

United Palm Oil Industry Public Company Limited  
and its subsidiaries

Review report and interim financial information  
For the three-month and six-month periods ended  
30 June 2022



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

To the Shareholders of United Palm Oil Industry Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of United Palm Oil Industry Public Company Limited and its subsidiaries as at 30 June 2022, the related consolidated statements of comprehensive income for the three-month and six-month periods then ended, and the related consolidated statements of changes in shareholders' equity and cash flows for the six-month period then ended, as well as the condensed notes to the interim consolidated financial statements. I have also reviewed the separate financial information of United Palm Oil Industry Public Company Limited for the same periods (collectively "interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34 Interim Financial Reporting. My responsibility is to express a conclusion on this interim financial information based on my review.

### **Scope of review**

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

### **Conclusion**

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

Kunlapee Piyawannasuth  
Certified Public Accountant (Thailand) No. 6137

EY Office Limited  
Bangkok: 10 August 2022

United Palm Oil Industry Public Company Limited and its subsidiaries

Statement of financial position

As at 30 June 2022

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>		
	<u>Note</u>	<u>30 June 2022</u>	<u>31 December 2021</u>	<u>30 June 2022</u>	<u>31 December 2021</u>
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents		81,592	32,782	64,090	16,729
Trade and other receivables	3	19,217	226,958	19,154	226,903
Current portion of lease receivables		1,380	1,545	1,380	1,545
Advance to employees		88	81	88	81
Inventories	4	290,017	241,767	290,017	241,767
Biological assets		139,496	112,273	139,496	112,273
Other current assets		15,247	12,483	12,094	9,393
<b>Total current assets</b>		<b>547,037</b>	<b>627,889</b>	<b>526,319</b>	<b>608,691</b>
<b>Non-current assets</b>					
Lease receivables - long-term portion		264	896	264	896
Investment in subsidiary		-	-	307,895	307,895
Investment in joint venture		40,433	26,571	25,000	25,000
Long-term loan to other company	5	17,020	17,480	-	-
Property, plant and equipment	6	900,545	877,811	900,545	877,811
Right-of-use assets	7	34,721	34,982	54,990	56,230
Bearer plants	8	174,138	176,452	174,138	176,452
Intangible assets		68	90	68	90
Other non-current assets		827	4,152	827	4,152
<b>Total non-current assets</b>		<b>1,168,016</b>	<b>1,138,434</b>	<b>1,463,727</b>	<b>1,448,526</b>
<b>Total assets</b>		<b>1,715,053</b>	<b>1,766,323</b>	<b>1,990,046</b>	<b>2,057,217</b>

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

**United Palm Oil Industry Public Company Limited and its subsidiaries**

**Statement of financial position (continued)**

**As at 30 June 2022**

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>		
	<u>Note</u>	<u>30 June 2022</u>	<u>31 December 2021</u>	<u>30 June 2022</u>	<u>31 December 2021</u>
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>Liabilities and shareholders' equity</b>					
<b>Current liabilities</b>					
Short-term loans from financial institutions	9	-	145,000	-	145,000
Trade and other payables	10	36,014	35,767	311,888	313,321
Current portion of long-term loan	11	36,667	36,667	36,667	36,667
Current portion of long-term lease liabilities		201	345	497	485
Income tax payable		64,379	9,387	63,676	8,634
Other current liabilities		6,614	6,859	6,614	6,859
<b>Total current liabilities</b>		<b>143,875</b>	<b>234,025</b>	<b>419,342</b>	<b>510,966</b>
<b>Non-current liabilities</b>					
Long-term loan, net of current portion	11	45,000	63,333	45,000	63,333
Long-term lease liabilities, net of current portion		43,311	42,647	63,454	63,705
Deferred tax liabilities		17,969	31,752	17,936	31,762
Provision for long-term employee benefits		17,873	17,390	17,873	17,390
<b>Total non-current liabilities</b>		<b>124,153</b>	<b>155,122</b>	<b>144,263</b>	<b>176,190</b>
<b>Total liabilities</b>		<b>268,028</b>	<b>389,147</b>	<b>563,605</b>	<b>687,156</b>
<b>Shareholders' equity</b>					
Share capital					
Registered					
324,050,000 ordinary shares of Baht 1 each		324,050	324,050	324,050	324,050
Issued and fully paid up					
324,050,000 ordinary shares of Baht 1 each		324,050	324,050	324,050	324,050
Share premium		321,545	321,545	321,545	321,545
Retained earnings					
Appropriated - statutory reserve		60,805	60,805	32,405	32,405
Unappropriated		740,625	670,776	748,441	692,061
<b>Total shareholders' equity</b>		<b>1,447,025</b>	<b>1,377,176</b>	<b>1,426,441</b>	<b>1,370,061</b>
<b>Total liabilities and shareholders' equity</b>		<b>1,715,053</b>	<b>1,766,323</b>	<b>1,990,046</b>	<b>2,057,217</b>

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

Directors

(Unaudited but reviewed)

## United Palm Oil Industry Public Company Limited and its subsidiaries

## Statement of comprehensive income

For the three-month period ended 30 June 2022

(Unit: Thousand Baht except earnings per share expressed in Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
<b>Revenues</b>					
Revenue		662,576	485,405	662,576	485,405
Other income					
Dividend income		-	-	3,480	4,383
Others		22,908	15,028	22,908	15,103
<b>Total revenues</b>		<b>685,484</b>	<b>500,433</b>	<b>688,964</b>	<b>504,891</b>
<b>Expenses</b>					
Cost of sales		545,585	334,600	545,969	334,989
Selling and distribution expenses		9,390	10,702	9,390	10,702
Administrative expenses		13,348	14,230	13,303	14,183
Loss arising from change in fair value of biological assets					
		11,800	44,042	11,800	44,042
<b>Total expenses</b>		<b>580,123</b>	<b>403,574</b>	<b>580,462</b>	<b>403,916</b>
<b>Profit from operating activities</b>		<b>105,361</b>	<b>96,859</b>	<b>108,502</b>	<b>100,975</b>
Share of profit (loss) from a joint venture		13,559	(966)	-	-
Finance income		140	117	66	51
Finance cost		(577)	(941)	(2,249)	(2,572)
<b>Profit before income tax benefits (expenses)</b>		<b>118,483</b>	<b>95,069</b>	<b>106,319</b>	<b>98,454</b>
Income tax benefits (expenses)	12	(22,150)	(7)	(21,804)	317
<b>Profit for the period</b>		<b>96,333</b>	<b>95,062</b>	<b>84,515</b>	<b>98,771</b>
<b>Other comprehensive income for the period</b>					
		-	-	-	-
<b>Total comprehensive income for the period</b>		<b>96,333</b>	<b>95,062</b>	<b>84,515</b>	<b>98,771</b>
<b>Basic earnings per share</b>					
Profit per share	13	0.30	0.29	0.26	0.30
Weighted average number of ordinary share					
(Thousand shares)		324,050	324,050	324,050	324,050

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

(Unaudited but reviewed)

## United Palm Oil Industry Public Company Limited and its subsidiaries

## Statement of comprehensive income

For the six-month period ended 30 June 2022

(Unit: Thousand Baht except earnings per share expressed in Baht)				
	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
<u>Note</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<b>Revenues</b>				
Revenue	1,449,635	947,877	1,449,635	947,877
Gain arising from change in fair value of biological assets	26,782	-	26,782	-
<b>Other income</b>				
Dividend income	-	-	3,480	4,383
Compensation from insurance	-	7,642	-	7,642
Others	42,310	24,725	42,310	24,725
<b>Total revenues</b>	<u>1,518,727</u>	<u>980,244</u>	<u>1,522,207</u>	<u>984,627</u>
<b>Expenses</b>				
Cost of sales	1,200,454	762,084	1,201,220	762,862
Selling and distribution expenses	21,683	20,873	21,683	20,873
Administrative expenses	25,942	27,049	25,855	26,957
Loss arising from change in fair value of biological assets	-	36,975	-	36,975
<b>Total expenses</b>	<u>1,248,079</u>	<u>846,981</u>	<u>1,248,758</u>	<u>847,667</u>
<b>Profit from operating activities</b>	270,648	133,263	273,449	136,960
Share of profit (loss) from a joint venture	13,862	(1,923)	-	-
Finance income	207	196	78	71
Finance cost	(1,272)	(1,720)	(4,572)	(4,912)
<b>Profit before income tax expenses</b>	283,445	129,816	268,955	132,119
Income tax expenses	12 (51,572)	(5,938)	(50,551)	(4,940)
<b>Profit for the period</b>	<u>231,873</u>	<u>123,878</u>	<u>218,404</u>	<u>127,179</u>
<b>Other comprehensive income for the period</b>	-	-	-	-
<b>Total comprehensive income for the period</b>	<u>231,873</u>	<u>123,878</u>	<u>218,404</u>	<u>127,179</u>
<b>Basic earnings per share</b>				
Profit per share	13 0.72	0.38	0.67	0.39
Weighted average number of ordinary share (Thousand shares)	<u>324,050</u>	<u>324,050</u>	<u>324,050</u>	<u>324,050</u>

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

(Unaudited but reviewed)

## United Palm Oil Industry Public Company Limited and its subsidiaries

## Statement of changes in shareholders' equity

For the six-month period ended 30 June 2022

(Unit: Thousand Baht)

## Consolidated financial statements

	Issued and	Share	Retained earnings		Total
	paid-up		Appropriated	Unappropriated	
	share capital	premium			
<b>Balance as at 1 January 2021</b>	324,050	321,545	60,805	428,772	1,135,172
Profit for the period	-	-	-	123,878	123,878
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	-	123,878	123,878
Dividend paid (Note 15)	-	-	-	(64,810)	(64,810)
<b>Balance as at 30 June 2021</b>	<u>324,050</u>	<u>321,545</u>	<u>60,805</u>	<u>487,840</u>	<u>1,194,240</u>
<b>Balance as at 1 January 2022</b>	324,050	321,545	60,805	670,776	1,377,176
Profit for the period	-	-	-	231,873	231,873
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	-	231,873	231,873
Dividend paid (Note 15)	-	-	-	(162,024)	(162,024)
<b>Balance as at 30 June 2022</b>	<u>324,050</u>	<u>321,545</u>	<u>60,805</u>	<u>740,625</u>	<u>1,447,025</u>

(Unit: Thousand Baht)

## Separate financial statements

	Issued and	Share	Retained earnings		Total
	paid-up		Appropriated	Unappropriated	
	share capital	premium			
<b>Balance as at 1 January 2021</b>	324,050	321,545	32,405	455,657	1,133,657
Profit for the period	-	-	-	127,179	127,179
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	-	127,179	127,179
Dividend paid (Note 15)	-	-	-	(64,810)	(64,810)
<b>Balance as at 30 June 2021</b>	<u>324,050</u>	<u>321,545</u>	<u>32,405</u>	<u>518,026</u>	<u>1,196,026</u>
<b>Balance as at 1 January 2022</b>	324,050	321,545	32,405	692,061	1,370,061
Profit for the period	-	-	-	218,404	218,404
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	-	218,404	218,404
Dividend paid (Note 15)	-	-	-	(162,024)	(162,024)
<b>Balance as at 30 June 2022</b>	<u>324,050</u>	<u>321,545</u>	<u>32,405</u>	<u>748,441</u>	<u>1,426,441</u>

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

(Unaudited but reviewed)

## United Palm Oil Industry Public Company Limited and its subsidiaries

## Cash flow statement

For the six-month period ended 30 June 2022

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
<b>Cash flows from operating activities</b>				
Profit before tax	283,445	129,816	268,955	132,119
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	20,663	21,886	21,122	22,356
Share of (profit) loss from a joint venture	(13,862)	1,923	-	-
Loss (gain) arising from change in fair value of biological assets	(26,782)	36,975	(26,782)	36,975
Loss on write-off bearer plants	14	94	14	94
Reduction of inventory cost to net realisable value	20,910	14,998	20,910	14,998
Loss (gain) on disposal/write-off land, machinery and vehicles	(1,117)	2,280	(1,117)	2,280
Loss on impairment of assets	-	4,963	-	4,963
Provision for termination benefits and provision for long-term employee benefits	561	1,673	561	1,673
Dividend Income	-	-	(3,480)	(4,383)
Interest expenses	1,272	1,720	4,572	4,912
Profit from operating activities before changes in operating assets and liabilities	285,104	216,328	284,755	215,987
Operating assets (increase) decrease				
Trade and other receivables	207,741	(48,811)	207,749	(48,813)
Cash received from lease receivables	797	779	797	779
Advance to employees	(7)	(535)	(7)	(535)
Inventories and biological assets	(69,601)	(166,033)	(69,601)	(166,033)
Other current assets	(2,966)	1,839	(2,903)	1,903
Other non-current assets	3,325	277	3,325	277
Operating liabilities increase (decrease)				
Trade and other payables	377	22,095	(3,065)	23,655
Other current liabilities	(245)	3,260	(245)	3,260
Cash paid for termination benefits and long-term employee benefits	(78)	(2,298)	(78)	(2,298)
Cash flows from operating activities	424,447	26,901	420,727	28,182
Cash paid for interest expenses	(1,336)	(1,413)	(2,874)	(7,963)
Cash received from income tax	202	3,939	202	3,939
Cash paid for income tax	(10,363)	(20,153)	(9,335)	(19,416)
<b>Net cash flows from operating activities</b>	<b>412,950</b>	<b>9,274</b>	<b>408,720</b>	<b>4,742</b>

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



(Unaudited but reviewed)

**United Palm Oil Industry Public Company Limited and its subsidiaries**

**Cash flow statement (continued)**

**For the six-month period ended 30 June 2022**

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<b>Cash flows from investing activities</b>				
Decrease in long-term loan to other company	460	460	-	-
Proceeds from disposal of machinery, equipment and vehicles	1,117	755	1,117	755
Cash paid for acquisition of machinery and equipment	(37,521)	(13,024)	(37,521)	(13,024)
Increase in cost of bearer plants	(2,839)	(2,335)	(2,839)	(2,335)
Dividend received	-	-	3,480	4,383
<b>Net cash flows used in investing activities</b>	<u>(38,783)</u>	<u>(14,144)</u>	<u>(35,763)</u>	<u>(10,221)</u>
<b>Cash flows from financing activities</b>				
Increase (decrease) in short-term loans from financial institutions	(145,000)	5,000	(145,000)	5,000
Cash received from long-term loan	-	60,000	-	60,000
Repayment for long-term loan	(18,333)	-	(18,333)	-
Cash paid for lease liabilities	-	-	(239)	(228)
Dividend paid	(162,024)	(64,797)	(162,024)	(64,797)
<b>Net cash flows from (used in) financing activities</b>	<u>(325,357)</u>	<u>203</u>	<u>(325,596)</u>	<u>(25)</u>
<b>Net increase (decrease) in cash and cash equivalents</b>	48,810	(4,667)	47,361	(5,504)
Cash and cash equivalents at beginning of period	<u>32,782</u>	<u>39,840</u>	<u>16,729</u>	<u>27,104</u>
<b>Cash and cash equivalents at end of period</b>	<u><u>81,592</u></u>	<u><u>35,173</u></u>	<u><u>64,090</u></u>	<u><u>21,600</u></u>

**Supplemental cash flows information**

**Non-cash transactions**

Purchase of equipment for which no cash has been paid	705	888	705	888
Increase in right-of-use assets from contract modification	520	138	-	-

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

**United Palm Oil Industry Public Company Limited and its subsidiaries**

**Notes to interim consolidated financial statements**

**For the three-month and six-month periods ended 30 June 2022**

**1. General information**

**1.1 Corporate information**

United Palm Oil Industry Public Company Limited is a public company incorporated and domiciled in Thailand. Its parent company is Lam Soon (Thailand) Public Company Limited, which was incorporated in Thailand. The Company is principally engaged in the manufacture of crude palm oil and crude palm kernel oil. The registered office of the Company is at No. 64, Soi Bangna-Trad 25, Bangna Nuea Sub-district, Bangna District, Bangkok. Branch office and factory are located at No. 98 Moo 6, Nueaklong-Khao Phanom Road, Huayyoong Sub-district, Nueaklong District, Krabi.

**1.2 Basis for the preparation of interim financial statements**

These interim financial statements are prepared in accordance with Thai Accounting Standard 34 Interim Financial Reporting, with the Company choosing to present condensed interim financial statements. However, the Company has presented the statements of financial position, comprehensive income, changes in shareholders' equity and cash flows in the same format as that used for the annual financial statements.

The interim financial statements are intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events and circumstances so as not to duplicate information previously reported. These interim financial statements should therefore be read in conjunction with the latest annual financial statements.

The interim financial statements in Thai language are the official statutory financial statements of the Company. The interim financial statements in English language have been translated from the Thai language financial statements.

**1.3 Basis of consolidation**

These interim consolidated financial statements include the financial statements of United Palm Oil Industry Public Company Limited (hereinafter called as "the Company") and its subsidiaries (hereinafter called as "the Group") and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2021. During the current period, there were no changes in the composition of the Group.

## 1.4 Significant accounting policies

The interim financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2021.

The revised financial reporting standards which are effective for fiscal years beginning on or after 1 January 2022, do not have any significant impact on the Group's financial statements.

## 2. Related party transactions

During the periods, the Group had significant business transactions with related parties, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Group and those related parties.

(Unit: Million Baht)

	Consolidated		Separate		Transfer pricing policies
	financial statements		financial statements		
	For the three-month periods ended 30 June				
	2022	2021	2022	2021	
<b>Transactions with parent company</b>					
Sales of crude palm oil and crude palm kernel oil	566	456	566	456	Market price on contract's date
<b>Transactions with subsidiaries</b> (eliminated from the consolidated financial statements)					
Dividend income	-	-	3	4	As declared
Palm plantation rental expenses	-	-	1	1	Contract price
Interest expenses	-	-	1	1	THBFIX+1% per annum
<b>Transactions with joint venture</b>					
Purchases of oil palm seeds and fresh fruit bunch	3	2	3	2	Market price

(Unaudited but reviewed)

(Unit: Million Baht)

	Consolidated		Separate		Transfer pricing policies
	financial statements		financial statements		
	For the six-month periods ended 30 June				
	2022	2021	2022	2021	
<b>Transactions with parent company</b>					
Sales of crude palm oil and crude palm kernel oil	1,310	827	1,310	827	Market price on contract's date
Sales of fresh fruit bunch	-	63	-	63	Market price on contract's date
<b>Transactions with subsidiaries</b> (eliminated from the consolidated financial statements)					
Dividend income	-	-	3	4	As declared
Palm plantation rental expenses	-	-	3	3	Contract price
Interest expenses	-	-	2	2	THBFIX+1% per annum
<b>Transactions with joint venture</b>					
Purchases of oil palm seeds and fresh fruit bunch	4	3	4	3	Market price

The balances of the accounts between the Company and those related parties as at 30 June 2022 and 31 December 2021.

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 June 2022	31 December 2021	30 June 2022	31 December 2021
<b>Trade and other receivables - related party (Note 3)</b>				
Parent company	12,259	163,499	12,259	163,499
Total	12,259	163,499	12,259	163,499
<b>Trade and other payables - related parties (Note 10)</b>				
Subsidiaries	-	-	275,954	277,703
Total	-	-	275,954	277,703
<b>Lease liabilities - related party</b>				
Subsidiary	-	-	63,951	64,191
Total	-	-	63,951	64,191

#### Directors and management's benefits

During the three-month and six-month periods ended 30 June 2022, the Company had short-term employee benefits expenses and post-employment benefits expenses payable to its directors and management totaling Baht 5 million and Baht 10 million, respectively (30 June 2021: Baht 5 million and Baht 11 million, respectively).

**3. Trade and other receivables**

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2022	2021	2022	2021
<b>Trade receivables - related party</b>				
Aged on the basis of due dates				
Not yet due	12,259	163,499	12,259	163,499
Total trade receivables - related party (Note 2)	12,259	163,499	12,259	163,499
<b>Trade receivables - unrelated parties</b>				
Aged on the basis of due dates				
Not yet due	5,290	63,404	5,290	63,404
Total trade receivables - unrelated parties	5,290	63,404	5,290	63,404
Total trade receivables	17,549	226,903	17,549	226,903
<b>Other receivables</b>				
Accrued income	1,668	55	1,605	-
Total other receivables	1,668	55	1,605	-
Total trade and other receivables	19,217	226,958	19,154	226,903

**4. Inventories**

Movements in the allowance for reduction of cost of inventories to net realisable value account during the six-month period ended 30 June 2022 are summarised below.

	(Unit: Thousand Baht)
	Consolidated/Separate financial statements
Balance as at 1 January 2022	-
Reduction of inventory cost to net realisable value	20,910
Balance as at 30 June 2022	20,910

**5. Long-term loan to other company**

As at 30 June 2022 and 31 December 2021, a subsidiary had loan to other company of Baht 17 million. The loan has no collateral and carry interest at a rate of THBFIX plus 1% per annum. Principal payments are to be made at the end of June and December each year, with the final payment due in June 2040.

**6. Property, plant and equipment**

Movements in the property, plant and equipment account during the six-month period ended 30 June 2022 are summarised below.

	(Unit: Thousand Baht) Consolidated/Separate financial statements
Net book value as at 1 January 2022	877,811
Acquisitions during period - at cost	37,455
Depreciation for the period	(14,721)
Net book value as at 30 June 2022	<u>900,545</u>

**7. Right-of-use assets**

Movements in the right-of-use assets account during the six-month period ended 30 June 2022 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Net book value as at 1 January 2022	34,982	56,230
Differences from contract modification	520	-
Depreciation for the period	(781)	(1,240)
Net book value as at 30 June 2022	<u>34,721</u>	<u>54,990</u>

The subsidiary entered into a lease contract with the Treasury Department for an area of 4,294 rai, end of contract on 8 July 2044. The leasehold right has been used to secure a credit facility of Baht 30 million and the subsidiary is required to comply with prescribed terms and conditions.

**8. Bearer plants**

Movements in the bearer plants account during the six-month period ended 30 June 2022 are summarised below.

	(Unit: Thousand Baht) Consolidated/Separate financial statements
Net book value as at 1 January 2022	176,452
Increase during the period - at cost	2,839
Write-off during the period - net book value at write-off date	(14)
Amortisation for the period	(5,139)
Net book value as at 30 June 2022	<u>174,138</u>

A permit from Royal Forest Department granted to a subsidiary for the exploitation or inhabitation in the National Reserved Forests expired in January 2015. The subsidiary has leased the land of 13,030 rai to the Company for utilisation. The subsidiary is requesting the government unit to grant a permit to exploit or inhabit in such land of 6,515 rai, which is 50% of the usable land and the request is under consideration of such government unit. However, on 11 May 2022, that subsidiary was granted a permit to harvest forest product in the Nation Reserved Forest. The existing permit is valid for 1 year, expired on 11 May 2023 and the subsidiary is required to pay official royalty fees at the rate of 10% of the market price of oil palm and forest maintenance fees, at a rate of double the official royalty fees, when harvesting the oil palm crops planted.

### 9. Short-term loans from financial institutions

	Interest rate		(Unit: Thousand Baht)	
	(% per annum)		Consolidated/Separate	
	30 June	31 December	30 June	31 December
	2022	2021	2022	2021
Short-term loans from financial institutions	-	1.05 - 1.10	-	145,000
Total			-	145,000

### 10. Trade and other payables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2022	2021	2022	2021
Trade payables - unrelated parties	12,551	12,606	12,551	12,606
Other payables - related parties (Note 2)	-	-	275,954	277,703
Other payables - unrelated parties	3,672	2,864	3,672	2,864
Payables for purchase of assets - unrelated parties	705	771	705	771
Accrued expenses	19,086	19,526	19,006	19,377
Total trade and other payables	36,014	35,767	311,888	313,321

**11. Long-term loan**

Movements in the long-term loan account during the six-month period ended 30 June 2022 are summarised below.

	(Unit: Thousand Baht) Consolidated/Separate financial statements
Balance as at 1 January 2022	100,000
Repayment during the period	(18,333)
Balance as at 30 June 2022	81,667
Less: Portion due within one year	(36,667)
Portion due more than one year	45,000

The Company's long-term loan no. 1 is long-term loan under a joint loan agreement between the Company and parent company and the bank. The Company and parent company agree that the Company, as the party that draws down the loan, is to be primarily responsible for the principal and interest thereon.

The long-term loan is clean loan with a negative pledge of assets belonging to the Company and parent company (no. 1) and the Company (no. 2). The loan agreement contains covenant relating to maintenance of certain financial ratios specified in the agreement.

**12. Income tax**

Income tax expenses (benefits) for the three-month and six-month periods ended 30 June 2022 and 2021 are made up as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	For the three-month periods ended 30 June			
	2022	2021	2022	2021
<b>Current income tax:</b>				
Interim corporate income tax charge	29,784	10,608	29,458	10,291
Adjustment of income tax charge for previous year	631	-	631	-
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	(8,265)	(10,601)	(8,285)	(10,608)
<b>Income tax expenses (benefits) reported in profit or loss</b>	<u>22,150</u>	<u>7</u>	<u>21,804</u>	<u>(317)</u>



(Unaudited but reviewed)

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	For the six-month periods ended 30 June			
	2022	2021	2022	2021
<b>Current income tax:</b>				
Interim corporate income tax charge	64,724	15,362	63,746	14,411
Adjustment of income tax charge for previous year	631	-	631	-
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	(13,783)	(9,424)	(13,826)	(9,471)
<b>Income tax expenses reported in profit or loss</b>	<b>51,572</b>	<b>5,938</b>	<b>50,551</b>	<b>4,940</b>

### 13. Earnings per share

Basic earnings per share is calculated by dividing profit for the period attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the period.

### 14. Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance.

The Group's business operations involve 2 principal segments (1) oil palm plantation, crude palm oil and crude palm kernel oil processing (2) generation of electricity from biogases and biomasses. These activities are carried on exclusively in the single geographic area of Thailand. During the periods, there were no material activities pertaining to the generation of electricity from biogases and biomasses segment for the Group. Accordingly, most of the revenues, operating profit and assets as reflected in these financial statements pertain to the industry segment (1) and geographic area as mentioned above.

For the six-month period ended 30 June 2022, the Group has revenue from one major customer in amount of Baht 1,310 million, arising from oil palm plantation, crude palm oil and crude palm kernel oil processing segment.

**15. Dividends**

Dividends	Approved by	Total dividend (Million Baht)	Dividends per share (Baht)
Final dividend for 2020	Annual General Meeting of the shareholders on 23 April 2021	65	0.20
<b>Total dividend paid for the period ended 30 June 2021</b>		<b>65</b>	<b>0.20</b>
Final dividend for 2021	Annual General Meeting of the shareholders on 8 April 2022	162	0.50
<b>Total dividend paid for the period ended 30 June 2022</b>		<b>162</b>	<b>0.50</b>

**16. Commitments and contingent liabilities****16.1 Capital commitments**

As at 30 June 2022, the Company had capital commitments of Baht 0.6 million (31 December 2021: Baht 9 million and EUR 0.5 million) relating to the acquisition of machine and equipment.

**16.2 Guarantees**

As at 30 June 2022 and 31 December 2021, there were outstanding bank guarantees of Baht 3 million issued by banks on behalf of the Group in respect of certain performance bonds as required in the normal course of business.

**17. Right to utilise land**

The additional event from the consolidated financial statements for the year ended 31 December 2021 are summarised below.

Location	Additional event
Land plot No. 602	On 10 March 2022, the ALRO in Krabi filed an objection to the Company's statement. On 29 June 2022, the Supreme Administrative Court issued an order concurring with the Administrative Court of First Instance in refusing to accept a lawsuit, clarifying that the Company filed the lawsuit after the filing period. The case is therefore finalised.

Location	Additional event
Land plot No. 603	On 10 March 2022, the ALRO in Krabi filed an objection to the Company's statement. On 29 June 2022, the Supreme Administrative Court issued an order concurring with the Administrative Court of First Instance in refusing to accept a lawsuit on a notice designating a targeted area for land reform because the Company filed the lawsuit after the filing period. However, the Supreme Administrative Court accepted a lawsuit on a notice seeking a revocation informing them of vacating the land plots and demolishing all constructions. The Supreme Administrative Court is currently reviewing this case.

### 18. Litigation

There were no additional events as disclosed from the consolidated financial statements for the year ended 31 December 2021.

### 19. Fair value of financial instruments

Since the majority of the Group's financial instruments are short-term in nature or carrying interest at rates close to the market interest rates, their fair value is not expected to be materially different from the amounts presented in the statement of financial position.

### 20. Fair value hierarchy

As of 30 June 2022 and 31 December 2021, the Company had the assets that were measured at fair value using different levels of inputs as follows:

(Unit: Thousand Baht)

	Consolidated/Separate financial statements			
	As at 30 June 2022			
	Level 1	Level 2	Level 3	Total
<b>Assets measured at fair value</b>				
Biological assets	-	37,785	101,711	139,496

(Unit: Thousand Baht)

	Consolidated/Separate financial statements			
	As at 31 December 2021			
	Level 1	Level 2	Level 3	Total
<b>Assets measured at fair value</b>				
Biological assets	-	13,462	98,811	112,273

During the current period, there were no transfers between the levels of the fair value hierarchy.

**21. Approval of interim financial statements**

These interim consolidated financial statements were authorised for issue by the Company's Board of Directors on 10 August 2022.