The Biogas project at CVP is run by a third party, and Univanich involvement is only on the supply of POME to the digester.

At Pabon we have completed the digester infrastructure only and the methane gas is flared off. The remaining infrastructure for production of electricity is still under discussion, subject to availability of a power purchase agreement with the Provincial Electricity Authority. By converting this biogas into electricity, we can make a significant reduction in emissions for this factory.

Overall, our processing factories are able to demonstrate negative emissions from the sale of electricity from the biogas operation and the sale of by products for use by third party companies for energy production in their biomass power stations.

By products from processing factories have evolved, from once being considered as a waste product, to now becoming very suitable replacements for fossil fuels. Univanich will continue to review new technology in this area and aim to reduce GHG emissions further.

PART 1 - BUSINESS OPERATION AND OPERATING RESULTS

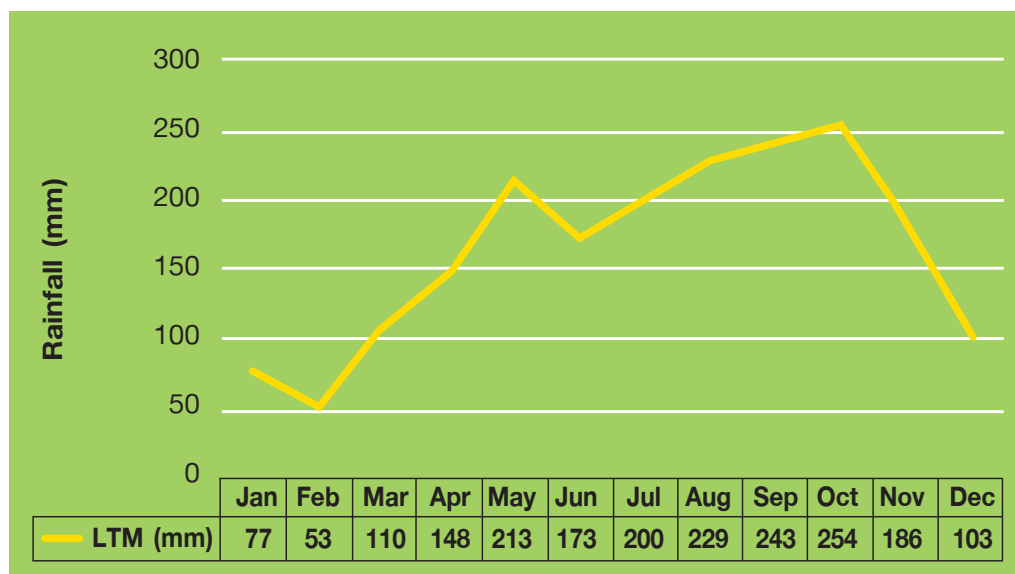
Water Management

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

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

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

Univanich Rainfall (Long Term Mean mm)

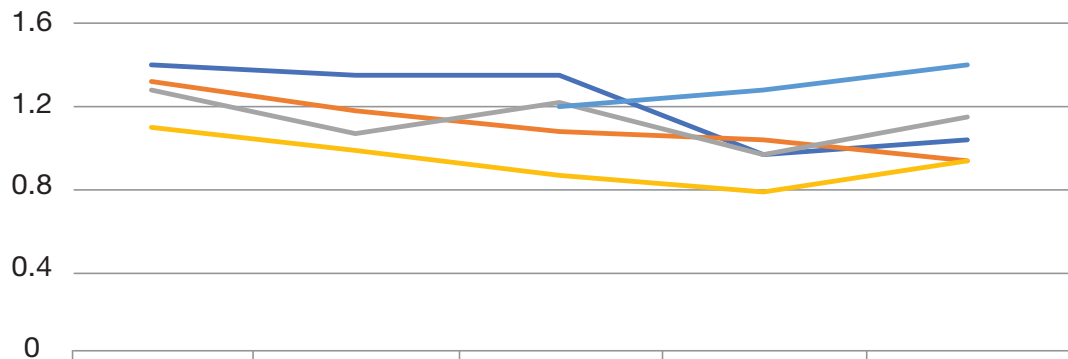


Water for our factories processing and nurseries is drawn from local rivers and from Univanich reservoirs that have been constructed for operational use. The palm oil factories water usage does fluctuate year on year, depending on the process management, boiler efficiency and sterilizing methods used at each factory.

Univanich's current target is to maintain usage below 1.4m³ per tonne of FFB processed. This has been maintained for the past five years. We have also targeted to reduce water consumption and over the 5-year period we have seen a 15% reduction in water usage at our processing factories. This reduction is through active monitoring and improved management attention.



Palm oil water usage intensity for factories 2017 - 2021 (M³/MT FFB Processed)



	2017	2018	2019	2020	2021
— Siam Factory	1.4	1.35	1.35	0.97	1.04
— Topi Factory	1.32	1.18	1.08	1.04	0.94
— Lamthap Factory	1.28	1.07	1.22	0.97	1.15
— CVP Factory	1.1	0.99	0.87	0.79	0.94
— Pabon Factory			1.20	1.28	1.40

The increase in usage for Pabon factory (commissioned in 2018) from 2020, is partly due to the introduction of palm oil separators into the system, which require increased usage of water for dilution purposes. These separators have been installed to help reduce oil losses in waste water, so whilst we have improved our efficiency in recovering more oil, we have also added to our water consumption. Another reason for the higher usage in Pabon is due to the consumption from our small nursery, which we will separate from the factories usage in future reports.

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

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

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



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

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



Chemical Management and Pest Control

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

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

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

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

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

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

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



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

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



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

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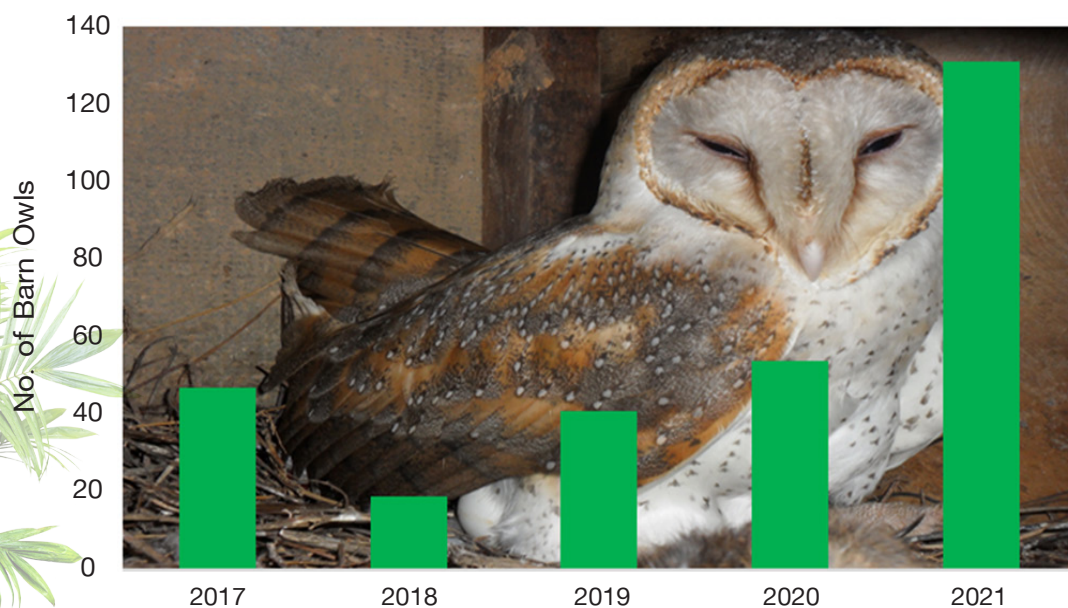
The Univanich team has been erecting Barn owl boxes in the plantation blocks to encourage barn owls to live and breed on the estate.



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

Numbers of barn owls have been increasing and have almost tripled over the past 5 years.

Barn Owl Population in the Univanich Estates





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



3.4 Social Sustainability Management

Managing our People

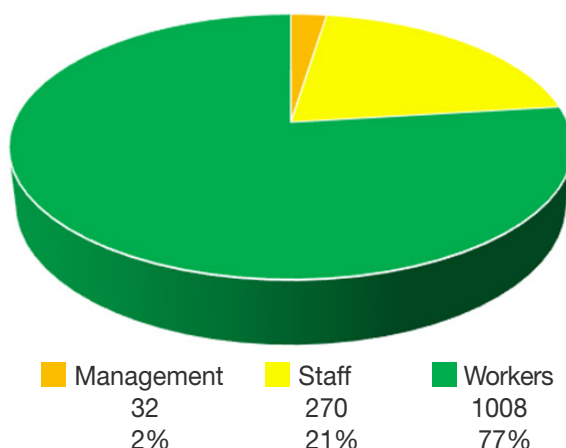
RSPO Principle No.	Criteria Topic	Objective
People	4. Human Rights	Policy in place to protect our employees
	Complaints and Grievances	Grievance Procedures
	5. Pay and working conditions	Policy in place to protect our employees
	6. No discrimination	Policy in place to protect our employees
	Freedom of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

Univanich employs over 1,300 people across the operations in Thailand and Philippines. It is key for Univanich to uphold the highest standards to ensure we are a fair and safe place to work.

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

The number of employees as of December 2021 is displayed below.

Univanich Employees by level 2021



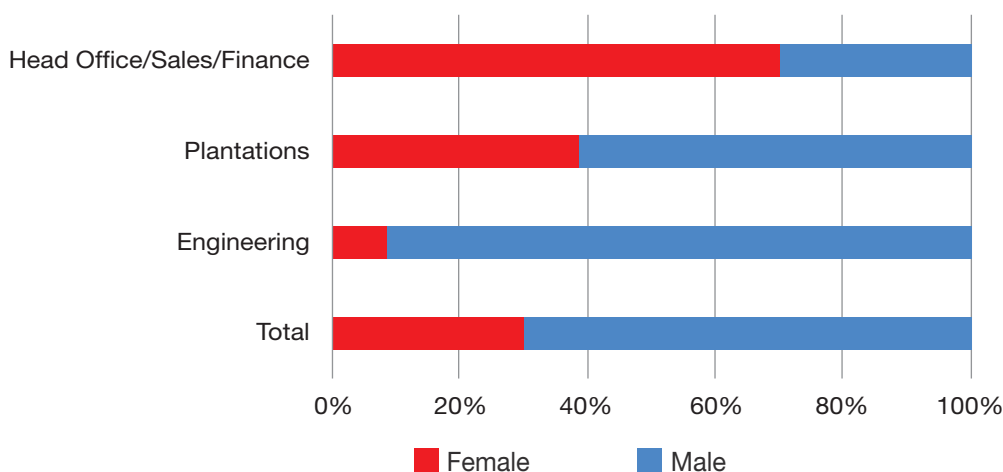
Our employees are predominantly from the local areas of operations for both Thailand and Philippines, as it is part of our social responsibility to support the local community, by providing employment.

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The company also provides the majority of employees with housing and utilities. The company ensures that wages are above the national minimum wage.

No. of Male and Female Employees within Univanich Operations



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

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

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

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

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



Health and Safety of our People

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

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

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

The key performance indicators used to measure our performance are:

1. No of Lost Time Cases across all Univanich Operations

A lost time case is an occupational injury/incident which results in an employee being unable to return to meaningful work.

2. The Lost Time Incident Rates

This represents the number of cases that result in lost days' work over a given time period. The current industry standard is to use 1,000,000 working hours as the time unit for comparison across other oil palm companies.

3. Severity Rate

This is a calculation that gives the average number of lost days per recordable incident.

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

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

The number of incidents in the Univanich operations is showing a reduction over the past 5 years, however the downward trend fluctuates year on year, rather than a steady decline. In 2020 we saw a rise in cases. The majority of these cases occurred in our factory operations. The monitoring encouraged management to carry out a needs analysis and focus on targeted training in areas of concern.

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

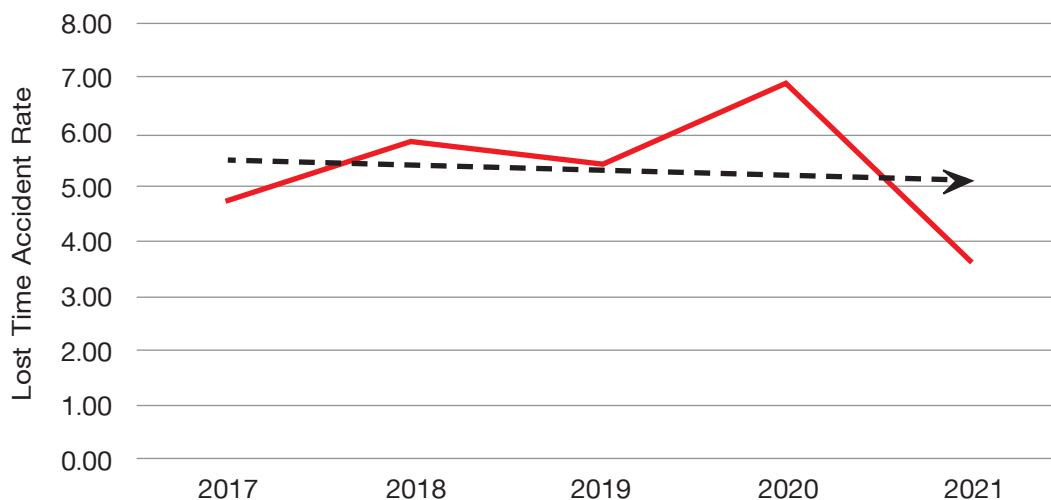
For each Lost time incident, a detailed investigation is carried out and an Improvement and Prevention Plan (IPP) is completed and implemented.

Our target is to reduce the number of incidents by 5% each year. Since our monitoring programme commenced in 2017, we have seen a 23% reduction in lost time cases.

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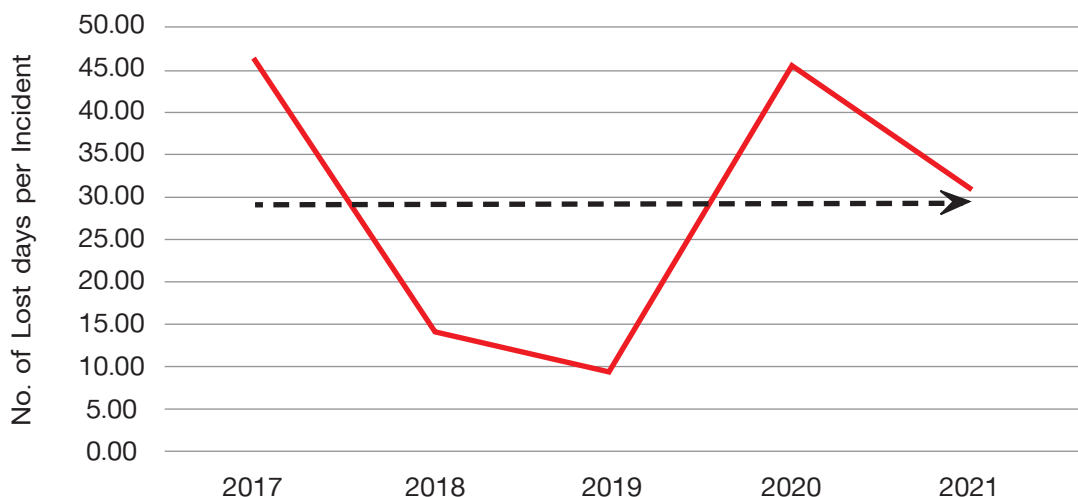
For our lost time rate, or the number of lost time cases per 1,000,000 work hours. We have seen a downward trend as a result of our improved awareness and attention to Health and Safety.

Lost Time Accident Rate 2017-2021
(Per 1,000,000 working hours)



The severity rate has not seen a downward trend and this highlights the area of focus moving forward. This performance indicator fluctuates based on the scale or severity of the incident.

Severity Rate 2017-2021
average lost days per incident



In 2020 we had a serious accident resulting in a compound fracture of an employee's wrist which resulted in 87 lost work days and this has significantly skewed the annual result.

Overall, since 2017 we have managed to reduce the severity by 34%. However, our target remains to reduce 5% year on year.

In 2022 we will continue our Health and Safety awareness and training in order to continue the downward trend in terms of lost time incidents and the severity of these such incidents. One area of focus is to curb our excessive overtime hours. This is a common issue across the industry given the seasonality of the crop and the large peak periods when the factory is running 24 hours a day.

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It is important to note that the overtime is voluntary overtime that has been authorized.

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

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

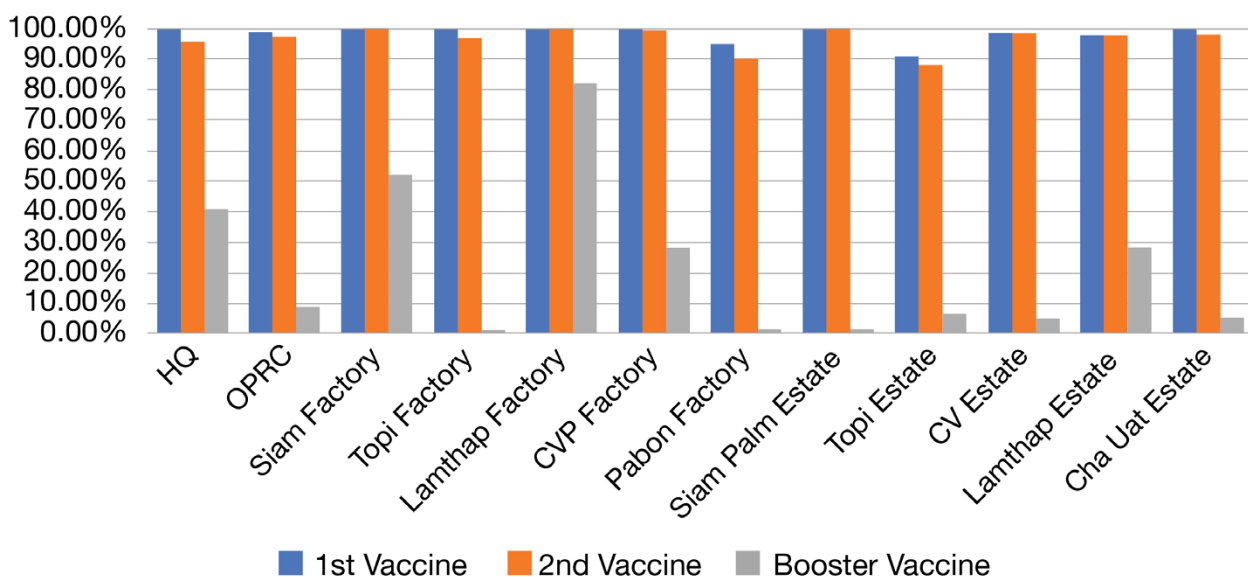
Covid 19 – Protecting our People

Currently, we are now into another wave of the Covid 19 pandemic.

As at December 2021 there have been 26 confirmed positive cases across all Univanich operations.

By end of 2021 98% of the Univanich workforce had received 2 vaccinations and progress of the booster vaccine was ongoing at 22% of the total workforce.

**Univanich Employee Vaccination Progress
December 2021**



From the onset of the covid pandemic Univanich appointed a committee to ensure that we had a robust protocol for implementing protective measures to protect our people and all people visiting our operational sites.

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During the second wave we had a situation where two of our processing factories had to go into “Bubble and Seal” operation which meant we contained our full team within the factory’s residential area for a period of 14 days. During this period the factories continued work as normal, with strict monitoring to ensure the number of covid cases did not increase. During this period, we were supported by the District Health department for monitoring requirements.

Once it was confirmed that there were no more cases, we then opened the access again with continued strict protocols.



Overall Univanich incurred minimal disruption throughout the pandemic, and all operations continued as normal. This is to the credit of each of our dedicated team members in taking a very responsible and committed approach throughout this difficult period.

Stakeholder Extension Services

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

With 94% of our FFB volume coming from smallholders, it is paramount that we work together and support our local farmers and maximise their production. Univanich has the benefit of being vertically integrated, from seed production to estate management and factory processing. This provides the opportunity for a supportive extension service for knowledge sharing and technical advice on growing oil palm.

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

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



The Univanich team attended 21 events in 2021, due to covid the number of field days was reduced when compared to previous years. However, each field day in 2021 was well supported by farmers.

Seed and Seedling Customer visits were also carried out throughout the year, a total of 13 visits. Visits are carried out as an after sales service to ensure quality is maintained and to provide further support in nursery and immature upkeep practices. These visits also allow our team to look at new market areas.

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



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



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



Univanich CVP Factory 'To Be Number One' Campaign.

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

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

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

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

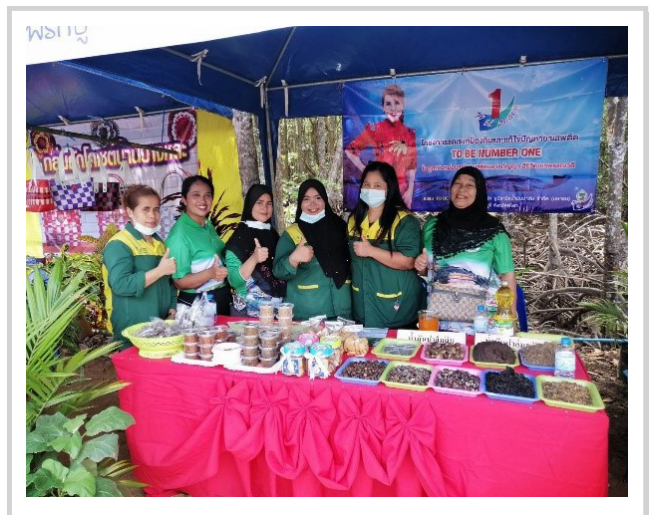
1. To create a set of values and to strengthen the youth population to say no to drugs.
2. To develop a new generation who believes in and is proud of their achievements.
3. To provide a social support group to organizes creative activities.
4. To provide support to addicts and their families.
5. To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

Our Phang Nga processing factory, at CVP, has been a part of the "To be Number One" campaign since January 2016.



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

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



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The ‘To be Number One’ programme has also helped establish a strong network amongst stakeholders, in particular linking the Univanich operation with the local community, and local leaders at the sub district level and, district level. Strong links have also been established with the local Health Authority at the District and Provincial level. The forming of these relationships has been of particular benefit during this Covid pandemic, when information sharing and support amongst the community can make a very significant difference in getting through challenging times.

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

The team at CVP won an award for outstanding establishment in the Southern region and also took part in the National Competition in December 2021.

Community Support

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

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



Each year Univanich donates towards community programs, primarily in areas of Health and Education.

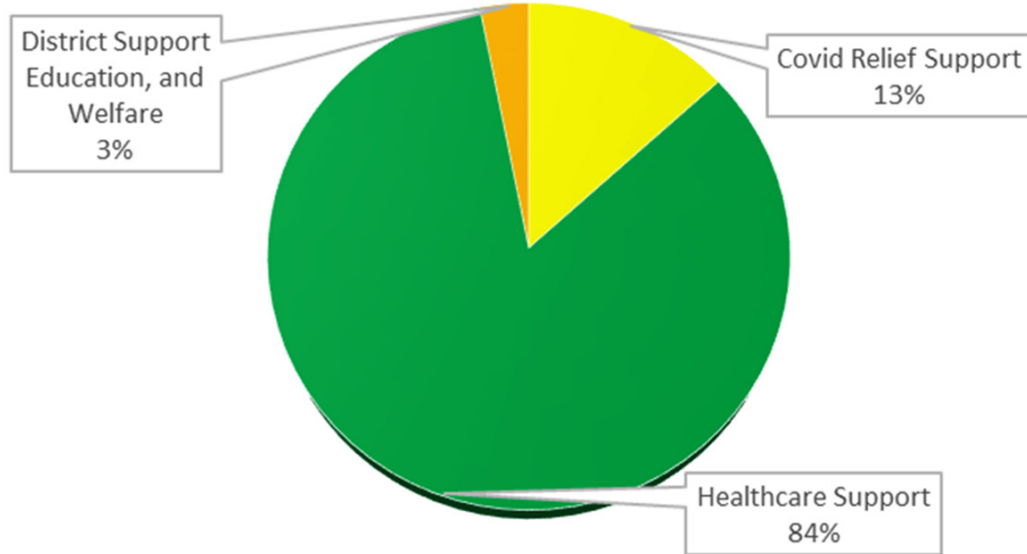
Due to the Covid pandemic there have been less opportunities for community programmes and understandably the attention has focused on supporting the health in the community and providing assistance for the many covid related initiatives.



For 2021, Univanich has supported community projects with donations totaling over 2 million Baht. The chart below highlights the areas of focus, predominantly in the Healthcare support and Covid relief support.



2021 Donations for Community Support



Establishments supported by Univanich in 2021

Aoluk Covid Checkpoint	Plaipraya District	Bangwan Sub District	Bangtong Temple
Aoluk District	Plaipraya Municipal	Phang Nga Province	Lamthap Hospital
Aoluk Coop	Plaipraya Hospital	Kuraburi Hospital	Krabi Labour Protection and Welfare
Aoluk Hospital	Moo 10 Kuraburi Phang Nga	Bongkrung School Phang Nga	Chalerm Ratchakumaree Public Library
Aoluk Rescue Team	Bann Hislard Kuraburi	Nongtalay Sub District	Pabon Sub District
Moo2 Aoluk District	Kuraburi Chaipat Hospital	Kuraburi District Chief Officer	

PART 1 - BUSINESS OPERATION AND OPERATING RESULTS

4. Management Discussion and Analysis (MD&A)

Weather

Table 1: Univanich Soil Moisture Deficit (2017 - 2021)

(mm)

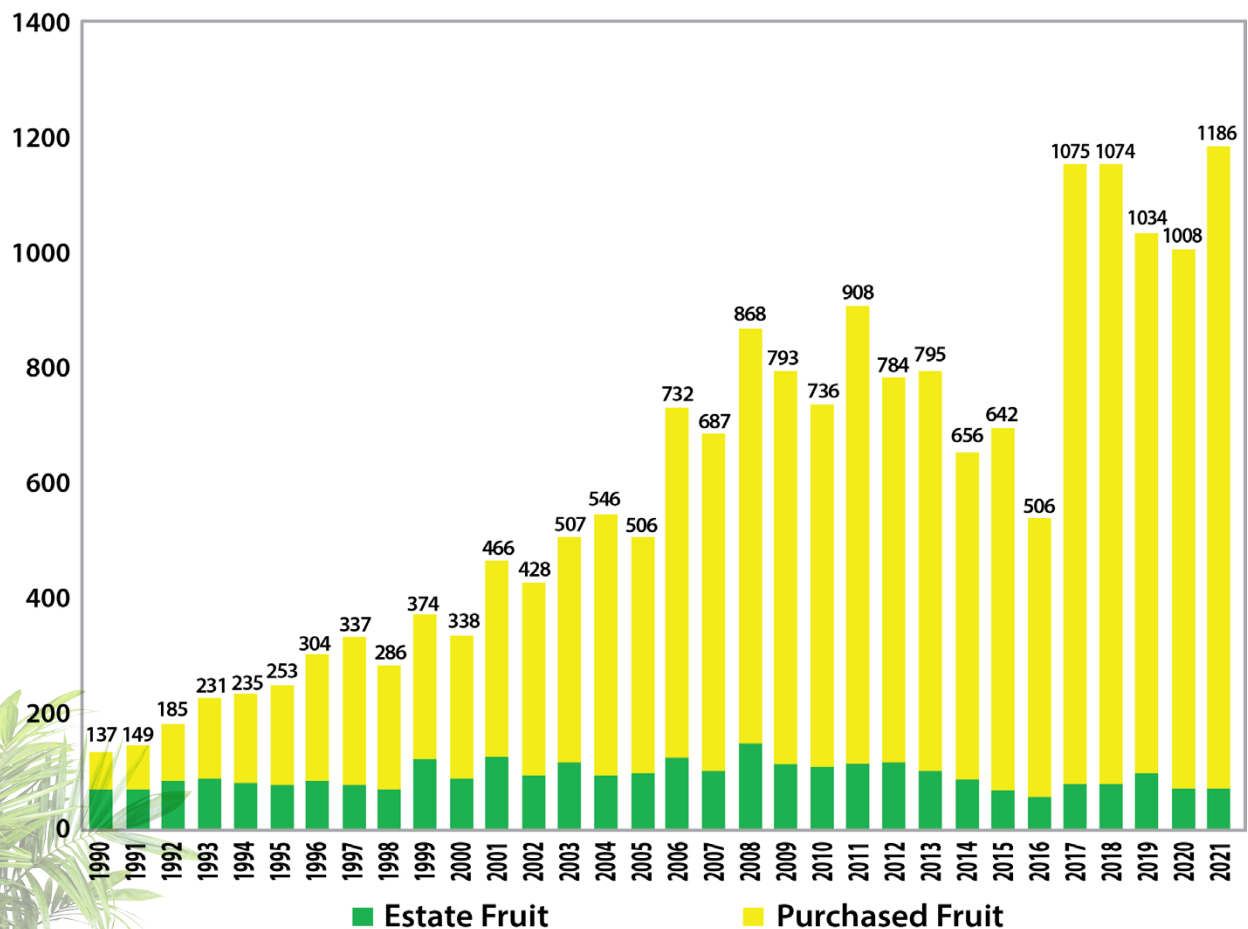
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2017	0	0	9	0	0	0	0	0	0	0	0	0	9
2018	0	3	38	1	0	0	0	0	0	0	0	0	42
2019	0	14	52	6	3	0	0	1	0	0	0	0	76
2020	50	114	72	3	1	0	0	0	0	0	0	0	240
2021	0	64	79	1	0	1	1	0	1	0	0	0	147

Lower Soil Moisture Deficit in 2021 affected FFB production yield in Thailand in 2021 to be 2.6% higher than year 2020.

Production

Univanich Fruit Processed 1990 – 2021

(Thousand tonnes)

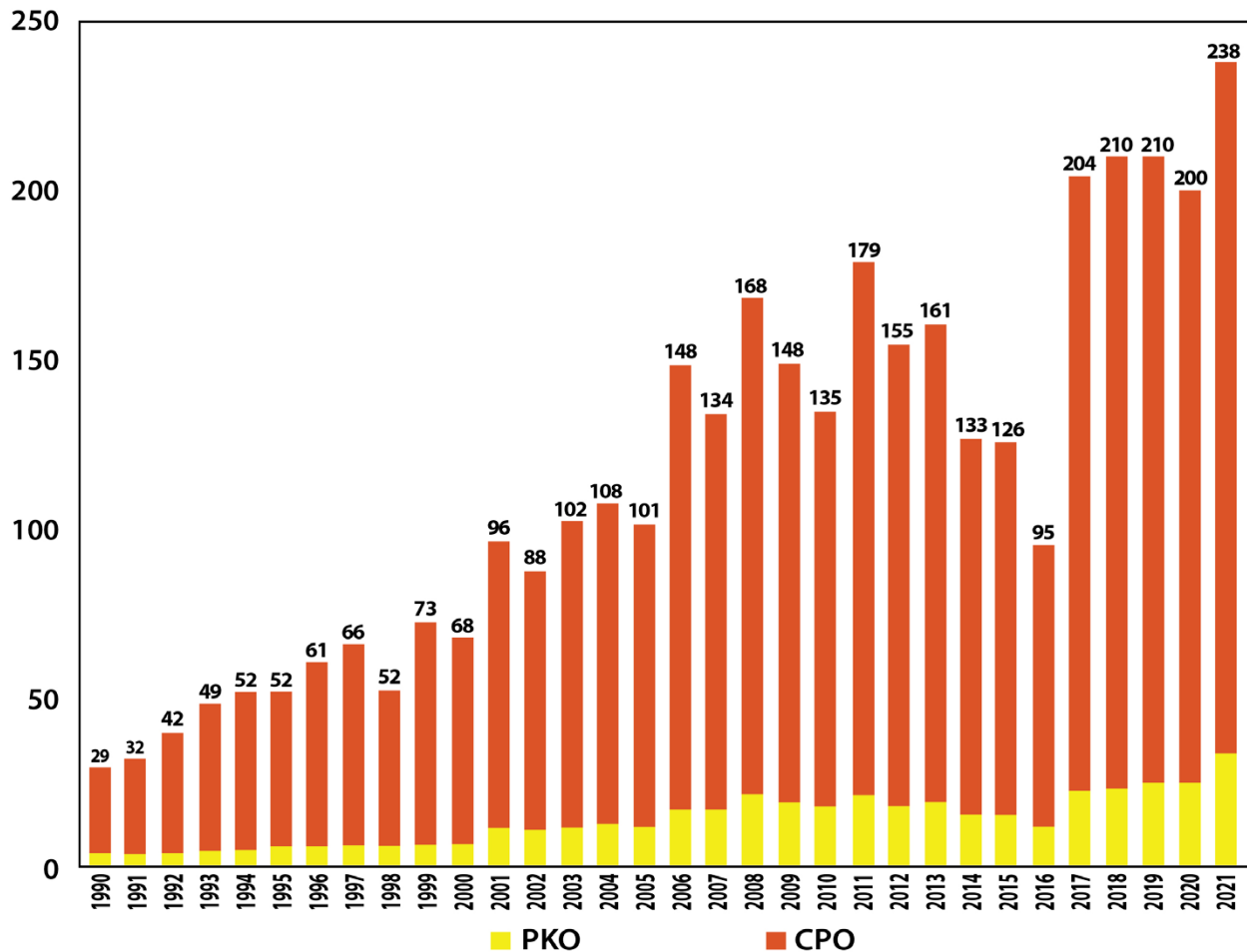


2021 volume of outside Fruit Purchases at 1,111,736 tonnes were 19.0% higher than the previous year and a new record mainly from new areas coming into production in Nakhon Sri Thammarat, Phattalung and Phang-nga.



Univanich Palm Oil Production 1990 – 2021

Thousand tonnes



 Sales

Total sales revenue of Baht 11,789 million was 99.5% higher than in the previous year due to the following effects:

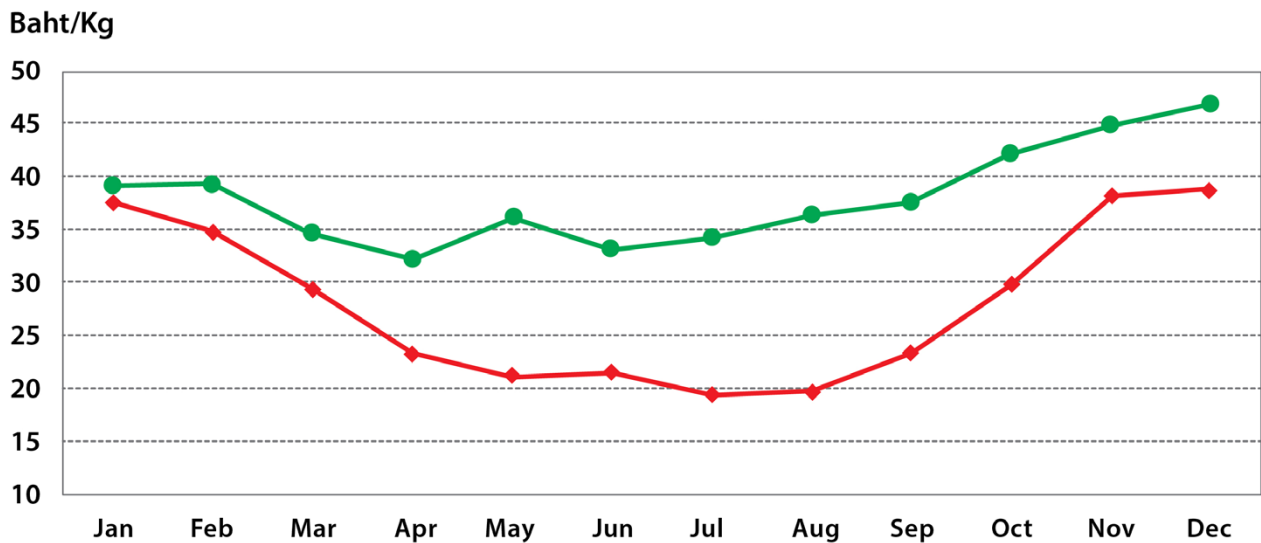
The average price of Crude Palm Oil (CPO) in 2021 was 57.2% higher than in the previous year. Much higher prices of CPO and palm kernel oils were as a result of lower regional production, reduced global stocks of vegetable oils and the world-wide surge in commodity prices.

Total sales volume increased by 25.9% from previous year mainly due to increased production and third-party purchases oil for export.

The number of seeds sold increased by 61.8% as higher palm oil prices encouraged new oil palm planting. Electricity sales value increased by 6.3% to Baht 95.30 million due to the higher volume of FFB processed.

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Thailand CPO Price 2020-2021 ราคาน้ำมันปาล์มดิบในประเทศไทย ปี 2563-2564



Source: Department of Internal Trade

◆ 2020 ● 2021

Cost of Sales

Cost of sales of Baht 10,396 million was 100.3% higher than the previous year mainly due to higher outside fruit volume and price. The higher outside fruit price was due to the higher palm oil prices.

Overall, gross margin for the year was 12% similar to the previous year.

Overseas Operations

In 2021, CPO Sales volume of Univanich Carmen Palm Oil Corporation increased by 24.5% due to a production increase of 16.1% and the net inventory movement at the end of the year. The profit after tax of PHP 166.94 million was 293.5% higher than previous year. The profit attributed to UVAN shareholders was Baht 55.26 million and this has been consolidated in the UVAN trading result.

Trading Result

For the financial year ending 31st December 2021, the consolidated net profit after tax of Baht 839.27 million (Baht 0.89 per share) was 155.0% higher than the result of Baht 319.12 million in the previous year. The main factors affecting this higher result was higher fruit crushing margins, higher profit of our estates from higher fruit price, higher profit from seed business and increased profit from third-party oil purchases for export.

As a result of Thai Accounting Standard No. 41: Agriculture, a net profit of Baht 19.48 million was recorded in 2021 due to the change in biological asset values, compared to a net profit of 2.94 million in previous year.



Capital Projects

Investment in Capital Projects during 2021 was Baht 124.51 million.

Plantation projects included the routine replanting of another 135.56 ha (847.25 rai) of oil palms. The company's plantations have been replanted with a new generation of palms. This routine annual replacement has achieved a stable, well-balanced age profile.

In 2021, the company has installed the additional steriliser at Pabon factory and replacement a bigger screw press at Topi Factory to increase the throughput of the factory during peak periods. The projects were completed in 2021.

Other capital projects included new nursery in Krabi province and additional steriliser of Siam factory which is plan to be completed in 2022.

During 2021 the company continued investigations in Thailand and several overseas countries seeking suitable investment opportunities related to our palm oil business.

Cash Flow and Capital Structure

Cash or cash equivalents on hand at 31 December 2021 were Baht 679.99 million, compared to Baht 644.97 million at end of 2020.

- Net cash inflow of Baht 646.76 million for operating activities resulted from the net profit before tax of Baht 1,103.46 million, depreciation, amortization and other non cash charges in total of Baht 233.33 million, tax paid of Baht 171.12 million and an increase in working capital of Baht 518.91 million.
- Net cash outflow of Baht 118.20 million for investment purposes, included net cash expenditure of Baht 119.95 million, an increase in loans to contractors of Baht 0.13 million and interest income of Baht 1.88 million.
- Net cash outflow of Baht 478.66 million for financing activities was mostly due to the dividend payment of Baht 441.80 million, being Baht 0.47 per share paid during 2021, Baht 30.29 million cash payment of loans from financial institution of subsidiary in the Philippines, and subsidiary's interest payment of Baht 6.57 million
- Effect of exchange rate adjustment Baht (-14.9) million

The company's capital structure at 31st December 2021 was strong with a debt to equity ratio of 0.17 times

5. General Information and Other Key Information

5.1 General Information

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

Direct and Indirect Subsidiaries

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

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



5.2 Other key information

Reference Persons

Share Registrar

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

Auditor

Ms Varaporn Vorathitikul, Certified Public Accountant (Thailand)
No.4474 of Pricewaterhouse Coopers ABAS Limited, 15th Floor,
Bangkok City Tower, 179/74-80 South Sathorn Road, Bangkok 10120
Tel: 0-2844-1000 Facsimile: 0-2286-5050

Provident Fund

AIA Munkhong Registered Provident Fund

Investor Relations

Name	Position	Telephone	E-mail
Mr John Clendon	Group CEO	075 681 126 Ext 111	john.clendon@univanich.com
Mr.Nattapong Dachanabhirom	Chief Financial Officer	075 681 126 Ext 224	nattapong.d@univanich.com

5.3 Legal Disputes

- 1) Cases that may have a negative impact on the assets of the Company that are higher than 5% of shareholders' equity at the end of fiscal year
-None-

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

Univanich Palm Oil Public Company Limited's predecessor was granted a concession for the development of an oil palm plantation on 20,000 rai in Krabi Province. The concession was for thirty years, from 22 April 1983 to 21 April 2013.

On 1 July 2010, the Company commenced the due process to renew the land concession on 10,849 rai located in Tambon Plaipraya, Plaipraya District and Tambun Klongya, Aoluk District of Krabi Province (the Chean Vanich concession). Although the due 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. Until now the Minister of Natural Resources has still not submitted the Company's application to the Cabinet for consideration.

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 damage compensation for this unlawful restriction of



PART 1 - BUSINESS OPERATION AND OPERATING RESULTS

the Company's activities in that area and appealing the Ministry of Natural Resources' claim that oil palm fruit from the Chean Vanich concession area is a natural forest product liable for forest royalty and maintenance fees. 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 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.





6. Corporate Governance Policy

6.1 Overview of the Policy and Guidelines

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

The 15 principles of Corporate Governance adopted by Univanich are as follows;

1. Policy on corporate governance

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

2. Right and equality of shareholders

In 2021, the Company organized an Annual General Meeting of shareholders by teleconferences through an electronic device (E-AGM) due to the ongoing outbreak of COVID-19 virus. Notice of the meeting was posted on the company's website one month before the meeting and the company sent invitation letters to the shareholders at least seven days prior to the meeting date, in accordance with the Company's Articles of Association, and also prepared the minutes of the meeting within 14 days after the meeting date. The minutes are filed and can be reviewed by shareholders on the company's website.

3. Right of other stakeholders

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

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

4. Shareholders' Meeting

The Company emphasises the importance of selecting a convenient central location for shareholders' meetings and posting the notice of the meeting on the company's website one month before the meeting. The company will circulate the notice and agenda to all shareholders not less than seven days before the meeting. Every director and Independent Director will normally attend such meetings and the Chairman will allocate appropriate time and opportunity for shareholders to ask questions and express their view.

5. Leadership and Vision

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

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

6. Conflicts of Interest

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

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

In order to prevent exploitation of inside information, the Company strictly prohibits its directors, management and employees from using any undisclosed inside information that can affect the share price. The Company shall seek litigation against any person who is found to use such inside information for personal benefit.

7. Code of Best Practice

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

8. Directors' Roles

In 2021, seven directors of the Company are not members of the management team. Three of these nine directors are Independent Directors who make up the Audit Committee.

9. Separation of Responsibilities

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

10. Director and Management Remuneration

Compensations and incentives provided to directors and management are comparable to other companies in the same industry and therefore, are justifiable.

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



11. The Board of Directors' Meeting

The Company organises Board of Directors' meeting at least once every three months. Invitations are sent out to all directors not less than seven days prior to the meeting, according to the Company's Articles of Association.

12. Subcommittees of the Board

In 2021 there were three Board Subcommittees

Audit Committee:

The Board created the Audit Committee on 29 July 2003. Members of the Audit Committee have tenure of three years. During 2021, the Audit Committee conducted four meetings to consider the implementation of the Company's Internal Audit system.

Strategic Planning Subcommittee:

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

Nominating and Remuneration Subcommittee:

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

13. Internal Control System and Internal Audit

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

14. Report of the Board of Directors

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

15. Investor Relations

In compliance with SEC requirements, the Company has provided sufficient information in the filing report and prospectus. The Company will continue to disclose relevant information to the public in a timely and correct manner with respect to the SEC and SET regulations. The Company has appointed the Group CEO and CFO as the persons responsible for investor relations affairs.

6.2 Business code of conduct

Introduction by Board of Directors

Code of Business Principles

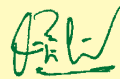
Univanich enjoys a reputation for conducting its business with integrity and with respect for the interests of those people and environments our activities can affect. This reputation is an asset, just as real as our people, factories and brand.

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

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

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

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



Apirag Vanich
Chairman

Standard of Conduct

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

Obeying the Law

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

Employees

Univanich will recruit, employ and promote employees on the sole basis of the qualifications and abilities needed for the work to be performed. Univanich is committed to providing safe and healthy working conditions for all its employees.

Univanich believes it is essential to maintain good communications with employees, through transparent information and consultation procedures.

Conflicts of Interest

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



Public Activities

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

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

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

Product Assurance

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

Environmental Issues

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

Competition

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

Reliability of Financial Reporting

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

Bribery

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

Application

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

Compliance

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

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

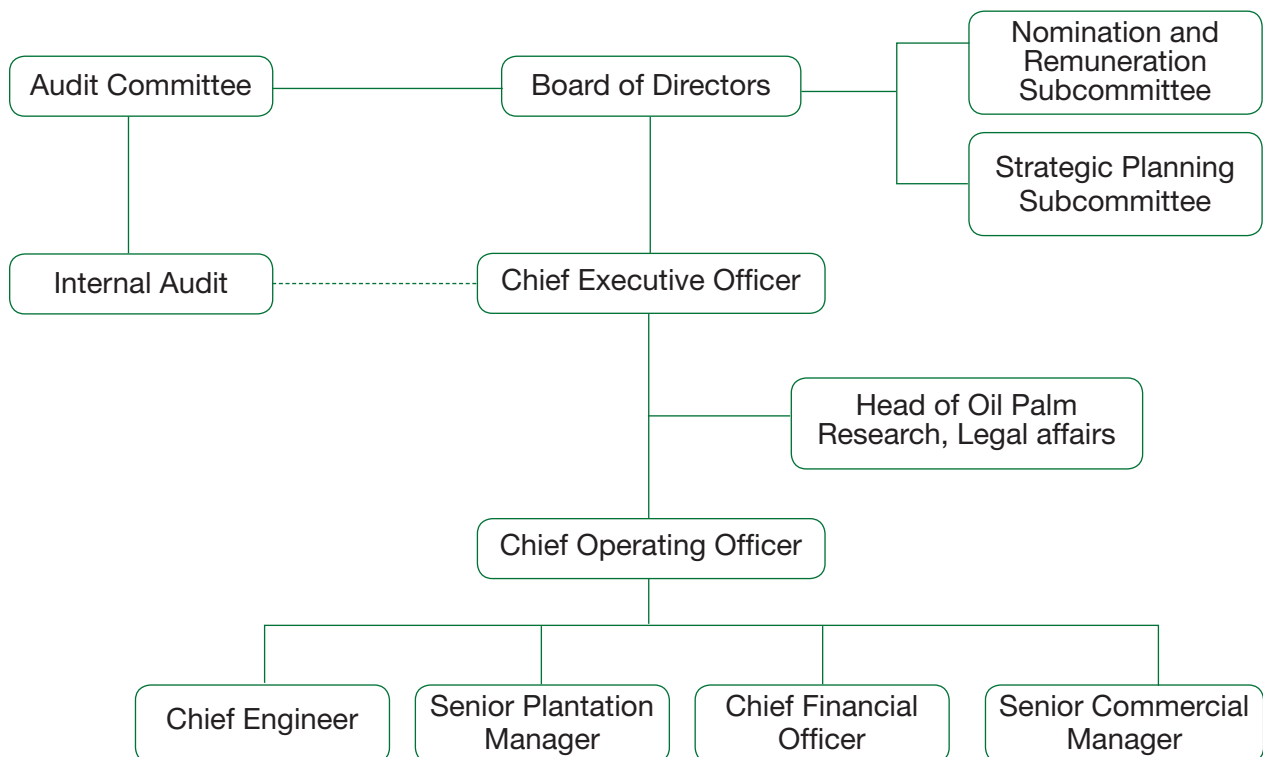
In this Code the expressions “Univanich” and “Univanich companies” are used for convenience and mean the Univanich Group of companies comprising Univanich Palm Oil Public Company Limited and its subsidiary companies. The Board of Univanich means the Directors of Univanich Palm Oil PCL.

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

7.1 Corporate Governance Structure

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

Information of Board of directors





7.2 Board of Directors

Board of Directors

As at 31 December 2021, the Company had nine Directors, including three Independent Directors, who make up the Audit Committee.

The Company's Board of Directors at 31 December 2021

Name	Position
1. Mr. Apirag Vanich	Chairman
2. Mrs. Phortchana Manoch	Director
3. Ms. Kanchana Vanich	Director
4. Dr. Prote Sosothikul	Director
5. Dr. Palat Tittinutchanon	Executive Director
6. Mr. John Clendon	Group CEO
7. Mr. Suchad Chiaranussati	Independent Director
8. Mr. Pramoad Phornprapha	Independent Director
9. Dr. Veerathai Santiprabhob *	Independent Director

* Dr. Veerathai Santiprabhob was appointed as an Independent Director on 30th April 2021 to take the place of Ms. Supapang Chanlongbutra who retired by rotation.

Scope of duties and responsibilities of the Board of Directors

- The Board of Directors is responsible for managing the public company to be in compliance with the Public Companies Act and in accordance with the Company's Memorandum and Articles of Association.
- The Board of Directors is responsible for managing the Company to be in line with the objectives and resolutions of the shareholders' meetings.
- In a transaction in which a director has a personal interest or may have some other conflict of interest with the Company, that director will not have the right to vote on the matter.
- Authorized directors must comprise two directors co-signing together with the Company's seal in order to bind the Company to its obligations.
- The Board of Directors can assign power of attorney to any one or more persons or juristic persons to act jointly or severally on behalf of the Company according to the Memorandum and Articles of Association of the Company, including appointment or removal of Company employees. The Board of Directors has the right to change or withdraw such power of attorney already assigned to such persons. The assignment of the power of attorney must not be in such a way that it will cause the Chief Executive Officer or management, or potentially conflicting persons, to have a conflict of interest with the Company. Such approval is granted in a case of normal business and when the Board of Directors has already defined the scope of approval clearly.
- The following activities can be done with the majority approval from the Board of Directors in which one director possesses one vote:
 - Budget approval and the annual business plan
 - Borrowing or lending the amount of more than Baht 70 million including borrowing at one time or several times from the same lender

- 6.3 Provision of guarantee of an amount over Baht 70 million, whether at one time or several times for the same borrower
7. The director must inform the Company immediately if:
 - 7.1 He or she has an interest in a contract whether directly or indirectly involving the Company, or
 - 7.2 He or she increases or decreases his/her holding in both shares or debentures of the Company or group companies
8. The Board of Directors is responsible for monitoring the Company in compliance with the rules and regulations of both the SET and SEC regarding connected transactions as well as acquisition and disposal of assets of listed companies.

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

7.3 Subcommittees

Audit Committee

As at 31 December 2021, the Company's Audit Committee comprises three Independent Directors, as follows:

Name	Position
1. Mr. Suchad Chiaranussati	Chairman of the Audit Committee
2. Mr. Pramoad Phornprapha	Audit Committee member
3. Dr. Veerathai Santiprabhob	Audit Committee member

Scope of Duties and Responsibilities of the Audit Committee

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



- (g) An opinion or overview comment received by the audit committee from its performance of duties in accordance with the charter.
 - (h) Other transaction which, according to the audit committee's opinion, should be known to the shareholders and general investors, subject to the scope of duties and responsibilities assigned by the Company's board of directors.
- (7) To perform any other act as assigned by the Company's board of directors, with the approval of the audit committee.

Strategic Planning Subcommittee

The Strategic Planning Subcommittee was established by the Board in 2004. Currently it comprises eight Directors, as follows:

Name	Position
1. Mr. Apirag Vanich	Chairman
2. Mrs. Phorthana Manoch	Director
3. Dr. Prote Sosothikul	Director
4. Dr. Palat Tittinutchanon	Executive Director
5. Mr. John Clendon	Group CEO
6. Mr. Suchad Chiaranussati	Independent Director
7. Ms. Supapang Chanlongbutra *	Independent Director
8. Mr. Pramoad Phornprapha	Independent Director

* Ms. Supapang Chanlongbutra retired from Strategic Planning Subcommittee on 30th April 2021.

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

Nominating and Remuneration Subcommittee

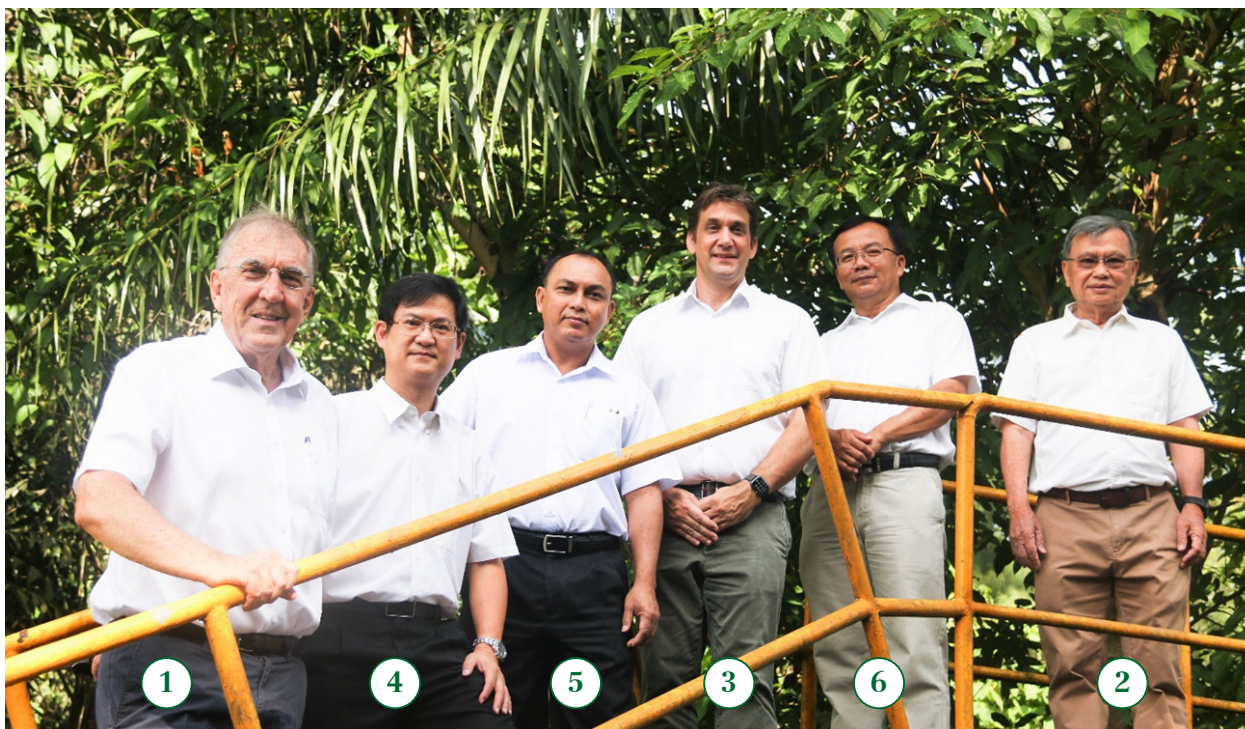
The Nominating and Remuneration Subcommittee, whose members comprise Non-Executive Directors was established by the Board on 11 August 2005. Currently the Subcommittee comprises four Directors, as follows:

Name	Position
1. Mr. Apirag Vanich	Chairman
2. Dr. Prote Sosothikul	Director
3. Mr. Suchad Chiaranussati	Independent Director
4. Ms. Supapang Chanlongbutra *	Independent Director

* Ms. Supapang Chanlongbutra retired from Nominating and Remuneration Subcommittee on 30th April 2021.

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

7.4 Management



As of 31 December 2021, the Company's Management Committee of senior managers comprises six members as follows:

Name	Position
1. Mr. John Clendon	Group CEO
2. Dr. Palat Tittinutchanon	Executive Director, Head of Oil Palm Research
3. Mr. Harry Brock	Chief Operating Officer (UVAN)
4. Mr. Nattapong Dachanabhirom	Chief Financial Officer
5. Mr. Phiphit Khlaisombat	Chief Engineer
6. Mr. Santi Suanyot	Senior Plantations Manager
7. Mr. Thanaphol Leelangamwong*	Senior Commercial Manager

* Mr. Thanaphol Leelangamwong retired from the Univanich Management committee on 30th April 2021

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

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

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



Duties and Responsibilities of the Management

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

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

Remuneration for seven senior managers

Remuneration Type	2020 (Baht million)	2021 (Baht million)
Salary, awards and compensation	34.85	32.90*

* Cash basis, included Mr. Thanaphol Leelangamwong who retired in April 2021.

7.5 Information on employees

	2020	2021
Number of employees	1,287	1,310

Remuneration of employees

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

7.6 Other significant information

Audit Fee

Remuneration Type	2020	2021
Audit Fees	1,781,120 Baht	1,870,140 Baht
Audit for Profit per BOI Certificate	65,000 Baht/Certificate	65,000 Baht/Certificate

8. Report on key operating results on corporate governance

8.1 Performance of the Board of Directors

8.1.1 Appointment of Directors and Management

1 Appointment of Directors

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

2 Independent Directors

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

All three Independent Directors fulfill the following criteria;

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



3 Appointment of the Group CEO and Senior Management

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

8.1.2 Meeting attendance and remuneration payment

During 2021, the Company organized five Board of Directors' meetings with directors' participation as follows:

Name	Position	2021 Meeting Attended
1. Mr.Apirag Vanich	Chairman	5
2. Mrs.Phorthana Manoch	Director	5
3. Ms.Kanchana Vanich	Director	5
4. Dr.Prote Sosothikul	Director	5
5. Mr.John Clendon	Group CEO	5
6. Dr.Palat Tittinutchanon	Executive Director	5
7. Mr.Suchad Chiaranussati	Chairman of Audit Committee	5
8. Ms.Supapang Chanlongbutra*	Audit Committee	2
9. Mr.Pramoad Phornprapha	Audit Committee	5
10. Dr. Veerathai Santiprabhob*	Audit Committee	3

Dr. Veerathai Santiprabhob was appointed as an Independent Director on 30th April 2021 to take the place of Ms. Supapang Chanlongbutra, who retired by rotation.

Remuneration

Remuneration for nine directors (in terms of money)

Remuneration Type	2020 (Baht million)	2021 (Baht million)
Fees and compensation	6.44	6.44

At the Annual General Meeting of Shareholders No. 52 on 30th April 2021, shareholders voted to maintain Director's remuneration without change. The remuneration for individual directors is Baht 406,000 per annum, with the Chairman's fee set at Baht 609,000 per annum. In addition, the Chairman receives expenses totaling Baht 2,196,150 per annum.

Only the Audit Committee receives meeting expenses amounting to Baht 30,000 per meeting in the case of Audit Committee members, and Baht 37,500 per meeting in the case of Audit Committee Chairman.

8.1.3 Supervision of subsidiaries and associated companies

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

- Secondment of executives by the Board to serve as directors and executives in those companies proportionate to its own shareholding.

PART 2 - CORPORATE GOVERNANCE

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

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

Name	Position		
	Univanich Palm Oil PCL (Thailand)	Univanich Agribusiness Corporation (Philippines)	Univanich Carmen Palm Oil Corporation (Philippines)
1. Mr.Apirag Vanich	Chairman	Chairman	Director
2. Mrs.Phorthana Manoch	Director		
3. Ms.Kanchana Vanich	Director		
4. Dr.Prote Sosothikul	Director		
5. Mr. John Clendon	Group CEO	Group CEO	Group CEO
6. Dr.Palat Tittinutchanon	Executive Director		Director
7. Mr.Suchad Chiaranussati	Chairman of Audit Committee		
8. Mr.Pramoad Phornprapha	Audit Committee		
9. Dr. Veerathai Santiprabhob	Audit Committee		

8.2 Report of the results of duty performance of the Audit Committee

Audit Committee's meetings

During 2021, the Company organized four Audit Committee's meetings with audit committees' participation as follows:

Name	Position	2021 Meeting Attended
1. Mr.Suchad Chiaranussati	Chairman of Audit Committee	4/4
2. Ms.Supapang Chanlongbutra*	Audit Committee	1/4
3. Mr.Pramoad Phornprapha	Audit Committee	4/4
4. Dr. Veerathai Santiprabhob*	Audit Committee	3/4

Dr. Veerathai Santiprabhob was appointed as an Independent Director on 30th April 2021 to take the place of Ms. Supapang Chanlongbutra, who retired by rotation.



AUDIT COMMITTEE REPORT

The Audit Committee of Univanich Palm Oil PCL was established by resolution of the Board of Directors on 29 July 2003. In 2021, the committee comprised the following Independent Directors:

Mr. Suchad Chiaranussati	:	Chairman of Audit Committee
Mr. Pramoad Phornprapha	:	Member of Audit Committee
Dr. Veerathai Santiprabhob	:	Member of Audit Committee

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

During 2021, the Audit Committee held four meetings. The Committee also reviewed the Quarterly Financial Statements prepared by the external auditor, and recommended these to the Board of Directors.

The Audit Committee has reviewed the Annual Consolidated Financial Statements for 2021 together with the company's management and with the external auditor. The Audit Committee is of the opinion that the Annual Consolidated Financial Statements present fairly, in all material respects, the financial position of Univanich Palm Oil Public Company Limited as at 31 December 2021 and 2020, including the results of the company's operations and its cash flows for those years, in accordance with Thai Financial Reporting Standards.

Thai Accounting Standard No.41: Agriculture (TAS41) has applied since 2016. This standard requires the recording of biological assets such as fruit on the palms and seeds & seedlings in our nurseries. In 2021 there was a net profit of Baht 19.48 million, compared to a net profit of Baht 2.94 million in the previous year. This reflected the higher volume of seedlings stocks in nurseries and higher value of fruit on the palms as at 31st December 2021.

Following the request from the audit committee in 2021, management engaged the audit firm of Kandit Advisory Services Co.,Ltd. to conduct a Risk Assessment for all operational activities.

The key objectives of the Risk Assessment were:

1. To update the company Risk Register to reflect the current risk environment, for both internal and external factors.
2. To make sure that the key business risks are being addressed by management.
3. To develop the risk based internal audit plan for 2 years. This will ensure that the internal audit activities will be aligned with the corporate risk management activities.

This Risk Assessment and proposed Internal Audit Plan was agreed by to the Audit Committee on 25th February 2022.

The Audit Committee has proposed that the Board of Directors consider the reappointment of Miss Varaporn Vorathitikul, of PricewaterhouseCoopers ABAS Limited, to be the company's statutory auditor for 2022. This nomination will be proposed to the Annual General Meeting of Shareholders for confirmation.

Suchad Chiaranussati
Chairman of Audit Committee

PART 2 - CORPORATE GOVERNANCE

9. Internal control and related party transactions

9.1 Internal control

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

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

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

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

During 2020 - 2021 , the Audit Committee appointed Kandit Advisory Services Company Limited to review the key business processes relating to the Internal Control implemented by the company and to conduct Risk Assessment to develop a 2 years risk based internal audit plan.



9.2 Related party transactions

Name	Relationship	Transaction Description	Amount (Baht million)	
			2020	2021
Related Transactions for the year ended 31 st December				
Phuket Rubber Co., Ltd	Common directors and (or), shareholders	• Purchase palm fruit at market price	4.55	4.46
Suan Surat Co., Ltd (until 30 April 2021)	Common directors and (or), shareholders	• Purchase palm fruit at market price	17.02	9.22
Chean Vanich Co., Ltd	Common directors and (or), shareholders	• Purchase palm fruit at market price	3.48	7.95
Chean Vanich Transport Co., Ltd	Common directors and (or), shareholders	• Port charge for export shipping	3.95	11.75
Univanich Carmen Palm Oil Corporation (UCPOC)	Univanich’s indirect subsidiary in the Philippines where UAC owns 51% of UCPOC shares.	• Univanich charges service fee for managing subsidiary UCPOC.	5.31	10.71
Amount due from/amount due to related as at 31 st December				
Univanich Agribusiness Corporation (UAC)	Univanich’s subsidiary in the Philippines. Univanich owns 99.99% shares.	• Univanich provided the loan of USD 3 million which will be due for the first repayment on 1 st January 2026 and Peso 71.4 million which is due after 5 years commencing from the first draw-down date (2020: USD 3 million and Peso 71.4 million). This loan is non-collateral and interest-free.	124.29	138.66
Univanich Carmen Palm Oil Corporation (UCPOC)	Univanich’s indirect subsidiary in the Philippines where UAC owns 51% of UCPOC shares.	• Univanich advance payments for UCPOC and service fee payable to Univanich for managing subsidiary UCPOC.	1.07	3.10
Chean Vanich Transport Co., Ltd	Common directors and (or), shareholders	• Port charge for export shipping	0.13	1.11

The necessity and appropriateness of related transactions

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

Measures or procedures to approve related transactions

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

PART 3 - FINANCIAL STATEMENTS

Independent Auditor's Report

To the shareholders of Univanich Palm Oil Public Company Limited

My opinion

In my opinion, the consolidated financial statements and the separate financial statements present fairly, in all material respects, the consolidated financial position of Univanich Palm Oil Public Company Limited (the Company) and its subsidiaries (the Group) and the separate financial position of the Company as at 31 December 2021, and its consolidated and separate financial performance, and its consolidated and separate cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRS).

What I have audited

The consolidated financial statements and the separate financial statements comprise:

- the consolidated and separate statements of financial position as at 31 December 2021;
- the consolidated and separate statements of comprehensive income for the year then ended;
- the consolidated and separate statements of changes in equity for the year then ended;
- the consolidated and separate statements of cash flows for the year then ended; and
- the notes to the consolidated and separate financial statements, which include significant accounting policies and other explanatory information.

Basis for opinion

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

Key audit matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the consolidated and separate financial statements of the current period. I determine one key audit matter, valuation of biological assets - palm seedlings for sales. The matter was addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on the matter.



Key audit matter	How my audit addressed the key audit matter
Valuation of biological assets - palm seedlings for sales As described in Note 5.7 ‘Accounting policies for biological assets’ and Note 14 “Biological assets” to the consolidated and separate financial statements which determined that biological assets are measured at fair value less costs to sell. As at 31 December 2021, management had estimated the fair value of the Company’s palm seedlings for sales at Baht 57 million in the consolidated and separate financial statements. In assessing the fair value of palm seedlings for sales, significant management estimates and judgments are required to determine underlying assumptions. The Discounted Cash Flow Method is used to determine fair value. Significant assumptions are such as quantity of sellable palm seedlings, selling prices, cost of growing palm seedlings until ready for sales and discount rates. I focussed on this area because the fair value of palm seedlings for sales was material to the consolidated and separate financial statements. In addition, the fair value of palm seedlings for sales involved a significant level of estimation and judgement by management in determining the assumptions used to assess the future cash flows of palm seedlings for sales. These assumptions include the estimated quantity of sellable palm seedlings, the estimated selling prices of palm seedlings, the estimated cost of growing palm seedlings until ready for sales and the discounted rate applied.	I assessed the suitability of the method used to determine the fair value of palm seedlings for sales based on my understanding of the business and determined that it was appropriate in accordance with the definition set out in the relevant financial reporting standards. I assessed the appropriateness of key assumptions used by management to estimate the fair value of palm seedlings for sales by performing the following procedures: • challenged management on the reasonableness of key assumptions used to assess the possibility of future cash flows. For example, - the estimated selling prices of palm seedlings by considering the historical and current selling prices, and comparing with other traders’ selling prices, including comparisons with the actual selling price after year end. - the estimated quantity of sellable of palm seedlings by considering the historical and current performance and the forecasting market demand trends, including comparisons with the actual quantity sales of palm seedlings after year end. • tested the actual cost of growing palm seedlings during the year to assess the suitability of the data used to estimate cost of growing palm seedlings until ready for sales. • observed the physical count of palm seedlings for sales at the year end, which was used as part of the data to assess the reasonableness of the estimated quantity of sellable palm seedlings and their existence. • tested the parameters used to determine the discount rates by comparing with relevant economic and industry indicators. and re-performed the calculations. Based on these procedures, I found that the assumptions used in estimating and calculating the fair value of palm seedlings for sales were reasonable based on the type of business, the evidence and current circumstances.



PART 3 - FINANCIAL STATEMENTS

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated and separate financial statements and my auditor's report thereon. The annual report is expected to be made available to me after the date of this auditor's report.

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

In connection with my audit of the consolidated and separate financial statements, my responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

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

Responsibilities of the directors for the consolidated and separate financial statements

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

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group and the Company or to cease operations, or has no realistic alternative but to do so.

The audit committee assists the directors in discharging their responsibilities for overseeing the Group's and the Company's financial reporting process.



Auditor's responsibilities for the audit of the consolidated and separate financial statements

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

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

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

PART 3 - FINANCIAL STATEMENTS

I communicate with the audit committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide the audit committee with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

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

PricewaterhouseCoopers ABAS Ltd.



Varaporn Vorathitikul
Certified Public Accountant (Thailand) No. 4474
Bangkok
25 February 2022


Univanich Palm Oil Public Company Limited
**Statement of Financial Position
As at 31 December 2021**

		Consolidated financial statements		Separate financial statements	
		2021 Baht	2020 Baht	2021 Baht	2020 Baht
Notes					
Assets					
Current assets					
Cash and cash equivalents	10	679,992,536	644,970,504	563,210,005	619,230,615
Trade and other receivables, net	11	584,094,882	262,846,786	537,688,826	237,773,579
Inventories, net	13	525,818,609	248,442,351	475,528,423	219,156,089
Biological assets	14	99,483,710	54,812,985	99,483,710	54,812,985
Other current assets		30,968,576	41,848,856	19,004,239	19,386,053
Total current assets		1,920,358,313	1,252,921,482	1,694,915,203	1,150,359,321
Non-current assets					
Investment in subsidiaries	15	-	-	21,011,417	21,011,417
Loans to contractors		3,371,347	3,237,229	3,371,347	3,237,229
Long-term loans to a subsidiary	30 d)	-	-	138,655,997	124,285,661
Property, plant and equipment, net	16	2,439,873,831	2,540,225,650	2,091,788,477	2,174,296,007
Intangible assets, net	17	11,782,743	10,843,236	11,782,743	10,843,236
Right-of-use assets, net	18	15,227,156	15,581,300	-	-
Deferred tax assets, net	19	41,304,964	45,080,620	43,534,421	49,346,020
Other non-current assets		3,717,740	17,592,311	3,509,983	17,389,787
Total non-current assets		2,515,277,781	2,632,560,346	2,313,654,385	2,400,409,357
Total assets		4,435,636,094	3,885,481,828	4,008,569,588	3,550,768,678

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

PART 3 - FINANCIAL STATEMENTS

Univanich Palm Oil Public Company Limited

Statement of Financial Position As at 31 December 2021

	Notes	Consolidated financial statements		Separate financial statements	
		2021 Baht	2020 Baht	2021 Baht	2020 Baht
Liabilities and equity					
Current liabilities					
Trade and other payables	20	31,234,568	21,895,835	27,274,508	19,396,617
Contract liabilities		38,981,537	10,372,913	38,981,537	10,372,913
Current portion of long-term loans from a financial institution	22	34,649,998	29,522,830	-	-
Income tax payable		69,453,187	33,249,448	59,086,534	30,623,984
Accrued expenses	21	86,108,589	54,749,815	53,219,145	30,493,023
Other current liabilities		13,741,882	6,743,110	12,197,882	6,106,433
Total current liabilities		274,169,761	156,533,951	190,759,606	96,992,970
Non-current liabilities					
Long term loans from a financial institution	22	118,960,182	149,812,484	-	-
Employee benefit obligations	23	239,315,308	230,384,631	239,315,308	230,384,631
Total non-current liabilities		358,275,490	380,197,115	239,315,308	230,384,631
Total liabilities		632,445,251	536,731,066	430,074,914	327,377,601
Equity					
Share capital					
Registered share capital					
940,000,000 ordinary shares at par value of Baht 0.50 each		470,000,000	470,000,000	470,000,000	470,000,000
Issued and paid-up share capital					
940,000,000 ordinary shares paid-up of Baht 0.50 each		470,000,000	470,000,000	470,000,000	470,000,000
Premium on share capital		267,503,419	267,503,419	267,503,419	267,503,419
Retained earnings					
Appropriated - Legal reserve	24	47,000,000	47,000,000	47,000,000	47,000,000
Appropriated - General reserve		20,000,000	20,000,000	20,000,000	20,000,000
Unappropriated		2,800,516,070	2,403,044,862	2,773,991,255	2,418,887,658
Other components of equity		8,896,317	7,949,371	-	-
Total equity attributable to the owners of the Company		3,613,915,806	3,215,497,652	3,578,494,674	3,223,391,077
Non-controlling interests	26	189,275,037	133,253,110	-	-
Total equity		3,803,190,843	3,348,750,762	3,578,494,674	3,223,391,077
Total liabilities and equity		4,435,636,094	3,885,481,828	4,008,569,588	3,550,768,678

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



Univanich Palm Oil Public Company Limited

Statement of Comprehensive Income For the year ended 31 December 2021

	Notes	Consolidated financial statements		Separate financial statements	
		2021 Baht	2020 Baht	2021 Baht	2020 Baht
Sales of goods	32	11,789,289,758	5,908,095,707	11,069,573,286	5,550,173,543
Cost of sales		(10,395,915,041)	(5,190,404,570)	(9,896,302,063)	(4,930,303,270)
Gross profit		1,393,374,717	717,691,137	1,173,271,223	619,870,273
Other income		54,218,654	18,749,916	64,904,083	27,298,376
Gain (loss) on fair value re-measurement of biological assets	14	34,033,836	(1,642,050)	34,033,836	(1,642,050)
Selling expenses		(190,486,693)	(161,699,949)	(161,975,580)	(138,265,846)
Administrative expenses		(182,334,046)	(153,531,739)	(144,974,668)	(128,777,858)
Gains on exchange rates, net		4,667,877	8,502,479	12,809,364	3,012,240
Fair value losses on derivatives		(3,177,341)	(528,962)	(3,177,341)	(528,962)
Finance cost		(6,831,681)	(4,601,181)	-	-
Profit before income tax		1,103,465,323	422,939,651	974,890,917	380,966,173
Income tax	28	(211,099,883)	(80,693,679)	(177,987,320)	(66,620,185)
Profit for the year		892,365,440	342,245,972	796,903,597	314,345,988
Other comprehensive income (expense)					
Item that will be reclassified to profit or loss					
- Exchange differences on translation financial statements		3,874,641	5,385,092	-	-
Total		3,874,641	5,385,092	-	-
Item that will not be reclassified to profit or loss					
- Remeasurements of post-employment benefit obligations		-	(11,403,480)	-	(11,403,480)
Less Income tax relating to remeasurements of post-employment benefit obligations		-	2,280,696	-	2,280,696
Total		-	(9,122,784)	-	(9,122,784)
Total comprehensive income for the year		896,240,081	338,508,280	796,903,597	305,223,204

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

PART 3 - FINANCIAL STATEMENTS

Univanich Palm Oil Public Company Limited

Statement of Comprehensive Income For the year ended 31 December 2021

	Notes	Consolidated financial statements		Separate financial statements	
		2021 Baht	2020 Baht	2021 Baht	2020 Baht
Profit attributable to:					
Owners of the Company		839,271,208	329,117,679	796,903,597	314,345,988
Non-controlling interests		53,094,232	13,128,293	-	-
		892,365,440	342,245,972	796,903,597	314,345,988
Total comprehensive income attributable to:					
Owners of the Company		840,218,154	319,222,451	796,903,597	305,223,204
Non-controlling interests		56,021,927	19,285,829	-	-
		896,240,081	338,508,280	796,903,597	305,223,204
Basic earnings per share for the owners of the Company					
Basic earnings per share (Baht)	29	0.89	0.35	0.85	0.33

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



Univanich Palm Oil Public Company Limited

Statement of Changes in Equity
For the year ended 31 December 2021

Consolidated financial statements												
	Attributable to owners of the Company				Other components of equity				Total equity			
Notes	Issued and paid-up share capital		Premium on share capital		Retained earnings		Currency translation differences		Total owners of the Company		Non-controlling interests	
	Baht	Baht	Baht	Baht	Legal reserve	Appropriated	General reserve	Unappropriated	Baht	Baht	Baht	Baht
Opening balance as at 1 January 2020	470,000,000	267,503,419	-	47,000,000	20,000,000	-	-	2,336,849,967	8,721,815	3,150,075,201	113,967,281	3,264,042,482
Dividend paid during the year 25	-	-	-	-	-	-	-	(253,800,000)	-	(253,800,000)	-	(253,800,000)
Total comprehensive income for the year	-	-	-	-	-	-	-	319,994,895	(772,444)	319,222,451	19,285,829	338,508,280
Closing balance as at 31 December 2020	470,000,000	267,503,419	-	47,000,000	20,000,000	-	-	2,403,044,862	7,949,371	3,215,497,652	133,253,110	3,348,750,762
Opening balance as at 1 January 2021	470,000,000	267,503,419	-	47,000,000	20,000,000	-	-	2,403,044,862	7,949,371	3,215,497,652	133,253,110	3,348,750,762
Dividend paid during the year 25	-	-	-	-	-	-	-	(441,800,000)	-	(441,800,000)	-	(441,800,000)
Total comprehensive income for the year	-	-	-	-	-	-	-	839,271,208	946,946	840,218,154	56,021,927	896,240,081
Closing balance as at 31 December 2021	470,000,000	267,503,419	-	47,000,000	20,000,000	-	-	2,800,516,070	8,896,317	3,613,915,806	189,275,037	3,803,190,843

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

PART 3 - FINANCIAL STATEMENTS

Univanich Palm Oil Public Company Limited

Statement of Changes in Equity
For the year ended 31 December 2021

	Note	Separate financial statements								
		Issued and paid-up share capital	Premium on share capital	Retained earnings				Unappropriated	Total equity	
				Appropriated		General reserve				
				Baht	Baht					
Opening balance as at 1 January 2020		470,000,000	267,503,419	47,000,000	20,000,000		2,367,464,454	3,171,967,873		
Dividend paid during the year	25	-	-	-	-		(253,800,000)	(253,800,000)		
Total comprehensive income for the year		-	-	-	-		305,223,204	305,223,204		
Closing balance as at 31 December 2020		470,000,000	267,503,419	47,000,000	20,000,000		2,418,887,658	3,223,391,077		
Opening balance as at 1 January 2021		470,000,000	267,503,419	47,000,000	20,000,000		2,418,887,658	3,223,391,077		
Dividend paid during the year	25	-	-	-	-		(441,800,000)	(441,800,000)		
Total comprehensive income for the year		-	-	-	-		796,903,597	796,903,597		
Closing balance as at 31 December 2021		470,000,000	267,503,419	47,000,000	20,000,000		2,773,991,255	3,578,494,674		

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



Univanich Palm Oil Public Company Limited

Statement of Cash Flows For the year ended 31 December 2021

	Notes	Consolidated financial statements		Separate financial statements	
		2021 Baht	2020 Baht	2021 Baht	2020 Baht
Cash flows from operating activities					
Profit before income tax		1,103,465,323	422,939,651	974,890,917	380,966,173
Adjustments to:					
Gain (loss) on fair value re-measurement of biological assets	14	(34,033,836)	1,642,050	(34,033,836)	1,642,050
Fair value losses on derivatives		3,177,341	528,962	3,177,341	528,962
Expected credit losses of trade receivables	11	2,942,794	1,107,760	-	-
Allowance for net realisable value of inventories (reversal)	13	(9,794,500)	9,794,500	(9,794,500)	9,794,500
Depreciation and amortisation	16,17,18	234,064,049	222,022,866	190,143,777	189,018,804
Gains on disposals of property, plant and equipment		(659,342)	(9,845,474)	(659,342)	(9,845,474)
Unrealised (gain) loss on exchange rate		14,030,662	(9,700,458)	(12,109,140)	(2,514,780)
Employee benefit obligations	23	18,651,762	18,405,657	18,651,762	18,405,657
Interest income		(1,881,935)	(2,821,136)	(4,121,810)	(5,212,555)
Interest expenses		6,831,681	4,601,181	-	-
Cash flows before changes in working capital		1,336,793,999	658,675,559	1,126,145,169	582,783,337
Changes in working capital:					
- trade and other receivables		(324,248,716)	(88,922,816)	(299,912,749)	(94,768,627)
- inventories		(267,581,757)	(98,307,179)	(246,577,834)	(77,730,635)
- biological assets		(10,636,889)	19,768,084	(10,636,889)	19,768,084
- other current assets		10,880,280	2,737,062	381,814	1,125,661
- other non-current assets		13,874,571	(625,874)	13,879,804	(625,874)
- trade and other payables		5,002,060	(13,173,021)	3,569,412	(8,360,674)
- contract liabilities		28,608,624	7,457,764	28,608,624	7,457,764
- accrued expenses		31,093,271	15,377,606	22,726,122	3,156,555
- other current liabilities		3,821,431	(1,267,662)	2,914,108	(1,896,111)
- cash payment for employee benefit obligations	23	(9,721,086)	(3,304,196)	(9,721,086)	(3,304,196)
Cash generated from operations		817,885,788	498,415,327	631,376,495	427,605,284
Income tax paid		(171,120,488)	(51,126,784)	(143,713,170)	(42,088,075)
Net cash generated from operating activities		646,765,300	447,288,543	487,663,325	385,517,209

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

PART 3 - FINANCIAL STATEMENTS

Univanich Palm Oil Public Company Limited

Statement of Cash Flows (Continued) For the year ended 31 December 2021

	Notes	Consolidated financial statements		Separate financial statements	
		2021 Baht	2020 Baht	2021 Baht	2020 Baht
Cash flows from investing activities					
Cash payments for purchases of property, plant and equipment		(120,174,059)	(205,918,914)	(101,088,692)	(120,370,711)
Proceeds from disposals of property, plant and equipment		3,407,782	19,611,536	659,345	19,611,536
Cash payments for purchases of intangible asset		(3,178,585)	-	(3,178,585)	-
Cash payments for advance of purchase land		(5,233)	-	-	-
Cash receipts from settlement of loans to contractors		846,123	910,528	846,123	910,528
Cash payments of loan to contractors		(980,241)	(156,367)	(980,241)	(156,367)
Cash receipts from settlement of short-term loan to a subsidiary		-	-	-	48,592,000
Interest received		1,879,436	3,507,181	1,858,115	3,485,687
Net cash flows used in investing activities		(118,204,777)	(182,046,036)	(101,883,935)	(47,927,327)
Cash flows from financing activities					
Cash receipts from loans from a financial institution	22	-	107,376,704	-	-
Cash payment of loans from a financial institution	22	(30,296,135)	(19,267,213)	-	-
Dividends paid	25	(441,800,000)	(253,800,000)	(441,800,000)	(253,800,000)
Interest paid		(6,566,178)	(3,684,666)	-	-
Net cash flows used in financing activities		(478,662,313)	(169,375,175)	(441,800,000)	(253,800,000)
Net increase (decrease) in cash and cash equivalents		49,898,210	95,867,332	(56,020,610)	83,789,882
Effect of exchange rate		(14,876,178)	1,098,047	-	-
Cash and cash equivalents at opening of the year		644,970,504	548,005,125	619,230,615	535,440,733
Cash and cash equivalents at closing of the year	10	679,992,536	644,970,504	563,210,005	619,230,615
Non-cash transactions					
Purchases of machinery and equipment not yet paid	20	6,669,224	2,332,551	5,550,000	1,241,521
Interest income calculated using the effective interest method	30 d)	-	-	2,261,196	2,331,561

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



Univanich Palm Oil Public Company Limited

Notes to the Consolidated and Separate Financial Statements For the year ended 31 December 2021

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 has assumed all of the assets, liabilities, rights and obligations of the companies amalgamated on the date of amalgamation. However, as at 31 December 2021, the names on some legal documents of the three amalgamated companies relating to assets assumed before the companies amalgamated have not been converted to the name of Univanich Palm Oil Public 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 25 February 2022.

2 Significant events during the current year

The outbreak of Coronavirus Disease 2019 ("COVID-19") in early 2020 until 2021 has resulted in a global economic slowdown and adversely impacted most businesses and industries worldwide. However, the Group's operating results for the year ended 31 December 2021 were not impacted by the COVID-19 pandemic and the Group's management assessed that the future operations, financial condition and liquidity are not expected to be significantly impacted by it either. The full impact, however, of the COVID-19 pandemic will depend on its future developments of the disease control and prevention, such as its ultimate duration and scope of the pandemic including the government's measures on disease control and to ease economic impacts. The Group's management has implemented early precautions within its operations. It is continuously monitoring ongoing developments and assessing the financial impact.

PART 3 - FINANCIAL STATEMENTS

3 Basis of preparation

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

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

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

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

4 New and amended financial reporting standards

4.1 New and amended financial reporting standards that are effective for accounting period beginning on or after 1 January 2021 and relate to the Group

a) **Revised Conceptual Framework for Financial Reporting** added the following key principals and guidance:

- Measurement basis, including factors in considering difference measurement basis
- Presentation and disclosure, including classification of income and expenses in other comprehensive income
- Definition of a reporting entity, which maybe a legal entity, or a portion of an entity
- Derecognition of assets and liabilities

The amendment also includes the revision to the definition of an asset and liability in the financial statements, and clarification to the prominence of stewardship in the objective of financial reporting.

b) **Amendment to TFRS 9, Financial instruments and TFRS 7, Financial instruments: disclosures** amended to provide relief from applying specific hedge accounting requirements to the uncertainty arising from interest rate benchmark reform such as IBOR. The amendment also requires disclosure of hedging relationships directly affected by the uncertainty.

c) **Amendment to TAS 1, Presentation of financial statements and TAS 8, Accounting policies, changes in accounting estimates and errors** amended to definition of materiality. The amendment allows for a consistent definition of materiality throughout the Thai Financial Reporting Standards and the Conceptual Framework for Financial Reporting. It also clarified when information is material and incorporates some of the guidance in TAS 1 about immaterial information.

These financial reporting standards do not have the significant impact to the Group.



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

4.2 New and amended financial reporting standards that are effective for accounting period beginning or after 1 January 2022 and relate to the Group

Certain amended TFRSs have been issued that are not mandatory for the current reporting period and have not been early adopted by the Group.

a) Interest rate benchmark (IBOR) reform - phase 2, amendments to TFRS 9, TFRS 7, TFRS 16 and TFRS 4, and accounting guidance, financial instruments and disclosures for insurance business provide relief measures addressing issues that might affect financial reporting during the reform, including the effects of changes to contractual cash flows or hedging relationship arising from the replacement of one benchmark with an alternative benchmark.

Key relief measures of the phase 2 amendments are as follows:

- When changing the basis for determining contractual cash flows for financial assets and financial liabilities (including lease liabilities), changes that are necessary as a direct result of the IBOR reform and which are considered economically equivalent, will not result in an immediate gain or loss in the income statement. TFRS 16 has also been amended to require lessees to use a similar practical expedient when accounting for lease modifications that change the basis for determining future lease payments as a result of the IBOR reform.
- Hedge accounting relief measures will allow most TFRS 9 hedge relationships that are directly affected by the IBOR reform to continue. However, additional ineffectiveness might need to be recorded.

TFRS 7 requires additional disclosure about:

- the nature and extent of risks arising from the IBOR reform to which the entity is exposed to
- how the entity manages those risks
- the entity's progress in transitioning from the IBOR to alternative benchmark rates and how the entity is managing this transition.

The Group's management is currently assessing the impact of initial adoption of these amended standards.

5 Accounting policies

5.1 Principles of consolidation accounting

a) Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date on which control is transferred to the Group until the date that control ceases.

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

A list of the Group's subsidiaries are shown in Note 15.

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 gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in the associates and joint ventures. 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 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.



5 Accounting policies (Cont'd)

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

In the statements of cash flows, cash and cash equivalents includes cash on hand, deposits held at call, short-term highly liquid investments with maturities of three months or less from acquisition date and bank overdrafts.

In the statements of financial position, bank overdrafts are shown in current liabilities.

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 Accounting policies (Cont'd)

5.6 Financial asset

a) Classification

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

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

b) Recognition and derecognition

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

c) Measurement

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

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

d) Debt instruments

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

- Amortised cost: Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as a separate line item in the statement of comprehensive income.
- FVOCI: Financial assets that are held for i) collection of contractual cash flows; and ii) for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through other comprehensive income (OCI), except for the recognition of impairment gains or losses, interest income using the effective interest method, and foreign exchange gains and losses which are recognised in profit or loss. When the financial assets is recognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income is included in other income. Impairment expenses are presented separately in the statement of comprehensive income.



5 Accounting policies (Cont'd)

- **FVPL:** Financial assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

e) Impairment

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

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

Impairment (and reversal of impairment) losses are recognised in profit or loss and included in administrative expenses.

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. All other 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.

All other repairs and maintenance are charged to profit or loss when incurred.

5 Accounting policies (Cont'd)

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
Motor vehicles	5 - 10 years
Furniture, fixtures and office equipment	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.
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Fruit bearer palm trees are classified as immature until the produce can be commercially harvested. At that point they are reclassified as mature palm and depreciation commences. Immature fruit bearer palm trees are measured at accumulated cost.

5.9 Intangible assets

Revenue sharing contract

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



5 Accounting policies (Cont'd)

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 - 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 Group recognises right-of-use asset by reclassification from prepayment of land rent. The right-of-use asset is depreciated using the straight-line method over the lease term of 44 years.

Short-term leases and leases of low-value assets

The Group has elected not recognised 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

a) Classification

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

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

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

5 Accounting policies (Cont'd)

b) Measurement

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

c) Derecognition and modification

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

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

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

5.13 Borrowing costs

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

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

5.14 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.



5 Accounting policies (Cont'd)

Deferred income tax

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

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

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

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

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

5.15 Employee benefits

a) Short-term employee benefits

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

b) Defined contribution plan

The Group pays contributions to a separate fund which is managed by an external fund manager in accordance with the provident fund Act. B.E. 2530. 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.

c) Defined benefit plans

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

5 Accounting policies (Cont'd)

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 include all revenues from ordinary business activities. All ancillary income in connection with the delivery of goods and rendering of services in the course of the Group's ordinary activities is also presented as revenue.

The Group recognises revenue from sales of goods at point in time when control of the goods transferred to the customer, which depending on the terms of the underlying contract. In the case that a customer receives control of the goods at the shipping point, the Company will separate revenue from transportation as another performance obligation and recognise revenue over time of promises to deliver goods to a customer. If a customer receives control of the goods at the destination, the Company will recognise the shipping costs in bringing the product to the destination as cost incurred to complete the promise to transfer goods, which is not a separate performance obligation. The shipping cost will be recognised in the period that sales of goods incurred.

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

Contract liabilities

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



5 Accounting policies (Cont'd)

5.18 Dividend distribution

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

5.19 Derivatives

Embedded derivative that is separately accounted for and derivatives that do not qualify for hedge accounting is initially recognised at fair value. Changes in the fair value are included in other gains(losses).

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

6 Financial risk management

6.1 Financial risk

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

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

6.1.1 Market risk

a) Foreign exchange risk

The Group's primary functional currency is Thai Baht, while certain sales transactions are entered into in foreign currencies. 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.

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6 Financial risk management (Cont'd)

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

Consolidated financial statements				
	2021		2020	
	US Dollar		US Dollar	
	Thousand Baht		Thousand Baht	
Cash and cash equivalents	89,886		12,116	
Trade and other receivables, net	203,321		70,715	

Separate financial statements				
	2021		2020	
	US Dollar	Pesos	US Dollar	Pesos
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Trade and other receivables, net	203,321	-	70,715	-
Loans to a subsidiary	99,741	45,839	89,602	43,868

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				
	2021		2020	
	US Dollar		US Dollar	
	Thousand Baht		Thousand Baht	
Exchange rate - increase 1%	2,932		828	
Exchange rate - decrease 1%	(2,932)		(828)	
* Holding all other variables constant				

Separate financial statements				
	2021		2020	
	US Dollar		US Dollar	
	Thousand Baht		Thousand Baht	
Exchange rate - increase 1%	3,031		1,693	
Exchange rate - decrease 1%	(3,031)		(1,693)	
* Holding all other variables constant				

b) Interest rate risk

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

The Group does not apply hedge accounting.

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



6 Financial risk management (Cont'd)

6.1.2 Credit risk

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

a) Risk management

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

b) Impairment of financial assets

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

- Cash and cash equivalent
- Trade and other receivables
- Loans to contractors
- Long-term loans to a subsidiary

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

Trade receivables

The Group applies the TFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance 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.

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 680 million (2020: Baht 645 million) Due to the dynamic nature of the underlying businesses, the Group financial management maintains flexibility in funding by maintaining availability under committed credit lines.

6 Financial risk management (Cont'd)

Maturity of financial liabilities

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

		Consolidated financial statements				
		2021				
		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		44,104	97,516	44,120	185,740	153,610

		Consolidated financial statements				
		2020				
		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		38,981	121,879	54,005	214,865	179,335

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 to a subsidiary and long-term loans from a financial institution with interest charged at the floating rates, the carrying amount of such loans approximates the fair value within level 2 of the fair value hierarchy. The calculation of fair values are based on discounted cash flows using discount rates based upon market interest rates for borrowing in the same risk level at the date of the financial statements.

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 at the financial position date. Fair value of foreign currency forward contracts are within level 2 of the value hierarchy. As at 31 December 2021, the unfavourable fair values of the outstanding foreign exchange forward contracts amounted to Baht 3.49 million are recorded as derivatives liabilities which has been included in other current liabilities in the consolidated and separate financial statements.

	Consolidated and Separate financial statements	
	Foreign currency amounts	Derivatives liabilities Thousand Baht
As at 31 December 2021		
Foreign exchange forward contracts US Dollar	US Dollar 5.28 million	3,490

During the year, the Group has no transfers between fair value hierarchy levels.

Fair value of financial assets and liabilities of the Group approximates the carrying value because most of them are short-term financial instruments and long-term loans from a financial institution with floating rates which are close to the market rate.

For disclosure of biological assets that are measured at fair value, please see Note 14.

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 assumptions. Key assumptions used and impacts from possible changes in key assumptions are disclosed in Note 23.

8.2 Biological assets valuation

The accounting policy on valuation of biological assets and the significant assumptions that have been applied in determining the fair value of the biological assets are described in detailed in Note 5.7 and Note 14.

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 Managing Director 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 0.81% and 1.41% 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 Managing Director for the purpose of assessment of operating performance by considering from profit before income tax.

The Group operated mainly in Thailand. It's total assets and revenue in Philippines are not material, therefore geographic information has not been presented.

During the year ended 31 December 2021 and 2020, the Group recognises all revenues at a point in time.

Information about major customers

For the year ended 31 December 2021, the Group had revenues from 2 major customers, generated from oil palm plantations, crude palm oil and palm kernel oil processing and palm seed business amounting to Baht 3,983 million (2020: two major customers amounting to Baht 1,812 million).



10 Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
Cash on hand	10	10	-	-
Deposits at banks				
- current accounts	50,901	23,357	43,525	18,358
- savings accounts	509,117	621,604	399,721	600,873
Investment in bonds	119,965	-	119,964	-
Total cash and cash equivalents	679,993	644,971	563,210	619,231

As at 31 December 2021, savings accounts bear interest at the rates of 0.125% - 0.50% per annum (2020: 0.125% - 0.55% per annum).

As at 31 December 2021, investment in bonds represented investment in Bank of Thailand bonds with maturity of 27 day term and carried yield at the rate of 0.40% per annum

11 Trade and other receivables, net

	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
Trade receivables	587,605	256,204	537,450	231,882
Less Allowance for expected credit losses	(17,237)	(14,234)	(11,900)	(11,900)
Trade receivables, net	570,368	241,970	525,550	219,982
Amount due from related parties (Note 30 b)	-	-	3,108	1,068
Other receivable	-	4,000	-	4,000
Interest receivable	4	1	4	1
Advance payment	9,693	10,126	8,416	9,238
Prepayments	4,030	6,750	611	3,485
Total trade and other receivables, net	584,095	262,847	537,689	237,774

The loss allowance for trade receivables is determined as follows:

	Consolidated financial statements					
	Not yet due Thousand Baht	Up to 3 months Thousand Baht	3 - 6 months Thousand Baht	6 - 12 months Thousand Baht	Over 12 months Thousand Baht	Total Thousand Baht
As at 31 December 2020						
Gross carrying amount	226,344	16,608	38	53	13,161	256,204
Allowance for expected credit losses	-	1,191	10	-	13,033	14,234

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11 Trade and other receivables, net (Cont'd)

	Separate financial statements					
	Not yet due Thousand Baht	Up to 3 months Thousand Baht	3 - 6 months Thousand Baht	6 - 12 months Thousand Baht	Over 12 months Thousand Baht	Total Thousand Baht
As at 31 December 2020						
Gross carrying amount	219,730	58	13	53	12,028	231,882
Allowance for expected credit losses	-	-	-	-	11,900	11,900

	Consolidated financial statements					
	Not yet due Thousand Baht	Up to 3 months Thousand Baht	3 - 6 months Thousand Baht	6 - 12 months Thousand Baht	Over 12 months Thousand Baht	Total Thousand Baht
As at 31 December 2021						
Gross carrying amount	519,504	48,932	5,538	510	13,121	587,605
Allowance for expected credit losses	128	2,520	1,500	186	12,903	17,237

	Separate financial statements					
	Not yet due Thousand Baht	Up to 3 months Thousand Baht	3 - 6 months Thousand Baht	6 - 12 months Thousand Baht	Over 12 months Thousand Baht	Total Thousand Baht
As at 31 December 2021						
Gross carrying amount	516,042	9,809	6	-	11,593	537,450
Allowance for expected credit losses	128	173	6	-	11,593	11,900

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

	Consolidated financial statements	Separate financial statements
	Thousand Baht	Thousand Baht
As at 1 January 2020	13,062	11,900
Increase in expected credit losses recognised in profit or loss during the year	1,108	-
Currency translation differences	64	-
As at 31 December 2020	14,234	11,900
Increase in expected credit losses recognised in profit or loss during the year	2,943	-
Currency translation differences	60	-
As at 31 December 2021	17,237	11,900



12 Financial assets and financial liabilities

At initial recognition, the Group has measured all financial assets and financial liabilities at fair value and subsequently measured at amortised cost, except for derivatives which are initially recognised at fair value on the date a derivative contract is entered into and are subsequently measured to their fair value at the end of each reporting period as disclosed in Note 7.

13 Inventories, net

	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
Palm oil	445,921	202,994	396,523	173,948
By products from palm oil production	35,504	18,272	34,611	18,032
Fertilizers and general supplies	46,794	39,371	46,794	39,371
	528,219	260,637	477,928	231,351
Less Allowance for obsolescence of general supplies	(2,400)	(2,400)	(2,400)	(2,400)
Allowance for net realisable value of inventories	-	(9,795)	-	(9,795)
Total inventories, net	525,819	248,442	475,528	219,156

During the year 2021 and 2020, amounts recognised as cost of sales in profit or losses are as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht Consolidated	2020 Thousand Baht Separate	2021 Thousand Baht Consolidated	2020 Thousand Baht Separate
Cost of sales	10,395,915	5,200,200	9,896,302	4,920,508
Write-down of inventories to net realisable value	-	9,795	-	9,795
	10,395,915	5,190,405	9,896,302	4,930,303

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14 Biological assets

	Consolidated and Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht
Fresh fruit bunches (FFB) growing on palm trees	35,187	25,205
Palm seeds	7,176	1,958
Palm seedlings for sales	57,121	27,650
Total biological assets	99,484	54,813

The movement in the biological assets is as follows:

	Consolidated and Separate financial statements			
	FFB growing on palm tress Thousand Baht	Palm seeds Thousand Baht	Palm seedlings for sales Thousand Baht	Total Thousand Baht
As at 1 January 2020	14,783	5,348	56,092	76,223
Cost incurred during the year	-	48,566	52,805	101,371
Transfer from palm seeds to palm seedlings for sales	-	(28,081)	28,081	-
Decrease due to sale of palm seeds and palm seedlings	-	(24,647)	(96,492)	(121,139)
Gain (loss) on change in fair value of biological assets	10,422	772	(12,836)	(1,642)
As at 31 December 2020	25,205	1,958	27,650	54,813
Cost incurred during the year	-	48,325	114,370	162,695
Transfer from palm seeds to palm seedlings for sales	-	-	-	-
Decrease due to sale of palm seeds and palm seedlings	-	(45,474)	(106,584)	(152,058)
Gain on change in fair value of biological assets	9,982	2,367	21,685	34,034
As at 31 December 2021	35,187	7,176	57,121	99,484

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.



14 Biological assets (Cont'd)

- The fair value of palm seeds is determined based on the quantity of sellable palm seeds expected to be sold and the estimated selling prices less estimated costs to sell.
- The fair value of palm seedlings for sales is determined by using Discounted Cash Flow Method is used to determine fair value. Significant assumptions are such as quantity of sellable palm seedlings, selling prices, cost of growing palm seedlings until ready for sales and discount rates.

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

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

Relationship of unobservable inputs to fair value are as follows:

Description	Unobservable inputs	Relationship of unobservable inputs to fair value
Fresh fruit bunches growing on palm trees	- Estimated palm oil content of FFB growing - Estimated market price - Costs to harvest and transport	An increase in the palm oil content of FF 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.

During the year ended 31 December 2021, the change in biological assets arising from temporary differences between the tax bases and their carrying amounts of biological assets increased by Baht 24 million and the resulting tax effects of temporary differences which are recognised as deferred tax liabilities increased by Baht 5 million which has been recorded in these financial statements (Note 19).

PART 3 - FINANCIAL STATEMENTS

15 Investment in subsidiaries

The Group has the following subsidiaries.

	Countries	Business	Paif-up capital	Proportion of ordinary shares directly held by parent (%)	Proportion of ordinary shares held by the group (%)	Proportion of shares held by non-controlling interests (%)	Cost value Thousand Baht
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.

As at 31 December 2021, the total non-controlling interest is Baht 189 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.



16 Property, plant and equipment, net

Consolidated financial statements

	Fruit bearer palm trees Thousand Baht	Immature palm trees Thousand Baht	Land Thousand Baht	Land improvement Thousand Baht	Buildings and plant Thousand Baht	Machinery and equipment Thousand Baht	Furniture, fixtures and office equipment and motor vehicles Thousand Baht	Assets under construction and installation Thousand Baht	Total Thousand Baht
Aa at 1 January 2020									
Cost	455,349	17,094	795,660	338,048	1,038,586	1,798,520	259,772	272,688	4,975,717
Less Accumulated depreciation	(344,999)	-	-	(169,871)	(514,992)	(1,215,082)	(179,635)	-	(2,424,579)
Net book amount	110,350	17,094	795,660	168,177	523,594	583,438	80,137	272,688	2,551,138
For the year ended 31 December 2020									
Opening net book amount	110,350	17,094	795,660	168,177	523,594	583,438	80,137	272,688	2,551,138
Additions	-	6,713	39,968	-	-	1,344	2,710	151,382	202,117
Transfer in (out)	19,318	(19,318)	-	11,092	64,252	254,746	11,330	(341,420)	-
Reclassification - net	-	-	-	(5,319)	5,319	-	-	-	-
Disposals - net	-	-	(108)	-	-	(227)	(9,431)	-	(9,766)
Depreciation charge	(11,560)	-	-	(11,759)	(47,643)	(122,956)	(26,039)	-	(219,957)
Currency translation differences	-	-	-	-	2,870	4,647	33	9,144	16,694
Closing net book amount	118,108	4,489	835,520	162,191	548,392	720,992	58,740	91,794	2,540,226

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

Consolidated financial statements

	Fruit bearer palm trees Thousand Baht	Immature palm trees Thousand Baht	Land Thousand Baht	Land improvement Thousand Baht	Buildings and plant Thousand Baht	Machinery and equipment Thousand Baht	Furniture, fixtures and office equipment and motor vehicles Thousand Baht	Assets under construction and installation Thousand Baht	Total Thousand Baht
As at 31 December 2020									
Cost	474,667	4,489	835,520	342,794	1,105,822	2,033,634	236,324	91,794	5,125,044
<u>Less Accumulated depreciation</u>	(356,559)	-	-	(180,603)	(557,430)	(1,312,642)	(177,584)	-	(2,584,818)
Net book amount	118,108	4,489	835,520	162,191	548,392	720,992	58,740	91,794	2,540,226
For the year ended 31 December 2021									
Opening net book amount	118,108	4,489	835,520	162,191	548,392	720,992	58,740	91,794	2,540,226
Additions	-	4,270	-	-	105	3,726	8,304	108,105	124,510
Transfer in (out)	4,432	(4,432)	-	2,667	22,932	70,431	7,968	(103,998)	-
Disposals - net	-	-	-	-	(2,748)	-	-	-	(2,748)
Depreciation charge	(11,604)	-	-	(15,035)	(52,539)	(126,707)	(25,628)	-	(231,513)
Currency translation differences	-	-	-	-	2,541	5,948	8	902	9,399
Closing net book amount	110,936	4,327	835,520	149,823	518,683	674,390	49,392	96,803	2,439,874
As at 31 December 2021									
Cost	479,099	4,327	835,520	345,461	1,129,536	2,117,574	252,680	96,803	5,261,000
<u>Less Accumulated depreciation</u>	(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

Subsidiary

Borrowing costs of Baht 6 million (2020 : Baht 4 million) arising from financing specifically entered into the project for the construction of factory building, are capitalised during the year. A capitalisation rate of 5.54% per annum (2020 : 4.23% per annum) is used representing the actual borrowing costs of the loan used to finance the construction of assets.



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

Separate financial statements

	Fruit bearer palm trees	Immature palm trees	Land	Land improvement	Buildings and plant	Machinery and equipment	Furniture, fixtures and office equipment and motor vehicles	Assets under construction and installation	Total
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Aa at 1 January 2020									
Cost	455,349	17,094	795,660	338,048	965,439	1,610,289	256,729	96,917	4,535,525
Less Accumulated depreciation	(344,999)	-	-	(169,871)	(490,634)	(1,100,536)	(177,209)	-	(2,283,249)
Net book amount	110,350	17,094	795,660	168,177	474,805	509,753	79,520	96,917	2,252,276
For the year ended 31 December 2020									
Opening net book amount	110,350	17,094	795,660	168,177	474,805	509,753	79,520	96,917	2,252,276
Additions	-	6,713	39,968	-	-	160	2,710	69,496	119,047
Transfer in (out)	19,318	(19,318)	-	11,092	8,862	76,801	11,330	(108,085)	-
Reclassification - net	-	-	-	(5,319)	5,319	-	-	-	-
Disposals - net	-	-	(108)	-	-	(228)	(9,431)	-	(9,767)
Depreciation charge	(11,560)	-	-	(11,759)	(39,714)	(98,517)	(25,710)	-	(187,260)
Closing net book amount	118,108	4,489	835,520	162,191	449,272	487,969	58,419	58,328	2,174,296

PART 3 - FINANCIAL STATEMENTS

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

Separate financial statements

	Fruit bearer palm trees Thousand Baht	Immature palm trees Thousand Baht	Land Thousand Baht	Land improvement Thousand Baht	Buildings and plant Thousand Baht	Machinery and equipment Thousand Baht	Furniture, fixtures and office equipment and motor vehicles Thousand Baht	Assets under construction and installation Thousand Baht	Total Thousand Baht
As at 31 December 2020									
Cost	474,667	4,489	835,520	342,794	973,039	1,655,210	233,113	58,328	4,577,160
Less Accumulated depreciation	(356,559)	-	-	(180,603)	(523,767)	(1,167,241)	(174,694)	-	(2,402,864)
Net book amount	118,108	4,489	835,520	162,191	449,272	487,969	58,419	58,328	2,174,296
For the year ended 31 December 2021									
Opening net book amount	118,108	4,489	835,520	162,191	449,272	487,969	58,419	58,328	2,174,296
Additions	-	4,270	-	-	105	2,383	8,166	90,473	105,397
Transfer in (out)	4,432	(4,432)	-	2,667	22,932	70,431	7,968	(103,998)	-
Depreciation charge	(11,604)	-	-	(15,035)	(46,145)	(89,760)	(25,361)	-	(187,905)
Closing net book amount	110,936	4,327	835,520	149,823	426,164	471,023	49,192	44,803	2,091,788
As at 31 December 2021									
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



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

The Company's plantation has been made on the Company's own land, concession land and lease land. Details of land under concession and under operating lease agreements as at 31 December 2021 are as follows:

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

In addition, Univanich Palm Oil Public Company Limited's predecessor was granted a concession for the development of an oil palm plantation on 20,000 rai in Krabi Province. The concession was for thirty years, from 22 April 1983 to 21 April 2013.

On 1 July 2010, the Company commenced the due process to renew the land concession on 10,849 rai located in Tambon Plaipraya, Plaipraya District and Tambun Klongya, Aoluk District of Krabi Province (the Chean Vanich concession). Although the due 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 on 10,849 rai 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. This final judgment was subject to 30 days appeal by the Minister of Natural Resources. No appeal was submitted. The final court judgment now directs the Minister of Natural Resources to submit the Company's application for renewal of the concession to the Cabinet for consideration within 60 days. The Director General of Forestry Department, as proxy of the Minister of Natural Resources and Environment requested the Court to grant extensions for compliance with the judgment. Until now the Minister of Natural Resources has still not submitted the Company's application to the Cabinet for consideration.

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 damage compensation for this unlawful restriction of the Company's activities in that area and appealing the Ministry of Natural Resources' claim that oil palm fruit from the Chean Vanich concession area is a natural forest product liable for forest royalty and maintenance fees. 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.

From 2014 to 2016, the Company was authorised to harvest oil palm fruit in according with the order of Nakhorn Sri Thammarat Administrative Court first judgement to alleviate the suffering for the Company. Unit 31 December 2021, the Company has paid royalty and maintenance fees totaling Baht 13 million for oil palm fruit harvested from the Chean Vanich concession area that is recorded as expense in these financial statements. However, this amount may be reclaimed by the Company if the Supreme Administrative Court rules in favour of the Company's additional petition appealing against forest royalty and maintenance fees.

PART 3 - FINANCIAL STATEMENTS

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

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

17 Intangible assets, net

Consolidated and Separate financial statements

	Software	Revenue Sharing contract	Total
	Thousand Baht	Thousand Baht	Thousand Baht
As at 1 January 2020			
Cost	-	17,291	17,291
<u>Less</u> Accumulated amortisation	-	(4,689)	(4,689)
Closing net book amount	-	12,602	12,602
For the year ended 31 December 2020			
Opening net book amount	-	12,602	12,602
Amortisation charge	-	(1,759)	(1,759)
Closing net book amount	-	10,843	10,843
As at 31 December 2020			
Cost	-	17,291	17,291
<u>Less</u> Accumulated amortisation	-	(6,448)	(6,448)
Closing net book amount	-	10,843	10,843
For the year ended 31 December 2021			
Opening net book amount	-	10,843	10,843
Addition	3,179	-	3,179
Amortisation charge	(481)	(1,758)	(2,239)
Closing net book amount	2,698	9,085	11,783
As at 31 December 2021			
Cost	3,179	17,291	20,470
<u>Less</u> Accumulated amortisation	(481)	(8,206)	(8,687)
Closing net book amount	2,698	9,085	11,783



18 Right-of-use assets, net

	Consolidated and Separate financial statements
	Land Thousand Baht
Opening net book amount as at 1 January 2020	13,053
Additions	2,536
Depreciation charge	(307)
Currency translation differences	299
Closing net book amount as at 31 December 2020	15,581
Opening net book amount as at 1 January 2021	15,581
Depreciation charge	(312)
Currency translation differences	(42)
Closing net book amount as at 31 December 2021	15,227

19 Deferred income taxes, net

	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
Deferred income tax assets	62,411	60,466	57,652	58,593
Deferred income tax liabilities	(21,106)	(15,386)	(14,118)	(9,247)
Deferred income taxes, net	41,305	45,080	43,534	49,346

The gross movement in deferred income taxes is as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
Opening balance	45,080	45,523	49,346	44,777
Charged/(credited) to profit or loss (Note 28)	(3,775)	(443)	(5,812)	4,569
Closing balance	41,305	45,080	43,534	49,346

PART 3 - FINANCIAL STATEMENTS

19 Deferred income taxes, net (Cont'd)

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

Consolidated financial statements			
	As at 1 January 2020 Thousand Baht	Charged/ credited to profit or loss Thousand Baht	As at 31 December 2020 Thousand Baht
Deferred tax assets			
Employee benefits obligation	40,146	5,652	45,798
Amortisation of intangible assets	4,088	(1,460)	2,628
Amortisation charge of palm plantation	7,923	(625)	7,298
Allowance for expected credit losses	348	352	700
Tax losses carried forward	868	(868)	-
Others	4,814	(772)	4,042
	58,187	2,279	60,466
Deferred tax liabilities			
Biological assets	(8,512)	(735)	(9,247)
Right-of-use assets	(3,157)	(843)	(4,000)
Others	(995)	(1,144)	(2,139)
	(12,664)	(2,722)	(15,386)
Deferred income taxes, net	45,523	(443)	45,080

Consolidated financial statements			
	As at 1 January 2021 Thousand Baht	Charged/ credited to profit or loss Thousand Baht	As at 31 December 2021 Thousand Baht
Deferred tax assets			
Employee benefits obligation	45,798	4,994	50,792
Amortisation of intangible assets	2,628	(1,460)	1,168
Amortisation charge of palm plantation	7,298	(616)	6,682
Allowance for expected credit losses	700	-	700
Others	4,042	(973)	3,069
	60,466	1,945	62,411
Deferred tax liabilities			
Biological assets	(9,247)	(4,871)	(14,118)
Right-of-use assets	(4,000)	644	(3,356)
Others	(2,139)	(1,493)	(3,632)
	(15,386)	(5,720)	(21,106)
Deferred income taxes, net	45,080	(3,775)	41,305



19 Deferred income taxes, net (Cont'd)

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

Separate financial statements			
	As at 1 January 2020 Thousand Baht	Charged/ credited to profit or loss Thousand Baht	As at 31 December 2020 Thousand Baht
Deferred tax assets			
Employee benefits obligation	40,146	5,652	45,798
Amortisation of intangible assets	4,088	(1,460)	2,628
Amortisation charge of palm plantation	7,923	(625)	7,298
Others	1,132	1,737	2,869
	53,289	5,304	58,593
Deferred tax liabilities			
Biological assets	(8,512)	(735)	(9,247)
Deferred income taxes, net	44,777	4,569	49,346

Separate financial statements			
	As at 1 January 2021 Thousand Baht	Charged/ credited to profit or loss Thousand Baht	As at 31 December 2021 Thousand Baht
Deferred tax assets			
Employee benefits obligation	45,798	3,188	48,986
Amortisation of intangible assets	2,628	(1,460)	1,168
Amortisation charge of palm plantation	7,298	(616)	6,682
Others	2,869	(2,053)	816
	58,593	(941)	57,652
Deferred tax liabilities			
Biological assets	(9,247)	(4,871)	(14,118)
Deferred income taxes, net	49,346	(5,812)	43,534

20 Trade and other payables

	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
Trade payables	17,296	11,409	14,513	10,047
Other payables for purchase of fixed assets	6,669	2,333	5,550	1,242
Others	7,270	8,154	7,212	8,108
Total trade and other payables	31,235	21,896	27,275	19,397

PART 3 - FINANCIAL STATEMENTS

21 Accrued expenses

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Accrued transportation expenses	20,728	9,665	17,523	6,002
Accrued contractor cost	27,214	24,499	8,847	5,784
Accrued employee expenses	27,385	12,151	19,904	12,151
Interest payable	1,287	1,022	-	-
Others	9,495	7,413	6,945	6,556
Total accrued expenses	86,109	54,750	53,219	30,493

22 Long term loans from a financial institution

The subsidiary made an interest-bearing loan with Land Bank of the Philippines (LBP) 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 with LBP is secured by parcels of land owned by a related party which has the same directors of the subsidiary.

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

	Consolidated financial statements	
	2021	2020
	Thousand Baht	Thousand Baht
For the year ended 31 December		
Opening balance	179,335	86,140
Addition	-	107,377
Repayment	(30,296)	(19,267)
Currency translation differences	4,571	5,085
Closing balance	153,610	179,335

As at 31 December 2021, the weighted average effective interest rate of the long-term loans is approximately 6% per annum (2020: 4% per annum).

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

	Consolidated financial statements	
	2021	2020
	Thousand Baht	Thousand Baht
Long-term loans from a financial institution		
- Within 1 year	34,650	29,523
- Later than 1 year but no later than 5 years	93,162	98,918
- Later than 5 years	25,798	50,894
Total long-term loans from a financial institution	153,610	179,335



23 Employee benefit obligations

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Statement of financial position	239,315	230,385	239,315	230,385
Expenses of employee benefits for the year	18,652	18,406	18,652	18,406

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

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Opening balance	230,385	203,880	230,385	203,880
Current service cost	15,575	15,592	15,575	15,592
Interest cost	3,077	2,814	3,077	2,814
Remeasurements of post-employment benefits	-	11,403	-	11,403
Benefits paid	(9,722)	(3,304)	(9,722)	(3,304)
Closing balance	239,315	230,385	239,315	230,385

The amounts recognised in profit or loss are as follows:

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Current service cost	15,575	15,592	15,575	15,592
Interest cost	3,077	2,814	3,077	2,814
Total, (included in staff costs)	18,652	18,406	18,652	18,406

The principle actuarial assumptions used are as follows;

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Discount rate	1.66%	1.66%	1.66%	1.66%
Salary growth rate	2.0% - 3.5%	2.0% - 3.5%	2.0% - 3.5%	2.0% - 3.5%

PART 3 - FINANCIAL STATEMENTS

23 Employee benefit obligations (Cont'd)

	Impact on defined benefit obligation					
	Change in assumption		Increase in assumption		Decrease in assumption	
			2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
Discount rate	1.0%	0.5%	Decrease by 17,049	Decrease by 16,199	Increase by 19,881	Increase by 18,920
Salary increase rate	1.0%	0.5%	Increase by 20,685	Increase by 17,760	Decrease by 17,984	Decrease by 15,495

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 years (2020: 11 years).

Expected maturity analysis of undiscounted retirement is as follows:

	Consolidated and separate financial statements	
	2021 Baht	2020 Baht
Retirement benefits		
- Between 1 to 2 years	6,095,522	8,803,711
- Between 2 to 5 years	58,517,260	59,994,394
- More than 5 years	547,719,097	552,337,485
	612,331,879	621,135,590

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

2021

At the Annual General Shareholders' Meeting held on 30 April 2021, the Shareholders approved a dividend payment for the year ended 31 December 2020 of Baht 0.27 per share, totaling Baht 254 million. The Company has already paid the interim dividend at Baht 0.10 per share, totaling Baht 94 million in September 2020. Therefore, the remaining dividend is Baht 0.17 per share, totaling Baht 160 million. The Company paid the remaining dividend in May 2021.

At the Board of Directors' Meeting held on 13 August 2021, the Board of Directors passed a resolution to approve an interim dividend for the year ending 31 December 2021 of Baht 0.30 per share, totaling Baht 282 million. The Company paid the interim dividend in September 2021.

2020

At the Annual General Shareholders' Meeting held on 17 August 2020, the Shareholders approved a dividend payment for the year ended 31 December 2019 of Baht 0.34 per share, totaling Baht 320 million. The Company has already paid the interim dividend at Baht 0.17 per share, totaling Baht 160 million in September 2019. Therefore, the remaining dividend is Baht 0.17 per shares, totalling Baht 160 million. The Company paid the remaining dividend in May 2020.

At the Board of Directors' Meeting held on 14 August 2020, the Board of Directors passed a resolution to approve an interim dividend for the year ending 31 December 2020 of Baht 0.10 per share, totaling Baht 94 million. The Company has already paid the interim dividends in September 2020.

26 Non-controlling interests

	Consolidated financial statements	
	2021 Thousand Baht	2020 Thousand Baht
Opening balance	133,253	113,967
Total comprehensive income attributable to non-controlling interests	56,022	19,286
Closing balance	189,275	133,253

27 Expenses by nature

	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
Raw materials and consumables used	9,843,203	4,493,110	9,400,784	4,270,649
Changes in inventories of palm oil and by products	(269,041)	(94,876)	(248,836)	(74,855)
Staff costs	343,360	333,887	324,226	324,732
Transportation expenses	171,475	151,509	142,964	128,075

PART 3 - FINANCIAL STATEMENTS

28 Income tax

Income tax for the year comprises the following:

	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
Current income tax expense	216,315	84,055	181,166	74,993
Adjustments in respect of prior year	(8,991)	(3,804)	(8,991)	(3,804)
Deferred income tax				
during the year (Note 19)	3,776	443	5,812	(4,569)
Total income tax expense for the year	211,100	80,694	177,987	66,620

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	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
Profit before tax	1,103,465	422,940	974,891	380,966
Tax calculated	20% and 30%	20% and 30%	20%	20%
Current income tax on				
accounting profit	230,517	88,785	194,978	76,193
Tax effect of:				
- Income not subject to tax	(10,156)	(5,799)	(10,156)	(5,799)
- Taxable income not recognised				
as accounting income	144	141	144	141
- Expenses not deductible for tax				
purpose	2,613	1,727	2,154	245
- Over-estimated of income tax				
of prior year	(8,991)	(3,804)	(8,991)	(3,804)
- Changes in temporary differences				
which was not recognised	(142)	(356)	(142)	(356)
Tax charge	211,100	80,694	177,987	66,620

The weighted average applicable tax rates for the Group and the Company are 19.1% and 18.3%, respectively (2020: 19.1% and 17.5%, 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	
	2021	2020	2021	2020
Profit attributable to owners of the Company (Thousand Baht)	839,271	329,118	796,904	314,346
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)	0.89	0.35	0.85	0.33

There are no outstanding potential dilutive ordinary shares for the years ended 31 December 2021 and 2020.

30 Related party transactions

Enterprises and individuals that, directly or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the Company, including holding companies, subsidiaries and fellow subsidiaries are related parties of the Company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the enterprise, key management personnel, including directors and officers of the Company and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

Mr. Apirag Vanich and member of his family are major shareholders.

The following significant transactions were carried out with related parties:

a) Sales / Purchases of goods and services

	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
Other income				
- Subsidiaries	-	-	10,713	5,309
Interest income				
- Subsidiaries	-	-	-	60
Purchases of goods				
- the same shareholders and directors	21,631	25,354	21,631	25,354
Purchases of services				
- the same shareholders and directors	11,751	3,946	11,751	3,946

PART 3 - FINANCIAL STATEMENTS

30 Related party transactions (Cont'd)

b) Amount due from related parties

	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
Amount due from related parties				
- Amount due from subsidiaries	-	-	3,074	1,068
- Advance to subsidiaries	-	-	34	-
	-	-	3,108	1,068

c) Outstanding balances arising from purchases of goods and services

	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
Accrued expenses				
Other related parties				
- the same shareholders and directors	1,108	129	1,108	129

d) Long-term loans to a subsidiary

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.



30 Related party transactions (Cont'd)

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

	Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht
For the year ended 31 December		
Opening balance	124,286	120,069
Recognised interest income calculated using the effective interest method	2,261	2,332
Unrealised gain on exchange rate	12,109	1,885
Closing balance	138,656	124,286

e) Key management compensation

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

	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
Short-term employee benefits	48,603	50,326	41,507	42,865
Post-employment benefits	6,340	5,959	5,879	5,959
	54,943	56,285	47,386	48,824

31 Commitments and contingencies

31.1 Capital commitments

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

	Consolidated financial statements		Separate financial statements	
As at	2021	2020	2021	2020
Construction, purchase of machinery and equipment agreements	Baht 9.32 million	Baht 9.98 million	Baht 4.94 million	Baht 6.64 million

31.2 Letters of guarantee

As at 31 December 2021, the Group had commitments under bank guarantees arising in the ordinary course of business amounted to Baht 2 million (2020: Baht 2 million).

32 Promotional privileges

Sales, classified as promoted and non-promoted activities are summarised as follows:

	Separate financial statements					
	2021			2020		
	Promoted activities Thousand Baht	Non-promoted activities Thousand Baht	Total Thousand Baht	Promoted activities Thousand Baht	Non-promoted activities Thousand Baht	Total Thousand Baht
Export sales	1,284,441	5,943,688	7,228,129	93,649	1,237,470	1,331,119
Domestic sales	988,598	2,852,846	3,841,444	1,564,180	2,654,875	4,219,055
Total sales	2,273,039	8,796,534	11,069,573	1,657,829	3,892,345	5,550,174

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

On 28 December 2009, the Company received approval for promotion privileges from the BOI for seed and seedling production under promotional privilege certificate no. 1209(2)/2553. The main privileges include the exemption of import duties on machinery, exemption of corporate income tax for the total promoted activities, but not exceeding 100% of investment excluding land and working capital, for the period of 8 years from the date income is first derived (2 August 2010).

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).

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).

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.



32 Promotional privileges (Cont'd)

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).

On 25 March 2019, the Company received approval for promotion privileges from the BOI for crude palm oil production under promotional privilege certificate no. 62-0292-1-00-1-0. The main privileges include the exemption of import duties on machinery, exemption of corporate income tax for the total promoted activities, but not exceeding 100% of investment excluding land and working capital, for the period of 5 years from the date income is first derived (19 August 2019).

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

33 Events after the reporting period

At the Board of Directors of the Company's meeting on 25 February 2022, it approved a proposed dividend payment for the operating results of 2021 at 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 will be paid at Baht 0.40 per share, totalling Baht 376 million. The proposed dividend payment will be further proposed at the Annual Shareholders' Meeting for the year 2022 for the consideration and approval.

Attachment 1

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

(1) Details of directors



Mr Apirag Vanich

Chairman

Age 56

Education: Master's degree in Business Administration from Indiana University and a degree in Agricultural Economics from Purdue University in the United States.

Training:

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

Experience: Director of the Vanich group of companies in 1990 and Executive Chairman of the group since 1992. The Vanich group of companies is concentrated mainly in Thailand and in addition to the Univanich palm oil business the group has interests in mining, transport, property development and hospital services.



Mrs Phortchana Manoch

Director

Age 67

Education:

Bachelor of Laws from Dhurakij Pundit University.

Bachelor of Science in Business Administration from the University of Wisconsin, the United States.

Master's degree in Hospital Administration from the University of Wisconsin, the United States.

Doctorate in Philosophy in Philosophy and Ethics from Suan Sunandha University

Training:

- Director Certification Program (DCP) #25/2005 Thai Institute of Directors Association (IOD)
- Financial Statements for Directors (FSD) #13/2011 Thai Institute of Directors Association (IOD)
- Good Governance for Medical Executive Course, King Prajadhipok's Institute #1/2012
- Anti-Corruption for Executive Program (ACEP) #13/2014 Thai Institute of Directors Association (IOD)
- Governance for Executives (CGE) #14/2019 Thai Institute of Directors Association (IOD)
- Director Accreditation Program (DAP) #175/2020 Thai Institute of Directors Association (IOD)

Experience: Currently Chief Executive of Aikchol Hospital Public Co., Ltd., a group of private hospitals in Chonburi Province. Mrs Manoch has been a director of the Univanich business for more than fifteen years and is also a director of other companies in Vanich group.



Ms Kanchana Vanich

Director

Age 63

Education: A degree in finance from the University of Wisconsin, in the United States.

Training: • Director Accreditation Program (DAP) # 36/2005 Thai Institute of Directors Association (IOD)

Experience: Ms. Kanchana Vanich has been a Director in the Univanich business since 1983 and is also a director of other companies in the Vanich group, including Aikchol Hospital Public Company Limited.



Dr Prote Sosothikul

Director

Age 54

Education: Doctorate in Business Administration from the American University of Hawaii and Master of Science degree from Boston University, USA.

Training: • Director Certification Program (DCP) #40/2004, Thai Institute of Directors Association (IOD)

Experience: Currently Vice President of Business Development for Seacon Development Public Company Limited, the developer and operator of the largest retail shopping complex in Thailand. Dr Prote Sosothikul was appointed as a non-executive director on the Univanich Board in 2000.



Mr John Clendon

Director / Group CEO

Age 73

Education: Diplomas in Agriculture and in Valuation and Farm Management, from Lincoln University in New Zealand.

Training: • Director Accreditation Program (DAP) # 57/2005, Thai Institute of Directors Association (IOD)
• Director Certification Program (DCP) # 95/2007, Thai Institute of Directors Association (IOD)

Experience: From 1980 to 1998 John Clendon was employed by Unilever Plantations and Plant Science Group of the UK, holding various management positions in the Asia-Pacific region, including that of Managing Director of the Univanich joint venture in Thailand from 1991 to 1996. Prior to re-joining Univanich in October 1998, Mr Clendon was Director of Unilever's oil palm operations in East Asia, Chairman and Managing Director of Unipamol Malaysia Sdn Bhd. and director of Unifield PLC in the UK

BOARD OF DIRECTORS



Dr Palat Tittinutchanon

Executive Director, Head of Oil Palm Research

Age 75

Education: Ph.D. (Soil and Plant Science) University of Florida, U.S.A., a Master's degree from North Carolina State University, USA. and a Bachelor degree from Kasetsart University in Thailand

Training: • Director Accreditation Program (DAP) class #176/2020 Thai Institute of Directors Association (IOD)

Experience: Before joining Univanich in 1988, Palat Tittinutchanon was Senior Oil Palm Agronomist in Thailand's Department of Agriculture. In 1988 he was appointed Research Officer responsible for the Univanich R&D programme. From 1994 he was seconded overseas by Unilever for two years as Estate Manager in Pamol Plantations Sdn Bhd in Malaysia. Upon his return to Thailand in 1996, he was appointed as Plantations Manager, responsible for operations in Univanich oil palm estates.

In April 2012, Dr Palat was appointed to the Board as Plantations Director and Head of Oil Palm Research.



Mr Suchad Chiaranussati

Chairman of the Audit Committee/Independent Director

Age 58

Education: Master's degree in Management Science from Imperial College, University of London and an honours degree in economics and political science from the London School of Economics.

Training: • Director Accreditation Program (DAP) #37/2005, Thai Institute of Directors Association (IOD)

Experience: Between 1992 to 1998, Mr Chiaranussati was a vice-president of Investment Banking at JP Morgan's Proprietary Investment and Investment Banking Unit. Early 1999 he was appointed as an advisor to the Bank of Thailand on matters relating to corporate sector debt restructuring, and the Financial Institutions Development Fund. Mr Chiaranussati was the Managing Principal of Westbrook Partners till 2004. Today, Mr Chiaranussati is the Managing Principal of RECAP Partners and is responsible for RECAP Partners' real estate investment operations for Asia. Mr Chiaranussati was appointed to the Univanich Board as an Independent Director on 12 February, 2000.



Mr Pramoad Phornprapha

Audit Committee/Independent Director

Age 55

Education: Mr. Pramoad Phornprapha has a MPA in Business and Government, Kennedy School of Government, Harvard University (Honours), MBA in Marketing, Kellogg School of Management, Northwestern University (Honours), and BS in Electrical Engineering, Northwestern University (Honours)

- Training:**
- Directors Certification Program, DCP 55/2005, Thai Institute of Directors Association (IOD)
 - Leader Program, CMA10, Capital Market Academy

Experience: Mr. Pramoad Phornprapha is the founding partner of consulting firm Claris Co., Ltd. and an ex-partner at The Boston Consulting Group (BCG). He has been advising leading companies in a number of industries across different functional areas in many Asian countries since 1995. His specific expertise is in strategic planning and corporate restructuring. He accumulated his experience during his nine years at BCG where he was the first South East Asian to be elected partner in 2001. He has been involved on topics ranging from strategy, operational effectiveness, to organisational improvement primarily in financial services, industrial goods, and consumer product industries. His recent focus has been on growth strategies and restructuring of large companies, particularly family owned conglomerates in Thailand.

Mr. Pramoad serves on the boards of a number of private and public companies including Sermasuk Public Company Limited, Thai Summit Harness Public Company Limited, Amarin Printing and Publishing Public Company Limited, Saigon Beer-Alcohol-Beverage Corporation and Food and Beverage United Co., Ltd.

Mr. Pramoad Phornprapha was appointed to the Univanich Board as an Audit Committee/Independent Director on 30th September 2017

BOARD OF DIRECTORS



Dr. Veerathai Santiprabhob

Audit Committee/Independent Director

Age 52

Appointment Date 30th April 2021

Education:

- Ph.D. in Economics, Harvard University
- A.M. in Economics, Harvard University
- B.A. in Economics, First Class Honors, Thammasat University

Training:

- Advanced Audit Committee Program (AACP 41/2021) Thai Institute of Directors Association (IOD)
- Director Accreditation Program (DAP 2007) Thai Institute of Directors Association (IOD)
- Directors Certification Program (DCP 2014) Thai Institute of Directors Association (IOD)
- Leadership Program, Capital Market Academy
- Corporate Strategy Executive Education Program, MIT Sloan School of Management, Cambridge, MA, USA.

Experience:

1994 – 2000	Economist, International Monetary Fund, Washington, DC, U.S.A.
1998 – 2000	Co-Director, Policy Research Institute, Fiscal Policy Office, Ministry of Finance (on leave from the IMF)
2000 – 2008	Siam Commercial Bank PCL, last designation held as Executive Vice President and Head of Business Bank - Strategic Planning Division
2009 – 2013	Executive Vice President and Chief Strategy Officer, The Stock Exchange of Thailand
2013 – 2015	Advisor, Thailand Development Research Institute
2015 – 2020	Governor, Bank of Thailand

Positions and Professional Associations

- Chair, Central Bank Governance Group, Bank for International Settlements (BIS)
- Chair, Asian Consultative Council, Bank for International Settlements (BIS)
- Member of the International Monetary and Financial Committee, International Monetary Fund (IMF)
- Member of the National Economic and Social Development Council
- Member of the Board, Securities and Exchange Commission
- Member of the Board, Insurance Commission
- Independent Director and Audit Committee Member, Bangkok Dusit Medical Services PCL
- Independent Director and Member of the Risk Management Committee, Thanachart Capital PCL
- Independent Director and Audit Committee Member, Central Pattana PCL
- Independent Director, Thai Airways International PCL
- Council Member and Audit Committee Member, Thammasat University
- Member, Independent Expert Oversight Advisory Committee, World Health Organization
- Chair, Southeast Asian Central Banks (SEACEN) Board of Governors
- Member, State Enterprise Policy and Supervisory Committee

Other Position in Listed Company

- Independent Director, Member of the Risk Management Committee, and Member of the Corporate Governance and Sustainable Development Committee, PTT Exploration and Production PCL



1. Mr. John Clendon	Director/ Group CEO
2. Dr. Palat Tittinutchanon	Director/ Executive Director/ Head of Oil Palm Research
3. Mr. Harry Brock	Chief Operating Officer (Uvan)
4. Mr. Nattapong Dachanabhirom	Chief Financial Officer
5. Mr. Phiphit Khlaisombat	Chief Engineer
6. Mr. Santi Suanyot	Senior Plantations Manager

MANAGEMENT COMMITTEE

(2) Details of executives or controlling persons

Name : Mr. John Clendon

Position : Director/ Group CEO

Please refer Board of Directors for personal profile

Name : Dr. Palat Tittinutchanon

Position : Director/ Executive Director/ Head of Oil Palm Research

Please refer Board of Directors for personal profile

Mr. Harry Brock

Position : Chief Operating Officer (Uvan)

Age : 47

Education : Bachelor of Science, Biological Sciences at Birmingham University, UK
Masters in Business Administration (MBA) (with Distinction), Bath University, UK

Experience : From 1998 to 2018 Harry was employed by New Britain Palm Oil Ltd, Papua New Guinea (wholly owned subsidiary of Sime Darby Plantations), holding various management positions. From 2011 – 2018, Harry was General Manager of New Britain Palm Oil Ltd, West New Britain Operations, and in 2018, joined Sime Darby Plantations Malaysia, as Regional Chief Executive Officer for the Central West Region.

Harry joined Univanich in September 2019 as General Manager responsible for management of all Univanich's operations in Thailand. He was appointed Chief Operating Officer (COO) for Thailand operations in 2020.

Training : Director Accreditation Program (DAP) #173/2020, Thai Institute of Directors Association (IOD)

Mr. Nattapong Dachanabhirom

Position : Chief Financial Officer

Age : 51

Education : Master of Business Administration, Prince of Songkla University.
B.A. (Accounting) The University of the Thai Chamber of Commerce.
Certified Public Accountant (Thailand).

Experience : Nattapong Dachanabhirom worked as an Audit Supervisor with Coopers & Lybrand (TH) Company Limited for 5 years from 1992. In 1997 he joined Univanich as Financial Controller and was promoted to Accounting Manager in 2000, responsible for the company's accounting and finance operations. In January 2016 he was promoted to be Chief Financial Officer responsible for financial operations and new business development throughout the Univanich Group

Mr. Phiphit Khlaisombat

Position : Chief Engineer

Age : 51

Education : BE in Industrial/Production Engineering, King Mongkut's University of Technology Thonburi

Experience : Before joining Univanich, Phiphit Khlaisombat worked as a Project Manager in Berli Jucker Public Company Limited. He joined Univanich in 2005 as a Factory Engineer and in 2008 was appointed as Factories Manager responsible for the operation of the company's three palm oil crushing mills in Thailand. In January 2016 he was promoted to Chief Engineer responsible for factory operations and new capital projects throughout Univanich group.



Mr. Santi Suanyot

Position : Senior Plantations Manager

Age : 58

Education : Bachelor of Science (Agriculture) from Chiang Mai University in Thailand

Experience : Prior to joining Univanich, as an Estate Manager in 1993, Santi Suanyot had been employed in the government's Horticulture Research Centre and as an assistant estate manager elsewhere in the oil palm industry. Since 1993 he has managed several Univanich estates and in 2006 was appointed as the company's District Manager in LamThap District, Krabi Province and in Cha Uat District, Nakhon Sri Thammarat Province. In January 2016 he was promoted to be Senior Plantations Manager with responsibility for management of all Univanich's plantations in Thailand.

(3) Details of Company Secretary

Miss Supaporn Na Songkhla

Position : Company Secretary

Appointment Date : 12 May 2021

Starting Date : 1 May 2021

Age : 52

Education : Bachelor in Business Administration from Songkhla Rajabhat University

Experience : Joining Univanich in 2014 as Executive Assistant and in May 2021 was appointed as Company Secretary

Duties and Responsibilities of Company Secretary

The Company Secretary perform duties as stipulated in section 89/15 and section 89/16 Of the Securities and Exchange Act (No. 4) B.E 2551, effective on 31 August 2008 with responsibilities, careful and honesty as well as complying with the law, objectives, Company regulations and Directors' resolutions as well as meeting resolutions However, the duties of Company Secretary as follow:

1. Prepare and file documents related to
 - A. Director Registration
 - B. Notice of the Board of Directors Meeting, Minutes of Board of Directors Meeting and Company Annual Report
 - C. Notice and Minutes of Shareholder Meetings.
2. Keep record of conflict of interest report from the Directors or the Executive
3. Act as contact person for completed information disclosure as required by relevant laws to the Securities and Exchange Commission and Stock Exchange of Thailand

In addition, the Company Secretary has other duties as follows:

- Giver advice related to relevant laws and regulations including the code of conduct of corporate governance practice so that any activities of the Board of Directors are undertaken in compliance with those relevant laws.
- Handle the Board of Directors Meetings and Annual General Meeting of Shareholders
- Act as contact person for completed information disclosure as required by relevant laws to the Securities and Exchange Commission and Stock Exchange of Thailand
- Carry out any tasks as assigned by the Company

DETAILS OF THE DIRECTORS OF SUBSIDIARIES

Attachment 2

Name of Directors	Subsidiaries	
	<u>UAC</u>	<u>UCPOC</u>
1. Mr. Apirag Vanich	X, /	/
2. Mr. John Harvey Clendon	/	/
3. Dr. Palat Tittinutchanon		/
4. Amer Hussein Mambuay	/	/
5. Aaron Roi B. Riturban	/	
6. Noemi J Talino		X, /
7. Mary Ching Talino Noveda		/
8. Jocelyn Talino Taray		/

Remarks :

- 1) UAC = Univanich Agribusiness Corporation
- 2) UCPOC = Univanich Carmen Palm Oil Corporation
- 3) X = Chairman, / = Director



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