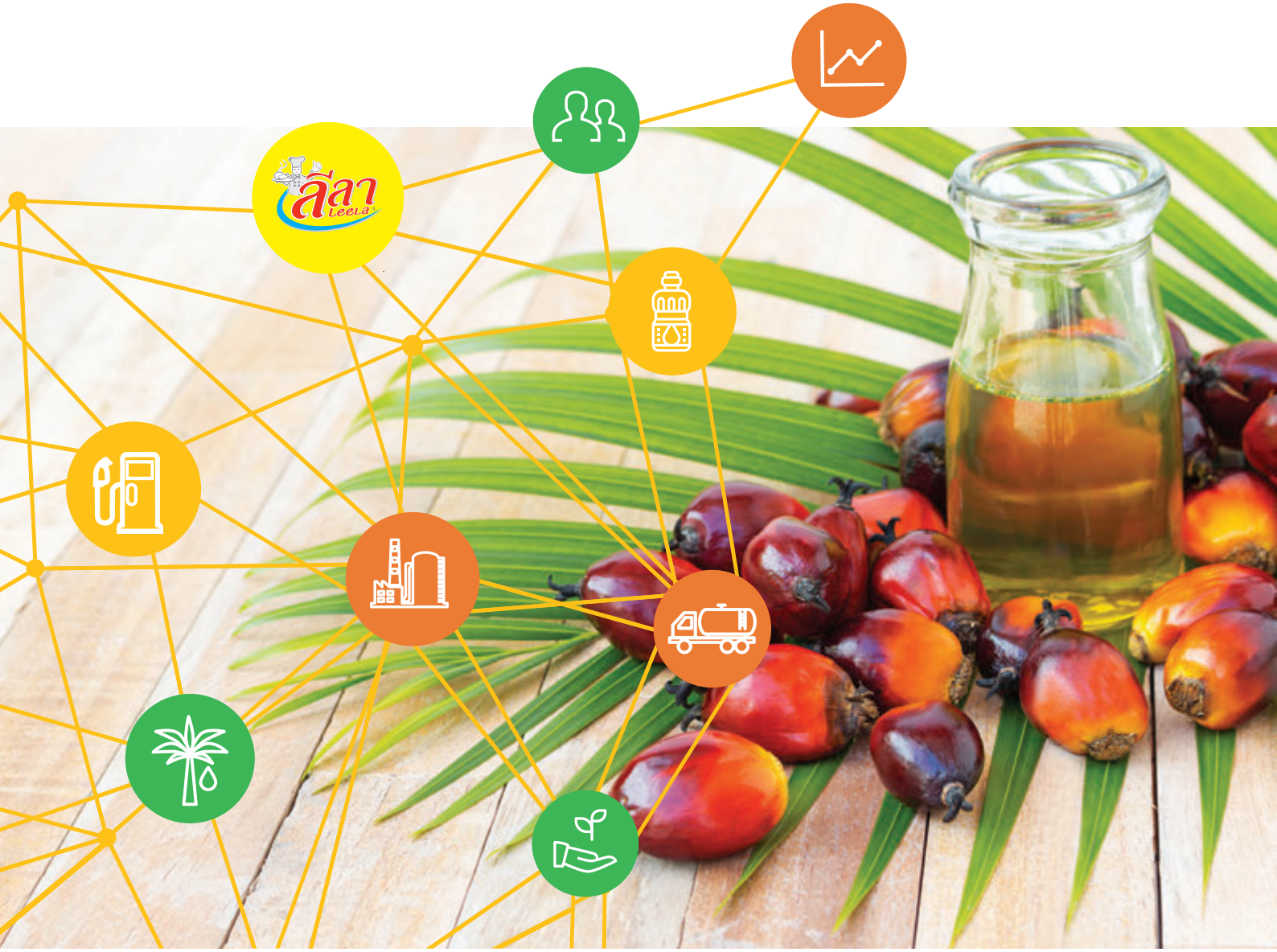
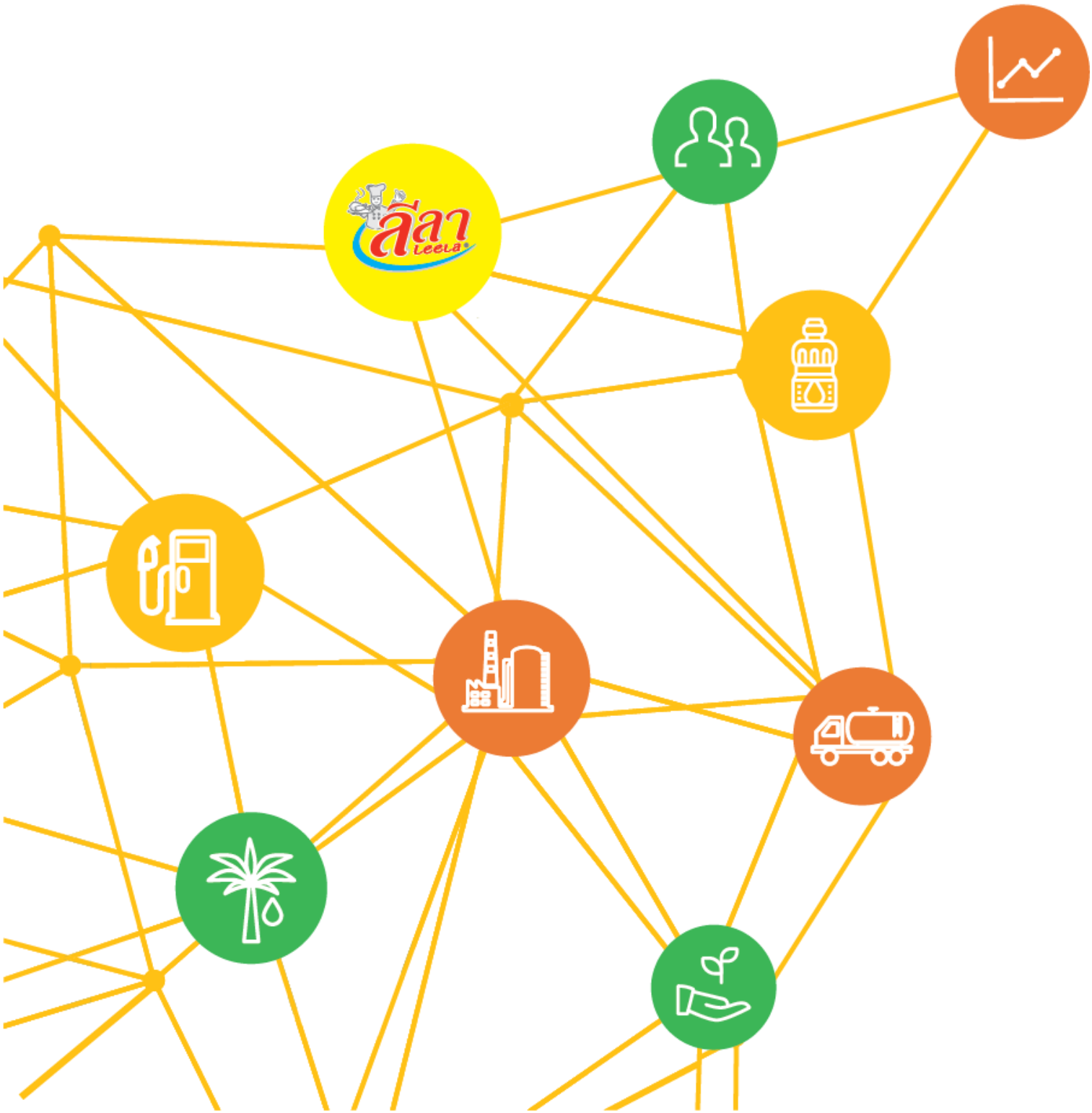
บริษัท ชุมพรอุตสาหกรรมน้ำมันปาล์ม จำกัด (มหาชน)
CHUMPORN PALM OIL INDUSTRY PUBLIC COMPANY LIMITED



ANNUAL REPORT

รายงานประจำปี 2563


ลีลา
Leela

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Message from Chairman of the Board of Directors

Dear Shareholders,

Thailand's overall economy in the year 2020 shrank by 7%, largely due to the uncertain market conditions and lower than expected agricultural production. In addition, the major export markets of Thailand also experienced economic contraction. Thai border trade in particular as the CLMV countries have been affected by the resumption of the coronavirus epidemic since October 2020. Thai GDP for 2021 is expected to grow at 3.2%, supported by an improvement in domestic demand, economic and world trade volumes recovery, as well as Government subsidized support. However, growth will be challenged by very low tourist numbers as any recovery in travel will still take a significant portion of the year. The coronavirus is expected to persist and affect not only tourism but majority of other industries as well. Regarding export, Thai border trade will likely take more time to recover, however, other destinations may improve taking a que from changing US policy.

For the palm oil industry, 2020 was a very volatile year. In the first quarter, palm output was still 3.4% lower than the previous year, resulting in a gradual decline in crude palm oil stocks until March, when seasonal production improved. However, due to the coronavirus outbreak the government was forced to take preventative measures and lockdown certain areas. This led to hoarding and buying of food products including palm oil resulting in a sharp jump in price rather than the expected price drop due to higher production. As coronavirus restrictions eased, we entered a seasonal production decline pushing prices even higher to near record levels at the end of 2020. From these reasons, the overall oil palm in 2020 fell by 9% from the previous year and crude palm oil inventory stock fell by 35% compared to the 2019.

For the palm oil industry in 2021, it is expected that in the first quarter, production will remain very low and improve only very slightly until the drought alleviates. It is expected that the situation may improve when production picks up as expected during the middle of the year. If the price returns to normal, consumption will grow to compensate for the shortage accordingly.

Finally, the Board of Directors and the management team would like to thank all our shareholders, customers and all business partners for their continued support of the company. We are ready to move forward firmly with confidence that we can manage the operations of the Company with even greater efficiency and improved results.



Mr. Banphot Hongthong

Chairman of the Board of Directors


สวนปาล์ม
Plantation


กระบวนการผลิต
Production Process


กลุ่มสินค้าอุตสาหกรรม
Industry Product


กลุ่มสินค้าพลังงาน
Energy Product

Chapter 1

Business Operation and Performance



1. The Company's Structure and Operation

1.1 Policy and Business Operation Overview

Chumporn Palm Oil Industry Public Company Limited (CPI) and subsidiary company produce and distribute Oil Palm Seeds, Oil Palm Seedling, Refined palm oil and including cooking oil and related industry. The company has been registered as a juristic person under the Civil and Commercial Code with initial registered capital of Baht 20,000,000. CPI's main business activity is the manufacture of crude palm oil, crude palm kernel oil and kernel meal. Two subsidiaries; Rungrueng Palm Oil Co., Ltd. and Pathiu Plantation Co., Ltd. which totally operated oil palm plantation more than 20,000 rai and outsiders and main suppliers of fresh fruit bunch to CPI for the main production process. CPI's policy places the utmost importance on advanced technology. Machines in use in the factory are most advanced in the industry from Europe in order to produce quality products with International Standard which became well accepted in the market. Successive expansions in business over the year have been complemented by rises in the registered capital and were transformed to a public company limited on September 14, 1993 which reached a value of Baht 210,000,000 with 21,000,000 ordinary shares with par value per share Baht 10.

At the present the registered capital is Baht 775,424,053. The paid up capital is baht 632,752,650 with par value per share Baht 1.00

Chumporn Palm Oil Industry Public Company Limited produces and distributes the following palm oil products:

(1) Crude Oil Products

- Crude Palm Oil (CPO)
- Crude Palm Kernel Oil (KO)

(2) RBD Oil Products

- Refined Bleached Deodorized Palm Oil (RBD Palm Oil : RPO)
- Refined Bleached Deodorized Palm Kernel Oil (RBD Palm Kernel Oil : RKO)
- Refined Bleached Deodorized Palm Olein (RBD Palm Olein : ROL)
- Cooking Oil packed in PET bottle under "LEELA" brand and OEM "Lek Kitchen brand"
- Cooking Oil packed in tin under "LEELA" brand and OEM "ARO" brand
- Cooking Oil packed in pouch under "LEELA" brand and OEM "ARO" brand

(3) By Products

- RBD Palm Stearin (RHST)
- Palm Fatty Acid Distillate (PFAD)
- Palm Kernel Fatty Acid Distillate (KFAD)
- Kernel Meal (KM)

1.1.1 Vision Mission and Policies

Vision CPI will be sustainable organization and follow corporate governance principles with social and environmental.

Mission

1. Complete palm oil business from upstream to downstream which is carefully to occupational safety, health and environment and seeking for opportunities to grow into relate businesses.
2. Research and Development to acquire innovative products.
3. Human resource development along with building good relationship with organization.
4. Add value for stakeholders including taking part in community around the factory.

(Remark: Vision and Mission have been reviewed from the Board of director's meeting No.6/2020 on November 12, 2020)

Quality Policy

The Company and subsidiary are committed to developing and delivering the highest quality products to meet customers' satisfactions and safety of consumers, with continual Improvement of internal process to minimize costs and maximize efficiency. Emphasis is put on developing the capabilities of employees, whilst instilling the values and drive for highest standard and quality through involvement of employees at all levels.

Management Policy

1. Efficiency and Effectiveness.
2. Fairness to all Stakeholders.
3. Transparent and Accountable.
4. Strict observance of the law and co-operation with the Government of any nation which business is carried out.

Anti-Corruption Policy

1. Anti-Corruption Policy.
2. Whistle Blower Policy.
3. Gifts, Entertainment and Expenses Policy.

Business Strategy

In year 2020, an overall of business strategy to increase competitiveness by continuing to focus on the following;

Sustainable organization and follow corporate governance principles

Complete palm oil business from upstream to downstream. Research and development to acquire innovative products. Seeking for opportunities to grow into relate businesses. Add value for stakeholders including taking part in community around the factory.

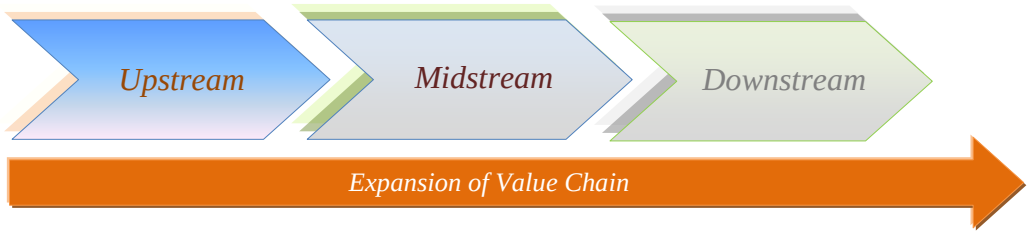
Social and environmental

Carefully to occupational safety, health and environment and Human resource development along with building good relationship with organization.

Business Goals

The company set business goals to operate the complete palm oil business from upstream to downstream. The company has already operated the full range of upstream and midstream but in the downstream for example, Biodiesel Plant, Oleo Chemical Plant are not yet operated. As there are many external factors that affect investment consideration and some factors cannot be controlled or customized by the company. This must be study the suitability of the value of investment. Moreover, consumer demand changes rapidly. This makes the downstream part not able to complete immediately.

Value Chain of Oil Palm Industry



Upstream	Midstream	Downstream
* Nursery Palm * Palm Plantation	* Crushing Mill * KO Mill * Biogas Power Plant * Biomass Power Plant	* Refinery & Fractionation Plant * Packing Plant / Brand expansion * **Biodiesel Plant** ** * **Oleo Chemical Plant**** * Organic & RSPO Oil * Others (Future Trading, Marketing, Logistics)

1.1.2 Major changes and developments of the company

2018

- Increasing registered capital in CPP Company Limited Baht 6,000,000 to be total Baht 191,000,000.
- Being awarded "2018 National Excellent Establishment" on Occupational Health Safety and Environment in Safety Week Activity in the Southern part of Thailand.
- CPI Energy Company Limited and All Bloom Coconut Company Limited was registered the dissolution and the liquidation with the Department of Business Development.

2019

- Increasing registered capital in CPI Trading Company Limited Baht 5,000,000 to be total Baht 5,050,000.
- CPI Glow Company Limited was registered the dissolution and the liquidation with the Department of Business Development.
- Being awarded "2019 National Excellent Establishment" on Occupational Health Safety and Environment in Safety Week Activity in the Southern part of Thailand.
- The Company received a renew of certified as a member of the Collective Action Coalition Against Corruption.
- Invested 49 percent of total issued shares in C K Trading Company Limited.

2020

- Received a certificate of entrepreneur who participated in the temporary supervision weights and measures and is allowed to use the logo to certify the quantity of package From the Department of Internal Trade.
- Established the subsidiary namely, CPI Power Company Limited to support future project for generating and distribution all types of electricity and energy.
- CPI Trading Company Limited and CPI Green Company Limited was registered the dissolution and the liquidation with the Department of Business Development.

1.1.3 Fundraising

In year 2020, the company didn't offer Equity or Debt instrument.

1.1.4 Obligations and/or license terms and/or receiving conditions of Securities

In year 2020, the company didn't offer Securities.

1.1.5 Office location and total of shares of the company

Name	:	Chumporn Palm Oil Industry Public Company Limited
Head Office	:	296, Moo 2, Phet Kasem Road, Salui Sub District, Thasae District, Chumporn 86140 Tel. (077) 611 000 Fax. (077) 611 011
Branch Office No. 1:		1168/91 Lumpini Tower, 30th Floor, Rama IV Road, Thung Maha Mek, Sathorn, Bangkok 10120 Tel. (662) 679 9166 - 72 Fax. (662) 285 6369
Type of Business	:	The company produces and distributes palm oil product to the related industry and consumer markets. The products are Crude Palm Oil, Crude Palm Kernel Oil, Refined Bleached Deodorized Palm Oil, Cooking Oil packed in PET bottle, tin and pouch under "Leela" brand. There are other by–products such as RBD Palm Stearin, Palm Fatty Acid Distillate, Palm Kernel Fatty Acid Distillate and Kernel Meal etc.
Registration No.	:	0107536001184 (Former : BorMorJor.192)
Website	:	www.cpi-th.com
E-mail	:	info@cpi-th.com
Registered Capital	:	Baht 775,424,053
Paid up capital	:	Baht 632,752,650
Issued shares	:	632,752,650 shares
Par value per share:		Baht 1
Palm plantation	:	CPI 1 Pathiu plantaion 10,788 rais at Don Yang Sub-district and Kao Chairat Sub-district, Pathiu District, Chumporn. CPI 2 Huai Sak plantation 3,899 rais at Moo 7, Saithong Sub-district, Bangsapannoi District, Prachuabkirikan. CPI 3 Khao Chaiyarat plantation 2,401 rais at Moo 4,5 Kao Chairat Sub-district, Pathiu District, Chumporn.

CPI 4 Bangson plantation 2,626 rais at Moo 4, Bangson Sub-district and Moo 1, Talaysub Sub-district, Pathiu District, Chumporn.

CPI 5 Khlong Wang Chang 1,202 rais at Moo 4, Chumko Sub-district, Pathiu District, Chumporn.

1.2 Business operation

1.2.1 Revenue structure

Unit : Million Baht

Product	Conducted by	% Share of Company	Year 2020		Year 2019		Year 2018	
			Revenue	%	Revenue	%	Revenue	%
Palm seed , Palm seeding and other products	CPI Agrotech Co., Ltd	99.99%	30.52	100.00	25.14	100.00	37.20	100.00
Palm oil and other products	CPP Co., Ltd	99.99%	828.11	100.00	891.65	100.00	1,455.33	100.00
Domestic Revenue								
Palm Oil	Chumporn Palm Oil Industry PCL.		3,064.23	78.76	2,805.84	83.92	2,915.51	66.90
Other products			748.32	19.23	310.86	9.30	1,094.70	25.12
			3,812.55	97.99	3,116.71	93.21	4,010.21	92.01
Export Revenue								
Palm Oil	Chumporn Palm Oil Industry PCL.		18.25	0.47	180.35	5.40	244.94	5.62
Other products			59.82	1.54	46.80	1.40	103.18	2.37
			78.08	2.01	227.14	6.79	348.12	7.99
Total Separate Revenue			3,890.63	100.00	3,343.85	100.00	4,358.33	100.00



1.2.2 Product information

(1) Product and service characteristics and development of innovation

1) Crude Oil

1.1) Crude Palm Oil : CPO

It is a product derived from the extraction of FFB (Fresh Fruit Bunch). On average, 100 kg of perfect, fresh palm fruit will yield 17–19 kg of crude oil and will yield approximately 4–6 kg of palm seeds. This is considered a semi-finished product that is used as a raw material and transported over to the palm oil refinery to go through to the purification process. Afterwards, the product will be used as a raw material in food industries including instant noodles, various snacks, margarine, creamer, sweet and unsweetened condensed milk, or cooking oil used in household kitchens. It can also be used as a raw material in other industries apart from food products such as the industry of making soaps, detergents, makeup, wax candles, free fatty acids, paint, medicines, lubricant oil, and others. Currently, crude palm oil is the Company's raw material to go through the refining process to be shipped to industrial customers and consumer products manufacturers to produce vegetable oils in bottles, bags, and pails.

1.2) Crude Palm Kernel Oil : KO

This is a product derived from the extraction of palm kernel. On average, in 100 kg of perfect palm kernels will yield 42–44 kg of palm kernel oil which has the property nearest to coconut oil. Usually, coconut oil has a property most suited for downstream industries that are unrelated to food products. However, the deficient supply of coconut oil that doesn't meet the demand leads to the use of substitution product such as palm kernel that has similar properties. Generally, the price of palm kernel oil is within the same range as coconut oil and it is used for the same purposes as palm oil, that is, used for consumption within households and in food industries as a raw material for making margarine, creamer, fat used in bread baking and candies. On the other hand, the non-food industry uses palm kernel oil to produce soap, detergents, and free fatty acids. In this regard, palm kernel oil can be extracted only in a palm oil refinery with

modern technology that includes the process of separating the palm seeds from the fibers of fresh palm fruit.

2) RBD Oil)

2.1) RBD Palm Oil : RPO

It is a product derived from the crude palm oil refining process in order to purify the oil. This oil will be sold further to food-related downstream industries such as the instant noodle industry, snacks, or other food industries, especially fried foods. Furthermore, it can also be used to produce margarine, creamer, ice cream, condensed milk, as well as used in the biodiesel production industry.

2.2) RBD Palm Kernel Oil : RKO

It is a product derived from the introduction of palm kernel oil into the palm kernel oil refining process for purification, which will be distributed to the Oleo Chemical Industry.

2.3) RBD Palm Olein : ROL

It is a product derived from the introduction of refined palm oil through the wax separation process. The separated wax is a by-product which is generally known as pure palm stearin (this will be elaborated further under the by-product section). It will be sold to various food industries or packaged in bottles, pails, and bags under the brand “Leela,” as well as products manufactured under other brands.

3) By Product

3.1) RBD Palm Stearin : RHST

It is a product obtained from the process of separating wax from virgin palm oil. It is used in industries such as the production of margarine, soap, animal feed, as well as biodiesel production.

3.2) Palm Fatty Acid Distillate : PFAD

It is a product obtained from the acidification process from crude palm oil in a refined palm oil refinery. It is used in industries such as Oleo Chemicals, soap making, animal feed, as well as Biodiesel production.

3.3) Palm Kernel Fatty Acid Distillate : KFAD

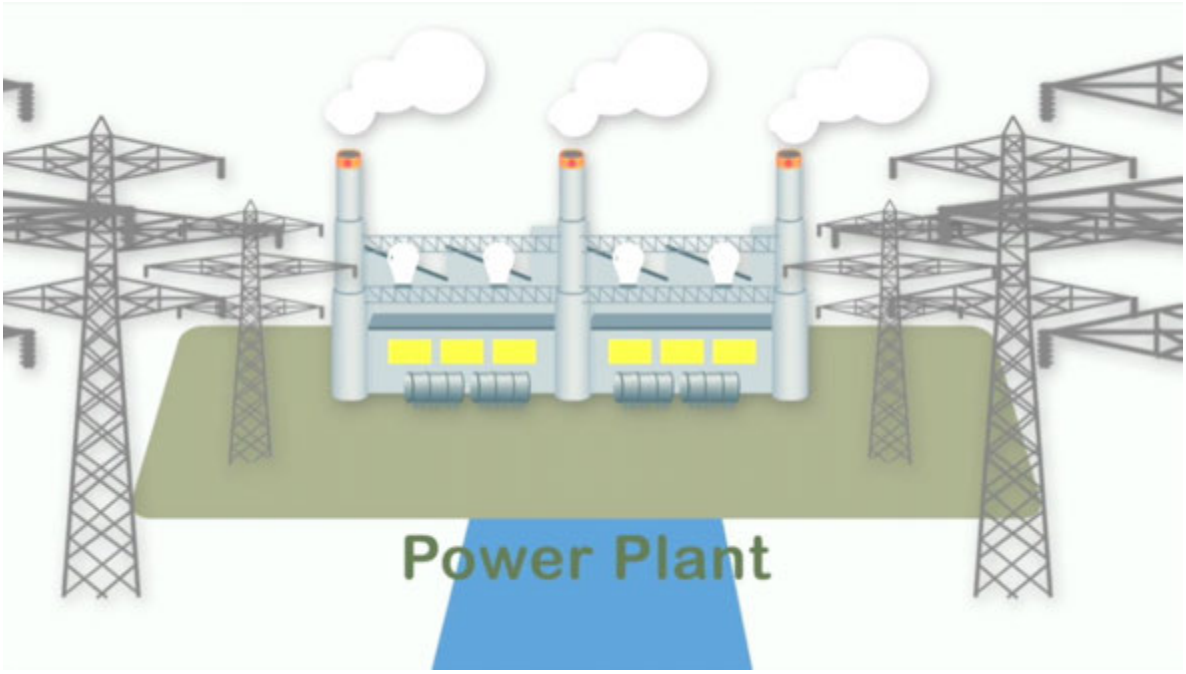
It is a product obtained from the acidification of palm kernel oil in the refined palm kernel oil refinery. It is used in industries such as Oleo Chemicals, as well as Biodiesel production.

3.4) Kernel Meal : KM

It is a product obtained after the process of extraction of palm kernel oil from palm kernels. It can be used in the animal feed industry, especially large animals, such as cattle.

4) Electricity distribution

The Company has entered into an electricity sales agreement using the wastewater from palm oil extraction (biogas) process as a fuel to generate electricity for the Provincial Electricity Authority. The maximum quantity is not more than 3 megawatts with average price at 3 baht per megawatt. The point of sale of electricity is at the office, located at Moo 2, Petchkasem Road, Salui Sub-district, Tha Sae District, Chumphon Province. Sales started in July 2014 and the contract extends for a 5-year period with automatic renewal. It will be effective until the contract is terminated under agreed circumstances stipulated in the terms of agreement.



5) Privileged Investment promotion

Under certain conditions, the Company and its subsidiaries are entitled to tax privileges from the Board of Investment. Such privileges include corporate income tax exemption for net profits derived from the promoted operations for a period of 8 years from the date that such business began to generate revenue. Details of the promotional certificates are as follows:

Details	CPI	CPI	CPI Agrotech	CPP	CPP
1. Promotion Certificate No.	1702(1)2556	2644(1)/2556	2390(5)/2554	2548(2)/2557	59-1178-1-00-1-0
2. To promote investment in the business.	Biogas production	Biogas electricity generation	producing palm seeds or palm seedlings	producing crude palm oil and crude palm kernel oil	biomass fuel electricity generation
3. Significant privileges received.					
3.1 Exemption from corporate income tax on net profits derived from promoted operations and exemption from the need to include dividends from promoted businesses that are exempted from corporate income tax to be calculated for income tax.	8 years	8 years	8 years	8 years	8 years
3.2 A fifty percent reduction of corporate income tax on net profits from investment for a period of five years from the date of expiration of the period in item 3.1.	yes	yes	no	no	no
3.3 Exemption of import duty on machinery as approved by the Board.	yes	yes	yes	yes	yes
4. Date of approval for promotion.	19 Feb 2013	14 Oct 2013	20 Sep 2011	2 Jul 2013	13 Jul 2016
5. Date of first income received from operating the business.	Not yet operated	29 Sep 2014	1 Aug 2013	2 Mar 2017	27 Apr 2017

6) Trademark

Trademark รูปแบบเครื่องหมายการค้า	Company ชื่อเจ้าของ	Product / Service ประเภทสินค้า/บริการ	Registration No. ทะเบียนเลขที่	Request No. คำขอเลขที่	Authorized ระยะเวลาคุ้มครอง	Protection period
ลีลา	Chumporn Palm Oil Industry PCL. บมจ.ชุมพรอุตสาหกรรมน้ำมันปาล์ม	น้ำมันพืช Cooking oil	ค45968 ค45968	296719 296719	08/01/2016 10 ปี	10 years
	Chumporn Palm Oil Industry PCL. บมจ.ชุมพรอุตสาหกรรมน้ำมันปาล์ม	น้ำมันพืช Cooking oil	ค148612 ค148612	365905 365905	01/11/2018 10 ปี	10 years
ปรีชาศิ	Chumporn Palm Oil Industry PCL. บมจ.ชุมพรอุตสาหกรรมน้ำมันปาล์ม	น้ำมันพืช Cooking oil	ค33902 ค33902	282280 282280	10 ปี 10 ปี	10 years
CPI	Chumporn Palm Oil Industry PCL. บมจ.ชุมพรอุตสาหกรรมน้ำมันปาล์ม	น้ำมันพืช Trademark	ค45968 ค33902 ค148612 ค33902 ค148612 ค33902 ค148612

(2) Marketing and Competition

(A) Key product marketing and services

1) Marketing strategy

The Company has a policy to control the production process in order to maintain the standard. In addition, there is also a quality and service policy that responds to the needs of customers in various areas in order to establish a good relationship with each other, such as providing useful and truthful information to customers, measuring customer satisfaction with products and services, including education and adopting marketing tools to help analyze and make decisions in the direction of the Company in the long run. At the same time, the Company also has a subsidiary to focus on researching palm varieties to be a source of knowledge and research data, as well as disseminating news and knowledge to general farmers. The information collected by the research company will be used in the cultivation of palm seeds aiming to get superior quality strains. The palm seeds obtained from the cultivation are expected to be suitable for farmers in various environments who grow palm trees in different areas, as well as disseminating news and knowledge to general farmers.

The Company has divided the business group into 5 main categories in order to be able to apply appropriate marketing planning. The groups are divided according to the business nature, namely industrial market group, energy market group, packing market group, consumer market group, and export market group. As a result, the administration becomes more convenient and flexible according to the needs and behavior of each business group. In addition, the Company continues focusing on teamwork, providing good and efficient services to the Company's customers, as well as the ongoing implementation of CSR projects in order to demonstrate responsibility towards society and the environment, which will lead to sustainable development in the future.

2) Price policy

Price level of fresh palm fruit, crude palm oil, palm kernel oil, refined palm oil and olein palm oil are determined by a number of factors: government policies to set prices and control imports and exports, government policies to intervene in markets to assist farmers, government policies to adjust the proportion of palm oil usage for the purpose of producing biodiesel, number of crude palm oil refineries and number of palm oil refineries, world crude oil price levels, global palm oil and soybean oil price levels, alternative vegetable oil price levels, the price level and the quantity of products in the country sold in the market, attempts to smuggle palm oil from neighboring countries, the stock of raw materials and manufactured goods of each factory, the

quantity of production, use and remaining palm oil in the inventory of the Department of Internal Trade, etc.

From the aforementioned factors, it can be seen that the price of the Company's raw materials is determined by many factors. Under regular conditions it is determined by the supply and demand in the market. However, in the event of excessive demand or supply, the market price is governed by market intervention by an announcement of the minimum recommended price of fresh palm fruit to prevent the price from falling too low, while the retail price of palm oil products is set not to exceed reasonable prices in order to prevent the price from skyrocketing. Other interventions include various import control measures. However, palm growers and consumers will benefit from the measure.

From the aforementioned limitations, the Company's price policy is in accordance with market conditions and mechanisms. The Company will adjust the sales policy in each period to be appropriate and up to date with the situations with the least impact on product cost. This is to prevent and reduce the risk arising from the uncertainty in the volume of orders from customers who are affected by the price fluctuation conditions.

3) Sales and distribution channel

- Crude palm oil and palm kernel oil will be sold directly to palm oil refineries and other continuous industrial plants at the buyer's factory purchase price.
- Refined palm oil and olein palm oil will be sold to industrial factories and big wholesalers by being packaged into bottled vegetable oil, bags, and pails for distribution to wholesalers and retailers, including general consumers, and delivered in a tanker vehicle to various industrial factories.
- By-products of refined palm stearin and palm fatty acids will be sold to the industrial group of biodiesel production and the oleochemical industry, including exporting to foreign markets. As for the palm kernel meal, the Company sells it to a large groups of livestock farmers or industrial factories directly related to animal feed, as well as selling to farmers in the area to support jobs according to the sufficient economy guidelines.

The method of selling the assorted products of the Company is mostly conducted in a form of purchasing agreements over different periods of time by determining the selling price, quantity, delivery period, and importantly, the product standard agreement. This can be divided into a long-term contract with a period of 3 months or more and a short-term contract with a period of approximately 1–2 months.

In addition to making a purchasing agreement, there are still some trades that are done daily using the price of the trading day as a basis (Spot Price).

In terms of trading of products in the group of packaged bottled, bags and pails, which are distributed through major wholesalers, the trading price will be determined by the price on the trading day only (Spot Price).

4) Exporting

In 2020, the Company has the export value compared with the total sales value at approximately 2 percent, most of which are exported in the form of refined oil products such as Olein palm oil (ROL), by-products such as Palm fatty acids (PFAD), etc. The export destinations were Malaysia, Cambodia, Bhutan, Republic of the Union of Myanmar, etc., through reliable agents. Payment was made in the form of opening an L/C at sight or T/T for hedging.

5) Customers characteristics

The Company has been in operation since 1979 and therefore has a long relationship with customers and people in the related businesses. In addition, the status of most people in this industry is of a good relationship with each other, despite the fierce competition, especially in terms of price. Nevertheless, the majority of the Company's customers are large organizations and are reliable in the industry. Therefore, the Company's risk of bad debt exists at a low level. The Company's sales are therefore done in a distributed manner rather than focusing on any individual in particular. There were only customers in the energy group which accounts for the sales value exceeding 10 percent of the total sales value in the past period.

The 2020 customer satisfaction survey stood at 85 percent, an increase of 2 percent from the previous year, as a result of increased customer satisfaction in terms of service and transportation quality.

6) Setting credit limit and payment term

The Company uses the criteria for giving credit terms according to customer groups and according to each sales channel, divided by each type of customer group as follows;

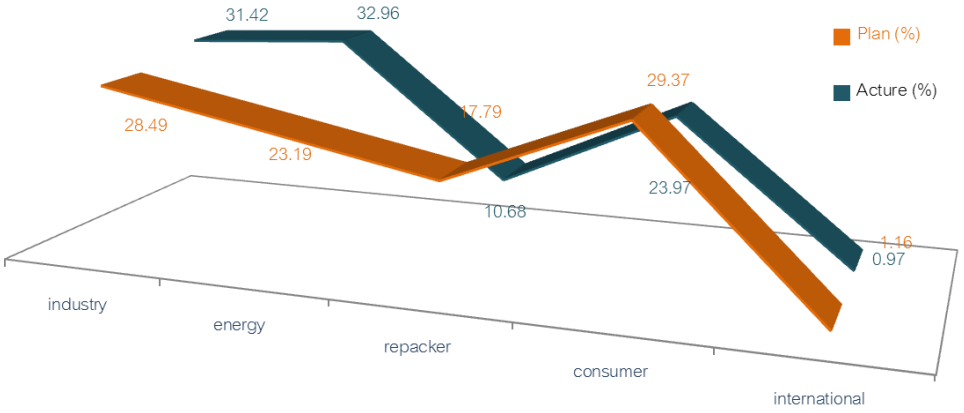
- Crude palm oil customers: consider comparisons within the same industry; however, on average, not more than 15 days.
- Refined oil customers: consider comparisons within the same industry; however, on average, not more than 15–30 days.
- Export market customers: in the case of exporting to the border market through a brokerage agent (Trader), the trading is to be done in cash and must transfer the money for the product in advance prior to delivery or make a T/T in advance. In case of exporting abroad through the customer directly (End User), the trading is to be done by T/T in advance at least 7 days prior the delivery of the product or deliver products from the factory or the Company. The delivery term is set as Ex-Factory or FOB.

(B) Competitive conditions

1) Competition status within the industry in the past year

The COVID-19 situation which led to the country's lock down caused an impact on the part of industrial customers. Customers' purchasing power has increased due to the hoard of products such as instant noodles, etc., resulting in increased sales in this group. As for the energy market, sales increased due to the government's support policy to use more bio-diesel energy. On the other hand, in the consumer group the consumer's purchasing power has decreased. Endowed with the past year, the quantity of raw material was lower, and the market price did not correlate with the price of the raw material. Some consumers turned to other types of oil which are priced lower than alternative palm oil.

In 2020, the Company planned a sales strategy based on the proportion of each business group according to the forecast of the market conditions in 2020. The achieved results were varied from the laid sales strategy due to the reasons mentioned above. The sales results compared to the plan are as follows.



2) Industry trends and future competitions

In the future, there will be more growth in the energy market industry from receiving support from the government sector in the use of biodiesel renewable energy from diesel B7 (B7) to conventional high-speed diesel (B10). It is also likely that the government will increase their support in the oleochemical industry which will result in the increasing proportion of palm oil usage. The competition to increase the market share of this group is likely to increase. For the market of industrial customers, the trend is stable or likely to grow just slightly. On the other hand, domestic consumer demand for palm oil declined due to the impact of the COVID situation, the domestic lockdown and lower productivity. This caused the edible palm oil price to become relatively high. Consumers may turn to other vegetable oils as a substitution, such as soybean oil, rice bran oil, etc.

3) Approximate number of competitors

There are 3–4 key competitors in the consumer industry market in the southern region both for the major and minor brands.

4) The size of the Company compared to the competitors

Compared to the securities companies operating in the palm oil business, there are about 3–4 companies, which are of similar size compared with each other.

5) Status and competitiveness

When it comes to edible oil, the Company produces palm oil under the brand name “Leela,” and with the Company’s palm oil factory and production base being located in Chumphon Province, this contributes to the Company’s marketing activities being mainly in the south. As a result, customers in the consumer industry, especially the southern region, have enormous potential for growth. However, in regard to the energy customers, the competitiveness depends on the

bid, in which mostly the prices entered are similar. But with the Company's location that is in the southern region, there is a disadvantage in terms of shipping costs if the goods have to be transported to other regions far from the production base.

(3) Providing products or services

1) Product demand

The Company has two palm oil extraction plants with a demand of approximately 756,000 tonnes per year of FFB, a refined palm oil refinery with approximate demand for crude palm oil at 180,000 tonnes per year, and a palm kernel oil mill which requires approximately 36,000 tonnes of palm kernels per year. The Company has therefore procured each type of raw material to feed into the production process in each section.

2) Procurement process of each type of product

2.1) Procurement of fresh fruit palm

In the process of procuring fresh fruit palm for extraction into crude palm oil, the Company purchases fresh fruit palm from oil palm growers around the Company's extraction plants, which is in the area of Tha Sae District, Chumphon Province, and obtained from the Company's own palm plantation that covers an area of approximately 20,000 rai. The amount of 100 kilograms of fresh fruit palm bunches can be extracted into crude palm oil in an amount of, on average, approximately 17–19 kilograms.

The palm farmers are able to sell products directly to the Company at the extraction plant. In addition, the Company also has a purchase yard, both in the form of the Company's own operation and a yard of a network that processes the quality control of palm fruit under the Company's standards scattered around the plant. This will help the Company better compete in buying palm fruit during the shortage period of fresh palm production or when the quantity of fresh palm fruit is not sufficient to meet the factory's raw material demand or during the time of high competition for raw materials. At present, the Company has 19 purchase points in total, covering Chumphon, Ranong and Prachuapkirikan provinces within a radius of 110 kilometers around the factory. As a result, it is convenient for the farmers to deliver their produce to the Company and the Company can have fresh palm fruit to feed into the production process continuously throughout the year.

However, as mentioned above, the Company has grown about 20,000 rai of oil palm, with some of the palm grown being over 30 years old. These old palm trees have tall trunks and are becoming difficult to harvest. The yields have also reduced over the years. As a result, the Company has gradually cut down the old palm trees in order to replant during 2009–2023. The newly planted palm trees have started to produce yields since 2016 and have gradually produced higher yields according to the age of the palm trees.

From the fresh palm fruit procurement in 2020, the Company has purchased approximately 84% of fresh palm fruit from farmers and approximately 16% was obtained from the Company's palm fruit plantation. The total supply of fresh palm fruit that was imported and produced in the extraction plant accounted for 58% of the production capacity throughout the year.

From the extraction of palm bunches into crude palm oil, various by-products from the production process are obtained. These include palm kernel, of which there will be 4–6 percent produced from 100 kilograms of fresh fruit bunches, which will be used to further produce palm kernel oil. In addition, empty palm bunches, palm fibers and palm shells are also obtained and which the Company uses as fuel to generate electricity for the Company's factories. This helps to save the Company's energy costs. The Company also distributes the generated electricity to the Provincial Electricity Authority as another source of income for the Company.

In this regard, from the purchase of fresh palm fruit both from farmers and the palm yards in the past 3 years, there have been no farmers or palm yard that the Company purchased over 30 percent of the total fresh palm fruit purchase. All purchases were made with domestic suppliers. No fresh palm fruit was imported from overseas.

2.2) Procurement of crude palm oil

In 2020, the Company's crude palm oil mill's capacity to support the demand for crude palm oil from the palm oil refinery to produce refined palm oil and sell the Company's customers at only about 42 percent. Therefore, the Company had to procure additional crude palm oil from other palm oil mills at approximately 58 percent. Most of these are located in the southern region, especially in Chumphon Province, Surat Thani Province and Krabi Province. Capacity utilization for the refinery accounts for 64% of the full year production capacity.

For procurement of crude palm oil from other palm oil mills in the past year, the purchase was distributed among multiple vendors. There was only one case that accounts for more than 25 percent of the total crude palm oil purchase. All purchases were made from all local sellers and no crude palm oil was imported from overseas.

2.3) Procuring of palm kernel

Since the Company has two extraction plants, the second one has been in operation since 2017. The Company has supplied a higher number of fresh palm fruit to the extraction plant, resulting in palm kernels as a by-product. In 2020, 22,536 tonnes of palm kernel were obtained with a 60% capacity utilization rate. For the year 2020, there was no sourcing of palm kernels from vendors.

3) Future situation and trends of raw material trends in the future

Year 2020 was considered as a highly fluctuating year for the palm oil industry in Thailand. This is regarding the quantity of fresh palm fruit, crude palm oil production sector, or in the various goods and products groups. Situations at the beginning of the year was that price of palm fruit bunches was at 6.15 baht per kilogram, crude palm oil at 35 baht per kilogram and crude palm oil inventory level at 320,000 tonnes. During the first quarter, the produce was low which resulted in the gradual decrease of the inventory level of crude palm oil to 230,000 tonnes which affected the price of the palm fruit bunches being adjusted up to 7.25 baht per kilogram while the crude palm oil price went up to 39.25 baht per kilogram. Until March, the yield began to increase but with the continuous spread of Coronavirus and many areas having to go through lockdown measures, this led to people hoarding products over a brief period of time. Afterward, the prices began to drop continually according to the quantity of the yield which increased due to it being in season. During May, the price of the palm fruit bunch hit the lowest at 2.70 baht per kilogram and the price of crude palm oil was down to 20.25 baht per kilogram. With a three-month average crude palm oil stock of 542,000 tonnes, the highest stock level in the year, the price fluctuated during the depressing period all the time according to the constant change in the situation from June to August. After palm production began to decline steadily from September until the end of the year, resulted in the price began to rise steadily until reaching the highest price level in the year again with palm bunches at the price level of 7.50 baht per kilogram, the crude palm oil price rose to 39.25 baht per kilogram in early November and ended in December with the remaining crude palm oil stocks that was largely reduced to 210,000 tonnes. In this regard, as the output and stock remaining at the end of the year were low, close to year 2019, it is expected that both the output volume and the overall price level in early year 2021 may have a similar trend to that of year 2020.

4) Process of production or disposal of waste raw materials that have an impact on the environment.

The Company manages the care of the palm plantations according to the academic principles. In the early-stage care, chemical fertilizers and chemicals were used to eliminate weeds and pests. These chemical agents costed several million baht per year. Later, the Company became more aware of the environmental issues and therefore tried to operate the business by bringing the leftover materials from the factory back to the palm plantations for maximum benefit, such as palm bunches, sludge from water treatment ponds, ash, powder and decanter residue to be used in the palm plantation of the Company to replace chemical fertilizers. In terms of weed elimination, from using chemicals previously, the Company has changed to planting cover crops instead and chose to remove some types of weeds which can greatly reduce the cost of chemicals. The Company has adopted a natural method by constructing a nest to use owls to control and eliminate rodent populations instead of chemical removal. The objective is to reduce the damage to fresh palm fruit and reduce ecological destruction by controlling the rat population without using chemicals. By doing so, it can reduce the cost of purchasing chemicals by millions per year.

Moreover, the Company has a wastewater treatment system that can produce methane as a fuel for power generation to be used in factories as well as sold to the Provincial Electricity Authority. Other debris left over from the manufacturing process is used as fuel in the production process. In the past year, there were no disputes or litigation related to environmental issues.

(4) Assets used in business operation.

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

Property Type / Characteristics	Value (Million Baht)	Obligation (mortgage)
1.1 Land	908.23	No
1.2 Land improvement	229.22	No
1.3 Building and building improvement	325.83	No
1.4 Machinery and equipment	1,038.82	No
1.5 Tools and factory equipment	19.61	No
1.6 Motor vehicles	44.63	No

Property Type / Characteristics		Value (Million Baht)	Obligation (mortgage)
1.7	Furniture fixtures and office equipment	28.04	No
1.8	Assets under installation/construction	12.15	No
	Total	2,606.53	
1.9	Bearer Plants		
	Palm trees		
	- ready for harvest	369.50	No
	- not ready for harvest	3.90	No
	Coconut trees		
	- not ready for harvest	0.54	No
	Total	373.94	
1.10)	Intangible assets, Computer software	2.82	No

2) Disclosure of the appraised value of land

- In 2018, the company arranged for an independent professional value to appraise the value of land. The basis of the revaluation used was the market approach. The revaluation value of land was higher than the prior revaluation by Baht 202 Million.
- In 2019, the company did not acquired land, therefore did conducting land price appraisal.
- In 2020, the company did not acquired land, therefore did conducting land price appraisal.

3) Investments in Subsidiaries and Joint ventures policy

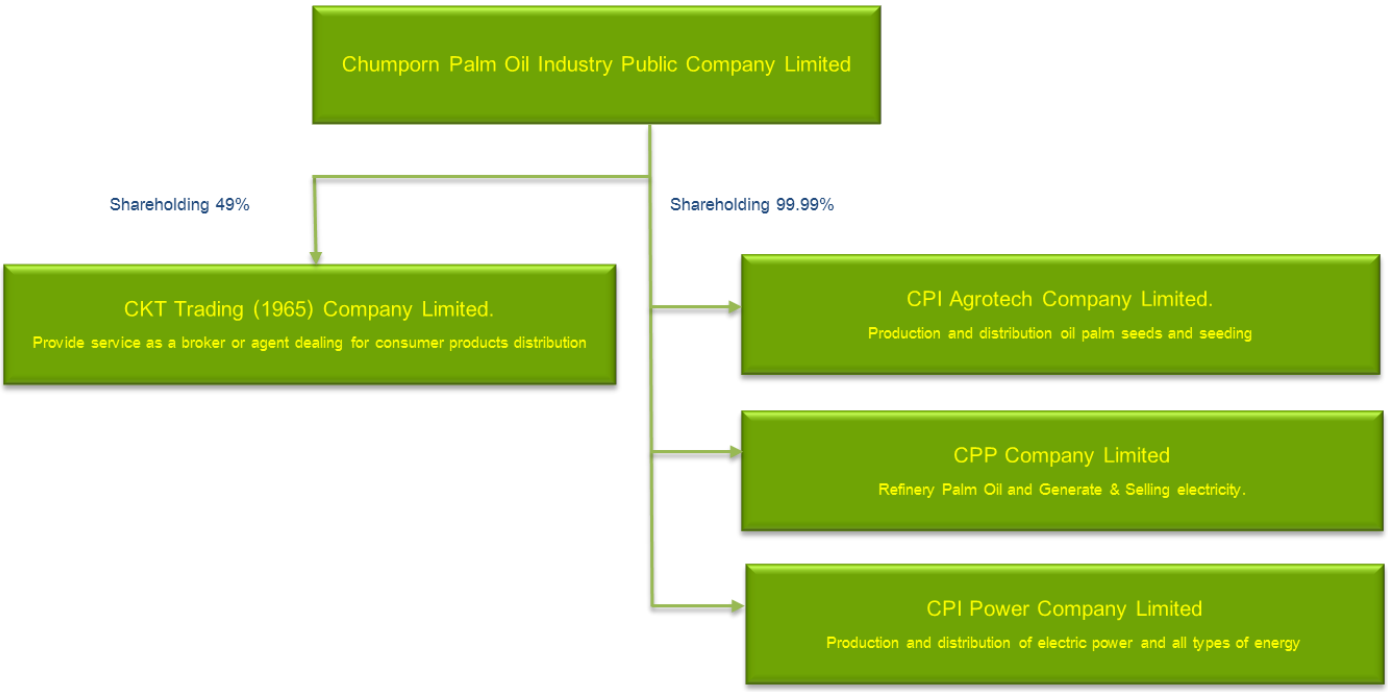
In addition to the subsidiary company operates in the present. The company has planned to invest in oil industrial such as Biodiesel, Biomass etc., and will invest in the beneficial business for the main company's business that had the possible trend of growth. The investment proportion and administration policy of the subsidiaries and joint ventures mainly depended on the expertise in business, investment capability, and management authority.

(5) Unfinised Works

-None-

1.3 The Company's shareholding structure

1.3.1 The Company's shareholding structure



Remark
1) CPI Agrotech Company Limited, CPP Company Limited, CPI Power Company Limited and CKT Trading (1965) Company Limited have not invested in other company.
2) CPI Power Company Limited has been established to support the future business plans which are expected to perform.
3) CPI Trading Company Limited was registered the dissolution on June 18, 2020 and registered the liquidation on November 14, 2020 with the Department of Business Development respectively.
4) CPI Green Company Limited was registered the dissolution on June 18, 2020 and registered the liquidation on November 26, 2020 with the Department of Business Development respectively.

Overview of subsidiaries business / juristic person which the company holds share more than 10%

1) CPI Agrotech Company Limited

Head Office	:	1168/91 Lumpini Tower, 30th Floor, Rama IV Road, Thung Maha Mek, Sathorn, Bangkok 10120 Tel. (662) 679 9166 - 72 Fax. (662) 285 6369
Branch Office No. 1	:	16 Moo 16, Salui Sub District, Thasae District, Chumporn 86140 Tel. (077) 599 680 Fax. (077) 599 943
Website	:	www.cpiagrotech.com
Registration No.	:	0105554104605
Type of Business	:	Produce and distribute oil palm seeds and seedlings to planters.
Registered Capital	:	Baht 15,000,000
Ordinary shares	:	1,500,000 shares
Par value per share	:	Baht 10
Paid up per share	:	Baht 10 (Fully paid)
Shareholding Ratio	:	owned by Chumporn Palm Oil Industry PCL. 99.99%

Registration and business operation information :

Year 2011	It has been registered as a juristic person under the Civil and Commercial Code on August 8' 2011 with initial registered capital of Baht 5,000,000 with ordinary shares 500,000 shares, par value per share Baht 10.
Year 2012	It was registered increasing capital company Baht 10,000,000 to be total registered capital Baht 15,000,000 with ordinary shares 1,500,000 shares, par value per share Baht 10.
Year 2012	Business operation began.

2) CPP Company Limited (Former Name : CPI Power Plant Company Limited)

Head Office	:	1168/91 Lumpini Tower, 30th Floor, Rama IV Road, Thung Maha Mek, Sathorn, Bangkok 10120 Tel. (662) 679 9166 - 72 Fax. (662) 285 6369
Branch Office No.1	:	89/1 Moo 7, Saithong Sub District, Bangsapannoi District, Prachuabkirikan 77170
Registration No.	:	0105555182855
Type of Business	:	Palm Oil Refinery and Generate & Selling electricity.
Registered Capital	:	Baht 191,000,000
Ordinary shares	:	19,100,000 shares

Par value per share	:	Baht 10
Paid up per share	:	Baht 10 (Fully paid)
Shareholding Ratio	:	owned by Chumporn Palm Oil Industry Public Company Limited 99.99%

Registration and business operation information :

Year 2012 It has been registered as a juristic person under the Civil and Commercial Code on December 14' 2012 with initial registered capital of Baht 500,000 with ordinary shares 50,000 shares, par value per share Baht 10.

Year 2014 It was registered name's company from CPI Power Plant Company Limited to CPP Company Limited and increasing capital company Baht 124,500,000 which paid up the capital in the first time 25% to be total registered capital Baht 125,000,000 with ordinary shares 12,500,000 shares, par value per share Baht 10 and in 2015 paid up the capital 75% to be fully payment.

Year 2016 It was registered increasing capital company Baht 60,000,000 which was fully paid to be total registered capital Baht 185,000,000 with ordinary shares 18,500,000 shares, par value per share Baht 10.

Year 2016 Made a sales agreement on electricity generated by using palm fruit fiber, palm bunch fiber and palm shell (biomass) as fuel to generate electricity for the Provincial Electricity Authority at the maximum quantity not exceeding 4 megawatts. The electricity sales point is at the branch office 1 located at 89/9 Moo 9, Saithong Sub-district, Bang Saphan Noi District, Prachuapkirikan Province. The average price of electricity is about 4.00–4.54 baht per kilowatt per hour. Sales started in March 2017 for a period of 5 years and automatically for 5 years each time and are in effect until the contract is terminated under circumstances as agreed in the contract details.

Year 2017 Business operation began.

Year 2017 Signed a contract to join a project to build a technology transfer center and prototype compressed biomethane gasification (CBG) system to construct a commercial compressed biomethane gas production and distribution station outside the natural gas pipeline with a capacity of not less than 6 tonnes per day with Chiang Mai University. This commenced in August 2017 for a period of 7 years until August 2024. Chiang Mai University will purchase biogas from the Company for use in compressed biomethane gas production system at an average rate of approximately 2.00–2.70 baht per Nm^3

Year 2018 It was registered increasing capital company Baht 6,000,000 which was fully paid to be total registered capital Baht 191,000,000 with ordinary shares 19,100,000 shares par value per share Baht 10.

3) CPI Power Company Limited

(The company has been established to support the future business plans which are expected to perform)

Head Office	:	1168/91 Lumpini Tower, 30th Floor, Rama IV Road, Thung Maha Mek, Sathorn, Bangkok 10120 Tel. (662) 679 9166 - 72 Fax. (662) 285 6369
Branch Office No.1	:	296, Moo 2, Phet Kasem Road, Salui Sub District, Thasae District, Chumporn 86140
Registration No.	:	0105563131067
Type of Business	:	Production and distribution of electricity and all types of energy.
Registered Capital	:	Baht 20,000,000
Ordinary shares	:	2,000,000 Shares
Par value per share	:	Baht 10
Paid up per share	:	Baht 2.50
Shareholding Ratio	:	owned by Chumporn Palm Oil Industry Public Company Limited 99.99%

Registration and business operation information :

Year 2020 It has been registered as a juristic person under the Civil and Commercial Code on September 8' 2020 with initial registered capital of Baht 20,000,000 with ordinary shares 2,000,000 shares, par value per share Baht 10.

4) C K Trading (1965) Company Limited

Head Office	:	1168/91 Lumpini Tower, 30th Floor, Rama IV Road, Thung Maha Mek, Sathorn, Bangkok 10120 Tel. (662) 679 9166-72 Fax. (662) 285 6369
Registration No.	:	0105562150530
Type of Business	:	Providing service as a broker or agent dealing for consumer products distribution and providing marketing services.
Registered Capital	:	Baht 10,000,000
Ordinary shares	:	100,000 shares
Par value per share	:	Baht 100

Paid up per share : Baht 100 (Fully paid)

Shareholding Ratio : Chumporn Palm Oil Industry Public Company Limited 49%

Khonburi sugar Public Company Limited 49%

Registration and business operation information :

Year 2019 It has been registered as a juristic person under the Civil and Commercial Code on September 2' 2019 with initial registered capital of Baht 1,000,000 with ordinary shares 10,000 shares, par value per share Baht 100 which was fully paid.

Year 2020 It was registered increasing capital company Baht 9,000,000 which was fully paid to be total registered capital Baht 10,000,000 with ordinary shares 100,000 shares par value per share Baht 10.

Year 2020 Business operation began.

5) Oversea business

-None-

1.3.2 Persons who may have conflicts holding shares in subsidiaries or associated companies altogether more than 10 percent of the voting shares of that company

None of the persons who may have conflicts hold shares in subsidiaries or associated companies at altogether more than 10 percent of the voting shares.

1.3.3 Relationship with the business group of major shareholders

The Company or its subsidiaries or affiliates does not conduct its main business with significant relationships, reliance on or competing with other businesses in the major shareholder group.

1.3.4 Shareholding Structure

(1) The Major shareholder

(a) The first ten major shareholders as of December 30, 2020

	Shareholders	Shares	Percentage
1.	Chumporn Holding Company Limited	214,669,400	33.926
2.	Mr.Kitti Chatlekhavanich's Group	36,955,701	5.840
	Mr.Kitti Chatlekhavanich	14,009,923	2.214
	Mr.Methee Chatlekhavanich	7,106,020	1.123
	Mr.Suthee Chatlekhavanich	6,345,418	1.003
	Mrs.Jongjin Chatlekhavanich	3,809,516	0.602
	Ms.Sukanya Chatlekhavanich	2,842,408	0.449
	Ms.Warapond Chatlekhavanich	2,842,408	0.449
	Mrs.Rakkhana Jeusaman	8	0.000
3.	Mr.Takon Tawintermsup's Group	34,871,001	5.511
	Mr.Takon Tawintermsup	7,761,158	1.227
	Mr.Rangsan Tawintermsup	18,721,720	2.959
	Mr.Rachoj Tawintermsup	5,348,266	0.845
	Mrs.Chongkolrat Tawintermsup	3,039,857	0.480
4.	Bangkok Insurance Public Company Limited	33,433,581	5.284
5.	Mr.Chusak Prachayangprecha's Group	30,410,961	4.806
	Mr.Chusak Prachayangprecha	13,253,181	2.095
	Mr.Kovit Prachayangprecha	7,700,974	1.217
	Mrs.Achara Prachayangprecha	2,808,336	0.444
	Mr.Pramote Prachayangprecha	1,470,136	0.232
	Mrs.Patcharee Prachayangprecha	1,334,720	0.211
	Mr.Suriyan Prachayangprecha	1,321,202	0.209
	Mr.Chakorn Prachayangprecha	156,150	0.025
	Miss.Sliporn Prachayangprecha	150,626	0.024
	Miss.Saowapa Kitrarak	1,334,720	0.211
	Mrs.Vimol Saeju	880,916	0.139

	Shareholders	Shares	Percentage
6..	Mr.Muangthong Sathengsakpong's Group	11,453,700	1.810
	Mr.Muangthong Sathengsakpong	10,032,700	1.566
	Mr.Nutthan Sathengsakpong	10,000	0.002
	Mrs.Pimpha Sathengsakpong	1,410,000	0.223
	Mr.Chaipruk Sathengsakpong	1,000	0.000
7.	Thai NVDR Company Limited	8,712,514	1.377
8.	Mr.Songridth Niwattisaiwong's Group	8,697,074	1.374
	Mr.Songridth Niwattisaiwong	2,831,260	0.447
	Mrs.Benjapan Niwattisaiwong	134,946	0.021
	Mr.Supachai Niwattisaiwong	2,898,802	0.458
	Mr.Meesak Niwattisaiwong	2,832,066	0.448
9.	Mr.Thawat Tachawattanasuk	7,000,000	1.106
10.	Mr.Wisut Ruangsukawanna	5,872,776	0.928
	Minor Shareholders	240,675,942	38.036
	Total	632,752,650	100

Remark Chumporn Holding Company Limited comprises shareholder as follows;

1. Mr.Takon Tawintermsup's group holds 1,845,000 shares or 21.96%
   - Mr.Takon Tawintermsup is director and holds 250,000 shares or 2.98%
   - Mr.Rachoj Tawintermsup is director and holds 225,000 shares or 2.68%
   - Mr.Rangsan Tawintermsup is director and holds 230,000 shares or 2.74%
   - Mrs.Rampha Tawintermsup holds 1,140,000 shares or 13.57%
2. Mr.Chusak Prachayangprecha's group holds 782,000 shares or 9.31%
   - Mr.Chusak Prachayangprecha is director and holds 325,000 shares or 3.87%
   - Mr.Kovit Prachayangprecha holds 150,000 shares or 1.79%
   - Mr.Pramote Prachayangprecha holds 137,000 shares or 1.63%
   - Mr.Suriyan Prachayangprecha holds 150,000 shares or 1.79%
   - Mr.Chakorn Prachayangprecha holds 20,000 shares or 0.24%
3. Mr.Kitti Chatlekhavanich's group holds 840,000 shares or 10%
   - Mr.Kitti Chatlekhavanich is director and holds 193,200 shares or 2.30%
   - Mrs.Jongjin Chatlekhavanich holds 126,000 shares or 1.50%
   - Mr.Methee Chatlekhavanich holds 168,000 shares or 2.00%
   - Mr.Suthee Chatlekhavanich holds 151,200 shares or 1.80%
   - Ms.Warapond Chatlekhavanich holds 67,200 shares or 0.80%
   - Ms.Sukanya Chatlekhavanich holds 67,200 shares or 0.80%
   - Mrs.Rakkhana Jeusaman holds 67,200 shares or 0.80%

4. Mr.Songridth Niwattisaiwong's group holds 620,000 shares or 7.38%
   - Mr.Songridth Niwattisaiwong is director and holds 205,000 shares or 2.44%
   - Mr.Meesak Niwattisaiwong holds 205,000 shares or 2.44%
   - Mr.Supachai Niwattisaiwong holds 205,000 shares or 2.44%
   - Mrs.Benjapan Niwattisaiwong holds 5,000 shares or 0.06%
5. Mr.Sommart Paisansirirat's group holds 609,000 shares or 7.25%
   - Mr.Sommart Paisansirirat is director and holds 100,000 shares or 1.19%
   - Mr.Somboon Paisansirirat holds 169,000 shares or 2.01%
   - Miss.Siriporn Paisansirirat holds 40,000 shares or 0.48%
   - Mr.Hiran Paisansirirat holds 100,000 shares or 1.19%
   - Mrs.Bugsim Paisansirirat holds 100,000 shares or 1.19%
   - Mrs.Kulya Paisansirirat holds 100,000 shares or 1.19%
6. Mr.Akechai Rojwanit is director and holds 639,000 shares or 7.61%
7. Mrs.Veerawan Sekisumi holds 50,000 shares or 0.60%
8. Mrs.Sirirat Songpattanayothin holds 100,000 shares or 1.19%
9. Greenergy Company Limited holds 2,110,000 shares or 25.12%
   (Not operate the same business with Chumporn Palm Oil Industry PCL.)
10. Grand Barai Company Limited holds 805,000 shares or 9.58%
    (Not operate the same business with Chumporn Palm Oil Industry PCL.)

Shareholding by nationality as of December 30, 2020

Nationality	Person	Share	Percentage
Thai	2,136	625,701,818	98.89
Other	8	7,050,832	1.11
Total	2,144	632,752,650	100

(b) A group of major shareholders who has influence on the policy-making or the operations of the company

1) Mr.Chusak Prachayangprecha's group by Mr.Chusak Prachayangprecha is director of the Company and authorized director.
2) Mr.Takon Tawintermsup's group by
   - Mr.Takon Tawintermsup is director of the Company and authorized director.
   - Mr.Rachoj Tawintermsup is director of the Company and Authorized Director and Deputy Chief Executive Officer
3) Mr.Kitti Chatlekhavanich's group by Mr.Kitti Chatlekhavanich is director of the Company and authorized director.
4) Mr.Songridth Niwattisaiwong's group by Mr.Kitti Chatlekhavanich is director of the Company and authorized director.

(2) Holding Company

The Company and subsidiaries do not operation business by holding share to another company.

(3) Shareholders' Agreement

The Company and subsidiaries do not have any agreement with shareholder.

1.4 Amount of registered capital and paid-up capital

1.4.1 Amount of registered capital, paid-up capital, and number of shares

The Company has a registered capital of 775,424,053 baht, divided into 775,424,053 ordinary shares, a paid-up capital of 632,752,650 baht and a par value of 1 baht per share, with Thailand Securities Depository Co., Ltd. as the Company's securities registrar.

Note : 186,856,013 ordinary shares have been issued for the exercise of the significant warrants rights to purchase ordinary shares of the Company No. 1 (CPI-W1). The most recent exercise of convertible warrants was set on June 30, 2015 and issued 28,000,000 ordinary shares to reserve for the exercise of warrants to purchase ordinary shares for directors and employees of the Company No. 1 (ESOP # 1) with the last exercise of conversion rights on June 29, 2018.

1.4.2 Other types of shares with rights or conditions different from ordinary shares

The Company does not issue other types of shares with rights or conditions different from ordinary shares.

1.4.3 Shares or convertible securities of the Company: It is the underlying securities for the issuance of investment units of the Thai Trust Fund and the Certificate of Benefit arising from the Thai Underlying Securities (NVDR)

None

1.5 Issuance of other securities

1.5.1 Convertible Securities: The warrants to purchase ordinary shares are issued and offered to the Company's directors and employees, and Subsidiary No.1 (ESOP#1)

First exercise date : 30 December 2013

Last Exercise Date : 29 June 2018

The Company did not issue convertible securities and warrants to purchase additional shares in 2020.

1.5.2 Debt securities

The Company does not issue debt securities.

1.6 Dividend Payment Policy

Dividend payment policy for the company and subsidiaries is not less than 40% of the net profit after deduction statutory reserves and income tax of the consolidated financial statements. The dividend payment would be considered to operation and retained earnings of separate financial statements of the company that could be able to make a dividend payment without any against the law and also take into consideration of economic situation and operation performance.

Company dividend payment information

Details	Year 2019	Year 2018	Year 2017
Net profit / (Loss) for the year on separate financial statement (Million Baht)	49.45	(62.98)	(82.13)
Net profit / (Loss) for the year on consolidated financial statement (Million Baht)	90.14	(139.42)	16.20
Shares (Million Shares)	632.75	632.75	632.75
Unappropriated retained earnings (Million Baht)	89.13	41.89	130.18
Annual dividend (Baht/Share)	0.071	omission	0.04
Total amount of dividends paid (Million Baht)	44.93	0.00	25.31
Annual dividend (Baht/Share)	50	N/A	N/A

Remark 1) Year 2017-2018 Dividend payment policy was considered from Net profit / (Loss) for the year on separate financial statement.

2) Year 2017-2018 Dividend payment was paid from unappropriated retained earnings of separate financial statements of the company which could not be calculated payout ratio.

3) Year 2018 Dividend payment policy was considered from Net profit / (Loss) for the year on consolidated financial statement (referred to AGM 1/2019 on April 25, 2019 approved to change dividend payment policy by consider from Net profit / (Loss) for the year on consolidated financial statement of year 2019 onward)

4) N/A : Dividend ratio could not be calculated because paid from unappropriated retained earnings of separate financial statements of the company.

2. Risk Factors Management

2.1 Policy and Risk Management Plan

The Board of directors and the management recognize the importance of risk management and the responsibility to comply with risk management procedure. Therefore, the Committee of Sponsoring Organizations of the Treadway Commission – Enterprise Risk Management (COSO-ERM) has been applied as a risk management guideline to manage risks that may arise under the uncertainties regarding various conditions of the Company, together with establishing risk management policies throughout the organization as follows;

1) Impose risk management as the responsibility of all directors, executives, and employees to ensure that risks are managed to an acceptable level by making risk management an integral part of normal operations.
2) Ensure that there is a manual on establishing the risk management system as a guideline to apply throughout the organization to have the same standard of practices.
3) Establish integrated organization-wide risk management with systematic and continuous management and operation in line with the achievement of the objectives of the organization.
4) Ensure that there is a process to monitor, evaluate and report risk management results including regular reviews and updates of operational guidelines.
5) 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 to the Company's Business Operation

The company shall present risks analyses by dividing them into two levels as industrial level and corporate level. The structure and regulations involved in the industrial level often effect the company's business operation quite unavoidably. Some of them are even considered permanent constraints that cannot be easily changed or eradicated. Therefore, for risk factors involved in industrial, shall be analyzed by studying the structure of production and consumption of the industry while the risks involved at the corporate shall be analyzed on using the framework recommended and lay down by the SET.

(1) Industrial Risks

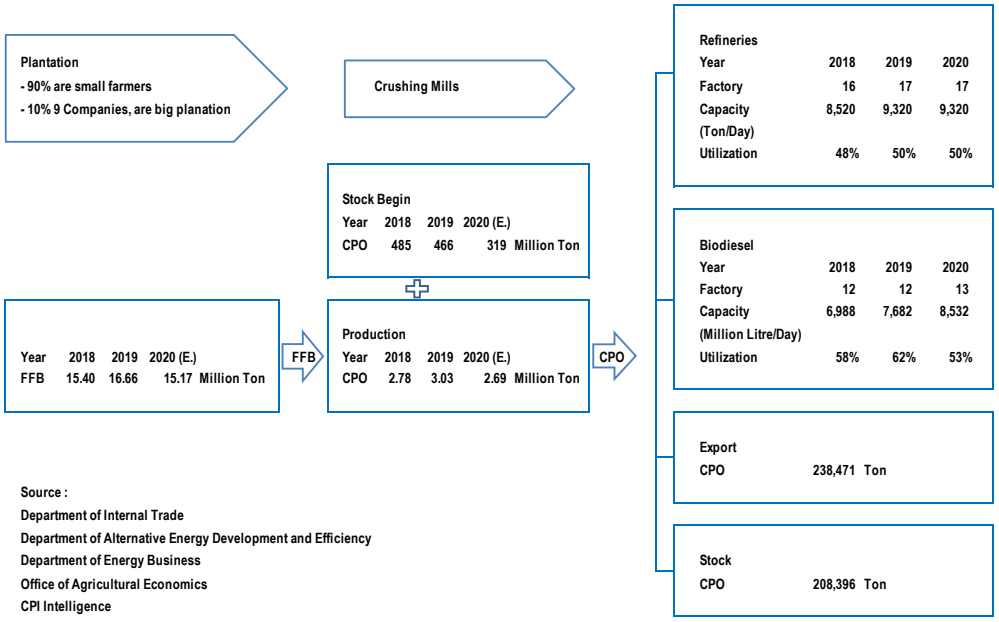
These are risks that all entrepreneurs in all business sectors confront with because they are structural risks which arise from policies and measures put forward by the state or its government agencies. We shall begin with general structure of the industry so that the investors can see and understand the general aspect of Palm Oil industry which is a basis needed in order to make sense of other aspects involved.

Picture 1 Basic Structure of Thai Palm Industries



Picture 1 shows the supply chain which is comprised of Palm Oil plantations sending their yields to crushing mills. Then, the crushing mill will extract oil from the fresh fruit bunches. The final product from this process is known as Crude Palm Oil or CPO which will then be sent to a refinery plant to purify and synthesize the substance and produce RPO or Refined Palm Oil and ROL or Refined Bleached Deodorized Olein (with Palm Stearin and Palm Fatty Acid Distillate as by products). The RPO can be used as cooking oil in instant noodles industry or as a component in other food industries such as in the production of condensed milk, margarine, soap, etc. In addition, RPO can also be used as a raw material in biodiesel production (to make Palm Methyl Ester or B100). Purchasers of RPO, therefore, are often biodiesel production plants which do not have crushing mills (They purchase RPO to mix with Methanol to produce Palm Methyl Ester, for example). In general, however, biodiesel plants and major production plants usually have their own refinery mechanism similar to those used in a palm oil refinery. Thus, they often buy CPO directly from a crushing mill and use it as a component in the production of Palm Methyl Ester.

Picture 2 Disproportion in the Supply Chain of Thai Palm Oil Industry



Picture 2 is still related to picture 1 in that it points out the disproportion between the demand and the supply of raw palm oil fruits available in the market and the additional strain imposed by unfounded import and export policies.

Once all machines and equipments are operated in full force, the production capacity of palm oil crushing mills can reach the maximum of 30 million tons of fresh fruit brach (FFB) per day. However, at the moment the total yields of the fruits from all plantations in the country remain only 15.17 million tons. It does not even reach the half point of the total production capacity of all crushing mills. This disproportion is represented by blue and pink column respectively.

On the demand side, 15.17 million tonnes of fresh palm fruit (FFB) will produce approximately 2.69 million tonnes of crude palm oil (CPO), comprising of about 1.20 million tonnes of demand from food and the food industry, demand as a substitute to using as a mixture in diesel B7, B10 and B20 at approximately 1.37 million tonnes, and exported to foreign markets at approximately 0.24 million tonnes. Total demand combined from the consumption industry and as exported commodity is at approximately 2.80 million tonnes. The stock rollover at the beginning of 2020 amounted to approximately 0.32 million tonnes.

However, the amount of crude palm oil that is consumed as food and used to produce biodiesel accounts for approximately 51% of the total production capacity of the palm oil refining and biodiesel plants only.

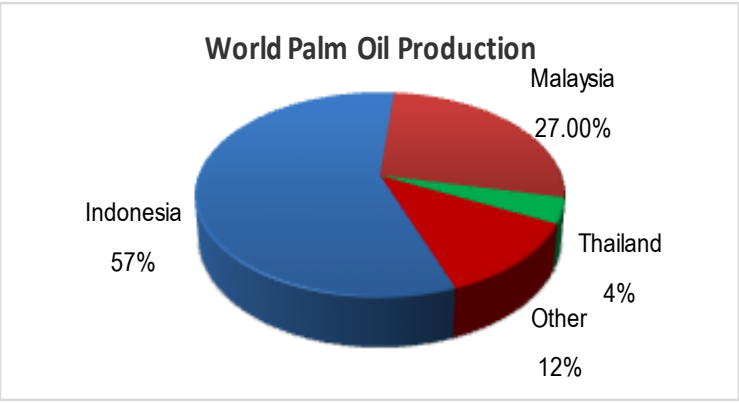
Competition within the industry, midstream and downstream producers will have a higher production capacity than the production of raw materials (fresh palm fruit) throughout the year. Moreover, palm oil is a product that is subject to import conditions. Therefore, manufacturers have to compete fiercely in order to obtain the fresh palm fruit, which is the raw material to feed into the production process. The palm growers benefit from this environment of competition over the raw materials.

At the same time, almost all of the palm oil produced is used for domestic consumption, both consumption as food and a renewable energy. This makes the supply and demand volumes similar in size. However, due to the producer's excess capacity, this leads to the need to compete for distribution to capture as much market share as possible. As a result, the margins of entrepreneurs in the midstream and downstream industries are not very high.

It can be seen that the competition within the industry is quite intense. The limitations to the new entrants are quite few, so it is quite easy for the new entrants to invest in the industry. If entrepreneurs who are already in the industry would like to expand factories or expand production capacity, it is also not very difficult. However, due to the current market competition situation, there is no incentive for new entrepreneurs to compete in the industry.

There are also other types of oil products such as soybean oil that can be used as a substitute for palm oil; therefore, the competition also extends to the soybean oil market as well.

In terms of export, it can be seen that Thailand is able export a small percentage of crude palm oil due to having to compete in price with crude palm oil producers from Indonesia and Malaysia. They are the world's first and second largest producers of crude palm oil and with more areas for cultivating fresh palm fruit. This results in fresh palm fruit entering the production process at a lower cost. Therefore, there are only a few short periods of time that the Company is able to compete with these two countries on export prices.



Picture : Production Share of Palm Oil by Country – Year 2020 Malasia and Indoniesia can produce palm oil at 84% of global market.

Source: U.S. Department of Agriculture

(2) The Specific Risks of Company Operation

The company has divide specific risks in its business operations by according to strategic, operations, finance and reporting, and in compliance with the laws as follows;

1) The strategic factor

- The Risks of Demand, Marketing, Purchasing and Services

The risk factor which has a significant implication is public policy and regulation such as the determination of ceiling price and palm price assessment which may affect to the production cost and the loss condition from purchasing, the imbalanced policy of imports and exports of crude palm oil, and the difference of crude palm oil which compared to foreign countries that may impact on the smuggling of oil imports from other countries and greatly effect on the domestic competition. Thus, the company favorable collaborates and attends the meetings with public sector in order to closely acknowledge the movements and deal with these risks by analyzing the public policy, appropriate inventory management with the current situation and control the raw material price and long-term extend planting areas.

The risk factor from less major customer reliance that may impact on the company revenue when there is no economic interaction with these customers. However, the company still manages continuously relations with the customer group and determines a higher circulation for current middle customer group within both central and southern regions and includes finding new customers in every units of the company.

- The Risks of Supply, Purchasing and Delivery

The risk factor which has a significant implication is a high competition in finding raw material and palm is an essential factor which the company firstly considers because the direct effect on the production procedure of the company in terms of deficient of raw material. However, the company has been trying to reduce the risk by distributing the purchasing of raw material from several distributors with in Chumporn province and neighboring provinces and build a great relationship with farmers in both service and a fair purchasing price.

The risk from raw material price fluctuation and by-products which may impacts on the costs and operation result. The company utilizes the advantage from futures market by hedging and uses the inventory management and costs which collects in the lower price range and sells the by-products as much as possible and do not store them in the warehouse in order to reduce the price fluctuation.

- The Risks of Labor

The risk from the lack of labors is the principal factor of the company, however, the company plans to deal with this type of risk in recruitment by adding more channels in several parts of each department within the company, there is succession plan, builds the relationship with employees to prevent the designation rate and provides training program and employee development in each professional skills.

2) The operation factor can be summarized as follows;

- The Risks of Raw Material and Product Quality and Warehousing

The company emphasizes in raw material and product quality by determining the risk management which may incurs the unqualified raw material and product by indicating the efficient operation process since the raw material receiving procedure, production, quality inspection, through store the product into the proper storage. In addition, the company also provides training program to its employees in order to enhance working capability.

- The Risks of Production and Maintenance

The readiness of machines is literally significant to the production procedure and the continuation of business. Therefore, in order to reduce the risk, the company determines the related departments to prepare the readiness of machines and spare parts in case of the occurrence of problems and there is the preventive maintenance planning for the inspection, report and following up the solution.

- The Risks of Project Management

The project management of the company to enhance the efficiency of business performance which may causes the unqualified project and unable to be completed within designated period. Therefore, the company implements the procedure of working performance from project planning, the review of project, the recruitment of the subcontractor, the checkup process of working operation, the project inspection and acceptance to ensure that the project performance is qualified and completed within the designated period.

- The Risks of Natural Disaster

In the recent ears, Thailand and other countries confront with the violent natural disaster, especially in 1989, Chomporn got impacted from Typhoon Gay, so the company considers to the risks of natural disaster which may occurs and violent by doing the insurance that covers to the property of the company such as building, machines, equipment, and inventory as well as covers to business interruption insurance.

In addition, another risk from natural disaster is drought which directly impacts on raw material quantity that used in the production process of the company, in order to reduce of the effect, the company always checks up the climates to make a plan and palm plantation management by water retaining.

- The Risks of Information System

The company emphasizes in information system and data communication to collect the data and quickly process the information. The employee are able to perceive the information correctly and clearly, and includes the system which assists in the decision making process of the executive administrators to make a decision quickly and accurately.

Therefore, the risks that may impact on the information system and data safety, thus the company implements the risks management to set a clear performance standard, which applied to the entire organization, and includes the contingency plan to handle with the disaster and business continuity plan.

3) **The Financial and reporting factor**

- The Risks of Finance and Exchange Rate.

The company lends money from banks in Thailand to expense in business performance because there is floating interest rate which incurs the risk in the global market that tends to increase the interest rate. However, the company has been trying to prevent the floating interest rate by making interest rate swap.

The company annually receives the revenue from trading with foreign countries around 7-8%, that causes the company requires to hold some dollar, this causes the risk in terms of the less perception of the revenue in baht currency from the appreciation of baht currency. Thus, the company works on this matter by following the baht currency tendency from analysis and make a forward contract with banks by comparing the premium and discount.

4) **The compliance factor**

- The Risks of Safety, Occupational Health and Environment

The company implements the safety, occupational health and environment policy for the working process in order to the clearance of operation and uses it as the guidance of working performance to reduce the risk such as eluent quality, dust from flue boiler etc. Furthermore, in terms of waste water from the production procedure, the company invests in biogas production system from waste water, after that water turns to be fertilizer from the treatment process and will be transmitted by the pipeline to farmers and the nearby livestock development department. In addition, the dust from flue boiler is also treated in terms of control the variable values according to the standard of the

Ministry of Industry and the environment department.

- The Risks of Regulations and Rules Performance

The company emphasizes in the regulations and rules performance which related to the business performance such as property rights, tax on taxations, property tax, regulations of ministries and public sectors. In addition, the company considers to the risk by implementing the explicit policy, announce the policy to all employees, provide the information to employee, and control working performance which may risk to the infringement of the property rights by continuously inspect it.

- The Risks of Anti-Corruptions

The company pay attends to Anti-Corruptions by assessment and controls all activities to prevent the corruption within the company and with government agencies or with all suppliers. In addition, the company signed a jointed program among private companies in Thailand as a gesture to fight against corruption as “Collective Action Coalition” and notify all parties involved, both internal and external, along with the company’s entire employee to abide by the policies and related regulations. The Internal Audit will assess and follow up in every business quarter.

3. Driving Business for Sustainability

3.1 Managing impacts on stakeholders in the business value chain

3.1.1 Business value chain

Representing the relationship of business-related activities to reflect the Company's commitment to adding value to products and services by reflecting the value that the Company hands over to stakeholders involved in each activity. It consists of activities throughout the value chain of 2 types as follows;

Main activity It is a continuous chain of 5 main activities according to the context of commercial business as follows:

Activities in the value chain	Related activities	Stakeholders
1. Production management: It is an activity that focuses on and support inputs, including the nature of the relationship between trade partners or suppliers of raw materials or those used as factors in the production.	• Efficient procurement of quality raw materials. • Consideration to purchasing raw materials from small-scale palm growers or small farmers. • Set a fair buying price for fresh palm fruits. • Fair procurement and selection process without trade barring and discrimination.	• Minor palm growers and fresh palm fruit suppliers. • Government agencies/regulators governing standards of raw materials and products. • Employees who process the procurement and purchasing of raw materials.

Activities in the value chain	Related activities	Stakeholders
2. Operation: It is an activity converting raw materials or factors leading to the production of ready-to-sell products.	• Efficiently produce and process raw materials. • Take into account the safety of the production process and reduce the waste that has an impact on the environment. • Inspect and control the quality of the products to meet the specified standards. • Use appropriate packaging to maintain product quality. • Manufacture products according to customer requirements. • Research and develop products that meet the needs of customers.	• Partners who purchase products directly with the Company for distribution. • Counterparties/trading partners (in case of hiring the Company to produce own brand products). • Employees who are producing the products. • Government/regulatory agencies that regulate production standards. • Packaging manufacturer.
3. Distribution of products and services: It is an activity and channel for moving or delivering goods so that customers or consumers can access products and services.	• The warehouse/distribution center is located in a suitable location, convenient for transportation, and has an overall management system that is environmentally friendly. • Warehouse/distribution center that uses modern technology in managing the orders. • Warehouse/distribution center is well equipped to store products efficiently and maintain product quality as well. • Select a standard transportation service provider and practice a fair hiring process. • Transport and deliver products with quality service and on time.	• Warehouse lessor. • Transport contractors. • Warehouse staff. • Consumers. • Customer/Distributor (through other channels not owned by the Company). • Community and society surrounding the warehouse.

Activities in the value chain	Related activities	Stakeholders
4. Marketing and Sales: It is an activity to allow customers to obtain product information and have access to products to assist and facilitate decision making.	• Finding distribution channels that provide consumers with easy access, such as the grocery stores, offline/online stores. • Set appropriate prices for the products and organize appropriate marketing activities. • Providing accurate and complete information of products to consumers in all communication channels.	• Customers. • Distributors. • Distributing agents. • Sales employees/Employees who provide information. • Distributors (through other channels apart from the Company's).
5. After-sales service: It is an activity about providing services to customers. The Company is ready to develop to achieve maximum customer satisfaction.	• There is a product and satisfaction guarantee. • There is a customer relationship management system to listen to opinions and suggestions.	• Customers. • Distributors. • Distributing agents. • Sales employees of each product group. • Employees at call center or contact points/After-sales service employees.

Support activities are activities that support the main activities to achieve the goals. They are no less important than the main activities. The Company has carefully implemented and adhered to the management criteria appropriately including human resource management, technological development for products and services, organizational management, transportation, and preparation of accounting and finance systems, etc.

3.1.2 Stakeholder Analysis in the Business Value Chain

Stakeholders are individuals or units that are related to the Company's business operations, both direct and indirect, and divided into;

1) Stakeholders within the organization such as shareholders, employees.
2) Stakeholders outside the organization such as customers, partners, or communities.

The Company has assessed the expectations of the stakeholders through the process of listening to interviews, collecting reports of satisfaction surveys, small group meetings, workshops, or a channel for receiving complaints, etc., to be informed of the impacts and issues connected to the Company and all stakeholders, both positive and negative.

Upon knowing the expectations of the stakeholders, the Company has summarized the guidelines for meeting those expectations to reflect the cooperation and mutual value creation between the Company and all stakeholders. This can reduce various risks in the operations and is also considered as adding value to the business as well.

Stakeholders	Involvement channel	Suggestions/expectations/ interests of stakeholders	Responding to stakeholder expectations
Shareholders and investors	* Annual General Meeting. * Extraordinary meeting. * Quarterly operating results clarification. * Annual report. * 56-1 One Report. * Various communication channels such as website, e-mail, Line. * Whistleblowing.	* Good performance results that are concrete with continuous and stable growth. * Regular dividend payment. * Stock price rises Continuously. * Good corporate governance That is transparent and Verifiable. * Correct disclosure of information that is complete and prompt. * Continue to branch out the business with sustainable returns in the future.	* Manage the operation to experience growth that is stable and balanced in all respects including economic, social, and environmental growth, * Studying and researching new businesses to build on earnings. * Regular review on the cost and production process. * Improvements on technology and machinery to maximize usage efficiency. Perform duties with integrity as well as act in accordance with corporate governance.

Stakeholders	Involvement channel	Suggestions/expectations/ interests of stakeholders	Responding to stakeholder expectations
Shareholders and investors			principles and ethics. Do not strive to act to benefit oneself and others by using any information of the Company that is not yet available to the public and do not take any action that may cause conflict of interests with the Company * Promote anticorruption in all forms. Operate business with * transparency, considering the long-term growth of the Company's value.
Employees	* Town Hall Meeting Organize a meeting between the Executives and the employees quarterly. * HR meet Employee session. * A session to receive suggestions on how. costs can be reduced. * Internal communication via e-mail for public relations. * Employee benefits board meeting.	* Appropriate and fair wages and compensation * Arrange to provide more benefits than that required by the law. * Training to develop knowledge and work potential. * Give an opportunity to progress in their career to enhance life stability. * Management of working environment that is safe and according to the principle of occupational	* Manage payment in accordance with the Company's performance and employee performance assessments. * Provide proper welfare for employees, such as a provident fund, Social Security, Funding Medical benefits, Annual physical examination, Working form series, etc. * Promote and develop employees' potential to achieve fair progress. * Support the development of

Stakeholders	Involvement channel	Suggestions/expectations/ interests of stakeholders	Responding to stakeholder expectations
Employees	* Employee performance Evaluation every 6 months. * Whistleblowing. * Customer satisfaction Survey.	health standards. * Disclose and communicate information on the Companys management Direction. * Treat the employees with fairness according to the human rights principles, without barrier or discrimination.	work ability by implementing a human resource development system based on competence. * Focus on working safely and managing office spaces in accordance with occupational health principles such as green spaces. Smoking area Staff restaurant, various leisure Corners. * Treat all employees equally and fairly. * Recruiting and employing people according to human rights practices with an emphasis on equality, diversity, without barriers and with non-discrimination on the basis of race, religion, color or gender, by focusing on competence that is consistent with business models. * Open a channel for communication between each other.
Consumers and Customers	* *Opportunity to visit and inspect the production process. * Various communication channels such as	* Receive quality products that are correct and on time. * *Order status and delivery can be traced transparently and swiftly.	* Committed to developing and maintaining product quality levels to meet the satisfaction of customers and consumers.

Stakeholders	Involvement channel	Suggestions/expectations/ interests of stakeholders	Responding to stakeholder expectations
Consumers and Customers	website, e-mail, phone, line, Facebook * Complaint Channel (Whistleblowing).	* Providing good after-sales service, product and satisfaction are guaranteed. * There is a quick change of product when something is damaged and not meeting the requirements. * Products and production processes are environmentally friendly and. meet regulatory requirements. * Having products that meet the needs of customers. * Easy access to product information * Having people who provide accurate and timely information about the product. * The product is safe according to the control standards. Setting prices of products appropriately and organizing marketing activities appropriately.	* Producing standardized and safe products. * Delivering information, products, and services of quality on time according to the specified standards. * Arrange to have staff to service. * information before and after the sale. * Establish shipping measures and product quality inspections. * Effectively expand distribution channels. * Prepare a customer satisfaction assessment. * Having measures to protect customers' personal information. * Promote manufacturing innovation that meets customer needs and is environmentally friendly.. * Open a channel for communication between each Other.
Trade partners, counterparties outsourced	* Opportunity to visit and inspect the production process. * Various communication	* Procurement, with transparency, and fairness, no monopoly, or barring Trade.	* Treat trade partners with fairness, transparency, verifiable, without any monopoly or barring

Stakeholders	Involvement channel	Suggestions/expectations/ interests of stakeholders	Responding to stakeholder expectations
Trade partners, counterparties outsourced manufacturers	channels such as website, e-mail, phone, line, Facebook. * Complaint Channel (Whistleblowing).	* Providing compensation that is motivating, appropriate, fair. * Creating shared value in long-term and sustainable business operation. * Safety protection that meets occupational health principles. * Keeping business commitments. * Fair contract with all parties. * Accurate debt settlement and on time.	measures. * Set a fair form of contracts and compensation on procurement. * Strictly abide by the commercial terms and the contract. * *Secure confidential information of others. * Promote cooperation to develop knowledge and maintain good relationship with trading partners. * Make payments on time with specified conditions. * Having the same objective that is to produce safe and quality products to deliver to customers. * Having a process to operate according to the principles of occupational health and safety.
Government agencies/ regulators	* Continuous participation in activities and projects. * Preparation of reports Or disclosures.	* Compliance with all dimensions of requirements, rules, laws. * Providing information or performing various actions with accuracy, suitability, timeliness.	* Comply with the laws and regulations. * Provide information and good cooperation when requested by the regulatory authority.

Stakeholders	Involvement channel	Suggestions/expectations/ interests of stakeholders	Responding to stakeholder expectations
Community and society	* Regular surveys and meetings with community leaders. * Continuous participation in activities and projects. * Various communication channels such as website, e-mail, phone, line, Facebook. * Complaint Channel (Whistleblowing).	* Building ties and trust of communities and society. * Having proper protection against environmental impacts according to various control criteria. * Being a part of the community and society. * Efficient use of resources.	* Control the impact on the emission of waste to be within the standard. * Support activities of the communities surrounding the establishment and local activities where the place of business is located. * Organize regular training for employees at all levels to be aware of safety, occupational health, and environment. * Encourage employees to carry out activities to treat and conserve the environment. * Create value and develop communities with the principles of sustainable development. * Listen to suggestions from communities around the area to find solutions to resolve complaints together
Business Competitors	* Complaint Channel (Whistleblowing).	* Compliance with regulations, rules, laws. * Fair business practices..	* Follow the rules of good competition. Do not damage the reputation of a commercial competitor without evidence and facts. * Not making any accusations of slander or malicious

Stakeholders	Involvement channel	Suggestions/expectations/ interests of stakeholders	Responding to stakeholder expectations
			damage to business competitors.

3.2 Sustainability management in the environmental dimension

3.2.1 Environmental Policies and Practices.

The company takes part in CSR or Corporate Social Responsibilities Program to ensure sustainable business development and pay close attention to current environmental conditions, community safety and also coordinate with relevant public and private agencies to help and assist society or those who are in need with utmost authenticity. Our aim is to cooperate and be accepted by the people from surrounding areas as part of their communities. This can help us with creating and also sustaining meaningful human relations with them well into the future.

The business operation of the company covers both production operation and all other aspects. In order to create balance in terms of economics, environment and society, the company begins its mission from within the organization before attempting to expand it outwardly. All employees of the company are encouraged to regularly take part in assisting, cooperating, enhancing and organizing activities in order to realize and fulfill the program's objectives.

The company has participated in a variety of projects concerning with strengthening its industrial potentials, environmental development and sustainable social responsibility that were organized by the Department of Industrial Work (CSR-DIW). The company also devises a standard procedure of its own to act upon in pursuing and upholding Corporate Social Responsibilities programs. The standard consists of the following 7 main topics as 1) Corporate Governance, 2) (Human Rights), 3) Labor Practice, 4) Environment, 5) Fair Operating Practice, 6) Consumers Issue and 7) Community involvement and Development.

3.2.2 Performance on environmental works

1) Waste Water Management

1.1) Project : Biogas Production Technology and Waste Water Management for the Preservation of Energy and Environment

The company's business operation involves employing CPO crushing mills and refinery plants. The company has comprehensive ranges of industrial agricultural business, with more than 39 years of business operation. And for a very long time, the major and recurring issue in the company business operation has always been waste water management. Polluted water resulting

from the manufacturing process can cause serious environmental harms, generate health and hygiene pollutions such as bad odors and insect infestation. These can directly affect the surrounding communities and the production of the company as well as contribute or even exacerbate global warming situation as a result of the greenhouse gas emissions entailed in the production processes.

The company aware of the environment and the use of natural resources to their maximum advantage and continue to focus our attention on environmental conservation and make sure that they remain in good conditions well into the future. In accordance with policies as determined by the Ministry of Industry, the company has set up biogas system which is an anaerobic waste water management system in our continued effort to conserve energy and preserve the environment. The biogas resulted from the waste water management process will be reused as a renewable source of energy in the production system of the company's refinery plants. The construction to expand and modify the production system was first initiated in 2006 with phase 2 of the modification completed in 2014. This is to ensure that the production cycle of the company's business operation can handle waste water resulted from production process as efficiently and as effectively as possible.

Project Objectives and Goals for this project, It is to include biogas technology fermentation tank A+CSTRth (Appropriate + Completely Stirred Tank Reactor, Thailand) and other related components to handle waste water from Palm Oil production process. It is also to produce biogas as another source of renewable energy and to reduce pollution caused by waste water and waste water treatment system of the plants. In general, the company's objectives for biogas technology application in waste water management shall be elaborated as follows.

1) To install biogas system with A+CSTRth and A+HCSRth fermentation tanks along with other applicable equipment in a water treatment system for waste water derived from fresh oil palm production which can reach up to 2,160 tons per day.
2) To produce and use Biogas products of 40,000 cubic meters. 60% of Methane gas derived can be used as biomass renewable energy as well.
3) To produce electricity and distribute them. The approximate quantity required per day is 3.36 Mkh.

4) To produce quality dry organic fertilizer for approximately 35 tons per day. The humidity of the produce shall range between 70-80%. They are to be used to improve soil materials components as chemicals-free fertilizer for Oil Palm plants within the company's plantations.
5) To produce water-based fertilizer of approximately 600-700 m3/day. They shall subsequently be used as fertilizer for the company's agricultural products.
6) To send treated and purified water to Animal Food Development Station.
7) To reduce pollution problems especially those relating to odors, insect infestation and to ensure the commitment of the company to environmental conservation.

Biogas technology is used in the company's waste water management in palm oil production. Biogas fermentation tank technology, A + CSTRth (Completely Stirred Tank Reactor + Appropriate, Thailand), and A + UASBth (Upflow Anaerobic Sludge Blanket, Thailand), A + HCSRth (Appropriate High Sludge Concentration, Reactor + Thailand), is the main water treatment technology which does not involve air as the main component to digest organic matters found in the contaminated water with high concentration of suspended matter and COD. With bacteria that can digest organic matter without air, the organic compounds with be transformed into biogas components which can then be collected and reused as another source of renewable energy within the production plant.

Waste water that has been treated via fermentation tanks from A+CSTRth, A+UASBth, and A+HCSRth values with reduced dirt in the form of COD for approximately 90 %. For sewage sludge from fermentation tanks, it is to be sent to filter out solid organic waste and can then be used as organic fertilizer. Treated water that goes through the filter will be passed over to even more advanced treatment system-in open pond system-in order to achieve proper quality of water that can be used as water-based fertilizer in future planting.

Benefits for the Production Plants : The total production costs are reduced as a result of renewable biogas as a much cheaper substitute for fuel oíl and other biomass. The technology and the products derived from it help with cost reduction. The company is no longer relying too much on using chemical-based fertilizer. With our own capacity for organic fertilizers production both as dry and as water-based, it can cut down a significant part of the production costs. The application of the technology ensures better quality of life and overall health of the company's employees and with the technology, the company can lower pollution problems and prevent insect

infestation that might spread germs.

Benefits for Surrounding Communities : The Biogas technology employed can help lowering insect infestation and other problems between communities with factories. The quality of life and mental health of the community shall be improved as well and possible contamination natural water sources can be minimized, if not entirely eradicated.

Benefits to the Environment : The technology helps with maintaining environmental quality by reducing air pollution in soil and in water and also limit water contamination problems to nature and the technology helps with the reduction of methane bass emissions to the atmosphere that is among the main contributing factors to global warming by using them as renewable energy sources

1.2) **The Waste Water Treatment Pipelines Project, sending to Animal Foods and Agriculture Center Project and palm plantations of farmers who live around the factory**

This project is a corporative attempt between three authorities, which are Chumporn Palm Oil Industry Public Company Limited, Animal Food and Agriculture Development Center, Chumporn Province and palm plantations of farmers who live around the factory

To send waste water that has gone through a final waste water treatment and filled with mineral nutrients to water Napier grass fields in Animal Food Development Station of Chumporn Province as animal food and as renewable energy and to send waste water that has gone through a final wastewater treatment to oil palm plantations of the farmers who live around the factory. This shall reduce the production costs because the reduced use of chemical fertilizer and also help alleviating water shortage problems.

Routes for Pipelines Distributing Cleaned Waste Water : The water pipes for water undergone the water therapy and the product after the biogas production systems will be sent to Animal food Development Station of 2.8 km distance and the water can be released into the oil palm plantation of the farmers in the area. This is an alternative to chemicals-based fertilizer. The pipelines end at Animal Food Development Station. The water send in the pipelines will be kept in 25 m^3 in 2 tanks and will be used by the center to water napier grass which is a high quality food source for animals, both in terms of productivity and nutrients it provide. Additionally, the napier grass can be used to produce energy as well. It is considered a type of biomass. The grass is high in organic fiber and humidity. It can be used to produce energy by burning after initial humidity reduction process. It can also be fermented to produce biogas or Methane gas.

In addition, the water that has gone through therapy is also released into Angola grass fields within the center. Angola grass is a main food source for cattle. At the present, it is relatively rare and can be very expensive because the relevant government agencies have not been encouraging farmers to grow them continuously and systematically.

At present, the company still sends treated water to the Animal Food Development Station of Chumporn Province and palm plantation in Kantasaphr Village, Mhu 2, Tambol Salui, Amphur Ta-sae and palm plantations of farmers who live around the factory. This service we provide to the surrounding community has continued to receive good response because our water management process does not harm but greatly benefit the daily life of the people within the community.

The company is still committed to conduct business while paying close attention to the importance to the environment. Corporate social responsibility will continue to be our long-termed goals which allow for sustainable development and peaceful community forever.

In case the company has not implemented this project. The Company will have expenses for waste water treatment managing in year 2020 approximately 23 million baht.

2) Energy management

The Company supports and promotes energy conservation to achieve the cost-effective use of energy and create maximum benefits to the organization, support standards as required by law, along with raising awareness for employees to understand and participate in the sustainable energy management of the organization. In the year 2020, the Company used approximately 793,730,716 megajoules of heat and electricity per year, saving energy by 719,229 megajoules per year or 0.1 percent compared to the previous year.

3) Water management

Company realizes the importance of maximizing the use of water to achieve the best value. Therefore, 4 measures to save water and processes to care for the water system have been established as follows:

Measure 1 Maintenance measures for water pipelines and water distribution systems within the production process to reduce leakage.

Measure 2 Measures to classify the water inside the factory and classify the water suitable for use to achieve the maximum value usage of water.

Measure 3 Measures to bring wastewater from production process (Reject RO) back to use as tap water (Grade B water supply) in order to reduce the amount of raw water that comes into production.

Measure 4 Water monitoring measures – Water system administrator has a summary report of water consumption compared with the quantity of production in order to inform the water user department of the water consumption ratio of each department every month.

In 2020, the Company used approximately 518,022 cubic meters of raw water in the production process and in various applications.

4) Managing to reduce problems of greenhouse gases

The Company pays attention to management to reduce greenhouse gas problems caused by various activities within the factory with the management to reduce greenhouse gas emissions as follows:

1) Using wastewater from the production process in the factory to produce biogas for use as biofuel, which is used in oil refineries and to generate electricity for use in palm oil extraction plants; the remainder is sold to the Provincial Electricity Authority.
2) Leftovers such as palm bunches and palm shells are used as biomass fuel for boilers and generating electricity for use in factories.
3) The flue gas emitted by the generator is recovered as heat energy for the 10-bar boiler for use in the palm kernel oil production process.
4) The waste materials are used as a soil stabilizer in palm plantations to reduce the use of chemical fertilizers.
5) Implementation of energy management practices, for instance, when light bulbs need to be changed, they are replaced with a type of light bulb that is more efficient and saves electricity; having an annual cleaning of the air conditioner to make the air conditioner work at full efficiency; conducting a shutdown to save energy at least 4 times a year or put a pause to the machines to accumulate raw materials in order to operate the machine at full efficiency, etc.

In 2020, this energy management could reduce greenhouse gas emissions by approximately 98.97 tonnes of CO per year.

5) Sustainable palm oil production (RSPO)

The RSPO (Roundtable on Sustainable Palm Oil) is a sustainable palm oil production standard that is environmentally friendly and responsible for the community. Due to the global demand for palm oil and the increase in the use of biodiesel which results in a continuous expansion of the palm plantation area, this activity has an impact on the society, environment, and local community. From the pressure of the consumers, the palm oil industry has come up with a sustainable palm oil production initiative to support the growth and sustainable use of palm oil produced from upstream to downstream.

There are seven established criteria for palm plantations according to the RSPO standard: 1) Ethical and transparency: driving ethical business practices with transparency, building trust with stakeholders to establish sound and stable relationships; 2) act legally and respect rights: use legal requirements as a fundamental principle of control actions; 3) increase production efficiency, effectiveness, positive impacts, and flexibility. Carry out the operation according to the plan, procedures, and systems for continuous improvement; 4) respect communities and human rights and deliver benefits: respect community rights, give equal opportunity to all, maximize the benefits of participation and ensure remedies are compensated when necessary; 5) aupport smallholder groups: include smallholder farmers in the RSPO supply chain and improve smallholder livelihoods through fair and transparent partnerships; 6) respect workers' rights and conditions: protect workers' rights and ensure safe and suitable working conditions; and 7) protect, conserve and strengthen the ecosystem and environment: protect the environment, conserve biodiversity, and manage natural resources sustainably. Each principle has its own criteria, indicators, and guidelines to apply for a certification for sustainable palm oil production.

The Company realizes the importance of society, community, and environment. Therefore, the practices have been adjusted at every step from upstream to downstream to meet the requirements and criteria of the RSPO and are submitted for Sustainable Palm Oil Production (RSPO) certification until the Company has received RSPO Certification.

6) CPI Learning Center

To be successful in a palm plantation, good management is considered very important no less than selecting good varieties of the palm trees. The company aims, therefore, that farmers can manage their plantation knowingly and effectively. This is the very reason why in 2013, we established "CPI Learning Center" to help local farmers to learn more and comprehensively about palm oil production. The materials provided at the Center include publications, academic papers both by the company's research and from acquired experience from working in the industry for more than 40 years in more than 20,000 acres of oil palm plantation. The Learning Center is located in Amphoe

Ta-SAE of Chumphon province and it consists of a learning center building. Pathways that visitors can take to observe a variety of oil palm trees. At the center, we also exhibit common barn owls. The center has been opened from 2014 onwards. The services provided are free of charge.

7) Using Common Barn Owl to eliminate rat in palm plantations Project

The company gives priority to the environment by providing a using common barn owl to eliminate rat in palm plantation project. This is to reduce the damage caused by a collapse on insects and pests population control without using chemicals, which would affect the ecological system. This project will help reduce the cost of using chemical substances and shall cause farmers to pay attention to and care more towards the natural, chemicals-free approach in dealing with pests and infestation. The company provides training courses for anyone who is interested from 2014 onwards

Common Barn Owl is one of the local birds of Thailand. They are in every region throughout the country. They are nocturnal and often live near a human community. Normally, they use niche in a building, a nook or a roof space as their nests. Their preying behavior include catching preys in the open spaces like pasture fields, farm or especially in oil palm plantations. The mating period is often during the month of September to February. The number of eggs in each nests 5-7 eggs. The hatching takes about 30 days to hatch. Every day, the birds will incúbate the laid eggs for 18 hours. During this time, male bird will be the one preying and bring in foods to the nests for both the mother and baby birds every day.

From our study of the birds' spew around the nests, we found that common barn owl living in oil palm plantation areas often take wild rats as their favorite food source to almost 100%. From this discovery, we then calculate that the birds can eat on average 1-2 tons of wild rat a year (or 350-700 rats). This large number of rats within plantation, if left alone, will induce loss to the palm production of more that 1.1-2.5 tons per acres, which amounts to Baht 5,500-12,500 per acre per year (Fresh Oil Palm Fruits Branch at Baht 5 per kg.) At the same time, farmers will have to pay for chemicals and other pests repellent products which will increase the production cost for more than Baht 700-1,400 per acre per year.

3.3 Sustainability management in the social dimension

1) Human rights policy

The Company respects the dignity of employees in the Company's workplace and the Company will work to ensure that the employees of the Company have the right to personal safety as well as having the right to have a safe workplace that is clean and hygienic. The Company has established a human rights policy with details as follows;

1.1) Policy on the use of forced labor

The Company does not engage in or support all forms of forced labor and will not request or receive insurance deposits, identity cards, or any other identification documents from employees, whether upon entering work or accepting to work or as a condition of admission to work, unless otherwise exempted by law. The Company will not use physical punishment or threats of violence or other forms of physical, sexual, psychological, or verbal abuse as a disciplinary or controlling measure.

1.2) Child Labor Policy

The Company will not employ or encourage the recruiting of children under the age of fifteen and will not provide or support child labor to do work that is detrimental to health or in an environment that may pose danger to health and safety.

1.3) Policy on the use of female labor

The Company must not allow female employees to do work that is harmful to health or body as required by law. The Company must arrange for pregnant female employees to work or be in an environment that is not harmful to the health and safety of pregnancy. The Company will not terminate employment, demote, or reduce the benefits of female employees because of their pregnancy.

1.4) Discrimination Policy

The Company does not commit or encourage discrimination in employment, wages and work compensation payments, welfare, opportunities for training and development, consideration for promotion, termination, or retirement from work. The Company will not interfere, interrupt, or take any action which affects the exercising of rights or practices of the employees on account of differences in nationality, religion, language, age, gender, marital status, personal sexual orientations, disability, HIV infection, being an AIDS patient, being a union member, being on an employee committee, preferences on political parties, or other personal ideas.

1.5) Policy on Freedom of Association and Collective Bargaining

The Company will respect employees' rights in association, collective bargaining, selection or election of facilitating representatives, and will treat that representative equally to any other employee.

1.6) Social responsibility and labor policy

The Company is committed to ensuring that all employees of the Company perform their work with standards under protection and fair treatment on the basis of society and according to the provisions of the labor law on labor protection, labor welfare, labor relations and safety, occupational health and working environment, and related regulations which will be reviewed regularly to develop and improve accordingly.

1.7) Policy on employee responsibility in relation to harassment and or sexual harassment, including the use of violence against women

The Company has measures to prevent employees of the Company from being harassed and sexually harassed by expression of words, gestures, physical contact or by any other methods, including the use of violence against women. If an employee is threatened and/or being sexually harassed, the Company will take strict disciplinary action against those who violate the Company's regulations on working.

1.8) Work compensation policy

The Company will pay wages and compensation for working or work exceeding normal working hours to employees not less than the law stipulates and will provide employees with information about wages and compensation received for all the work they have performed in each payment in writing where employees can understand the components in detail. The Company will not deduct wages under any circumstances unless it is an exception under the law.

Performance: In 2020, the Company has no human rights disputes.

2) Recruitment policy, compensation and benefits management, development and treatment of employees

The Company believes that the employees of the Company are valuable resources and are one of the main factors that will lead the Company to achieving its goals and success. The Company treats employees fairly based on human rights principles and take the employees' needs into consideration to create a good relationship between employees and the Company. The Company aims to support and promote the development of knowledge, competence, skills as well as continuously enhancing of the potential of employees at all levels while managing to achieve stability and progress in the career of employees. The Company has established the mentioned policies with the following guideline;

1) Recruit with an efficient selection system and employment conditions that are equal and fair to acquire employees who are fully qualified, of quality and honesty that meet the standards required by the Company.
2) Evaluate performance and manage remuneration based on the suitability of roles, duties and responsibilities and the competence of individual employees. Provide fair and proper welfare to employees, including taking care and improving welfare to be appropriate and up to date in line with the performance of the Company and the conditions of the economic, social and employment market in the same industry.
3) To provide the development to employees of all levels and lines of professions thoroughly, sufficiently, and continuously on the basis and the suitability of roles, duties and responsibilities. The Company will cultivate employees to have a sense of morality, volunteer spirit, conservation of nature, community, and environment, and to be aware of anticorruption of all forms.
4) Promote and foster a culture of teamwork to build unity and solidarity of the organization along with cultivating and creating awareness among employees to have work discipline.
5) Cultivate employees awareness and encourage employees to perform their work in a safe and hygienic manner. Create a good working environment and conditions so that employees can work happily as if they were a family and are able to manage the balance between work life and personal life appropriately.
6) Ensure management is done according to the standards of the occupational health and safety management system, including an environmental management system in line with international standards for the superior quality of life of employees.
7) To care for employees thoroughly, equally, and fairly, to honor, respect and protect

the personal rights of employees from being violated to support and promote the right of expression and expressing opinions of employees, as well as to consider and respect the difference in their point of views.

8) Provide a complaint system and various channels for whistleblowing of behaviors that are inconsistent with the Company's code of conduct or all forms of corruption. In addition, there is a system to protect such employees or complainants from being harassed, punished, or suffering from complaints (Whistleblower Policy).

9) Promote and provide various channels for disseminating information and news to employees in order for employees to acquire information so that they have the knowledge and understanding of business operations and are informed of the Company's business performance on a regular basis.

Performance: In 2020, various compensation and benefits are paid to employees according to the established policies.

3) Policy for training development for directors, executives and employees

The Company realizes and recognizes the value of personnel at all levels from their first step of entering to work in the organization. Therefore, the Company places importance to human resource development and continually promotes the growth of employees at all levels with a variety of human resource development approaches. A suitable annual training plan is set for the management and employees at various levels including the importance of preparing successors to support important positions that will be retired within 5 years within the organization. It is also to provide opportunities for internal personnel to learn and grow. Furthermore, the Company emphasizes regular training to provide knowledge on skills used in the production process and in the area of occupational safety. Such personnel development is conducted as training both inside and outside of the organization in order to promote personnel to have skills, knowledge, ability, and to be ready to drive the organization towards the target goals. In addition, the Company places importance on training and instilling employees of all levels to be aware of the anti-corruption issue. It is the main policy that must be operated and reviewed to be carried out on a regular and continuous basis.

Proformance :

- Training for Director

Year	Name of Director	Training course
2020	Mr.Karoon Nuntileepong	• Board Nomination and Compensation Program (BNCP) 10/2020

- Training for Executive

Year	Name of Executive	Training course
2020	Mrs.Ratsamee Pongjindanon	• Thai Financial Reporting Standards

- Hours of training for employees

Year	Hours of training	Average/Person/Year (Hours)	Hour goal/person/year
2018	23,239.00	24.11	6 Hours/person/year
2019	19,042.00	23.22	6 Hours/person/year
2020	13,714.00	17.86	6 Hours/person/year

Remark Training courses were HR for Non HR, SAP & Excel for Analytics, Supervisor skills, Management skill to become Professional manager , Safety health and environment, Thai labor standards, Energy Conservation, 5S & Visual Control, Company business, Company production, ISO, GMP, HACCP, RSPO, Anti-Corruption etc.

- Employee engagement in year 2020, Turn over rate of 6.80% or 5.17% drop from the previous year

4) Occupational Safety, Health and Environment Policy

The Company is concerned for the life and health of all employees, including the environment and community. So, in order to clarify the practices and use them as a guideline for operation in safety, occupational health and environment to maximize the benefit, the Company has established the policy on safety, occupational health and environment at work as follows;

1) Safety, occupational health, and environment is the responsibility of the employees at all levels to be taken seriously.
2) Communicate and disseminate information and support operations on safety, occupational health and environment to create the right understanding among the operators, involved parties and stakeholders.

3) Strictly comply with the laws and regulations on safety, occupational health, and environment as part of the work. It is everyone's duty to be involved in safety operations.
4) Take actions to ensure that all operations are safe, with a good working environment and suitable for employees, trade partners and the community.
5) Strengthen good relations with the community and stakeholders both inside and outside the organization.

Performance: The Company focused on the main tasks and campaigned to promote and raise awareness of all employees in the organization to participate in safety and environmental policy by adhering to the principles of compliance with relevant laws and requirements of the customers to ensure safety, occupational health and environmental policies are complied.

The Company is always aware of various accidents both caused by the process of working with machines or an incident of fire which are events that have a tremendous impact on the Company, its employees, and the surrounding communities.

In 2020, the Company has reviewed and improved works on safety taking the following actions:

Action : Analyze and investigate the cause of the accident to lead to corrective measures and prevent the problem from recurring along with preparing an incident report and actions taken as preventative or corrective methods.

Improvement : Adjusting preventive measures in regard to fire and other emergencies that may occur within the Company including measures to take care of environmental problems that may affect the employees and surrounding communities.

Monitoring : Incorporate the policy as an organizational key performance indicator (KPI), set a target for accidents and environmental issues in the organization goals and set a measure of performance (KPI) of the organization on a monthly basis and report to the management's acknowledgment.

Work accident :

Year	An accident (person)	absence due to accident (person)	loss of organs or disability due to accident (person)	Fatal accident (person)
2018	9	9	0	0
2019	8	8	0	0
2020	5	1	0	0

In the year 2020, the coronavirus outbreak was a rapidly emerging event, and the Company has never had a plan to support such events before. The Company closely follows the news from all related departments and provides protection equipment for all employees in the organization, including outsiders who come in contact with the Company. Various protective equipment was provided for the communities surrounding the factory in Chumphon Province as well.

5) Creditor's treatment policy

The Company has a policy of treating creditors with equality, fairness, and transparency by strictly adhering to various conditions as follows:

1) The Company has treated all creditors of the Company with equality, fairness, and transparency without taking advantage of the Company's creditors.
2) The Company does not use fraudulent methods or conceal any vital information or facts that may cause damage to creditors.
3) The Company complies with the terms of the various agreements that have been made with all types of creditors strictly and honestly, especially regarding guarantee conditions, capital management and in the event of a default.
4) Repay the loan with interest to all types of creditors completely and on the agreed deadline.

Performance: In 2020, the Company has no disputes with the creditors. Under the coronavirus situation which affected the economy and businesses in a broad sense, the Company was still able to pay debts to creditors according to the terms and periods agreed.

6) Policy on treatment of customers, service providers and competitors

The Company has a policy of treating customers, service providers and competitors with equality, fairness, and transparency by strictly adhering to the various conditions as follows.

1) The Company believes in the free trading and free competition system; thus, the Company strictly abides by all laws related to trade and business operations.
2) The Company does not support invasive economic activities including conducting businesses that are unfair, unethical, and illegal in all forms.
3) The Company has established clear and concrete guidelines that are to be practiced equally when dealing with all customers, business partners and competitors, based on facts and reasons. This is to ensure fairness, transparency, and accountability in all cases.

Performance: In 2020, the Company did not have any disputes with customers, service providers and competitors. Due to the coronavirus epidemic, the Company has relaxed the terms of the debt repayment period for customers to help in such situations.

7) Policy for using copyrighted software packages

The Company has a policy to pay close attention to the principles of good governance in business operations. This includes compliance with the rules for using software packages that are valid by copyright. In order to perform according to such good governance principles, the Company has issued the following guidelines;

1) Remove some software programs from the employees' computers.
2) Survey and improve the number of programs in the Company's information system to be adequate, suitable, and consistent with the transactions of the Company.

This is to ensure that all computers of the Company only contain the software that has been purchased under the license by the Company.

The Company does not encourage employees to use/adopt software packages that violate the copyright of the Company's computers. This is a serious offense under law and may cause damage to the organization in the future. If any employee violates this regulation and uses pirated programs in the workplace with the Company's computer, that employee will be subject to disciplinary action by the Company. The employee shall also take responsibility personally if the copyright owner takes any legal actions.

Performance: In 2020, the Company has no disputes in the field of using packaged programs

8) Policy to Prevent Conflicts of Interest

Transactions or business conducts between the Company and connected persons, related persons, or people who may have a conflict, have to be done in accordance with general commercial terms. All transactions will be done fairly at market prices and in a normal commercial manner or as a transaction that is a trade agreement in the same way that a person would do with a general counterpart in the same situation. There should be a trade bargaining power without influence from the status of directors, executives, or related persons (as the case may be) under reasonable conditions and it can be verified that such transactions do not cause a transfer of benefits.

In addition, the Board of Directors has carefully monitored any transactions that may lead to conflicts of interest. The Audit and Risk Committee is informed of any transactions that may lead to conflicts of interest and the connected transactions to take into prudent consideration in order to comply with the regulations of the Stock Exchange of Thailand. The prices and conditions must be similar to transactions with third parties and must disclose details, transaction value, counterparty, reasons/necessity in the annual report and form 56-1 and must be disclosed in the notes to the financial statements under the section on accounting transactions with related persons as well. In addition, the Company has established a policy for directors and executives to notify the Audit Committee, through the Company Secretary, about their trading of the Company's shares at least 1 day in advance before the trading takes place. Furthermore, an interest report form must be submitted to the Company Secretary every 6 months and the Company Secretary must send a copy of this interests report to the Chairman of the Audit Committee.

Performance: In the year 2020, the Company has no disputes in the area of conflicts of interest.

9) Social responsibility policy

The Company has operated the CSR (Corporate Social Responsibility) project continuously under the business development of sustainable growth coupled with care for the environment and the safety of the community along with providing sincere assistance to the society as well as being able to operate with the community and gain sustainable recognition. The Company's operation covers both operations in business processes and beyond business processes to create a balance between economy, environment, and society, starting from within the organization and expanding to nearby communities. The Company's employees have contributed their effort to help promote and organize various activities to drive the mentioned project forward.

The Company has a community relations activity plan in order to be a part of activities for the community and society around the Chumphon Office. In 2020, the total budget of 370,943 baht was used for the following activities.

- Organizing training to review the control and maintenance of the village water supply system for community leaders and village water system supervisors.
- Painting and changing ceiling of school building for kindergarten 2, Ban Phrutakian School, Tha Sae District, Chumphon Province.
- Giving unused tires and paints to Ban Phrutakian School for the children to create a playground to enhance the development of students.
- Participating in children's day activities in nearby areas such as SAO Khao Chaiyarat, SAO Salui, Ban Mai Somboon School, Ban Prutakian, Ban Noen Thong, Ban Kantasap, Ban Bueng Lat and Noen Thong Floating Market.
- Participating in the development activities of the plant species conservation project under the initiative of Her Royal Highness Princess Maha Chakri Sirindhorn Siam Boromrajakumari (RSPG).
- Participating in the Na Bun market event. Organizing a meal for Buddhists who made a pilgrimage to Wat Phrutakian, Salui Sub-district, Tha Sae District, Chumphon Province.
- Participating in an activity to return fish to Tha Sae Canal at Wat Noen Thong, Tambon Salui, Amphoe Tha Sae, Chumphon Province.
- Participating in cleaning the waterways at Moo 2, Pho Ta Hin Chang Point, Tha Sae District, Chumphon.
- Participating in an activity to visit bedridden patients with the group of Ta Sae District Chief, community leaders, village health volunteers, at the Health Promotion Hospital of Salui Sub-district, Tha Sae District, Chumphon Province.
- Joining activities to develop Ban Chaiyarat School and Khao Puk School Prachuap Khiri Khan Province.
- Participating in an activity to send the elderlies along the river at Noen Thong Temple, Salui Sub-district, Tha Sae District, Chumphon Province.
- Sponsoring Leela Palm Oil for the Department of Industrial Works and Saphan Hin Shrine, Phuket Province to be used for victims of COVID-19.
- Sponsoring medical equipment, PPE gowns, medical gloves and Leela water to Chumphon Khet Udomsak Hospital, Thasae Hospital, Mab Ammarit Hospital, Bang Saphan Noi Hospital, and other nearby hospitals.

- Joining to support Lila oil and drinking water to make a survival pack for bedridden patients in Tha Sae District, Chumphon Province.
- Co-sponsoring Leela Oil to Prik-hom Shop and Udomsak District Camp, Chumphon Province for use in their “Volunteer Kitchen” activity.
- Supporting Leela drinking water for the industry in Prachuap Khiri Khan Province, the village’s COVID-19 screening point, and the “Sharing Kindness to the Young Students through COVID-19” project at Ban Prutakian School.
- Co-sponsoring Leela Drinking Water and oxygen tanks Salui Subsistrict Health Promotion Hospital, Tha Sae District, Chumphon.
- Co-sponsoringd refrigerators for kidney disease patients to use in drug storage at Moo 7, Khao Chai Rat Sub-district, Pathio District, Chumphon Province.
- Joining the Royal Kathin together with the industry in Prachuap Khiri Khan Province.
- Cooperating with Tha Sae District by supporting Leela Drinking Water for public benefit activities at the checkpoint and extraction point during the New Year of Salui Sub-district, Tha Sae District, Chumphon Province.
- Supporting Leela Drinking Water to the Foundation for Oral Cancer Patients, mobile dental unit, the mountain medical team following the father’s footsteps.

4. Management Discussion and Analysis (MD&A)

4.1 Operations Analysis and Financial Position

1) Revenue from sales and services

The Company and its subsidiaries obtained sales revenue in 2020 totaling 3,888.76 million baht, an increase of 575.41 million baht or 17.37% from the previous year, due to the increase in average selling price of main products by 39.09%. However, the average sales volume of key products in 2020 declined 11.83 percent from the previous year.

2) Cost of sales and services

The Company and its subsidiaries' cost of sales and services was 3,372.26 million baht, an increase from the previous year by 557.56 million baht or 19.81 percent, mainly due to the average price of raw materials increasing from the previous year.

3) Selling and distribution expenses

The Company and its subsidiaries incurred selling and distribution expenses of 97.41 million baht, a decrease of 34.28 million baht or 26.03 percent from the previous year, mainly due to lower transportation costs in 2020 due to the decrease of sales volume and fuel prices.

4) Administrative expenses

The Company and its subsidiaries' administrative expenses were 219.20 million baht, an increase of 0.18 million baht or 0.08 percent from the previous year.

5) Financial Ratios

5.1) Current ratio (times)

The Company and its subsidiaries' liquidity ratio has increased from 0.48 in 2019 to 0.63 in 2020 due to the Company and its subsidiaries having increased current assets at 31.48% in 2020, mainly from trade accounts receivable and other receivables, inventory, and increasing biological assets. Current liabilities decreased by 0.80 percent, most of them were short-term loans from banks, and long-term loans from banks that were due within one year were lower.

5.2) Average collection period (days)

The Company and its subsidiaries have a faster average collection period from 35.36 days in 2019 to 28.81 days in 2020.

5.3) Payment period (days)

The Company and its subsidiaries have shortened debt repayment periods from 22.94 days in 2019 to 15.54 days in 2020 as most of the payables are raw material trade accounts payable.

5.4) Gross profit margin (%)

The Company and its subsidiaries' gross profit margin decreased from 15.05% in 2019 to 13.28% in 2020 due to an increase in average cost of raw materials in proportion to higher income. As a result, the gross profit margin decreased.

5.5) Return on equity (ROE) (%)

The Company and its subsidiaries' return on equity increased from 4.86% in 2019 to 8.10% in 2020 due to the Company and its subsidiaries having a net profit that increased from the year 2019 in the amount of 68.92 million baht or 76.46 percent.

5.6) Return on Assets (ROA) (%)

The Company and its subsidiaries' return on assets increased from 2.24% in 2019 to 3.85% in 2020 as a result of the Company and its subsidiaries having a net profit that increased from the year 2019 in the amount of 68.92 million baht or 76.46 percent.

5.7) Debt to equity ratio (times)

The Company and its subsidiaries' debt to equity ratio decreased from 1.17 in 2019 to 1.10 in 2020 due to the fact that the Company's total liabilities increased 0.03% from the previous year while the shareholders' equity increased by 5.93%.

5.8) Interest coverage ratio (times)

The Company and its subsidiaries' interest coverage ratio increased from 1.39 in 2019 to 2.69 in 2020 due to the Company and subsidiaries' profit before finance costs and income tax increasing from the previous year.

6) Analysis of financial position

6.1) Assets

Assets components: The Company and its subsidiaries have total assets as of December 31, 2020 in the amount of 4.133.35 billion baht, divided into land, buildings and equipment of 2,606.54 million baht or 63.06 percent of the total assets; followed by inventories of 521.14 million baht, crops for production of 373.94 million baht, and trade and other receivables of 326.27 million baht, or accounting for 12.61, 9.05 and 7.89 percent of total assets. respectively. The rest are cash and cash equivalents biological assets, upfront cost, advance payment for land purchase, other current assets, and intangible assets in the total amount of 305.46 million baht, or equivalent to 7.39 percent of total assets.

Changes in assets: Total assets as of December 31, 2020 of the Company and its subsidiaries increased from the year 2019 by 110.59 million baht or 2.75% due to the following reasons:

- Inventories increased 211.84 million baht, mainly due to the increase in raw material prices during the fourth quarter of 2020.
- Land, buildings, and equipment decreased by 125.55 million baht mainly due to the depreciation of the Company and subsidiaries.
- Trade and other receivables increased by 30.07 million baht due to the increase in sales prices in December 2020.
- Cash and cash equivalents increased by 22.61 million baht.
- Crops for production decreased by 18.61 million baht.

6.2) Financial liquidity

Cash flow of the Company and its subsidiaries as of December 31, 2020, cash and cash equivalents amounted to 93.78 million baht, increasing from the previous year by 22.61 million baht.

- Cash flow from operating activities: Net cash from operating activities of 247.17 million baht, mainly due to profit before income tax of 160.77 million baht, depreciation and amortization of 190.11 million baht, trade and other receivables increasing by 31.55 million baht. Inventories increased 211.73 million baht, trade and other payables increased by 38.25 million baht and value added tax of 15.88 million baht was accrued.
- Cash flow from investing activities: Net cash used in investing activities amounting to 56.90 million baht was mainly due to the purchase of equipment and machinery amounting to 55.66 million baht.
- Cash flow from financing activities: Net cash from financing activities of 167.66 million baht was mainly due to the repayment of short-term loans of 40 million baht, repayment of long-term loans of 270.60 million baht, cash received from term loan in the amount of 249.46 million baht and interest payments of 59.93 million baht.

6.3) Equity

Equity of the Company and its subsidiaries as of December 31, 2020 is in the amount of 1,963.82 million baht, an increase of 109.90 million baht or 5.93 percent compared to the shareholders' equity as of 31 December 2019, in the amount of 1,853.92 million baht. This was due to the Company and its subsidiaries profit for the year 2020 of 159.05 million baht, dividend payment of 44.93 million baht, cumulative effect from the change in accounting policy for the adoption of new financial reporting standards amounting to 6.01 million baht.

Book value per share as of December 31, 2020 was equal to 3.10 baht and in 2019 equal to 2.93 baht.

6.4) Liabilities

The Company and its subsidiaries had total liabilities as of December 31, 2020 in the amount of 2,169.53 million baht, which was part of short-term loans from banks of 1,159 million baht or 28.04 percent. Long-term loans from banks – net of the portion due within one year of 367.07 million baht or 8.88 percent of the long-term loans from banks that are due within one year of the amount of 247.11 million baht or 5.98 percent. Trade and other payables of 162.39 million baht or 3.93 percent, deferred tax liabilities of 132.91 million baht or 3.22 percent, reserve for long-term employee benefits of 58.67 million baht or 1.42 percent.

Changes in liabilities: Total liabilities as of December 31, 2020, increased from 2019 by 0.69 million baht or 0.03 percent due to the following main reasons:

- Short-term loans from banks decreased by 40 million baht or 3.34 percent due to short-term loan repayments.
- Trade and other payables increased by 33.60 million baht or 26.09 percent from the increase in the purchase of raw materials, which is crude palm oil, in December 2020 compared to December 2019.
- Long-term loans from banks due within one year decreased by 23.49 million baht or 8.68% due to the repayment of installments.
- Deferred tax liabilities increased by 0.66 million baht or 0.50%.
- VAT accrued increased by 15.88 million baht or 129.94%.

7) Company's investment projects that are in process

The Replant project of 460 million baht is a project to uproot palm trees that are over 25 years old and replant. The Company plans to gradually uproot the palm trees in order not to affect the fresh fruit yield. The project has been in operation since early 2009 and is expected to be completed in 2023.

The Company expects that the final generation of renewable palm products will begin to decline in 2023, which will improve the Company's operating results with long-term stability. For the investment used to uproot palm trees and plant replacement palm trees, the Company used the Company's working capital at approximately 23 million baht in 2018, 2019 approximately 7.3 million baht and in 2020 approximately 1.82 million baht.

8) Impact of COVID-19 outbreak situations

1) Operation : The COVID-19 pandemic did not affect the Company operation. The Company has strictly the anti-Covid-19 principle. There was no covid-19 epidemic among employees and the Company did not stop the operation.

2) Financial, Balance sheet and performance : The Company's financial was not affected by COVID-19. It still has a strong financial position with high liquidity, ability to pay according to debt repayment and loan agreements, able to make profits and pay dividend.

3) Threats to viability: The company was able to operate continuously under the circumstances of COVID-19.

4.3 Financial information 3 years comparison

- Consolidated financial summary

Statement of financial position as at 31 December 2020

(Unit: Million Baht)

	Consolidated financial statements					
	2020	%	2019	%	2018	%
Assets						
Current assets						
Cash and cash equivalents	93.78	2.27	71.16	1.77	129.10	2.84
Trade and other receivables	326.27	7.89	296.20	7.36	354.65	7.80
Inventories	521.14	12.61	309.29	7.69	589.79	12.97
Biological assets	44.24	1.07	41.60	1.03	54.33	1.19
Prepaid expenses	0.14	0.00	21.35	0.53	12.81	0.28
Derivative assets	0.05	0.00	-	-	-	-
Other current assets	25.59	0.62	29.46	0.73	25.93	0.57
Total current assets	1,011.20	24.46	769.07	19.12	1,166.60	25.65
Non-current assets						
Investment in joint venture	2.88	0.07	0.46	0.01	-	-
Investment property	128.43	3.11	-	-	-	-
Property, plant and equipment	2,606.54	63.06	2,732.09	67.92	2,848.68	62.63
Right-of-use assets	6.85	0.17	-	-	-	-
Bearer plants	373.94	9.05	392.55	9.76	403.36	8.87
Intangible assets	2.82	0.07	3.90	0.10	5.07	0.11
Advances for purchasing of land	-	-	124.01	3.08	124.01	2.73
Deposits	0.68	0.02	0.68	0.02	0.68	0.02
Total non-current assets	3,122.14	75.54	3,253.69	80.88	3,381.80	74.35
Total non-current assets	4,133.35	100.00	4,022.76	100.00	4,548.40	100.00

Statement of financial position (continued) as at 31 December 2020

(Unit: Million Baht)

	Consolidated financial statements					
	2020	%	2019	%	2018	%
Liabilities and shareholders' equity						
Current liabilities						
Short-term loans from banks	1,159.00	28.04	1199.00	29.81	1448.00	31.84
Trade and other payables	162.39	3.93	128.79	3.20	229.97	5.06
Current portion of long-term loans from banks	247.11	5.98	270.60	6.73	282.15	6.20
Current portion of lease liabilities	1.29	0.03	-	-	-	-
Value added tax payable	28.10	0.68	12.22	0.30	18.64	0.41
Other current liabilities	1.99	0.05	2.24	0.06	3.82	0.08
Total current liabilities	1,599.89	38.71	1,612.85	40.09	1,982.59	43.59
Non-current liabilities						
Long-term loans from banks, net of current portion	367.07	8.88	364.72	9.07	625.77	13.76
Lease liabilities, net of current portion	5.70	0.14	-	-	-	-
Provision for long-term employee benefits	58.67	1.42	59.02	1.47	42.89	0.94
Deferred tax liabilities	132.91	3.22	132.25	3.29	130.62	2.87
Derivative liabilities	5.30	0.13	-	-	-	-
Total non-current liabilities	569.64	13.78	555.99	13.82	799.28	17.57
Total liabilities	2,169.53	52.49	2,168.84	53.91	2,781.87	61.16

Statement of financial position (continued) as at 31 December 2020

(Unit: Million Baht)

	Consolidated financial statements					
	2020	%	2019	%	2018	%
Shareholders' equity						
Share capital						
Registered						
775,424,053 ordinary shares of Baht 1 each	775.42		775.42		775.42	
Issued and paid-up						
632,752,650 ordinary shares of Baht 1 each	632.75	15.31	632.75	15.73	632.75	13.91
Share premium	412.31	9.98	412.31	10.25	412.31	9.06
Capital reserve for share-based payment transactions	12.66	0.31	12.66	0.31	12.66	0.28
Retained earnings						
Appropriated - statutory reserve	40.53	0.98	32.35	0.80	32.35	0.71
Unappropriated	220.20	5.33	118.48	2.95	31.10	0.68
Other components of shareholders' equity	645.37	15.61	645.37	16.04	645.37	14.19
Total shareholders' equity	1,963.82	47.51	1,853.92	46.09	1,766.53	38.84
Total liabilities and shareholders' equity	4,133.35	100.00	4,022.76	100.00	4,548.40	100.00

Statement of comprehensive income for the year ended 31 December 2020

(Unit: Million Baht)

	Consolidated financial statements		
	2020	2019	2018
Profit or loss:			
Revenues			
Sales	3,888.76	3,313.35	4,112.34
Dividend income	-	-	8.30
Other income	10.74	22.48	10.94
Gain on exchange	2.16	-	-
Gain on change in fair value of derivatives	2.26	-	-
Total revenues	3,903.92	3,335.83	4,131.57
Expenses			
Cost of sales	3,372.26	2,814.70	3,760.08
Cost of services	-	-	4.83
Selling and distribution expenses	97.40	131.68	156.74
Administrative expenses	219.20	219.02	226.56
Loss on palm oil future contracts	-	-	46.99
Loss on exchange	-	1.36	0.10
Total expenses	3,688.87	3,166.76	4,195.30
Operating profit	215.05	169.07	(63.72)
Share of loss from investment in joint venture	(1.99)	(0.03)	-
Finance income	0.20	0.41	-
Finance cost	(59.66)	(66.47)	(69.86)
Gain (loss) on change in fair value of biological assets	7.18	(10.53)	(4.77)
Profit before income tax expenses	161	92	(138)
Income tax expenses	(1.71)	(2.31)	(1.06)
Profit for the year	159.05	90.14	(139.42)

Statement of comprehensive income (continued) for the year ended 31 December 2020

(Unit: Million Baht)

	Consolidated financial statements		
	2020	2019	2018
Other comprehensive income:			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Actuarial gain (loss) arising from defined benefit plan of employees	2.22	(3.44)	-
Less: Income tax effect	(0.44)	0.69	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax	1.78	(2.75)	-
Changes in revaluation surplus on assets	-	-	202.66
Less: Income tax effect	-	-	(40.53)
			162.13
Other comprehensive income for the year	1.78	(2.75)	162.13
Total comprehensive income for the year	160.83	87.39	22.71
Earnings per share			
Basic earnings per share			
Profit attributable to equity holders of the Company	0.251	0.142	(0.220)

- **Financial Ratios**

	Consolidated financial statements		
	2020	2019	2018
LIQUIDITY RATIO			
Current Ration (Time)	0.63	0.48	0.59
Quick Ration (Time)	0.31	0.29	0.29
Cash Ration (Time)	0.15	0.34	0.19
Account Receivable Turnover (Time)	12.49	10.18	9.82
Average Collection Period (Day)	29.21	35.85	37.17
Inventory Turnover (Time)	8.12	6.26	6.34
Average Sale Period (Day)	44.94	58.30	57.60
Account Payable Turnover (Day)	23.16	15.69	19.72
Receivable Turnover (Day)	15.76	23.26	18.51
Cash Cycle (Day)	57.60	69.91	75.22
PROFITABILITY RATIO			
Gross Profit Margin (%)	13.28	15.05	8.63
Operating Income Margin (%)	4.13	2.79	(3.36)
Net Profit Margin (%)	4.09	2.72	(3.39)
Return on Equity (%)	8.10	4.86	(7.89)
EFFICIENCY RATIO			
Return on Assets (%)	3.90	2.10	(3.08)
Return on Fix Assets (%)	13.08	10.48	2.54
Asset Turnover (Time)	0.95	0.77	0.91
FINANCIAL POLICY RATIO			
Debt to Equity (Time)	1.10	1.17	1.57
Interest Coverage Ratio (Time)	6.88	5.43	2.03
Leverage Ratio (Time)	0.29	0.25	0.08
Pay Out Ration (%) (by year paid)	N/A	50	N/A
Information of share ***			
Book value per share (Baht)	3.10	2.93	2.79
Earnings (Loss) per share (Baht)	0.251	0.142	(0.220)

N/A In 2020 it will be approved on Annual General Meeting on April 29, 2021.

N/A In 2018 it could not calculated due to paid from retained earnings of separate financial statement.

5. Other important information

5.1 General information of the reference person

1) Securities Registrar

Thailand Securities Depository Co., Ltd.

Registrar Department

The Stock Exchange of Thailand Building

93 Ratchadaphisek Road, Din-Daeng, Bangkok 10400, Thailand

Tel. (662) 009 9999 Fax. (662) 009 9991

2) Auditor

EY Office Company Limited

Lake Rachada Office Complex, 33rd Floor,

193/136-137 Rachadapisek Road, Bangkok 10110

Tel. (662) 264 0777

List of auditos and period as the auditor for the company

Mr.Sophon Permsirivallop	C.P.A. Registration No.3182
	(certified financial statements 2010, 2011, 2012) or
Ms.Rungnapa Lertsuwankul	C.P.A. Registration No. 3516
	(certified financial statements 2018) or
Mr.Chayapol Suppasedtanon	C.P.A. Registration No. 3972
	(certified financial statements 2013, 2014,
	2015, 2016) or
Ms.Sumana Punpongsanon	C.P.A. Registration No. 5872
	(certified financial statements 2017) or
Ms.Pimjai Manitkajohnkit	C.P.A. Registration No. 4521 or
Ms.Rosaporn Decharkom	C.P.A. Registration No. 5659 or
Ms.Orawan Techawatanasirikul	C.P.A. Registration No. 4807
	(certified financial statements 2019) or
Conflict with interest	None relationship or stockholder with Company,
	Subsidiaries, the Management and Shareholder.

3) Legal Advisor

Prof.Dr.Sahaton Rattanapijit

Asst.Prof.Dr.Naporn Phopattanachai

Faculty of Law, Thamasat University

2 Prachan Road, Bangkok 10200

Tel. (662) 221 6111 Ext. 2121

5.2 Other important information

1) Other information that may significantly affect the decision of investors -None-

2) Restrictions on shareholders abroad -None-

5.3 Legal disputes

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

2) Cases that affect the Company's business operations significantly -None-

3) Cases that do not arise from the normal business operation of the Company -None-

4) Cases with directors, executives or related persons who are a counterpart to the Company -None-

5.4 Secondary market -None-

5.5 Frequently contacted financial institutions (only in the case of debt instruments) -None-



Chapter 2

Corporate Governance



6. Corporate Governance Policy

6.1 Overview of policies and practices of Corporate Governance Policy.

The Board of Directors has both allowed and facilitated good business management in every levels of the organization and it has continuously improved and strived to enhance our performance to achieve intended business goals as efficiently as possible. The Board of Directors has always conducted our business according to local laws and other related regulations and takes pride in our truthfulness and transparency. The Board of Directors truly believes that good, transparent and effective business management will significantly contribute to the company's better performance and higher business returns. This is certainly most beneficial in the long run for our shareholders, investors and all other associates. Hence, the Board of Directors has determined our business administration and management policies as follows.

1) To conduct business in accordance with the principles of Good Corporate Governance along with transparency and verifiability.
2) To direct all members of director to act according to their entrusted roles and responsibilities as effectively and as efficiently as possible.
3) To treat shareholders and other stakeholders with parity and fairness and disclose sufficient business information for all parties and associates involved.
4) To supply adequate internal business control to ascertain appropriate risks management standard and ensure regular follow-ups.
5) To determine the company's visions, missions, goals, policies, business plans and corporate budgets and must undertake relevant follow-ups on a regular basis.
6) To provide Authorization Manual to the company's executives, employees and other associates to inform and specify their roles and responsibilities, their parts in decision-makings and their scope of power in accordance with their entrusted roles and assigned duties.
7) To provide Code of Conduct and notify the members of Director along with every other employees and associates to adhere to.

The company has conformed to the following administration and management principles which specify five areas of conduct. These include Shareholders' Rights Section, Treating All Stocks Holders Impartially Section, Roles of Stakeholders Section, Information Disclosure and Transparency Section, and Responsibilities of the Board of Director Section. The specific contents of each section are elaborated as follows.

1) Shareholders' Rights

In 2020, the company held one meeting as the Annual General Meeting of Year 2019. The company used this opportunity to allow all of our shareholders to participate in the matters relating to business management and share their opinions on some aspects of the business operation. What follow are the details of the meeting and its activities.

1.1) The meeting was held at a hotel's Convention Hall. The company had arranged the annual meeting, facilitated and enhanced all of shareholders including institutional investors to take part in the Annual General Meeting. Therefore, it was very crucial to organize the meeting in a convenient location.

1.2) The company allowed our shareholders to voice their concerns over various issues which would then be included in the meeting's agenda. The shareholders could also nominate in advance an individual they deemed fit to become a director of the company. This must be done during August 23, 2019 to November 30, 2019 for the Annual General Meeting 2020 and during October 1, 2020 until December 30, 2020 for the Annual General Meeting 2021. The company notified all shareholders using the SET news system and also provided additional information along with specific clarifications regarding the criteria and the specific courses of action on the company's website.

1.3) The company sent the letters of invitation to the annual meeting along with related information and documents to be used at the meeting to all of our shareholders. These included the annual report, financial statements and other related documents that the meeting attendees had to bring to the meeting and used them to confirm their identities. They each also received a letter of proxy which would be used to notify the committee of their absences and also to authorize or entrust another individual as their substitutes. This must be done within 7 working days prior to the meeting. In any case, the meeting documents that were sent to all shareholders along with an official letter of invitation to the meeting must provide adequate and complete information. The shareholders can use them and put together their opinion to make various decisions as specified by the meeting's agenda. Furthermore, the company also included another option for the shareholders in allowing the Independent Director to act on behalf of the shareholders who were unable to attend the meeting. In this regard, with the situation of COVID-2019, the Company had to postpone the shareholders'

meeting from April 23, 2020 to July 23, 2020, The company notified all shareholders using the SET news system, the Company's website, newspapers and documents were delivered to shareholders. In the Annual General Meeting of Shareholders 2020, there were 9 of 10 directors attended the meeting.

1.4) On the day of the meeting, the company arranged a barcode registration system which would show the registration number of each shareholder as appeared on their registration forms and the letters of proxy. This was to ensure convenience for all of our shareholders and expedite the registration process.

1.5) The Meeting would be announced the specific procedures in balloting and counting the votes before starting the meeting. They also clarified how the voting forms were to be used. Each shareholder had one vote count per one stock owned.

1.6) The Chairman of the meeting orchestrated the meeting as described in the agenda attached to the official invitation to the annual meeting. The executive committee allowed all meeting attendees to voice their opinions and ask question during each chapter of the meeting. The Board of Directors themselves would also give relevant comments, articulate additional suggestions and subsequently makes a record of important issues discussed during the meeting in the Minutes.

1.7) The company did not introduce another meeting agenda or changed any important information without notifying the shareholders in advance.

1.8) The company distributed the Minutes of the Annual General Meeting to notify all shareholders about the results of the meeting. All shareholders can verify the information using information channels of the SET as well as through visiting the company's website within 14 days after the day of the meeting.

2) Treating All Shareholders Impartially

The company abides by the policy which states that we shall treat all shareholders impartially using the same standard regardless of whether one is a major shareholder, a minor shareholder, or an institutional investor. This is to ensure that the company has bona fide and sustainable impartiality. Measures taken to uphold the value are as follows.

2.1) The company arranges all meetings among all shareholders using the same standards and procedures and try to facilitate all shareholders and investors, give them equal opportunities in asking questions during meetings and voicing their opinions during each chapter of the meeting . The Chairman of the meeting was overseeing the convention heeds and respects all shareholders' opinions and always try to answer to all concerns voiced and questions asked as completely as possible. This is evident in Minutes following every annual general meeting.

2.2) For the Annual General Meeting among in Year 2020, the company distributed an invitation card as well as the annual report, Financial statement and a letter of proxy to be used in nominating at least one person to become an independent director to all shareholders whose name appeared in the company's record of stocks holding. The company also publicly announced the information regarding the date and time of the Annual General Meeting and the intended agenda in a newspaper prior to the meeting at least 7 days for a period of 3 consecutive days. In this regard, with the situation of COVID-2019, the Company had to postpone the shareholders' meeting from April 23, 2020 to July 23, 2020, The company notified all shareholders using the SET news system, the Company's website, newspapers and documents were delivered to shareholders. In the Annual General Meeting of Shareholders 2020, there were 9 of 10 directors attended the meeting.

2.3) The company allowed our shareholders to voice their concerns over various issues which would then be included in the meeting's agenda. The shareholders could also nominate in advance an individual they deemed fit to become a director of the company. This must be done during August 23, 2019 to November 30, 2019 for the Annual General Meeting 2020 and during October 1, 2020 until December 30, 2020 for the Annual General Meeting 2021. The company notified all shareholders using the SET news system and also provided additional information along with specific clarifications regarding the criteria and the specific courses of action on the company's website.

2.4) The company allowed our shareholders to exercise their rights in nominating and appointing director of the company as a private individual.

2.5) The company enfranchised all of our shareholders their rights over the company's decision making based on the quantity of stocks owned. This is the standard practice which is applied to all of our shareholders. They can use their specified counts to vote and influence a decision when the occasion arises.

2.6) The company had attached Letter of Proxy, Type B which specifies that the shareholders can determine how they should vote during each period. With it, the company also sent a letter of invitation with date and time of the upcoming meeting. For those shareholders who could not come to the meeting, they would have to notify the independent director and authorize other individuals to attend the meeting and vote on their behalf. The aforementioned documents were also available and could be downloaded from the company's website.

3) Roles of Stakeholders

The company takes every group of stakeholders into consideration by determining various procedures to be taken in the Code of Conduct. The manual itself is for Director, Executive and all other employees to consult, observe and adhere to ensure their good and ethical performance. The moral recommendations and codes of conduct as described in this manual are considered essential and shall be closely observed by all individuals, for example.

- Shareholders : The company shall conduct its business with absolute transparency while taking into account the prospect of long-term growth of the corporate value.
- Employees : The company shall support the development of human resources skills by basing our judgment entirely on individual competency and shall emphasize on safety first working ethics, impartiality, fair compensation and provide appropriate workers' benefits.
- Business Partners/Creditors
  : To abide by trading agreements and strictly comply with conditions as stated in the contract(s).
- Competitors : To observe and abide by relevant competition rules and regulations and shall not defame or denigrate competitors without sufficient proof or evidence.

- Customers : To strive, improve and keep our goods and products up to the relevant standards with the aim to maximize our customers' satisfaction. In this respect, the company has also achieved and been certified with ISO9001:2000, GMP, and HACCP and also delegate a group of our employees for customer service and assure confidentiality between the company and our customers.
- Community, Society and Environment
  : The company supports our employees to participate in activities which aim to prevent or remedy environmental problems or pollutions by strictly observing local laws and related environmental regulations. The company also supports environmental activities of surrounding communities and other similar activities of the locality where our business establishments are located and pronounce to every employee known and having training program for employee about safety, health and environment.

4) Information Disclosure and Transparency

The Board of Directors is aware that the company's information, finance-related or not, can have an impact or influence how investors and other stakeholders make their decision. Therefore, the Board of Directors has always explicitly instructed all Executives to be extraordinarily careful in disclosing the information which must be done completely, truthfully, reliably, regularly, and also in a timely manner. The Executives has always given priority to the aforementioned principles and behave accordingly. And regarding to services given to sustain investor's relations, the company has delegated Chief Financial Officer to act on behalf of the company in contacting and communicating with investors, shareholders, analysts, relevant government agencies, investor's institutions as well as the general public. For further information or specific inquiries, please contact us at 0-269-9166 or visit our website at www.cpi-th.com or email us at info@cpi-th.com

5) Responsibilities of the Board of Directors

The appointment of the director of the company is preceded in accordance with the agreement between the company and our shareholders which states that the director must come from our shareholders with the ratio that corresponds to the proportion of public stocks holdings. The Board of Directors is comprised of 10 members as follows.

- Executives Director 3 members
- Non-Executives Director 3 members
- Independent Director 4 members

All directors must receive an orientation along with necessary information on various aspects of business operation of the company from their very first day in office. This is a company's policy which is applicable to all individuals who agree to take up a position as part of the Board of directors.

In 2020, the number of independent director is 4 members of 10 members of the Board of Directors or made up a third of the entire of the Board of Directors. In any case, the independent directors are free to act with their delegated authority. They do not need to answer to Executives, major stocks holders or even the Chairman of the Board of directors. Therefore, the Chairman of the Board of directors must not be the same person with the Chief Executive Officer. This is to guarantee the good and balanced allocation of responsibilities in both policy-making and day-to-day management. The company clearly stipulates and defines roles and responsibilities of every level of administration which can be referred to in our Business Operation Manual. The company also delegates and allocates duties and responsibilities of each finance position to ensure that relevant officers can work independently and can fully exercise their delegated authority to achieve their goals and objectives. This shall establish balance, transparency, and also credibility throughout bookkeeping processes and in their acting as custodians for the company's assets. With clear boundaries between each administrative and finance position, the company can make sure that all related works and financial records are verified and that all directors can work to the fullest of their ability as representatives of all stocks holders to achieve intended results. This shall lead and necessitate a counterbalance between administrative and financial officers and help, in turn, to prevent fraudulence or other misconducts.

The Board of Directors is responsible for directing and managing the company. Their performance shall comply with laws and regulations, the company's objectives and obligations as well as the decisions resulted from the general meetings between the company and the shareholders with due honesty and transparency. They must also strive to safe keep the company's profits and other advantages. The tenure of a director is fixed and must be in accordance with rules and regulations which stipulate that during the Annual General Meeting of every year, one-third (1/3) of the director members must leave the posts. In the case which director member cannot be equally divided into three separate groups, the closest possible number shall be applied instead. The Director whose tenure is the longest shall be the ones who have to leave the posts.

All directors possess knowledge, abilities, aptitudes and have undergone a training course necessary to become and act as Director. The program is known as “Directors Certification Program”(DCP) or as “Directors Accreditation Program” (DAP). Both are provided by Thai Institute of Directors (IOD). The following list shows committee members who have undertaken the programs.

1)	Mr. Banphot	Hongthong	DAP Certificate Class 2013
2)	Mr. Chusak	Prachayangprecha	DCP Certificate Class 18/2002
3)	Mr. Takon	Tawintermsup	DCP Certificate Class 32/2003
4)	Mr. Paiboon Kujareevanich		DAP Certificate Class 13/2014
5)	Mr. Kitti Chatlekhavanich		DCP Certificate Class 4/2000
6)	Mr. Karoon Nuntileepong		DCP Certificate Class 9/2001
7)	Mr. Songridth Niwattisaiwong		DCP Certificate Class 15/2002
8)	Mr. Nopporn Picha		DAP Certificate Class 2003
9)	Mr. Saravut Menasavet		DAP Certificate Class 2015

The Board of directors possess leadership skills, visions, and are able to make decision independently in order to maximize the company’s and all shareholders’ benefits. The Board of directors also participates in the process of determining and approving the company’s visions, missions, strategies, and objectives. The Management reviews the proposals for the Board of directors every 1-3 years, or, whenever major changes occur both in the business operation and in the economy.

In terms of business plans and corporate budget, the company has an action plan and follow up every quarter and implement ever year. The Management normally presents them to the Executives Committee to consider on a yearly basis. This practice is in accordance with the framework for business operation. The team shall report the information to the Board of directors and if the business plans or the corporate budgets put forward exceed the decision making authority delegated to the Executives Committee, they shall bring the proposals to the Board of directors for the approval. The Board of directors shall direct the Management to act according to business plans and proposed corporate budgets as efficiently and as effectively as possible. Furthermore, the Board of directors and the Management are functionally responsible to answer to all shareholders. Therefore, the delegation of authority and clear separation of each job duty, role and responsibility between the Board of directors, Chief Executive Officer and the Management must be generally practiced. The company also clearly specifies and describes the operational authorities in written language.

Prevention of conflicts of interest, the transactions or business conducts between the Company and connected persons, related persons, or people who may have a conflict, have to be done in accordance with general commercial terms. All transactions will be done fairly at market prices and in a normal commercial manner or as a transaction that is a trade agreement in the same way that a person would do with a general counterpart in the same situation. There should be a trade bargaining power without influence from the status of directors, executives, or related persons (as the case may be) under reasonable conditions and it can be verified that such transactions do not cause a transfer of benefits.

The Board of directors also takes precaution against any conflict over benefits that may arise. Under such circumstance, the company shall delegate an Audit and Risk Management Committee to see to the problems/conflicts and other related matters and put forward practical solutions appropriately and immediately. All business transactions shall be in accordance with the SET rules and regulations both in terms of prices and conditions-similar to transactions with any outsider. The specific details of the transaction, value, contract partners, reasons/needs must be clearly present in the Annual Report and Form 56-1 and must also be included in notice section of Corporate Budget under the detail on account reports of related individuals.

Moreover, the company has a policy which states that Director and Executives must notify about the trading of the company's stocks at least 1 day prior to the actual transaction so that the Audit committee can investigate on the matter through Company Secretary and must hand in report on all stakes holders involved every 6 month. Secretary Company must hand in a copy of the report to the head of the Audit and Risk committee afterwards. The directors and executives has a duty to report changes in securities holding to SEC and informing the Company Secretary in order to record the changes and summarize securities of individual directors and executives to report to the Board of Directors.

Changes in stocks owned by Director and Executives in 2020.

Name	Total Stocks owned as of January 1, 2020		Changes during the year			Total Stocks owned as of December 31, 2020	
			Bought	Sell	Transfer		
	Share(s)	%	Share(s)	Share(s)	Share(s)	Share(s)	%
1. Mr.Banphot Hongtong	0		-	-	-	0	
Spouses and underage children	0		-	-	-	0	
2. Mr.Nopporn Picha	0		-	-	-	0	
Spouses and underage children	0		-	-	-	0	
3. Mr.Paiboon Kujareevanich	0		-	-	-	0	
Spouses and underage children	0		-	-	-	0	

Name	Total Stocks owned as of January 1, 2020		Changes during the year			Total Stocks owned as of December 31, 2020	
			Bought	Sell	Transfer		
	Share(s)	%	Share(s)	Share(s)	Share(s)	Share(s)	%
4. Mr.Saravut Menasavet	0		-	-	-	0	
Spouses and underage children	0		-	-	-	0	
5. Mr.Takon Tawintermsup	6,680,158	1.06	1,081,000	-	-	7,761,158	1.23
Spouses and underage children	0		-	-	-	0	
6. Mr.Chusak Prachayangprecha	13,253,181	2.10	-	-	-	13,253,181	2.10
Spouses and underage children	0		-	-	-	0	
7. Mr.Karoon Nuntileepong	0		-	-	-	0	
Spouses and underage children	0		-	-	-	0	
8. Mr.Kitti Chatlekhavanich	13,009,923	2.06	1,000,000	-	-	14,009,923	2.21
Spouses and underage children	0		-	-	-	0	
9. Mr.Songridth Niwattisaiwong	2,831,260	0.45	-	-	-	2,831,260	0.45
Spouses and underage children	0		-	-	-	0	
10. Mr.Rachoj Tawintermsup	5,348,266	0.85	-	-	-	5,348,266	0.85
Spouses and underage children	0		-	-	-	0	
11. Mr.Kritbhong Takviriyanan	0		-	-	-	0	
Spouses and underage children	0		-	-	-	0	
12. Mrs.Ratsamee Pongjindanon	0		-	-	-	0	
Spouses and underage children	0		-	-	-	0	
13. Mr.Thawatchai Chomwan	0		-	-	-	0	
Spouses and underage children	0		-	-	-	0	
14. Mr.Prawit Toemwiriyakun	0		-	-	-	0	
Spouses and underage children	0		-	-	-	0	
15. Mr. Jaroslaw Marian Kibilda	0		-	-	-	0	
Spouses and underage children	0		-	-	-	0	
16. Mr.Anorn Rittan	0		-	-	-	0	
Spouses and underage children	0		-	-	-	0	
17. Mr.Chumpon Thainukul	0		-	-	-	0	
Spouses and underage children	0		-	-	-	0	
Total share of Director (no. 1-10)	41,122,788	6.50	2,081,000	-	-	43,203,788	6.83
Total share of Executive (no. 11-17)	0		-	-	-	0	

The Board of directors has developed a system for internal control that covers all finance, business operation, risk management to ensure that they comply with laws, rules and related regulations. The Board of directors also provides an effective mechanism to investigate and counterbalance and make sure that all funds and assets of both the company's and the investors' are attentively protected. In addition, the Board of directors also determines the company's levels of authority. Any committee approval shall have with it clear signatures of associated personnel as specified in the manual concerning the business operation and Executives/employees' responsibilities. All business forms must be written clearly and explicitly. There should be Internal Audit solely to investigate and control the working processes of all departments and keep up to the relevant standards. Internal Audit must also assess the effectiveness and sufficiency of the current level of internal control within the company. In any case, the Audit committee shall delegate necessary power and authority to the Internal Audit to enhance them to work independently. This is to make sure that they can fully investigate any problem or misconduct and can immediately and directly report the problems found to the Audit committee for every business quarter.

The Board of directors has collaborated to devise Development Plan for Executives along with Succession Plan and also undertake annual assessment regarding the work performance of Executives on a regular basis. They also assign the Nomination and Remuneration Committee to consider a compensation system which takes into account the work performances of Executives and translate them into benefits and compensations befitting their business performances. This is an attempt to encourage initiatives on the Executives' behalf. It is to prompt them to take up challenges and become more successful at what they do. This shall benefit the company as a whole.

The company has published Codes of Conduct and provides them to all associates as something to abide by. All of the company's employee shall work and attend to their duties with honesty and trustworthiness. The company has given Codes of Conduct to all Directors, Executives and employees and urges all to abide by the ethical principles. In addition, the company also provides training/meeting sessions to explain to all employees about the code of conduct described in the manual. Directors and managers at every level shall pay close attention to their subordinates and make sure that they all act according to the principles. More specifically, the company has officially delegated the code of conduct as part of the trainings to be provided and followed up by Human Resources Department on a yearly basis.

The company determines and subsequently announces about a meeting among the Board of directors in advance. The meeting will be held once for every business quarter. There might also be additional meeting(s) if it is deemed as necessary. The agenda of such meeting shall be clearly determined prior to the meeting itself. There might also arise an occasion in which the results

and work performance are checked upon. On such occasion, the Company Secretary will send an official letter of invitation, along with the meeting's agenda to each director 7 days prior to the actual meeting. This is to make certain that all directors have the time needed to ponder and examine the relevant information, be sufficiently prepared and arrive at the meeting ready to discuss the issues or problems.

During the Board of directors meeting, all directors can express their opinions freely. All things discussed shall be put down in writing. Afterwards, the records already approved by the Board of directors will be passed on to director of company which shall further investigate and proofread before giving their final approvals. Normally, a meeting lasts for approximately 3 hours. In addition, the company will delegate a Company Secretary and Legal Consultants who shall suggest or recommend on legal matters and other related regulations, oversee the board of directors activities, and coordinate with all associates to ensure that all practices comply with the board of director's decisions.

6.2 Not-yet compliance with the good corporate governance principles from the suggestion summary from IOD

The Board of Directors assigned the Corporate Governance Committee, the Nomination and Remuneration Committee, and the Management Committee to study ways to enhance the Company's operation in accordance with the principles of good corporate governance that have not yet been practiced, as follows:

1) The Company should disclose in the minutes of the shareholders' meeting regarding the arrangement of the inspection of the vote counting at the shareholders' meeting.
2) The Company should define and disclose the employee compensation policy that is consistent with the Company's performance in both the short and long term.
3) The Company should disclose the long-term objectives/goals in the annual report.
4) The Company should share information through meeting with securities analysts or join the SET Opportunity Day activity with an analyst.
5) The Company should share information through organizing press conferences to the mass media/preparing newsletters presenting the Company's financial position.
6) The Board of Directors should determine the number of listed companies in which each Director may hold a position of no more than 5 organizations without exception.
7) The Board of Directors should establish a policy of holding a director position in other companies of the Chief Executive Officer.
8) The Board should set and disclose the policy on diversity in its structure.

9) The Company should set a policy on the minimum number of quorums at the time the Board of Directors will vote at the board meeting that there must be no less than two-thirds of the total number of directors.

10) The Board should hold a meeting between non-executive directors with the management attendance in the meeting in the past year by specifying the number of times or the date of the meeting.

11) The Company should disclose matters that are the Board's approval authority.

12) The Board should disclose the criteria for evaluating the performance of each director individually.

13) The Remuneration Committee should hold meetings at least twice a year.

14) The Nominating Committee should hold meetings at least twice a year.

6.3 Overall Performance of Corporate Governance for Sustainable Development Year 2020

- AGM Checklist 2020;
  Acknowledgement of the quality assessment results of the 2020 Annual General Meeting of Shareholders which the Company received a full score of 100 from the Thai Investors Association reflecting that the Company takes into account the rights of shareholders equally before, during and after the shareholders' meeting. These matters are an important element of good corporate governance

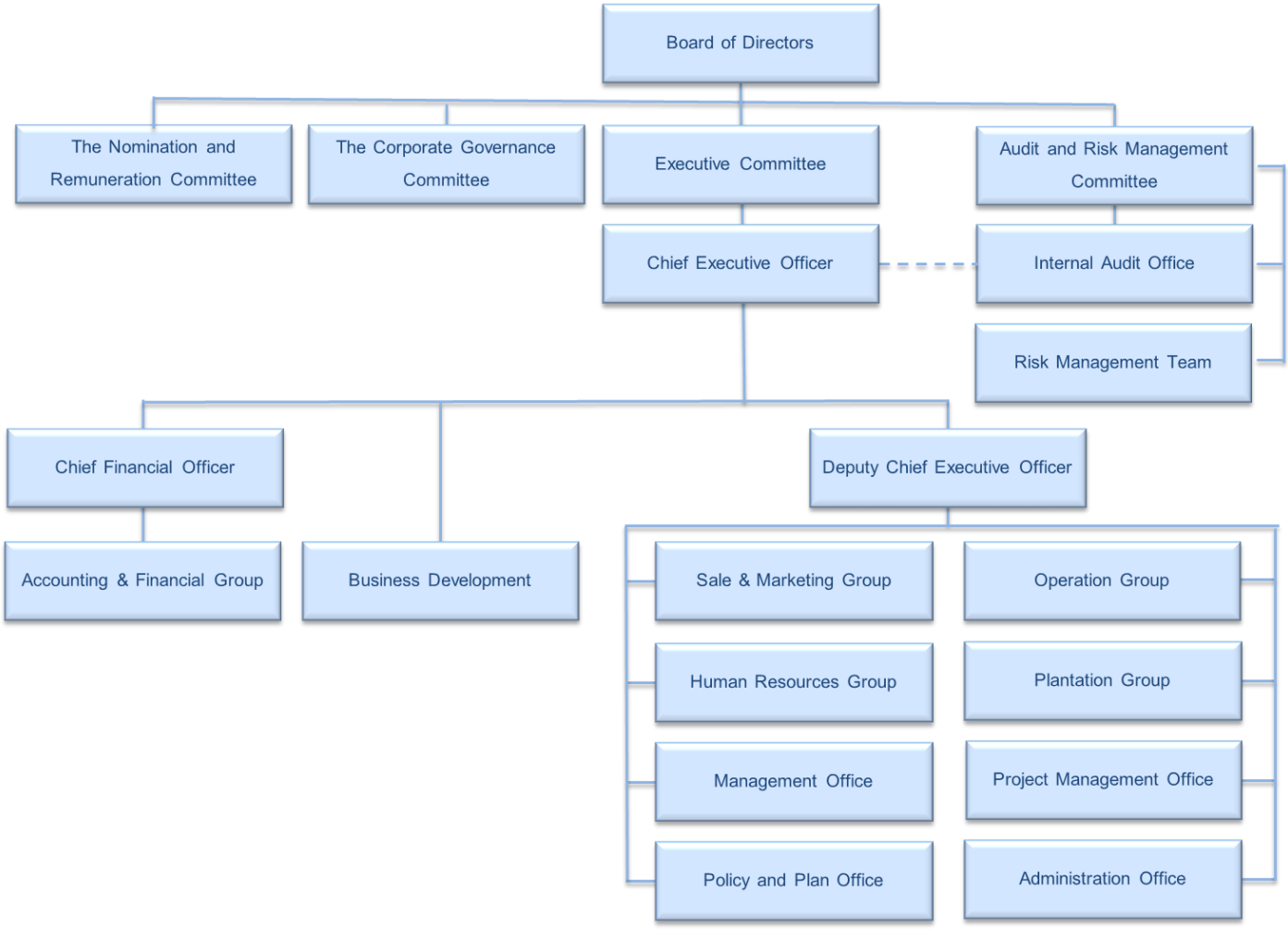
- Coporate Governance Report of Thai Listed Companies;
  Acknowledgment of the Corporate Governance Report of Thai Listed Companies 2020 from the Thai Institute of Directors Association which is rated "Excellent" or "Five-Star" which clearly reflects that the Company has given importance to shareholder rights, equitable treatment of shareholders, taking into account the role of stakeholders, disclosing transparency information and responsibilities of the Board of Directors.

7. Corporate Governance Structure and Important Information Concerning The Board of Directors, Sub-Committees, Management, Employees

7.1 Corporate Governance Program

The Board of Directors has a duty to perform in accordance with the law, objectives and regulations of the Company as well as resolutions of the shareholders' meeting with integrity and with great care in order to protect the interests of the Company.

The Company's structure as of December 31, 2020.



7.2 The Board of Directors information

7.2.1 The Board of Directors comprises of member as follows;

No.	Name		Positions
1	Mr. Banphot	Hongthong	Independent Director Chairman of the Board of Directors Chairman of the Nomination and Remuneration Committee
2	Mr. Nopporn	Picha	Independent Director Chairman of the Audit and Risk Management Committee Member of the Nomination and Remuneration Committee
3	Mr. Paiboon	Kujareevanich	Independent Director Member of the Audit and Risk Management Committee
4	Mr. Saravut	Menasavet	Independent Director Member of the Audit and Risk Management Committee
5	Mr. Takon	Tawintermsup	Director Chairman of the Executive Committee
6	Mr. Chusak	Prachayangprecha	Director Member of the Executive Committee Member of the Nomination and Remuneration Committee
7	Mr. Karoon	Nuntileepong	Director Chairman of the Corporate Governance Committee
8	Mr. Songridth	Niwattisaiwong	Director Member of the Corporate Governance Committee
9	Mr. Kitti	Chatlekhavanich	Director
10	Mr. Rachoj	Tawintermsup	Director

Remark : Directors as above have never been an employee or partner of the external auditor that the company has employed in the last 2 years.

7.2.2 Numbers and names of directors who is/are authorized to sign binding the company

Mr.Takon Tawintermsup or Mr.Rachoj Tawintermsup is authorized to co-sign with Mr.Chusak Prachayangprecha Prachayangprecha or Mr.Kitti Chatlekhavanich or Mr.Songridth Niwattisaiwong, totaling 2 persons and affix with the company seal.

Information and details of the Board of Directors. Please see details in attachment 1.

7.2.3 The Board of Directors of the company has the scope of duties and responsibilities as follows;

(1) Perform their duties in accordance with laws, objective, article of association including the resolution of the shareholders' meeting with accountability care and integrity.

(2) Set out the main policy with respect to business operation and the policies in finance, fund management and supervise the management to perform its duties efficiently and effectively under such policies.

(3) Consider and approve important matters which are required by relevant laws or the Company's rules and regulations to be granted approval by the Board of Directors of the company or Company's Shareholders Meeting.

(4) Set up the internal control system for the operation, financial reports and compliance with the laws and the Company's rules and regulations. The Internal Audit Department is assigned to inspect and monitor compliance with the internal control system and report to the Audit Committee. The Board of Directors will make an annual assessment on the adequacy and appropriateness of the internal control system and include its opinion in the annual report.

(5) Appoint the Nomination and Remuneration Committee, the Audit Committee, the Executive Board and other sub-committees in order to assist the Board of Directors in supervising the Company's business undertaking to achieve the Company's objective.

(6) Appoint Chief Executive Officer, Deputy Chief Executive Officer and Managing Director who is proposed by the Nomination and Remuneration Committee for responsibilities as assigned or according to the policy assigned by Board of Directors, the Executive Board and following the Law.

(7) Appoint the Company Secretary to be responsible for the matters required by the law.

The Chairman of Directors of the company has the scope of duties and responsibilities as Articles of Association as follows;

Clause 22 To call for a meeting to the board of directors, the chairman of the board or the person assigned is required to send a letter of appointment of the meeting to the directors at least seven days before the meeting date unless it is the urgent case to look after the rights or interest of the company, the appointment on the meeting may be notified through other means and the meeting date may be set earlier than that. If at least two directors have called for the meeting of the board of directors, the chairman of the board is required to arrange the meeting within fourteen days since the date of receipt of such request.

Clause 26. All resolutions of the meeting of the board of directors are made through the majority votes of the diretors attending the meeting. One director has one vote to cast unless the director has an interest in any issue, such director is not allowed to cast a vote on such matter. If the votes are on par, the chairman of th meeting is eligible to east another decisive vote.

Clause 38 The chairman of the board of directors is required to chair the meeting. If the chairman of the board is absent in the meeting or is unable to perform his duty and if there is a vice chairman, the vice chairman is required to chair the meeting. If there is no vice chairman or there is on but he is unable to perform his duty, the shareholders in the meeting shall elect on of the shareholder to chair the meeting.

Term of the director

In compliance with the law and the Company's Articles of Association, one-third of the directors must retire. The retired directors may be re-appointed for another term.

7.3 Information of the Sub-Committees

1) The Audit and Risk Management Committee comprises as follows;

No.	Name	Position
1	Mr.Nopporn Picha	Chairman of the Audit and Risk Management Committee
2	Mr.Paiboon Kujareevanich	Member of the Audit Risk Management Committee
3	Mr.Saravut Menasavet	Member of the Audit Risk Management Committee

The director No. 1, 2 and 3 are a qualified person of independent director and have sufficient knowledge and experience to review financial statement.

Audit and Risk Management Committee of the company has the scope of duties and responsibilities as follows;

(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 and 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, nominate or lay off 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 transactions that may lead to conflicts of interests, to ensure that they are in compliance with the laws and Stock 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 chairman of audit committee 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 performances of duties in accordance with the charter, and

(h) other transactions 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; and

(7) To set the policy and suggest how to manage the risk in concern to the business company.

(8) To set the Risk Management Plan.

(9) To follow up and evaluation according the Risk Management plan.

(10) To appoint and change the person in the Risk Management Team.

(11) To prepare any other act as assigned by the Company's board of directors, with the approval of the audit and risk management committee.

Term of the Audit and Risk Management Committee

The Audit and Risk Management Committee shall hold a term of 2 years and the Audit Committee may be re-appointed by the Board of Directors for another term.

2) The Nomination and Remuneration Committee comprises as follows;

No.	Name	Position
1	Mr. Banphot Hongtong	Chairman of the Nomination and Remuneration Committee
2	Mr. Nopporn Picha	Member of the Nomination and Remuneration Committee
3	Mr. Chusak Prachayangprecha	Member of the Nomination and Remuneration Committee

The Nomination and Remuneration Committee has the scope of duties and responsibilities as follows;

(1) Consider the nomination criteria and procedures to nominate eligible individuals to be Directors; then, propose to Board of Directors or the Shareholders Meeting to consider and appoint as the case may be. Besides, the said nomination procedures include the opportunity for minor Shareholders to nominate individuals to be considered and selected.

(2) Specify remuneration criteria for Directors.

(3) Consider remuneration for Directors and propose to the Board of Directors; then, propose to the Shareholders Meeting to approve.

(4) Proposed the candidate to Board of Director for consideration and appointed to be Chief Executive Officer, Deputy Chief Executive Officer and Chief Financial Officer.

(5) Proposed the annual increment and bonuses of Chief Financial Officer, Deputy Chief Executive Officer and Chief Financial Officer as proposed by Executive Board to the Board director to consider and approve.

(6) Specify the criteria to evaluate performances of the Board of Directors and the Executive Board in accordance with duties, responsibilities and risks which may occur.

(7) Perform any duties which are assigned by the Board of Directors.

Term of the Nomination and Remuneration Committee

The Nomination and Remuneration Committee shall hold a term of 2 years and may be re-appointed by the Board of Directors for another term.

3) The Corporate Governance Committee comprises as follows;

No.	Name	Position
1	Mr. Karoon Nuntileepong	Chairman of the Corporate Governance Committee
2	Mr. Songridth Niwattisaiwong	Member of the Corporate Governance Committee

The Corporate Governance Committee is appointed by the Board of Directors to operate and control process to follow the rules of Corporate Governance.

The Corporate Governance Committee has the scope of duties and responsibilities as follows;

(1) Propose the Corporate Governance regulation to the Board of directors.

(2) Review and recheck perform of the Board of directors and the Management to follow the Corporate Governance regulation.

(3) Review the Corporate Governance regulation at least once a year to up to date of regulation and propose to the Board of directors.

(4) Set plan and policy for Sustainability Management (SM) and Corporate Social Responsibility (CSR).

(5) Follow the operation of Sustainability Management and report to the Board of directors.

(6) Set plan and policy of Collective Action Coalition (CAC).

(7) Perform other duties as assigned by the Board of directors.

Term of the Corporate Governance Committee

The Corporate Governance Committee shall hold a term of 2 years and may be re-appointed by the Board of Directors for another term.

4) **The Executive Committee** comprises as follows;

No.	Name	Position
1	Mr. Takon Tawintermsup	Chairman of the Executive Committee
2	Mr. Chusak Prachayangprecha	Member of the Executive Committee

The Executive Committee has the scope of duties and responsibilities as follows;

(1) Have authorities, duties and responsibilities as assigned or in accordance with the policy which is assigned by the Board of Directors.

(2) Consider and set up policies, business strategies, goals, proceeding plans, financial targets and company's budgets appropriately based on business factors to propose and ask for approvals from the Board of Directors as well as conduct, examine and follow business operations of the company as specified efficiently and effectively.

(3) Set up the Succession Plan for the possession of important high-level executive positions or eligible individuals to be designed for high-level executive positions as well as regularly revise the said plan.

(4) Specify the annual criteria to evaluate performances of Chief Executive Officer, Deputy Chief Executive Officer, Chief Financial Officer and high-level Executives accordance with duties, responsibilities and risks which may occur.

(5) Consider to appoint Senior Manager level to Director level as proposed by Chief Executive Officer.

(6) Consider the annual increment and bonus for employees as proposed by Chief Executive Officer; then, report to the Nomination and Remuneration Committee for acknowledgement.

(7) Specify the organization structure and company's management policy including policies related to recruitment, training, employment and discharge for the company's employees, which Chief Executive Officer or Human Resources Director of the company is authorized to sign the employment contract on behalf of the company.

(8) Consider and offer proposals or opinions to the Board of Directors about projects, proposals or any transactions concerning the company's business operations which costs more than the limited financial amount and/or which the related laws and principles or company's regulations mandate the Shareholders Meeting or the Board of Directors to approve.

(9) Authorize Chief Executive Officer to process the company's management in accordance with authorities, duties, and responsibilities which are specified in Authorization Manual under the conduction of the Executive Board.

(10) Consider and approve Authorization Manual in order that appointed individuals and/or authorized individuals could acknowledge their responsibilities and authorities and use the said manual as the operating manual which demonstrates credential evidences and systematic procedures.

(11) Review and endorse general purchases excluding raw materials procurement which cost above Baht 10 Million as approved by Chief Executive Officer and/or Bidding Committee.

(12) Study the feasibility of new project investments and has the authority to consider and approve the company to invest or venture business with individuals, legal entities or organizations of any businesses or approve to establish subsidiary company which the Executive Board considers as properly in order to process in accordance with the company's objectives as well as consider and approve budget for the said investments, commit juristic contracts, increment capital

subsidiary company and/or process accordingly to the said matters until the completion which cost up to 100 Million.

(13) Consider and approve the financial transactions with financial institutes related to account opening, loan, credit, pawn, mortgage, guarantee and any matters including buying, selling and any land proprietary registrations in accordance with the company's objectives for benefits of the Company's performances including the juristic contract commitments, application / proposal submissions, contacts and juristic commitments with governmental sections in order to achieve any privileges of the company and/or any proceedings related to the said matters until the completion which cost up to Baht 200 Million.

(14) Consider and approve loans between the Company and subsidiary company in amount not over than Baht 200 Million.

(15) Specify trading conditions such as credit limit, payment period, sales agreement, alteration of trading conditions and etc.

(16) Apart from the abovementioned authorities, duties and responsibilities accordingly referred to the Authorization Manual of the company.

The above authorities, duties and responsibilities are subject to the criterion of laws and concerned principles including the company's regulations. In case that the proceeding or any transactions cause or may cause the conflict of interests and/or deal with related transection/person in accordance with the concerned laws and principles or company's regulations which mandate the Shareholders Meeting or Board of Directors to approve, the Executive Board has to propose opinions and submit the said matters to Board of Directors to consider and process in accordance with the concerned laws and principles or the company's regulations.

5) Chief Executive Officer

No.	Name		Position
1	Mr. Kritbhong	Takviriyanan	Chief Executive Officer

Chief Executive Officer has the scope of duties and responsibilities as follows;

(1) Have authorities, duties and responsibilities as assigned or according to the policy assigned by the Board of Directors and/or the Executive Board.

(2) Responsible to supervise, arrange and manage the Company's business in accordance with the policies, business strategies, goals, proceeding plans, financial targets and company's budgets which are approved by the Executive Board.

(3) Consider to employ, appoint, rotate, discharge as well as specify authorities, evaluations and appropriate remunerations for employees in the supervised line in accordance with the policy specified by the Executive Board.

(4) Appoint Advisors for any working fields that are necessary for daily performances and/or managements of the company.

(5) Appoint and/or assign individual (s) to operate any matters conducted under the authorities of Chief Executive Officer in accordance with Chief Executive Officer's appropriate point of views; meanwhile, Chief Executive Officer may abolish, revoke or amend the said authority.

(6) Consider and approve the financial instruments and contracts such as the Commodity Future Contract, Foreign Currency Exchange Forward Contract and etc. in order to prevent the company's financial risks.

(7) Specify trading conditions such as credit amount, payment period, sales agreement, alteration of trading conditions and etc. which cost up to Baht 25 Million.

(8) Consider, negotiate and approve any transactions or performances concerned to raw material procurement and product selling up to 1,000 Tons per order and if purchasing or selling is more than 1,000 Tons per order, must be approved by Selling & Purchasing Committee and then report to the Executive Board in the next meeting.

(9) Consider, negotiate and approve any transactions excluding raw material procurement and product selling which cost up to Baht 10 Million per order.

(10) Apart from the abovementioned authorities, duties and responsibilities accordingly referred to the Authorization Manual of the company.

7.4 Management information

7.4.1 Names and positions of executives

No.	Name		Position
1	Mr. Kritbhong	Takviriyanan	Chief Executive Officer
2	Mr. Rachoj	Tawintermsup	Deputy Chief Executive Officer
3	Mrs. Ratsamee	Pongjindanon	Chief Financial Officer
4	Mr. Thawatchai	Chomwarn	Sale & Marketing Director
5	Mr. Prawit	Toemwiriyakun	Human Resource Director
6	Mr. Jaroslaw Marian	Kibilda	Business Development Director
7	Mr. Anorn	Rittan	Operation Director
8	Mr. Chomphon	Thainukun	Factory Director
9	Ms. Yada	Sawadsree	Assistant Factory Director
10	Ms. Sutisa	Thainchai	Senior Administrative Manager
11	Mr. Choonhui	Saelow	Senior Plantation Manager
12	Ms. Utit	Ninsawang	Plantation Manager
13	Mr. Mongkol	Siengsuttivong	Management Information System Manager
14	Mr. Krissada	Srichotrungreung	Logistic Manager
15	Ms. Slinporn	Prachayangprecha	Purchasing Manager
16	Ms. Saowanee	Juthapirak	Financial and Accounting Manager
17	Mr. Kongsakol	Borvornpinyopong	Action Internal Audit Manager
18	Mr. Krit	Siriprasertchok	General Manager
19	Mr. Sira	Sawedsilp	Engineering Manager
20	Mr. Utai	Khanmueng	Acting Production 1 Manager
21	Mr. Chalong	Intago	Production 2 Manager
22	Mr. Phattanasak	Dechdee	Production 3 Manager
23	Mr. Sombat	Pibool	Automotive Manager
24	Ms. Sumalee	Oratai	Warehouse and Supplies Manager
25	Ms. Paijit	Himthong	Acting Quality Assurance & Production Planning Manager

Remark 1) Management No.1-8 have never been an employee or partner of the external auditor which the company has employed in the last 2 years and have to be disclosed as per SEC's policy.

2) Details of Management No. 1-8 in attachment 1.

7.4.2 Remuneration Policy for Executive Directors and Executives

1) Executive Directors' remuneration

The Company's executive director is a person holding a position in the "Executive Committee." The remuneration for executive directors will include only director remuneration and meeting allowance for executive directors only.

2) Executive compensation

The management's compensation policy is the same as that of the employees. It will be consistent with the performance of the Company both in the short and long term. It can be explained that, in the short term, there is a system for measuring and evaluating the performance of employees in the form of a KPI by paying compensation in the form of an annual bonus; and in long term, there is a system to measure and evaluate the results according to the ability or potential of the person (Competency), which will be evaluated twice a year, at mid-year and at the end of the year. The results from the assessment are used in determining compensation in the form of salary adjustment or job level adjustment and also used for analysis to make training plans for the development of executives' potential.

Compensation in the form of other benefits, such as social security, health insurance, accident insurance, travel insurance, provident fund, annual health check, uniform, and other benefits consistent with the performance.

3) Chief Executive Officer compensation

The CEO's compensation policy is divided into fixed compensation and benefits, i.e. salary is based on duties and responsibilities, experience, and expertise. The Nomination and Remuneration Committee will review this annually. It includes considering the rate of salary adjustment and bonus to propose to the Board of Directors for their approval and compensation in the form of other benefits or special benefits, such as health insurance, accident insurance, travel insurance, provident fund and others that are consistent with the performance.

4) Other remuneration for Executive Directors and Executives

- Year 2013, issued ESOP#1 to Directors and Employees of the company and its subsidiary. (details as topic 1.5 Issuance of other securities)
- Year 2014 to Year 2019 None

7.4.2 Total remuneration of Executive Director and Executives as of December 31, 2020

Details	2020	2019	2018
Executive Directors and Executives	7 person	8 person	8 person
Remuneration meeting allowance, salary, bonus, provident fund, other (retirement compensation)	19.71 MB	18.40 MB	16.20 MB
Positioned car	3 persons	3 persons	2 persons

7.5 Information about employees

1) Number of employees and employee compensation

Employee compensation policy is consistent with the Company's performance both in the short and long term. It can be explained that, in the short term, there is a system for measuring and evaluating the performance of employees in the form of a KPI by paying compensation in the form of an annual bonus; and for the long term, there is a system to measure and evaluate the results according to the ability or potential of the person (Competency), which will be evaluated twice a year, at mid-year and at the end of the year. The results from the assessment are used in determining compensation in the form of staff wage adjustment or job position adjustment and also used for analysis to make training plans to develop employees' potential.

Compensation in the form of other benefits, such as social security, health insurance, accident insurance, travel insurance, provident fund, annual health check, uniform and others that are consistent with the performance. However, from 2014 to present, no ESOP warrants have been allocated to employees.

1.1) Employees as December 31, 2020

Level	Male		Female		Total (person)
	persons	(%)	persons	(%)	
Employees at Bangkok office					
Executive and Manager	8	1.66	6	2.11	14
Supervisor	5	1.04	8	2.81	13
Operational staff	14	2.90	15	5.26	29
Disabled	0	0.00	0	0.00	0
Employees at Chomporn office					
Executive and Manager	8	1.66	6	2.11	14
Supervisor	83	17.18	45	15.79	128
Operational staff	364	75.36	204	17.58	568
Disabled	1	0.21	1	0.35	2
Total	483	100	285	100	768
Percentage (%)		62.89		37.11	100

1.2) Employees resignation in 2020

Level	Male		Female		Total (person)
	persons	(%)	persons	(%)	
Employees at Bangkok office					
Executive and Manager	1	1.64	2	6.45	3
Supervisor	0	0.00	0	0.00	0
Operational staff	2	3.28	1	3.23	3
Disabled	0	0.00	0	0.00	0
Employees at Chomporn office					
Executive and Manager	4	6.56	0	0.00	4
Supervisor	9	14.75	0	0.00	9
Operational staff	45	73.77	28	90.32	73
Disabled	0	0.00	0	0.00	0
Total	61	100	31	100	92
Percentage (%)		66.30		33.70	100

1.3) New employee in 2020

Level	Male		Female		Total (person)
	persons	(%)	persons	(%)	
Employees at Bangkok office					
Executive and Manager	1	3.03	2	15.38	3
Supervisor	0	0.00	0	0.00	0
Operational staff	2	6.06	2	15.38	4
Disabled	0	0.00	0	0.00	0
Employees at Chomporn office					
Executive and Manager	1	3.03	0	0.00	1
Supervisor	0	0.00	0	0.00	0
Operational staff	29	87.88	9	69.23	38
Disabled	0	0.00	0	0.00	0
Total	33	100	13	100	46
Percentage (%)		71.74		28.25	100

1.4) Employee compensation as of December 31, 2020

Details	2020	2019	2018
Employees at			
• Bangkok office	56 persons	79 persons	83 persons
• Chumporn office	712 persons	745 persons	853 persons
Total	768 persons	824 persons	936 persons
Employees by level			
• Executive and Manager	28 persons	27 persons	26 persons
• Supervisor	141 persons	153 persons	165 persons
• Employees	599 persons	644 persons	745 persons
Remuneration			
• Salary	148,562,664 Baht	162,680,479 Baht	179,774,913 Baht
• Bonus	21,817,152 Baht	26,296,293 Baht	24,634,385 Baht
• Other	22,551,715 Baht	25,414,172 Baht	35,404,360 Baht
• Provident fund	2,714,215 Baht	3,131,079 Baht	4,417,182 Baht
• Social security	4,671,955 Baht	6,347,862 Baht	7,168,387 Baht
Total	200,317,701 Baht	223,869,885 Baht	251,399,227 Baht

2) Major labor disputes over the last 3 years

The Company has not had any significant labor disputes in the last 3 years

7.6 Other information

7.6.1 List of persons assigned to be responsible for various operation

1) The Company Secretary

The Board of Directors appointed Mr.Komklid Thonguam to be Company Secretary since January 04, 2016 which joined Company Secretary Program Class No.71/2016 of IOD to assign duty accordance with Section 89/15 of Securities and Exchange Act to perform the following duties as being a center point in making/keeping documents, Handling Board/Committees members registrations, Arranging shareholders meetings, Reporting the interests of Board/Committees members as well as the Executives and Others as assigned by the Board of Directors. (details in attachment 1)

2) The Head of Accounting Supervisor

The Board of directors appointed Mrs.Ratsamee Pongjindanon, Chief Financial Officer to act as the producer of information and highest responsibility in the accounting and finance department. (details in attachment 3)

3) The Head of Internal Audit

The Audit and Risk Management Committee appointed Mr.Kongsakol Borvornpinyopong as Acting Internal Audit Manager (details in attachment 3)

4) The Accounting Supervisor

Ms. Somsir Fonganantarat is assigned to supervise the company's accounting. (details in attachment 3)

7.6.2 Investor Relations and contact information

The company assigned Chief Financial Officer to act on behalf of the company in contacting and communicating with investors, shareholders, analysts, relevant government agencies, investor's institutions as well as the general public. For further information or specific inquiries, please contact us at 0-269-9166 or visit our website at www.cpi-th.com or e-mail : info@cpi-th.com

7.6.3 Compensation for Auditors

Refer to the Annual General Meeting No.1/2020 approved and appointed Mr.Sophon Permsirivallop, Certified Public Accountant (C.P.A.) Registration No.3182 or Ms.Rungnapa Lertsuwankul, C.P.A. No.3561 or Mr.Chayapol Suppasedtanon, C.P.A. No.3972 or Ms.Sumana Punpongsanon, C.P.A. No.5872 or Ms.Pimjai Manitkajohnkit, C.P.A. No.4521 or Ms.Rosaporn Decharkom, C.P.A. No.5659 or Ms.Orawan Techawatanasirikul C.P.A. Registration No. 4807 of EY

Office Limited as the auditor for the year 2020 and fix their audit fee Baht 1,500,000, which was equivalent to the previous year and audited in accordance with compliance to BOI standard was Baht 100,000 which was equivalent to the previous year. and there was no other service fee besides this.

In addition EY Office Limited was also the auditor of subsidiaries for the year 2020 too.

Company	Audit fee		
	2020	2019	Difference
CPI	1,500,000 Baht	1,500,000 Baht	-
CPI Agrotech Co.,Ltd.	370,000 Baht	370,000 Baht	-
CPP Co.,Ltd.	390,000 Baht	390,000 Baht	-
CPI Trading Co.,Ltd.	40,000 Baht	50,000 Baht	decreased 10,000 Baht
CPI Green Co.,Ltd.	50,000 Baht	50,000 Baht	-
CPI Grow Co.,Ltd.	Close	50,000 Baht	decreased 50,000 Baht



8. Corporate Governance Report

8.1 The Board's Performance

8.1.1 The Nomination, Development and Evaluation of the Board's performance

(1) Independent Directors Definition

(a) Do not own shares exceeding 1% of paid-up capital in the company, parent company, subsidiary, affiliate, or any organization that may have conflicts of interest with the company. This injunction also includes shares held by related parties.

(b) Is not or has never been an Executive Director, employee, staff, advisor who receives salary, nor controlling parties of the company, parent company, subsidiary, affiliate, same-level subsidiaries or any organization that may have conflicts unless the foregoing status ended at least 2 years prior to the date of submitting the application to the Securities and Exchange Commission (SEC).

(c) Is not the person who has relationship by means of descent or legal registration under the status of father, mother, spouse, brothers and sisters, and children. The prohibitive persons also include spouses of daughters and sons of management, major shareholders, controlling party or the person who is in the process of nomination to be the management or controlling party of the applicant or its subsidiary.

(d) Have no or never had business relationship with the company, parent company, subsidiary, affiliate, or any organization that may have conflicts in respect of holding the power which may cause the obstacle of the independent decision, including not being or never been the significant shareholder, or controlling parties of nay person having business relationship with the company, its parent company, subsidiary, affiliate, or any organization that may have conflicts unless the foregoing status ended at least 2 years prior to the date of submitting the application to the SEC.

The business relationship mentioned under the first paragraph shall include business transaction in ordinary business manner of rent, or lease the immovable property, transaction related to assets or services, or the financial support regardless of being lent or borrowed, guaranteed, secured, by assets, debt, and any otherwise similar performance which causes liability or obligation to the applicant or counter party, have provided that such liability is equal to or exceed 3% of the net tangible assets of the applicant or equal or above Baht20 million, whichever is lower. In this regard, the calculation of such liability shall be in accordance with the calculation method of the value of connected transaction under the Notification of Capital Market Supervisory Board governing the conditions of connected transaction mutatis mutandis. The liabilities incurred during a period of 1 year prior to the date of having business relationship with the above party shall be included on calculation

of such liabilities.

(e) Is not or has never been the auditor of the company, parent company, subsidiary, affiliate, or any organization that may have conflicts of interest, except in the case that the aforementioned status has been terminated unless the foregoing status ended at least 2 years prior to the date of submitting the application to the SEC.

(f) Is not or has never been the professional service provider, including but not limited to legal service or financial advisor with received service fee more than Baht2 million per year from the company, parent company, subsidiary, affiliate, or any organization that may have conflicts unless the foregoing status ended at least 2 years prior to the date of submitting the application to the SEC.

(g) Is not the Director who is nominated to be the representative of Directors of company, major shareholders, or any other shareholder related to the major shareholders.

(h) Is not any otherwise which is unable to have the independent opinion regarding the business operation of the company.

Therefore, in 2020, independent director of the Company was no business relationship or providing professional services and no person was appointed as independent director during the year.

(2) Selecting Directors and Executives

The Nomination and Remuneration committee will recruit the qualified persons to be directors of the company which will propose to the Board of directors or Shareholders for consideration as the case may be. The Nomination and Remuneration committee will consider about skill, knowledge, specialist (Board Skill Matrix), experience and not specific sex age or nationality which the qualified will be depend on the Company's situation and Operation Strategy during that time and also use data and information via Director Pool to recruit person to be director.

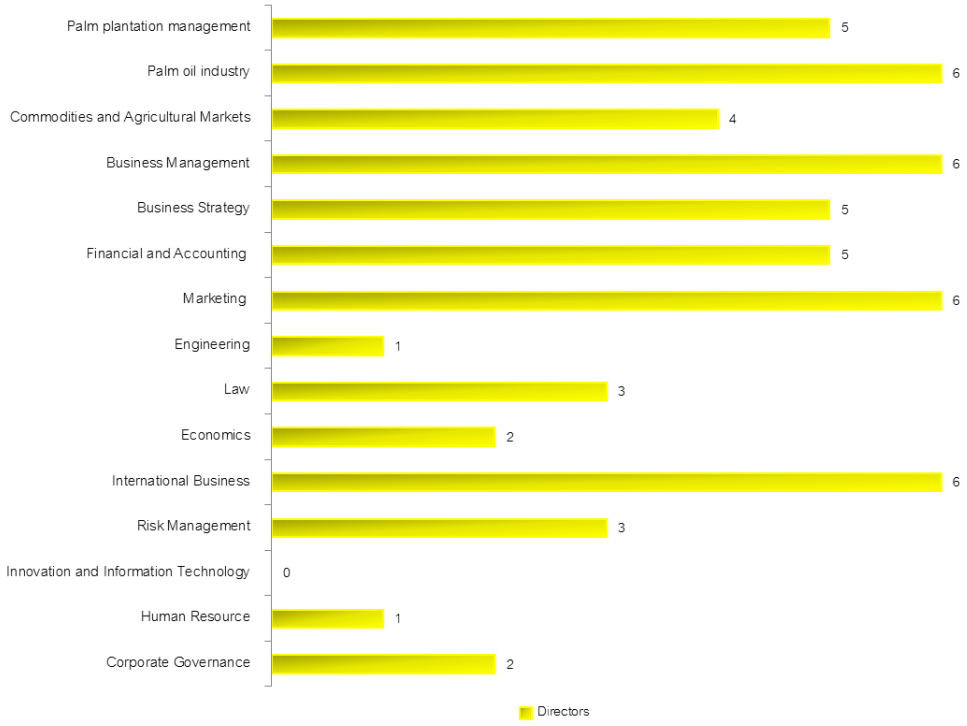
The company give an opportunity to the shareholder to propose the qualified nominate candidates as the director of company in advance. In 2019 during August 23, 2019 to November 30, 2019 for the Annual General Meeting of Shareholder No.1/2020 and during October 1, 2020 to December 30, 2020 for the Annual General Meeting of Shareholder No.1/2021. The Shareholders were notified by new system of the SET and the company's website.

In granting the right of minority shareholders or minority shareholders to propose the nominee as the Director. the Company has stipulated the basic criteria that minor shareholders who wish to nominate persons to be considered for election as directors, must be a shareholder of the Company, which can be either one shareholder or several shareholders combined

or holding minimum shares not less than five percent of the total shares issued (not less than 31,637,633 shares) and the only one nominee could be proposed for election as the director, and minority shareholders or minority shareholders must be hold those shares until such Recode Date . Therefore the vote will be based on majority votes, there is no cumulative voting.

The Nomination and Remuneration committee is assigned to recruit for the Chief Executive Officer, Deputy Chief Executive Officer and Chief Financial Officer to propose to the Board of Directors for consideration and appointed referring to the topic no.7.3 the Nomination and Remuneration Committee's duties and responsibilities.

Board Skill Matrix



Therefore, In 2020, there was no directors from major shareholders and no minority shareholders nominate persons to be considered for election of directors of the Company.

(3) <u>The procedures for the appointement directors as follows</u>

- Proposed qualified nominee to be elected as a director of the company. The Nomination and remuneration committee will consider nominee as director to propose to the board of directors to consider before proposed to the shareholders' meeting.
- Each shareholder has number of vote equal to the number of shares held
- Each shareholder must use all their votes to elect candidate to be a director but cannot divide the vote.

- The nominee shall be ranked by shareholder's vote and appointed as director. In the case when nominees have equal vote. The chairman of the board of directors is a deciding to elect these nominees to be as a director.

Therefore, in 2020, the company has followed the procedures.

(4) Board self-assessment

Every year, after the annual business operation comes to an end, all directors must assess work performance of each director. Each director must assess his or her own performance by referring to the SET performance assessment form. The director will then notify the results to the board of directors who will engage in further assessment to find a practical solution in order to develop potentials and skills necessary for the individual to improve their overall performances. The board of directors must also review how each director perform his or her roles and must preemptively prevent any mishap or misconduct that may arise and damage or undermine staffs' performance or decision making on any issue.

Criteria for evaluation cover the following essential points;

1) Board and subcommittee structure and qualifications.
2) Board Meeting.
3) Roles, duties and responsibilities of the Board and subcommittees.
4) Others, such as relations with the management, directors' self-development, and executive development.

Scoring system of 100% divided as, >80%=excellent, >60%=good, >40%=fair, >20%=improvement need and less than 20%=not in action in that topic.

In the Board of directors meeting No.1/2021 on February 25, 2021, the summary of this assessment was presented to the Board as follows;

1) Self-Assessment to evaluate entire of the board of directors.

which has topics as the structure and qualification of the directors, the roles and responsibilities, the meeting, the duty and acting, the relationships with the management and the skill development of the director and the executive.

Topics	Results 2020
1. The structure and qualification of the directors	92.31%
2. The roles and responsibilities of the directors	92.75%
3. The meeting of the directors	97.50%
4. The duty and acting of the directors	96.07%

Topics	Results 2020
5. The relationships with the management	97.00%
6. The skill development of the director and the executive	89.17%
Results	93.75%

2) Self-Assessment to evaluate sub-committees

which has topics as the structure and qualification of the sub-committees, the meeting, the roles responsibilities and duty.

Topics	Results 2020
1. The structure and qualification of the sub-committees	92.86%
2. The meeting of the sub-committees	100%
3. The roles responsibilities and duty of the sub-committees	
3.1 The Audit and Risk Management Committee	99.31%
3.2 The Nomination and Remuneration Committee	98.33%
3.3 The Corporate Governance Committee	95.00%
3.4 The Executive Committee	92.50%
Results	96.43%

3) Self-Assessment to evaluate individual director

Topics	Results 2020
1. The structure and qualification of the directors	95.45%
2. The meeting of the sub-committees	94.85%
3. The roles responsibilities and duty	93.33%
Results	94.18%

8.1.2 Meeting attendance and remuneration for individual committees

1) Attendance at the Board of directors' meeting and sub-committees

The company's regulations state that in attending meetings, the members of the board of directors or other sub-committee must be present no less than two third (2/3) of the entire body and a resolution must be approved by a majority of the directors attending the meeting. In 2020, the rate of attendance can be summarized as follows;

Name	Number of meetings attended / Numbers of meetings Year 2020					
	The Audit and Risk Management Committee (5 meetings)	The Nomination and Remuneration Committee (1 meeting)	The Corporate Governance Committee (4 meetings)	The Executive Committee (12 meetings)	The Board of directors (6 meetings)	Shareholder's meeting (1 meeting)
Mr.Banphot Hongthong	-	1/1 (100%)	-	-	6/6 (100%)	1/1
Mr.Banphot Hongthong	5/5 (100%)	1/1 (100%)	-	-	6/6 (100%)	1/1
Mr.Paiboon Kujareevanich	5/5 (100%)	-	-	-	6/6 (100%)	1/1
Mr.Saravut Menasavet	4/5 (80%)	-	-	-	6/6 (100%)	1/1
Mr.Takon Tawintermsup	-	-	-	10/12 (83.33%)	5/6 (83.33%)	1/1
Mr.Chusak Prachayangprecha	-	1/1 (100%)	-	12/12 (100%)	6/6 (100%)	1/1
Mr.Karoon Nuntileepong	-	-	4/4 (100%)	-	6/6 (100%)	1/1
Mr.Kitti Chatlekhavanich	-	-	-	-	6/6 (100%)	0/1
Mr.Songridth Niwattisaiwong	-	-	4/4 (100%)	-	6/6 (100%)	1/1
Mr.Rachoj Tawintermsup	-	-	-	-	5/6 (83.33%)	1/1

2) Remuneration for Directors

The Company has policy for remunerating its Directors with clarity and transparency. The Board of Directors considered the remuneration and meeting allowance for director by compared with other similar business and suitable for the job with adequacy and maintain Directors who are qualified and experienced and took into account commensuration with duties and assigned responsibilities and the operating performance.

Therefore the other benefit is not paid to directors, apart from the remuneration and meeting allowance for director only.

According to Annual General Meeting of Shareholders No.1/200 held on July 23, 2020. The meeting approved director's remuneration and the meeting allowance for the year 2020 as follows;

(1) The meeting allowance for year 2020 was increased from previous year as follows;

Meeting allowance	Baht/Person/time		
	Position	2020	2019
The Board of directors	Chairman	30,000	30,000
	Member	20,000	20,000
The Audit and Risk Management Committee	Chairman	30,000	25,000
	Member	25,000	20,000
The Nomination and Remuneration Committee	Chairman	25,000	25,000
	Member	20,000	20,000
The Executive Committee	Chairman	25,000	25,000
	Member	20,000	20,000
The Corporate Governance Committee	Chairman	25,000	25,000
	Member	20,000	20,000

(2) Director's remuneration for year 2020 was equivalent as previous year which chairman of the board of directors will distribute accordingly.

Detail	2020	2019
Director's remuneration	4,000,000 Baht	4,000,000 Baht

3) Remuneration for Directors as of December 31, 2020

Name	The meeting allowance (Unit : Baht)						
	The Audit and Risk Management Committee (5 meetings)	The Nomination and remuneration Committee (1 meeting)	The Corporate Governance Committee (4 meetings)	The Executive Committee (12 meetings)	The Board of Directors (6 meetings)	The director's remuneration in 2020 (1)	Total
Mr.Banphot Hongthong	-	25,000	-	-	180,000	500,000	705,000
Mr.Nopporn Picha	135,000	20,000	-	-	120,000	460,000	735,000
Mr.Paiboon Kujareevanich	110,000	-	-	-	120,000	380,000	610,000
Mr.Saravut Manesavet	90,000	-	-	-	120,000	380,000	590,000
Mr.Takon Tawintermsup	-	-	-	250,000	100,000	380,000	730,000
Mr.Chusak Prachayangprecha	-	20,000	-	240,000	120,000	380,000	760,000
Mr.Karoon Nuntileepong	-	-	100,000	-	120,000	380,000	600,000

Name	The meeting allowance (Unit : Baht)						
	The Audit and Risk Management Committee (5 meetings)	The Nomination and remuneration Committee (1 meeting)	The Corporate Governance Committee (4 meetings)	The Executive Committee (12 meetings)	The Board of Directors (6 meetings)	The director's remuneration in 2020 (1)	Total
Mr.Kitti Chatlekhavanich	-	-	-	-	120,000	380,000	500,000
Mr.Songridth Niwattisaiwong	-	-	80,000	-	120,000	380,000	580,000
Mr.Rachoj Tawintermsup	-	-	-	-	100,000	380,000	460,000
Total	335,000	65,000	180,000	490,000	1,220,000	4,000,000	6,290,000

Remark 1) The Annual General Meeting of Shareholding No 1/2020 held on July 23, 2020 approved the budget for director's remuneration which was limit of Baht 4,000,000. It was equivalent as previous year and not had other benefits. The chairman of the board of directors could distribute accordingly.

2) Due to COVID-19, the Annual General Meeting of Shareholders had to be postponed from April 23, 2020 to July 23, 2020, resulting in the new remuneration for directors to take effect after the shareholders' meeting approval.

4) Other remuneration for Directors and Executives

- In 2013, issued ESOP#1 to Directors and Employees of the company and its subsidiary (details as topic 1.5 Issuance of other securities)
- In 2014 to 2020, has not given other remuneration or issued ESOP.

8.1.3 Supervision of Subsidiaries and Associated Companies

The subsidiary's management and business operations are carried out under the same policy and management model as the Company. The operating process, decision-making power as well as consideration and approval of various matters will be in accordance with the scope of duties and responsibilities according to the Company's authority manual. Moreover, some of the directors and executives of the Company have also held director positions of subsidiaries. Therefore, the management process is certainly within the scope of the Company. Furthermore, information on the Company's financial position will include the financial status of subsidiaries as well.

Supervision and Management of Subsidiaries and Associates, The Company will consider appointing a person to represent the Company as a director in proportion to their shareholding in subsidiaries or associated companies or as agreed upon in the agreement and/or appoint executives according to the conditions agreed.

The Board of Directors or the Executive Committee of the Company will appoint the mentioned representative. They will consider individuals with appropriate qualifications and experience, free of conflicts of interest with the business of subsidiaries or associated companies that the Company has invested in and they will not have any prohibited characteristics or lack

trustworthiness according to the law or related regulations.

In this regard, for the management of business in which the Company has the expertise, the Company will send personnel to represent the Company in the position of a director and/or an executive to take part in the management, including setting policies and management guidelines in accordance with the Company's work plans along with monitoring and controlling the work to be in accordance with the set work plans.

In management in other businesses that the Company does not have expertise, the Company will send a representative in the position of a director instead of going into direct administration.

The person who has been appointed as the representative of the Company must perform duties as a director and/or management of a subsidiary or associated company with responsibility. The person is expected to supervise and monitor the business operations of subsidiaries or associated companies to ensure compliance with applicable laws, regulations and rules. In addition, persons who represent the Company must prevent all related persons, including parents, siblings, children, adopted children, spouses or cohabitants as husband and wife of the representative, from using the Company's inside information and that of subsidiaries and affiliates for their own benefit or that of others that is beyond the interests of the Company, subsidiaries and associated companies.

Information of directors and executives that the Company has appointed as directors or executives in subsidiaries or associates are visible in attachments 1 and 2.

8.1.4 Follow up on compliance with corporate governance policies

(1) Prevention of conflics of interest and insider

Regarding the use of internal information, the company observes and abides by the principles of good business management as stated in the company's Code of Conduct and the Board of directors, Executives and Employees Duties and Responsibilities Manual which are both given to all Directors, Executives and employee on their first day of work. The following is a short summary for a number of important policies written in the manuals.

1) The company determines that all directors, executives and employees must sign and acknowledge any related announcements from the Office of the Securities and Exchange Commission (SEC) which specify that all directors and executives of the company must report any change in shareholding of the company to SEC in accordance with Provision 59 of The Securities and Exchange Act B.E. 2535 within 3 days after the change in shareholding. The

company must also notify the Company Secretary so that an official record of the change can be produced. The Company Secretary will also summarize the total stocks owned by each director or executive and present them to the Board of directors during the next meeting. In addition, the Company Secretary should also explain all directors about plausible penalties for violating or intentionally ignoring the regulations.

2) The company determines that no employee can disclose financial information or other information that can affect the company's stocks' prices to the outsiders or stakeholders. The company also prohibits selling and purchasing of stocks during the 1 month period in which any financial information or other confidential details may affect the prices of the company's stocks. Any company's subsidiaries that choose to disclose such information to the general public must not sell or purchase the company stocks until 24 hours after the information disclosure. Violation of these conditions is considered an offense against the company's disciplines. If a director, an executive or an employee comes to know about the important but confidential information, the individual shall receive a penalty as befits the level of his or her infringement. This can range from warning, salary cut and unpaid suspension to layoff. In addition, the company also determines that director, executive shall report to the Audit Committee about the selling and purchasing of the company's stocks at least 1 day prior to the actual transaction. The specific details of the selling or purchasing of the company's stocks shall be collected and passed on to the Company Secretary who would then present the information to the Audit committee to analyze and determine whether the proposed transaction is in line with the company's policies.

Therefore in 2020, it was not found that directors and executives used inside information for their own benefit and did not trade in securities in a month before the financial statements were released to the public.

(2) Anti-Corruption Management

In 2014, the company signed a jointed program among private companies in Thailand as a gesture to fight against corruption. The Chairman of the company acknowledged and participated in the ratification announcement known as 'Collective Action Coalition' among all Thai private companies to oppose and fight against every forms of corruptions. The Board of directors had considered and approved counter corruption policies, protection policies for employees who take the courage to notify about corruption or other forms of misconduct (Whistle Blower Policy) and the policy on gifts receiving or taking unlawful possessions by notifying all parties involved, both internal and external, along with all of the company's employee to abide by the policies and related regulations.

In 2015, the company shall proceed with notifying outside agencies, trade partners to similarly acknowledge and act in accordance with the aforementioned policies via www.cpi-th.com. The company has been training to all employees to educate and inform about the policies against corruption and make sure that all staffs and employees have better understanding and can act accordingly.

During year 2015, the company and subsidiaries arrange workshop meeting to assess risk factors and setting plan to decrease and protect the risk factor including any corruption may affect the company. The Internal Audit will assess and follow up in every business quarter.

The Company and subsidiaries communicated and public about Code of Conduct and Anti-Corruption Policy via as the orientation, Code of Conduct and Anti-Corruption program, Publishing all policy via intranet (internal communicate) and Website.

In 2016 the Company has certified as a member of the Collective Action Coalition Against Corruption since November 2016 which has to renew in every 3 years. The Internal Audit has planned to review and follow up the corporate governance and Anti-Corruption policy in every year.

In 2017 - 2018 Internal Audits of the company has planned to review and audit the Collective Action Coalition Against Corruption Policy along with evaluating and monitoring to summaries the results to the relevant authorities.

In 2019 the Company received a renew of certified as a member of the Collective Action Coalition Against Corruption on October 18, 2019 which has to renew in every 3 years. The Internal Audit has planned to review and follow up the corporate governance and Anti-Corruption policy in every year.

In 2020 Internal Audits of the company has planned to review and audit the Collective Action Coalition Against Corruption Policy along with evaluating and monitoring to summaries the results to the relevant authorities.

(3) Whistle Blower System

company also introduced “Whistle Blower” system which would allow the company’s employees and all shareholders to notify the company about plausible misconducts, violations of the company’s code of conduct, regulations and other rules concerning working, laws or corruption. The system can help with business operation by keeping it in line with work ethics and sustainable development. Everybody can inform the company about the plausible misconducts via P.O.Box 68, Klong Teoi, Bangkok 10111 and via the company website: https://cpi-th.com or send to Chairman of Audit and Risk Management Committee E-mail : nopporpicha@hotmail.com

Therefore in 2020, the company did not received any complaints in the event of fraud or violation of the corporate governance policy of the company.



Report of the Audit and Risk Management Committee

Dear Shareholders,

The Board of Directors has appointed the Audit and Risk Management Committee which comprises of three independent directors as follow;

1. Mr. Nopporn Picha Chairman of the Audit and Risk Management Committee
2. Mr. Paiboon Kujareevanich Member of the Audit and Risk Management Committee
3. Mr. Saravut Menasavet Member of the Audit and Risk Management Committee

and Acting Internal Audit Manager is Audit and Risk Management Committee Secretary.

In 2020, the Audit and Risk Management Committee has performed functions under the scope of performance, duty and responsibility pursuant to the Regulations of the Stock Exchange of Thailand. There were five meetings held. All meeting results were always presented to the Board of Directors. In essence, it can be summarized as follows.

1) Financial review : the Audit and Risk Management Committee made a financial review for the quarter and financial statement for 2020 which is presented to Board of Directors for approval. Financial statement for 2020 has been discussed with Chief Financial Officer and Internal Audit Manager and Auditor to ensure that the financial statement is correct and reliable according to the statutory provision and accounting standard.
2) Surveillance of internal audit: the Audit and Risk Management Committee reviewed the performance undertaken by the Internal Audit Department as to annual plan, summarizing audit results on quarterly basis, and follow-up of correction as marked and recommended by the Internal Audit Department and the Audit and Risk Management Committee.
3) Review of internal control and risk management assessment: the Audit and Risk Management Committee reviewed the internal control and the risk management and related party transactions by using the Internal Control's Adequacy Assessment Form developed by the Stock Exchange of Thailand (SET) before submitting to the Board of Directors. The Audit and Risk Management Committee have an opinion that internal control system is appropriate and adequate to the business and agree with the company's auditors report that it doesn't find any defects in essences to effect the financial statement and can be complied with the Securities and Exchange Act, the Regulation of the Stock Exchange of Thailand, and any laws relevant to the company's business.

4) Review and follow up the operations of the company to comply with the rules and regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand, including laws or other requirements related to the Company's business operations. This is to ensure that the company has fully complied with the aforementioned rules.
5) Consider and select the certified accountant and the company's audit fees before submitting to the Board of Directors for approval and pass to the Shareholders' Meeting appointed to consider and select Mr.Sophon Permasirivallop Certified Public Accountant (C.P.A.) Registration No.3182 or Ms.Rungnapa Lertsuwankul C.P.A. No.3561 or Mr.Chayapol Suppasedtanon C.P.A. No.3972 or Ms.Sumana Punpongsanon C.P.A. No.5872 or Ms.Pimjai Manitkajohnkit C.P.A. No.4521 or Ms.Rosaporn Decharkom C.P.A. No.5659 or Ms.Orawan Techawatanasirikul C.P.A. No.4807 of EY Office Limited, as auditors of the year 2020. In the event that such nominated auditors are not able to perform their functions and duty, the EY Office Limited shall be responsible for supplying and replacing other certified accountants of the auditing and accounting office and expressing the opinion to the company's financial statement instead.
6) Consider the risk factor and control method's report from the risk management team and summarized to report to Board of Directors meeting.



Mr. Nopporn Picha

Chairman of the Audit and Risk Management Committee

The Nomination and Remuneration Committee's Report

Dear Shareholders,

In 2020 The Nomination and Remuneration Committee held a total of one meeting and it can be summarized as follows:

1) Nomination of qualified candidates to replace retiring director. In 2020 the company allowed our shareholders to voice their concerns and propose to nominate in advance the persons whom they deemed suitable to become a part of the Board of Directors during October 1' 2020 - December 30 '2020 before the Annual General Meeting of year 2021 but no shareholders propose nominate candidates to be elected as the Company's Director.
2) In determining compensation for the Board of directors, the committee took into account commensuration with duties and assigned responsibilities. The compensation rate is still suitable which compared to companies in similar industries and business.



Mr. Banphot Hongthong

Chairman of the Nomination and Remuneration Committee

The Corporate Governance Committee's report

Dear Shareholders,

In 2020, the Corporate Governance Committee held a total of four meetings. The results of the meeting are reported to the board of directors. It can be summarized as follows;

1) The policy of good corporate governance, the policy and guidance are reviewed to be conform to Corporate Governance Report of Thai Listed Companies (Corporate Governance Report of Thai Listed Companies : CGR) that the average result of company evaluation in 2020 is 91% and score of overall listed companies is 83%, so it is equal to 5 stars level, two consecutive yeas. The improved result comes from the result of company intention including the policy and guidance improvement.

2) Corporate Social Responsibility (CSR), due to COVID-19 situation, resulting in the suspension of activites that were grouping or activites that need to be undertaken with the community, therefore in 2020 the company had adjusted the actitivity plan to participate in helping to prevent the spread of COVID-19 such as Sponsoring medical equipment, PPE gowns, medical gloves to hospitals nearby Chumphon. total budget was used for CSR Baht 370,943.

3) Sustainability Management (SM) has been proceeded continuously as follows:

- Project of biogas production technology managing the wastewater to conserve energy and environment.
- Project of setting the water pipe and transporting the assuaged water to the animal feed development station and agriculturist nearby because the assuaged water contained by some kinds of nutrients can be used instead of fertilizer and to reduce the problems of water and nutrient lack for the plant such as Napier grass and Pangola grass.
- Project of CPI Learning Center that it is the complete center for oil palm knowledge by collecting the knowledge from academic documentation, researches and over 40 year experience of palm garden including 500 rai of demonstration plots to be the place of knowledge distribution related to the planting and taking care of oil palm for the interested people or agriculturists.

4) Compliance with the Anti-Corruption Measure, the company has set anti-corruption policy and therefor the company submitted a renew of the certified as a member of the Collective Action Coalition Against Corruption No. 2 which received a renew of the certified on October 18, 2019 and Internal Audit Department has been rechecked and audited in every year.

In order that the Corporate Governance Committee develops their workings by focusing on the efficiency development as above operation to lead to the efficiency and benefit for organization, stakeholders and social responsibility continuously and next in the future.

Mr. Karoon Nuntileepong

Chairman of the Corporate Governance Committee



















The Executive Committee's report

Dear Shareholders,

In 2020, the Executive Committee held a total of twelve meetings. It can be summarized as follows;

1) Supervise and provide recommendation to the management to manage the company's business in accordance with the policy, assignment and recommendation from the board of directors and shareholders.
2) Scrutinize and recommendation for the new investment projects which are proposed by the management before present to the board of directors to consider and approve.

Mr. Takon Tawintermsup

Chairman of the Executive Committee



9. Internal Control System and Connected Transactions

9.1 Internal Control System

9.1.1) Opinions of the Board of directors on Internal Control System

During the Board of director's meeting No. 6/2020 held on November 12, 2020, all three members of the Audit and Risk Management Committee attended the meeting. The Board of directors assessed the internal control system of the company using a satisfaction survey on the internal control system which was based on "Assessment on Internal Control Adequacy Survey" used by both SEC and SET. The board of directors agreed that the company has sufficient internal control over all 5 areas, namely, Internal Control, Risk Assessment, Operation Control and Management, Information and Mass Communication System and, Tracking System.

The Board of directors judged that the internal control system of the company is sufficient and appropriate. The company had delegated staffs and skilled personnel to work with the system as effectively as possible. The company also provided its subsidiaries with similar internal control system to make sure that the company can prevent misuse or embezzlement of the company assets by a director or an executive officer. This also applies to any business transaction between individuals who were either in conflict or are related in some ways to the company's staffs. On other aspects of internal control, the Board of directors mutually agreed that the company has already exercised sufficient control.

Furthermore, the Board of directors had reviewed and come up with new Authority Manual. The manual describes how authority within the company shall be delegated. The directors and managers at each working level must act according to their specified duties and responsibilities to ensure smooth business operation. The company uses the manual as a reference material to specify and limit the authority of each director/manager.

The company also introduced "Whistle Blower" system which would allow the company's employees and all shareholders to notify the company about plausible misconducts, violations of the company's code of conduct, regulations and other rules concerning working, laws or corruption. The system can help with business operation by keeping it in line with work ethics and sustainable development. Everybody can inform the company about the plausible misconducts via P.O.Box 68, Klong Teoi, Bangkok 10111 and via the company website: https://cpi-th.com or send to Chairman of Audit and Risk Management Committee E-mail : noppornpicha@hotmail.com

9.1.2) Defects in the internal control system

In 2020, The company found no significant defect in the internal control system.

9.1.3) Opinions of the Audit and Risk Management Committee

In 2020, the Audit and Risk Management Committee reported the audit's results along with suggestions for further audit which emphasized more on improving performance-based audit to be more effective and more efficient. The Audit and Risk Management Committee has been followed up and revised all audit's records and reports the findings to the board of directors for every business quarter and in regards to the management of the company's assets, the company has always taken preemptive measures against misconducts. In summary, it have been found no fraudulence or embezzlement of the company's and the subsidiaries' properties. Audit's results also indicated that our employees observed and abided by standard procedures and generally behaved in accordance with rules and regulations as prescribed by relevant government agencies as well as the policies concerning business operation and management.

In addition, the company's Certified Public Accountant from EY Office Limited, Ms.Orawan Techawatanasirikul who audited the company for each business quarter of the 2020 accounting year had commented in Auditing Report that the company had formulated the corporate budget in line with accounting standards. Likewise, the internal control that the company employed was deemed sufficient and suitable for the current business condition. There was not any unusual weakness in this aspect of the business operation.

By all means, the Audit and Risk Management Committee ought to supervise and ensure that the undertaking of internal auditing body can be preceded independently, fairly, ethically and professionally. They should also clearly display charters or codes of conducts for both the Audit and Risk Management Committee and the auditing authority.

Moreover, the Internal Audit of the company had formulated an audit's plan by taking into account the risk factors that may arise. After the revision from the Audit and Risk Management Committee's Meeting No.5/2020 on November 10, 2020, the plan was approved and would be used in 2021.

9.1.4) Opinions of the Audit and Risk Management Committee to the Head of internal audit section

In 2020, the Audit and Risk Management Committed has considered and appointed head of internal audit as follows;

1) The Audit and Risk Management Committee meeting no 1/2020 held on February 13, 2020, considered and appointed Ms. Chiratchaya Vorachotisakulkit to be Internal audit manager with effect March 1, 2020.

   Remark Ms. Chiratchaya Vorachotisakulkit resigned on September 1, 2020.

2) The Audit and Risk Management Committee meeting no 5/2020 held on November 10, 2020, considered and appointed Mr.Kongsakol Borvornpinyopong to be acting Internal audit manager with effect from December 1, 2020. He has experience in performing auditing operations and has an understanding of the company's activities and operations,.

Therefor consideration and approval to appoint, removal, transfer head of internal audit section is authorized by the Audit and Risk management committee which defines the scope of duties and responsibilities of the Audit and Risk Management Committee (Details of Head of Internal Audit in attachment 3)

9.2 Connected transactions

1) Connected transactions policy

The connected transactions between the company with connected persons or persons who may have conflicts of interest must be complied with general commercial condition. The connected transections must be done fairly in accordance with the market price and agreement must be the same manner as the other general contractor without barging power and/or any influence of director, executive and their related party. The connected transections must have reasonable condition which can be proved and not causing transfer of benefit.

(1) The ordinary business and/or ordinary business support transections such as selling goods or raw materials or providing services that the company normally makes to operate business under general commercial conditions. The company is able to conduct the said transaction with connected person without limited transaction size and this connected transactions must be report to the Audit committee and the Board of director every quarterly

(2) The connected transactions other than no.1) the company assigned the Audit committee to consider and give an opinion of entering into the connected transaction which must be considered pricing and condition that complied the same as general commercial condition. In case the Audit committee has no expertise in the transaction. The company will have an independent expert or the auditor giving opinions. Their opinion will be given to the board of directors or shareholder for considering of entering into the connected transaction. Therefore The Audit committee must attend in the board of director's meeting to give an opinion of entering into the connected transaction but there have no right to vote for this agenda.

Therefor the Board of directors must aware and process the connected transactions in accordance with the law, code and regulation of the Stock Exchange of Thailand in terms of interrelation, acquisition or distribution of assets of registered companies, including have to disclose the conned transaction details in the notes of the financial statements, Form 56-1, Annual Report and disclose information according to the Stock Exchange of Thailand and/or related agencies.

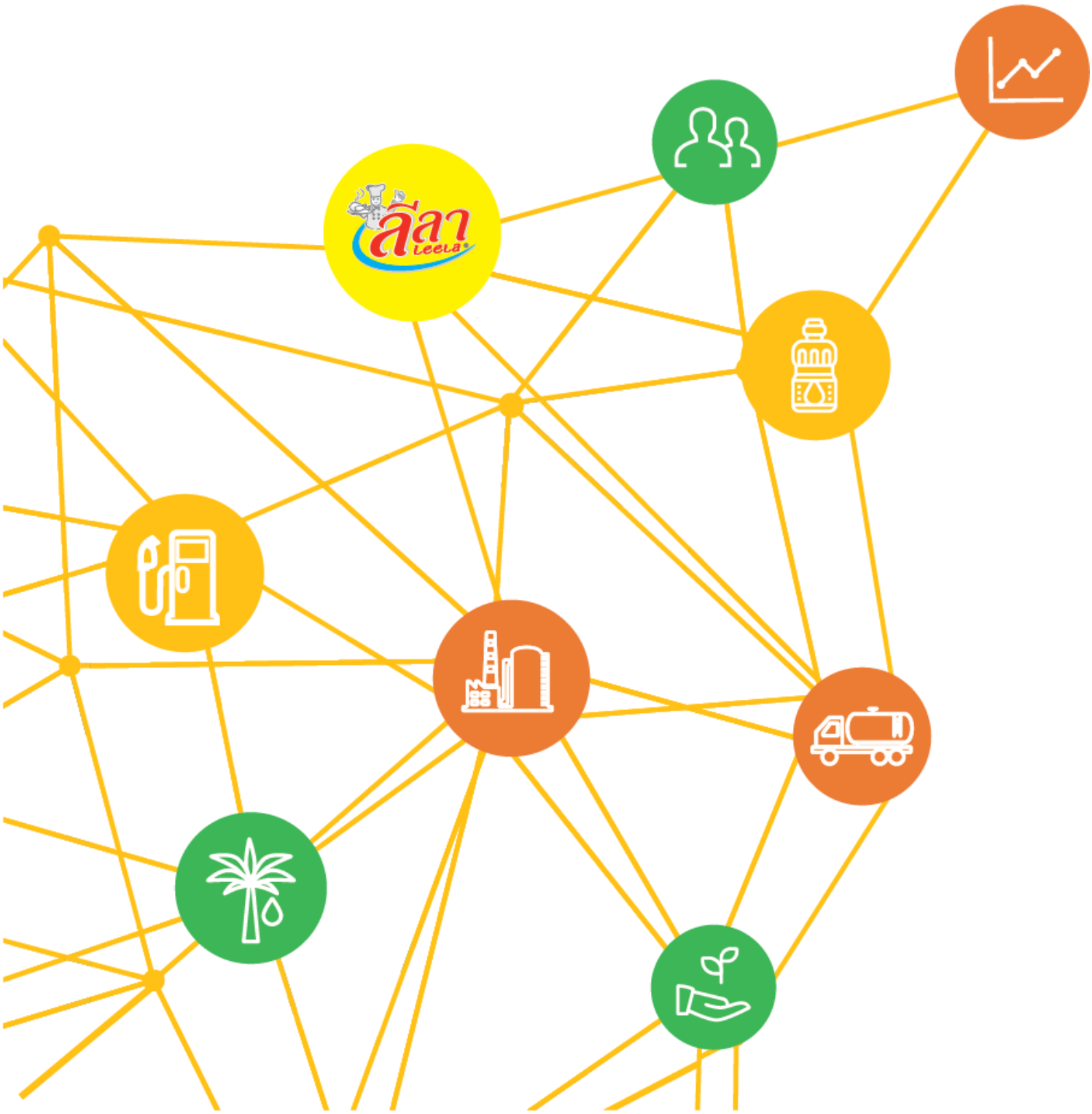
2) All related party transactions have to approve as per the company's Authority Manual, therefor if the related party transaction budget is over of the Executive's authority it has to be approval by the Executive Committee or the Board of directors depend on related transaction. For any transaction, the persons involved shall consult computation methods, rules and regulations and procedures for information disclosure to ensure that the deeds performed comply with the SET regulations. The transaction must be proceeded fairly and remain within the scope of market prices and normal business transaction.

3) In 2020, the company undertook mutual transactions with its subsidiaries. The details, relations, features, conditions and prices of the transactions are clearly written under the Note section of Financial Statement Report for the accounting year ending on December 31, 2020, Section 7.

4) In 2020, the company has entered into related transactions with joint venture company as details follows;

List of company / subsidiary to enter into the transaction	List of related party	Related	Type of transaction	Amount	Pricing policy
Chumporn Palm Oil Industry Public Company Limited or "(CPI)"	C K Trading (1965) Co., Ltd. or "(CKT)" CPI holds 49% of CKT's shares	1) Mr.Rachoj Tawintermsup - Director and Deputy Chief Executive Officer of CPI and holds 0.845% of CPI's shares - Director of CKT	1) Real estate rental transactions for a period not longer than 3 years. - Office space rental agreement no. ADB 01/2020, started from January 1, 2020 to December 31, 2020. The rental insurance was Baht 65, 448 and rental rate baht 21,816 per month.	Income 0.27 Million Baht	Market price applied with third party transactions.

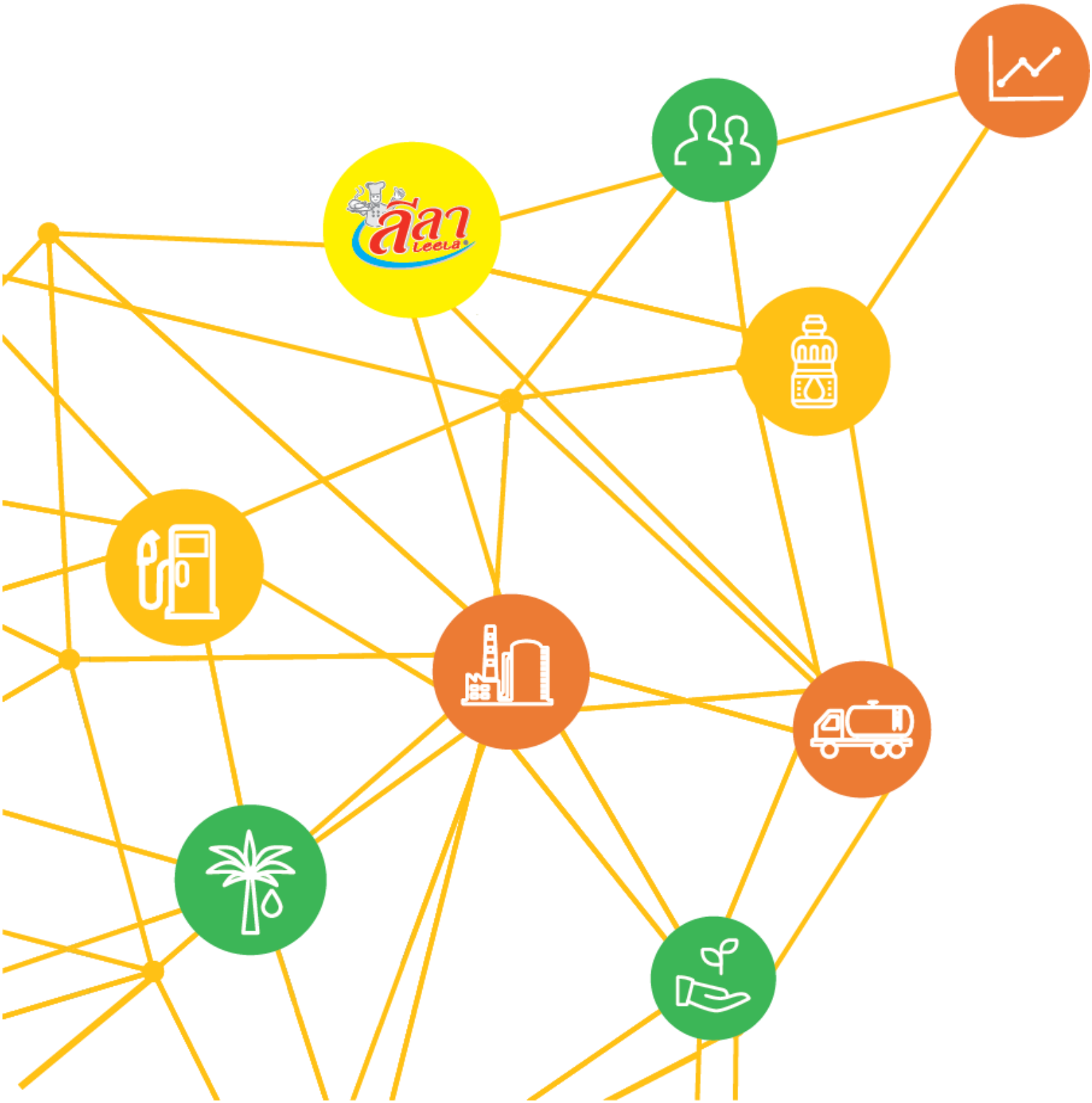
List of company / subsidiary to enter into the transaction	List of related party	Related	Type of transaction	Amount	Pricing policy
			- office equipment and public utilities service agreement no.ADB02/2020, started from January 1, 2020 to December 31, 2020. The service insurance was Baht 152,712 and service rate Baht 50,904 per month.	Income 0.72 Million Baht	Market price applied with third party transactions.
		2) Mr.Thawatchai Chomwan - Sales and Marketing Director of CPI - Director of CKT	2) IT equipment, vehicle rental, accounting and human resource management services agreement - no AC 001/2020, started from January 1, 2020 to December 31, 2020. The service rate Baht 234,826 per month	Income 2.82 Million Baht	Market price applied with third party transactions.
			3) Hiring a broker or agent dealing for distribution agreement - no SL 001/2020, started from January 1, 2020 to December 31, 2020. The hiring service rate Baht 140 per CPO tons and has to guaranteed hiring 12,500 tons CPO per month, payment total Baht 1,750,000 per month. (reduce service fee 30% per month from Jun – Dec' 2020 due to COVID-19)	Paid 15.75 Million Baht	Market price applied with third party transactions.


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Leela

Chapter 3

Financial Statements




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Leela

Chumporn Palm Oil Industry Public Company Limited
and its subsidiaries
Report and consolidated financial statements
31 December 2020

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EY Office Limited
33rd Floor, Lake Rajada Office Complex
193/136-137 Rajadapisek Road
Klongtoey, Bangkok 10110
G.P.O.Box 1047, Bangkok 10501, Thailand
Tel: +66 2264 9090
Fax: +66 2264 0789-90
ey.com

บริษัท สำนักงาน อีวาย จำกัด
ชั้น 33 อาคารเลครัชดา
193/136-137 ถนนรัชดาภิเษก
คลองเตย กรุงเทพฯ 10110
ตู้ป.ณ. 1047 กรุงเทพฯ 10501
โทรศัพท์: +66 2264 9090
โทรสาร: +66 2264 0789-90
ey.com

Independent Auditor's Report

To the Shareholders of Chumporn Palm Oil Industry Public Company Limited

Opinion

I have audited the accompanying consolidated financial statements of Chumporn Palm Oil Industry Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2020, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of Chumporn Palm Oil Industry Public Company Limited for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Chumporn Palm Oil Industry Public Company Limited and its subsidiaries and of Chumporn Palm Oil Industry Public Company Limited as at 31 December 2020, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

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

Key Audit Matters

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

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I have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report, including in relation to these matters. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

Key audit matters and how audit procedures respond for each matter are described below.

Revenue recognition

Since the Group have sales with a large number of customers in several business sectors such as modern retailing, industrial and alternative energy and revenue is the key performance indicator to which users of the financial statements pay attention. I have therefore considered the revenue recognition as key audit matter and focused on the audit of occurrence and timing of revenue recognition.

I have examined the revenue recognition of the Company by

- Assessing the Group's internal controls with respect to the revenue cycle by making inquiry of responsible executives, gaining an understanding of the controls and selecting representative samples to test the operation of the designed significant controls.
- Applying a sampling method to select sales documents to assess whether it was in compliance with the Group's policy.
- On a sampling basis, examining supporting documents for actual sales transactions occurring during the year and near the end of the accounting period.
- Reviewing credit notes that the Group issued after the end of accounting period.
- Performing analytical procedures on disaggregated data by customer and by product to detect possible irregularities in sales transactions throughout the accounting period.

Biological assets

The Group is required to record biological assets at their fair value less cost to sell, as described in Note 5.4 and Note 11 to the financial statements. The estimation data and assumptions used in measuring fair value which consisted of estimated harvesting volume and selling price at each points of harvest. The data are primarily based on random count and based on judgement of the management as to the basis and assumptions relevant to the estimations. There is a risk with respect to the amount of biological assets.

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I gained an understanding of, assessed and reviewed internal control of the Group related to the fair value estimation of the biological assets. I performed random count including considered the estimation data preparation, assumptions defining. I reviewed the fair value by testing the reasonableness of the estimation data and assumptions used in the valuation based on making enquiry of the management, comparative analysis with historical data, and by testing the calculation. In addition, I reviewed the disclosure information with respect to the fair value measurement of biological assets in the notes to the financial statements.

Other Information

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

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

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

Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

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

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

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Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the 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 Thai Standards on Auditing 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 financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the 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 internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's 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 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 to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

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

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the 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.

I am responsible for the audit resulting in this independent auditor's report.

Orawan Techawatanasirikul
Certified Public Accountant (Thailand) No. 4807

EY Office Limited
Bangkok: 25 February 2021

Chumporn Palm Oil Industry Public Company Limited and its subsidiaries

Statement of financial position

As at 31 December 2020

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
Assets					
Current assets					
Cash and cash equivalents	8	93,776,376	71,163,423	63,660,541	53,044,879
Trade and other receivables	7, 9	326,272,010	296,200,973	420,123,596	314,764,484
Short-term loans to related parties	7	-	-	403,900,000	398,500,000
Inventories	10	521,137,034	309,294,035	474,666,869	281,413,232
Biological assets	11	44,240,431	41,601,095	26,922,056	22,303,234
Prepaid expenses		135,420	21,347,612	135,420	21,347,612
Derivative assets	39.1	48,221	-	48,221	-
Other current assets	12	25,593,692	29,459,287	21,168,709	23,133,602
Total current assets		1,011,203,184	769,066,425	1,410,625,412	1,114,507,043
Non-current assets					
Investment in joint venture	13.1	2,878,106	461,789	4,900,000	490,000
Investments in subsidiaries	14	-	-	205,999,993	214,799,938
Investment property	15	128,431,269	-	128,431,269	-
Property, plant and equipment	16	2,606,537,007	2,732,090,798	1,525,573,096	1,600,553,735
Right-of-use assets	17.1	6,853,927	-	2,839,591	-
Bearer plants	18	373,936,540	392,547,361	371,609,144	390,008,600
Intangible assets	19	2,822,784	3,896,399	2,571,851	3,577,520
Advances for purchasing of land		-	124,007,750	-	124,007,750
Deposits		684,688	684,688	206,688	206,688
Total non-current assets		3,122,144,321	3,253,688,785	2,242,131,632	2,333,644,231
Total assets		4,133,347,505	4,022,755,210	3,652,757,044	3,448,151,274

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

Chumporn Palm Oil Industry Public Company Limited and its subsidiaries
Statement of financial position (continued)
As at 31 December 2020

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from banks	20	1,159,000,000	1,199,000,000	1,050,000,000	1,090,000,000
Trade and other payables	7, 21	162,393,016	128,791,088	145,180,571	102,069,699
Current portion of long-term loans from banks	22	247,111,304	270,600,000	113,111,304	136,600,000
Current portion of lease liabilities	17.2	1,291,515	-	856,797	-
Value added tax payable		28,102,754	12,221,762	26,631,033	10,887,297
Other current liabilities		1,991,531	2,237,252	1,679,437	1,809,828
Total current liabilities		1,599,890,120	1,612,850,102	1,337,459,142	1,341,366,824
Non-current liabilities					
Long-term loans from banks, net of current portion	22	367,065,217	364,720,000	237,065,217	100,720,000
Lease liabilities, net of current portion	17.2	5,697,857	-	2,044,357	-
Provision for long-term employee benefits	23	58,672,428	59,017,767	54,964,862	51,869,751
Deferred tax liabilities	31.1	132,905,938	132,248,647	130,984,026	130,938,194
Derivative liabilities	39.1	5,296,189	-	1,226,338	-
Total non-current liabilities		569,637,629	555,986,414	426,284,800	283,527,945
Total liabilities		2,169,527,749	2,168,836,516	1,763,743,942	1,624,894,769
Shareholders' equity					
Share capital					
Registered					
775,424,053 ordinary shares of Baht 1 each		775,424,053	775,424,053	775,424,053	775,424,053
Issued and paid-up					
632,752,650 ordinary shares of Baht 1 each		632,752,650	632,752,650	632,752,650	632,752,650
Share premium		412,309,890	412,309,890	412,309,890	412,309,890
Capital reserve for share-based payment transactions		12,656,762	12,656,762	12,656,762	12,656,762
Retained earnings					
Appropriated - statutory reserve	24	40,529,622	32,345,939	40,529,622	32,345,939
Unappropriated		220,199,190	118,481,811	146,706,536	89,133,622
Other components of shareholders' equity	25	645,371,642	645,371,642	644,057,642	644,057,642
Total shareholders' equity		1,963,819,756	1,853,918,694	1,889,013,102	1,823,256,505
Total liabilities and shareholders' equity		4,133,347,505	4,022,755,210	3,652,757,044	3,448,151,274

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

Directors

Chumporn Palm Oil Industry Public Company Limited and its subsidiaries
Statement of comprehensive income
For the year ended 31 December 2020

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
Profit or loss:					
Revenues					
Sales	7, 26, 34	3,888,757,721	3,313,348,667	3,877,708,628	3,272,684,703
Dividend income	7, 14	-	-	-	49,659,992
Other income	7	10,741,788	22,477,338	9,866,466	21,509,149
Gain on exchange	27	2,156,609	-	2,156,609	-
Gain on change in fair value of derivatives	27	2,261,760	-	898,805	-
Total revenues		3,903,917,878	3,335,826,005	3,890,630,508	3,343,853,844
Expenses					
Cost of sales	7	3,372,264,382	2,814,701,865	3,464,974,854	2,934,181,708
Selling and distribution expenses		97,404,523	131,681,725	95,883,251	128,659,225
Administrative expenses	7	219,202,479	219,018,590	191,381,248	185,393,605
Loss on exchange	27	-	1,357,446	-	1,373,880
Total expenses		3,688,871,384	3,166,759,626	3,752,239,353	3,249,608,418
Operating profit		215,046,494	169,066,379	138,391,155	94,245,426
Share of loss from investment in joint venture	13.2	(1,993,684)	(28,211)	-	-
Finance income	7, 28	203,999	411,562	15,395,877	13,678,706
Finance cost	29	(59,664,191)	(66,468,850)	(43,255,996)	(45,240,475)
Loss on impairment of investments in subsidiaries		-	-	-	(5,000,000)
Gain (loss) on change in fair value of biological assets		7,176,790	(10,530,482)	4,618,821	(4,761,052)
Profit before income tax expenses		160,769,408	92,450,398	115,149,857	52,922,605
Income tax expenses	31.2	(1,714,415)	(2,314,679)	(930,230)	(3,468,565)
Profit for the year		159,054,993	90,135,719	114,219,627	49,454,040
Other comprehensive income:					
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:					
Actuarial gain (loss) arising from defined benefit plan of employees	23	2,224,111	(3,437,451)	(2,345,069)	(2,763,916)
Less: Income tax effect	31.3	(444,822)	687,490	469,014	552,783
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax		1,779,289	(2,749,961)	(1,876,055)	(2,211,133)
Other comprehensive income for the year		1,779,289	(2,749,961)	(1,876,055)	(2,211,133)
Total comprehensive income for the year		160,834,282	87,385,758	112,343,572	47,242,907
Earnings per share	33				
Basic earnings per share					
Profit attributable to equity holders of the Company		0.251	0.142	0.181	0.078

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

Chumporn Palm Oil Industry Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the year ended 31 December 2020

(Unit: Baht)

		Consolidated financial statements							
							Other components of shareholders' equity		
		Issued and		Capital reserve	Retained earnings		Other comprehensive	Total other	
	Note	paid-up share capital	Share premium	for share-based payment transactions	Appropriated - statutory reserve	Unappropriated	income - revaluation surplus on land	components of shareholders' equity	Total
Balance as at 1 January 2019		632,752,650	412,309,890	12,656,762	32,345,939	31,096,053	645,371,642	645,371,642	1,766,532,936
Profit for the year		-	-	-	-	90,135,719	-	-	90,135,719
Other comprehensive income for the year		-	-	-	-	(2,749,961)	-	-	(2,749,961)
Total comprehensive income for the year		-	-	-	-	87,385,758	-	-	87,385,758
Balance as at 31 December 2019		632,752,650	412,309,890	12,656,762	32,345,939	118,481,811	645,371,642	645,371,642	1,853,918,694
Balance as at 1 January 2020 - as previously reported		632,752,650	412,309,890	12,656,762	32,345,939	118,481,811	645,371,642	645,371,642	1,853,918,694
Cumulative effect of change in accounting policies due to the adoption of new financial reporting standards	*4*	-	-	-	-	(6,007,782)	-	-	(6,007,782)
Balance as at 1 January 2020 - as restated		632,752,650	412,309,890	12,656,762	32,345,939	112,474,029	645,371,642	645,371,642	1,847,910,912
Profit for the year		-	-	-	-	159,054,993	-	-	159,054,993
Other comprehensive income for the year		-	-	-	-	1,779,289	-	-	1,779,289
Total comprehensive income for the year		-	-	-	-	160,834,282	-	-	160,834,282
Dividend paid	*36*	-	-	-	-	(44,925,438)	-	-	(44,925,438)
Statutory reserve	*24*	-	-	-	8,183,683	(8,183,683)	-	-	-
Balance as at 31 December 2020		632,752,650	412,309,890	12,656,762	40,529,622	220,199,190	645,371,642	645,371,642	1,963,819,756

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

Chumporn Palm Oil Industry Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the year ended 31 December 2020

(Unit: Baht)

		Separate financial statements							
							Other components of shareholders' equity		
		Issued and		Capital reserve	Retained earnings		Other comprehensive	Total other	
	Note	paid-up share capital	Share premium	for share-based payment transactions	Appropriated - statutory reserve	Unappropriated	income - revaluation surplus on land	components of shareholders' equity	Total
Balance as at 1 January 2019		632,752,650	412,309,890	12,656,762	32,345,939	41,890,715	644,057,642	644,057,642	1,776,013,598
Profit for the year		-	-	-	-	49,454,040	-	-	49,454,040
Other comprehensive income for the year		-	-	-	-	(2,211,133)	-	-	(2,211,133)
Total comprehensive income for the year		-	-	-	-	47,242,907	-	-	47,242,907
Balance as at 31 December 2019		632,752,650	412,309,890	12,656,762	32,345,939	89,133,622	644,057,642	644,057,642	1,823,256,505
Balance as at 1 January 2020 - as previously reported		632,752,650	412,309,890	12,656,762	32,345,939	89,133,622	644,057,642	644,057,642	1,823,256,505
Cumulative effect of change in accounting policies due to the adoption of new financial reporting standards	*4*	-	-	-	-	(1,661,537)	-	-	(1,661,537)
Balance as at 1 January 2020 - as restated		632,752,650	412,309,890	12,656,762	32,345,939	87,472,085	644,057,642	644,057,642	1,821,594,968
Profit for the year		-	-	-	-	114,219,627	-	-	114,219,627
Other comprehensive income for the year		-	-	-	-	(1,876,055)	-	-	(1,876,055)
Total comprehensive income for the year		-	-	-	-	112,343,572	-	-	112,343,572
Dividend paid	*36*	-	-	-	-	(44,925,438)	-	-	(44,925,438)
Statutory reserve	*24*	-	-	-	8,183,683	(8,183,683)	-	-	-
Balance as at 31 December 2020		632,752,650	412,309,890	12,656,762	40,529,622	146,706,536	644,057,642	644,057,642	1,889,013,102

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

Chumporn Palm Oil Industry Public Company Limited and its subsidiaries

Statement of cash flows

For the year ended 31 December 2020

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Cash flows from operating activities				
Profit before tax	160,769,408	92,450,398	115,149,857	52,922,605
Adjustments to reconcile profit before tax to				
net cash provided by (paid from) operating activities:				
Depreciation and amortisation	190,110,829	202,252,942	137,874,879	151,948,102
Reversal of reduction of cost of inventories to				
net realisable value	(116,434)	(58,465)	(116,434)	(58,465)
Written-off bearer plants	655,710	-	655,710	-
Loss (gain) on sales of equipment	156,717	(160,588)	53,604	(166,759)
Allowance for expected credit losses (reversal)	1,475,652	(44,000)	1,475,652	(44,000)
Share of loss from investment in joint venture	1,993,684	28,211	-	-
Loss on impairment of investments in subsidiaries	-	-	-	5,000,000
Long-term employee benefits expenses	5,847,766	16,787,674	4,719,036	14,854,275
Loss (gain) on changes in fair value of biological assets	(7,176,790)	10,530,482	(4,618,821)	4,761,052
Gain on changes in fair value of derivatives	(2,261,760)	-	(898,805)	-
Unrealised loss (gain) on exchange	(270,475)	1,770,099	(270,475)	1,770,099
Dividend income	-	-	-	(49,659,992)
Finance income	(203,999)	(411,562)	(15,395,877)	(13,678,706)
Finance cost	59,664,191	66,468,850	43,255,996	45,240,475
Profit from operating activities before changes in				
operating assets and liabilities	410,644,499	389,614,041	281,884,322	212,888,686
Operating assets (increase) decrease				
Trade and other receivables	(31,546,689)	58,491,386	(91,939,531)	101,294,013
Inventories	(211,726,565)	280,556,134	(193,137,203)	295,366,629
Biological assets	4,537,454	2,194,758	-	-
Prepaid expenses	21,212,192	(8,535,822)	21,212,192	(8,566,375)
Other current assets	5,263,792	(3,995,540)	3,251,482	(11,089,060)
Dividend receivables	-	-	-	(61,119,990)
Operating liabilities increase (decrease)				
Trade and other payables	38,248,204	(99,440,784)	44,510,713	(85,359,483)
Value added tax payable	15,880,992	(6,422,102)	15,743,736	(417,620)
Other current liabilities	(245,721)	(1,584,055)	(130,391)	(1,618,907)
Cash paid for long-term employee benefits	(3,968,994)	(4,099,686)	(3,968,994)	(4,099,685)
Cash flows from operating activities	248,299,164	606,778,330	77,426,326	437,278,208
Cash paid for income tax	(1,131,882)	(1,305,587)	(1,020,272)	(1,118,769)
Net cash flows from operating activities	247,167,282	605,472,743	76,406,054	436,159,439

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

Chumporn Palm Oil Industry Public Company Limited and its subsidiaries
Statement of cash flows (continued)
For the year ended 31 December 2020

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Cash flows from investing activities				
Cash received from finance income	203,999	411,562	500,644	11,049,239
Increase in short-term loans to related parties	-	-	(5,400,000)	(104,500,000)
Cash paid for investment in joint venture	(4,410,000)	(490,000)	(4,410,000)	(490,000)
Cash paid for investments in subsidiaries	-	-	(4,999,993)	(749,988)
Cash received from liquidation of subsidiaries	-	-	13,799,938	-
Acquisitions of plant and equipment	(55,662,630)	(68,143,441)	(43,981,302)	(55,041,966)
Acquisitions of investment property	(4,423,519)	-	(4,423,519)	-
Cash received from disposal of equipment	9,666,121	453,588	1,670,402	188,054
Increase in bearer plants	(1,822,419)	(6,359,463)	(1,822,419)	(7,319,190)
Acquisitions of intangible assets	(448,125)	(146,981)	(448,125)	(138,526)
Cash received from dividend income	-	-	-	110,779,982
Net cash flows used in investing activities	(56,896,573)	(74,274,735)	(49,514,374)	(46,222,395)
Cash flows from financing activities				
Decrease in short-term loans from banks	(40,000,000)	(249,000,000)	(40,000,000)	(250,000,000)
Cash paid for lease liabilities	(1,660,000)	-	(1,072,000)	-
Cash received from long-term loans from banks	249,456,522	-	249,456,522	-
Repayment of long-term loans from banks	(270,600,000)	(272,600,000)	(136,600,000)	(138,600,000)
Cash paid for dividend	(44,925,438)	-	(44,925,438)	-
Cash paid for interest expenses	(59,928,840)	(67,529,863)	(43,135,102)	(45,874,075)
Net cash flows used in financing activities	(167,657,756)	(589,129,863)	(16,276,018)	(434,474,075)
Net increase (decrease) in cash and cash equivalents	22,612,953	(57,931,855)	10,615,662	(44,537,031)
Cash and cash equivalents at beginning of year	71,163,423	129,095,278	53,044,879	97,581,910
Cash and cash equivalents at end of year (Note 8)	93,776,376	71,163,423	63,660,541	53,044,879
Supplemental cash flows information:				
Non-cash transactions				
Actuarial loss (gain) arising from defined benefit plan of employees	(2,224,111)	3,437,451	2,345,069	2,763,916
Decrease in acquisitions of equipment which had not yet been	(2,690,842)	(680,167)	(1,333,674)	(680,167)
Transfer assets under installation to intangible assets	-	238,511	-	238,511
Transfer advances for purchasing of land to investment property	124,007,750	-	124,007,750	-

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

Chumporn Palm Oil Industry Public Company Limited and its subsidiaries
Notes to consolidated financial statements
For the year ended 31 December 2020

1. General information

1.1 General information of the Company

Chumporn Palm Oil Industry Public Company Limited ("the Company") is a public company incorporated and domiciled in Thailand. Its major shareholder is Chumporn Holding Company Limited, which was incorporated in Thailand. The Company is principally engaged in the manufacture and distribution of palm oil products. The registered address, which is the head office, is at No. 296 Moo 2, Phetchkasem Road, Tambon Salui, Ampur Tasae, Chumporn. The Company's branch is located at No. 1168/91 Lumpini Tower, 30th Floor, Rama 4 Road, Thung Maha Mek, Sathorn, Bangkok.

1.2 Coronavirus disease 2019 Pandemic

The Coronavirus disease 2019 pandemic is adversely impacting most businesses and industries. This situation may bring uncertainties and have an impact on the environment in which the group operates. The Group's management has continuously monitored ongoing developments and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities, and has used estimates and judgement in respect of various issues as the situation has evolved.

2. Basis of preparation

2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development, issued under the Accounting Act B.E. 2543.

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

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

2.2 Basis of consolidation

a) The consolidated financial statements include the financial statements of Chumporn Palm Oil Industry Public Company Limited ("the Company") and the following subsidiaries ("the subsidiaries") (collectively as "the Group"):

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2020	2019
			(%)	(%)
CPI Agrotech Co., Ltd.	Production and distribution of palm seeds and palm sprouts	Thailand	100	100
CPP Co., Ltd.	Production and distribution of palm oil and production and distribution of electricity from biogas	Thailand	100	100
CPI Trading Co., Ltd. (Registered the liquidation on 4 November 2020)	Trading of vegetable oil	Thailand	-	100
CPI Green Co., Ltd. (Registered the liquidation on 26 November 2020)	Production and distribution of biodiesel	Thailand	-	100
CPI Power Co., Ltd. (Registered the incorporation on 8 September 2020)	Production and distribution of electricity	Thailand	100	-

b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.

c) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continues to be consolidated until the date when such control ceases.

d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.

e) Material balances and transactions between the Group have been eliminated from the consolidated financial statements.

2.3 The separate financial statements present investments in subsidiaries and joint venture under the cost method.

3. New financial reporting standards

a) Financial reporting standards that became effective in the current year

During the year, the Group has adopted the revised (revised 2019) and new financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2020. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards. The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements. However, the new standard involves changes to key principles, which are summarised below:

Financial reporting standards related to financial instruments

A set of TFRSs related to financial instruments consists of five accounting standards and interpretations, as follows:

Financial reporting standards:

TFRS 7	Financial Instruments: Disclosures
TFRS 9	Financial Instruments

Accounting standard:

TAS 32	Financial Instruments: Presentation

Financial Reporting Standard Interpretations:

TFRIC 16	Hedges of a Net Investment in a Foreign Operation
TFRIC 19	Extinguishing Financial Liabilities with Equity Instruments

These TFRSs related to financial instruments make stipulations relating to the classification of financial instruments and their measurement at fair value or amortised cost (taking into account the type of instrument, the characteristics of the contractual cash flows and the Company's business model), calculation of impairment using the expected credit loss method, and hedge accounting. They also include stipulations regarding the presentation and disclosure of financial instruments.

The adoption of these standards has the impact on the Group's financial statements to result in the following adjustments.

- Recognition of expected credit losses - The Group recognises an allowance for expected credit losses on its financial assets, and it is no longer necessary for a credit-impaired event to have occurred. The Group applies the simplified approach to consider impairment of trade receivables.

- Recognition of derivatives - The Group initially recognises derivatives at their fair value on the contract date and subsequently measures them at fair value at the end of each reporting period. Changes in the fair value of derivatives are recognised in profit or loss.

The Group recognised the cumulative effect of the adoption of these financial reporting standards as an adjustment to the retained earnings as at 1 January 2020, and the comparative information was not restated.

The cumulative effect of the change is described in Note 4 to the consolidated financial statements.

TFRS 16 Leases

TFRS 16 supersedes TAS 17, Leases, together with related Interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases, and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is low value.

Accounting by lessors under TFRS 16 is substantially unchanged from TAS 17. Lessors will continue to classify leases as either operating or finance leases.

The Group recognised the cumulative effect of the adoption of this financial reporting standard as an adjustment to the right-of-use assets and lease liabilities as at 1 January 2020 which has no impact to the retained earnings as at 1 January 2020, and the comparative information was not restated.

The cumulative effect of the change is described in Note 4 to the consolidated financial statements.

Accounting Guidance on Temporary Relief Measures for Accounting Alternatives in Response to the Impact of the COVID-19 Pandemic

The Federation of Accounting Professions announced Accounting Guidance on Temporary Relief Measures for Accounting Alternatives in Response to the Impact of the COVID-19 Pandemic. Its objectives are to alleviate some of the impacts of applying certain financial reporting standards, and to provide clarification about accounting treatments during the period of uncertainty relating to this situation.

On 22 April 2020, the Accounting Guidance was announced in the Royal Gazette and it is effective for the financial statements prepared for reporting periods ending between 1 January 2020 and 31 December 2020.

During the first quarter to the third quarter of 2020, the Group elected to apply the temporary relief measures on accounting alternatives relating to not to take into account forward-looking information when determining expected credit losses, determining whether sufficient taxable profits will be available in future periods against which deferred tax assets can be utilised and impairment of assets.

In the fourth quarter of 2020, the Group has assessed the financial impacts of the uncertainties of the COVID-19 Pandemic on the valuation of assets. As a result, in preparing the financial statements for the year ended 31 December 2020, the Group has decided to discontinue application of all temporary relief measures on accounting alternatives with no significant impact on the Group's financial statements.

b) Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2021

The Federation of Accounting Professions issued a number of revised financial reporting standards and interpretations, which are effective for fiscal years beginning on or after 1 January 2021. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The management of the Group is currently evaluating the impact of these standards on the financial statements in the year when they are adopted.

4. Cumulative effects of changes in accounting policies due to the adoption of new financial reporting standards

As described in Note 3 to the consolidated financial statements, during the current year, the Group has adopted the set of financial reporting standards related to financial instruments and TFRS 16. The cumulative effect of initially applying these standards was recognised as an adjustment to retained earnings as at 1 January 2020. Therefore, the comparative information was not restated.

The impacts of changes in accounting policies on the statement of financial position at the beginning of 2020 due to the adoption of these standards are presented as follows:

(Unit: Thousand Baht)

	Consolidated financial statements			
		The effect of		
	31 December 2019	Financial reporting standards related to financial instruments	TFRS 16	1 January 2020
Statement of financial position				
Assets				
Non-current assets				
Right-of-use assets	-	-	8,963	8,963
Liabilities and shareholders' equity				
Current liabilities				
Current portion of lease liabilities	-	-	1,096	1,096
Derivative liabilities	-	6,008	-	6,008
Non-current liabilities				
Lease liabilities, net of current portion	-	-	7,867	7,867
Shareholders' equity				
Retained earnings - unappropriated	118,482	(6,008)	-	112,474

(Unit: Thousand Baht)

	Separate financial statements			
		The effect of		
	31 December 2019	Financial reporting standards related to financial instruments	TFRS 16	1 January 2020
Statement of financial position				
Assets				
Non-current assets				
Right-of-use assets	-	-	5,666	5,666
Liabilities and shareholders' equity				
Current liabilities				
Current portion of lease liabilities	-	-	849	849
Derivative liabilities	-	1,662	-	1,662
Non-current liabilities				
Lease liabilities, net of current portion	-	-	4,817	4,817
Shareholders' equity				
Retained earnings - unappropriated	89,134	(1,662)	-	87,472

4.1 Financial instruments

a) Details of the impact on retained earnings as at 1 January 2020 due to the adoption of financial reporting standards related to financial instruments are presented as follows:

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Recognition of derivatives at fair value through profit or loss	(7,510)	(2,077)
Effects of deferred tax	1,502	415
Impacts of the adoption of financial reporting standards related to financial instruments	(6,008)	(1,662)

b) As at 1 January 2020, classification and measurement of financial assets required by TFRS 9, in comparison with classification and the former carrying amount, are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		
	The former carrying amount	Classification and measurement in accordance with TFRS 9	
		Amortised cost	Total
Financial assets as at 1 January 2020			
Cash and cash equivalents	71,163	71,163	71,163
Trade and other receivables	296,201	296,201	296,201
Deposits	207	207	207
Total financial assets	367,571	367,571	367,571

(Unit: Thousand Baht)

	Separate financial statements		
	The former carrying amount	Classification and measurement in accordance with TFRS 9	
		Amortised cost	Total
Financial assets as at 1 January 2020			
Cash and cash equivalents	53,045	53,045	53,045
Trade and other receivables	314,764	314,764	314,764
Short-term loans to related parties	398,500	398,500	398,500
Deposits	685	685	685
Total financial assets	766,994	766,994	766,994

As at 1 January 2020, the Group has not designated any financial liabilities at fair value through profit or loss except for derivatives liabilities of which fair value is Baht 6.0 million (the Company only: Baht 1.7 million).

4.2 Leases

On adoption of TFRS 16, the Group recognised lease liabilities in relation to leases that previously classified as operating leases measured at the present value of the remaining lease payments, discounted using the Group's incremental borrowing rate as of 1 January 2020. For leases that previously classified as finance leases, the Group recognised the carrying amount of the lease assets and lease liabilities before transition as right-of-use assets and lease liabilities, respectively at the date of initial application.

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Operating lease commitments as at 31 December 2019	11,956	11,650
Less: Short-term leases and leases of low-value assets	-	(2,456)
Less: Contracts reassessed as service agreements	(611)	(2,094)
Less: Deferred interest expenses	(2,382)	(1,434)
Increase in lease liabilities due to TFRS 16 adoption	8,963	5,666
Liabilities under finance lease as at 31 December 2019	-	-
Lease liabilities as at 1 January 2020	8,963	5,666
Weighted average incremental borrowing rate (percent per annum)	3.94 - 4.59	4.59
Comprise of:		
Current lease liabilities	1,096	849
Non-current lease liabilities	7,867	4,817
	8,963	5,666

The adjustments of right-of-use assets due to TFRS 16 adoption as at 1 January 2020 are summarised below:

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Land and land improvement	2,722	2,722
Buildings and building improvement	6,241	2,944
Total right-of-use assets	8,963	5,666

5. Significant accounting policies

5.1 Revenue and expense recognition

Sales of goods

Revenue from sales of goods is recognised at the point in time when control of the asset is transferred to the customer, generally upon delivery of the goods. Revenue is measured at the amount of the consideration received or receivable, excluding value added tax, of goods supplied after deducting returns, discounts, allowances and payment with traditional business practice to customers.

Interest income

Interest income is calculated using the effective interest method and recognised on an accrual basis. The effective interest rate is applied to the gross carrying amount of a financial asset, unless the financial assets subsequently become credit-impaired when it is applied to the net carrying amount of the financial asset (net of the expected credit loss allowance).

Finance cost

Interest expense from financial liabilities at amortised cost is calculated using the effective interest method and recognised on an accrual basis.

Dividends

Dividends are recognised when the right to receive the dividends is established.

Other income

Other income is recognised when the Group has completed its obligation under the contract and probable to receive money.

5.2 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand and at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

5.3 Inventories

Inventories are valued at the lower of cost under the weighted average method and net realisable value. The cost of inventories is measured using the standard cost method, which approximates actual cost and includes all production costs and attributable factory overheads.

Raw materials, spare parts and factory supplies are valued at the lower of average cost and net realisable value and are charged to production costs whenever consumed.

5.4 Biological assets

The Group's biological assets are palm fruit on trees, palm seeds and palm sprouts which were measured at their fair value less costs to sell. Agricultural produce is harvested palm fruit.

The fair value of palm fruit on trees is determined based on reference to price of palm fruit at the front of the Company's factory, less estimated point-of-harvest costs. Gains or losses on changes in fair value of biological assets are recognised in profit or loss.

The fair value of palm seeds and palm sprouts are determined based on reference to selling price of the market, less estimated selling expense. Gains or losses on changes in fair value of biological assets are recognised in profit or loss.

In case the fair value cannot be reliably measured, biological assets shall be measured at their cost less any accumulated depreciation and any accumulated impairment losses. Once the fair value of such biological assets becomes reliably measurable, the Group shall measure them at their fair value less costs to sell.

The agricultural produce is included in inventories.

5.5 Investments in subsidiaries and joint venture

a) Investment in joint venture is accounted for in the consolidated financial statements using the equity method.

b) Investments in subsidiaries and joint venture are accounted for in the separate financial statements using the cost method less allowance for loss on impairment (if any).

5.6 Investment property

Investment property is measured initially at cost, including transaction costs. Subsequent to initial recognition, investment property is stated at cost less accumulated depreciation and allowance for loss on impairment (if any).

No depreciation is provided on investment property which is land awaiting sales.

5.7 Property, plant and equipment/Depreciation

Land is stated at revalued amount. Buildings and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

Land is initially recorded at cost on the acquisition date, and subsequently revalued by an independent professional appraiser to their fair values. Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from fair value at the end of reporting period.

Differences arising from the revaluation are dealt with in the financial statements as follows:

- When an asset's carrying amount is increased as a result of a revaluation of the Group's assets, the increase is credited directly to the other comprehensive income and the cumulative increase is recognised in equity under the heading of "Revaluation surplus on assets" in other components of shareholders' equity. However, a revaluation increase is recognised as income to the extent that it reverses a revaluation decrease in respect of the same asset previously recognised as an expense.
- When an asset's carrying amount is decreased as a result of a revaluation of the Group's assets, the decrease is recognised in profit or loss. However, the revaluation decrease is charged to the other comprehensive income to the extent that it does not exceed an amount already held in respect of the same asset in "Revaluation surplus on assets" in other components of shareholders' equity.

Depreciation of plant and equipment is calculated by reference to their costs, on the straight-line basis over the following estimated useful lives:

Land improvement	-	10 - 40 years
Buildings	-	10 - 40 years
Building improvement	-	10 - 40 years
Machinery and equipment	-	3 - 40 years
Tools and factory equipment	-	3 - 30 years
Motor vehicles	-	5 - 10 years
Furniture, fixtures and office equipment	-	5 - 20 years

Depreciation is included in determining income.

No depreciation is provided on land and assets under installation and under construction.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognised.

5.8 Leases

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

The Group as a lessee

Accounting policies adopted since 1 January 2020

The Group applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. At the commencement date of the lease (i.e. the date the underlying asset is available for use), the Group recognises right-of-use assets representing the right to use underlying assets and lease liabilities based on lease payments.

Right-of-use assets

Right-of-use assets are measured at cost, less accumulated depreciation, any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities initially recognised, initial direct costs incurred, and lease payments made at or before the commencement date of the lease less any lease incentives received.

Depreciation of right-of-use assets is calculated by reference to their costs, on the straight-line basis over the shorter of their estimated useful lives and the lease term.

Land and land improvement	16	years
Buildings and building improvement	3 - 16	years

If ownership of the leased asset is transferred to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Lease liabilities

Lease liabilities are measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be payable under residual value guarantees. Moreover, the lease payments include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

The Group discounted the present value of the lease payments by the interest rate implicit in the lease or the Group's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

A lease that has a lease term less than or equal to 12 months from commencement date or a lease of low-value assets is recognised as expenses on a straight-line basis over the lease term.

Accounting policies adopted before 1 January 2020

Leases of property, plant and equipment which do not transfer substantially all the risks and rewards of ownership are classified as operating leases. Operating lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term.

5.9 Bearer plants/Amortisation

Bearer plants are palm and coconut trees which consists of costs and expenses which are directly related to palm seeding, replantation cost and plantation activities, and were incurred before the production period. Bearer plants are stated at cost less accumulated amortisation and allowance for diminution in value (if any).

Amortisation of bearer plants is calculated by reference to their costs over the following estimated useful lives:

Palm trees - 20 years, using a systematic basis that takes into account the age of the palm trees.

Coconut trees - 20 years, using straight-line basis

Amortisation is included in determining income.

No amortisation is provided on bearer plants which are not ready for harvest.

5.10 Intangible assets/Amortisation

Intangible assets are recognised at cost. Following the initial recognition, the intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses (if any).

Intangible assets with finite lives are amortised on a systematic basis over the economic useful life and tested for impairment whenever there is an indication that the intangible assets may be impaired. The amortisation period and the amortisation method of such intangible assets is reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

Amortisation of intangible assets is calculated by reference to their costs on the straight-line basis over the following estimated useful lives:

Software computer	-	5 and 10 years

5.11 Related party transactions

Related parties comprise individuals or enterprises that control, or are controlled by, the Company, whether directly or indirectly, or which are under common control with the Company.

They also include associated companies, and individuals which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors, and officers with authority in the planning and direction of the Company's operations.

5.12 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also the Group's functional currency.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period.

Gains and losses on exchange are included in determining income.

5.13 Impairment of non-financial assets

At the end of each reporting period, the Group performs impairment reviews in respect of the property, plant and equipment, right-of-use assets, investment property, bearer plants and intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount. In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Group could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognised in profit or loss. However, in cases where land was previously revalued and the revaluation was taken to equity, a part of such impairment is recognised in equity up to the amount of the previous revaluation.

5.14 Employee benefits

Short-term employee benefits

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

Post-employment benefits

Defined contribution plans

The Group and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Group. The fund's assets are held in a separate trust fund and the Group contributions are recognised as expenses when incurred.

Defined benefit plans

The Group has obligations in respect of the severance payments it must make to employees upon retirement, both under labor law and as agreed with the employees. The Group treats these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from defined benefit plans are recognised immediately in other comprehensive income.

5.15 Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

5.16 Equity-settled share-based payment transactions

The Company recognises share-based payment transactions when services from employees are rendered, based on the fair value of the share options on the grant date. The expenses are recorded over the vesting period, in accordance with the conditions regarding length of service rendered by employees stipulated in the share-based payment plan, together with a corresponding increase in "Capital reserve for share-based payment transactions" in shareholders' equity.

5.17 Income tax

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

Current tax

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

Deferred tax

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Group recognises deferred tax liabilities for all taxable temporary differences while it recognises deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Group reviews and reduces the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Group records deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

5.18 Financial instruments

Accounting policies adopted since 1 January 2020

The Group initially measures financial assets at its fair value plus, in the case of financial assets that are not measured at fair value through profit or loss, transaction costs. However, trade receivables, that do not contain a significant financing component, are measured at the transaction price as disclosed in the accounting policy relating to revenue recognition.

Classification and measurement of financial assets

Financial assets are classified, at initial recognition, as to be subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI"), or fair value through profit or loss ("FVTPL"). The classification of financial assets at initial recognition is driven by the Group's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

Financial assets at amortised cost

The Group measures financial assets at amortised cost if the financial asset is held in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate ("EIR") method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial assets at FVTPL

Financial assets measured at FVTPL are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

These financial assets include derivatives, security investments held for trading, equity investments which the Group has not irrevocably elected to classify at FVOCI and financial assets with cash flows that are not solely payments of principal and interest.

Classification and measurement of financial liabilities

Except for derivative liabilities, at initial recognition the Group's financial liabilities are recognised at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. In determining amortised cost, the Group takes into account any fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in profit or loss.

Derecognition of financial instruments

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Group has transferred substantially all the risks and rewards of the asset, or the Group has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

Impairment of financial assets

The Group recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure (a lifetime ECL).

The Group considers a significant increase in credit risk to have occurred when contractual payments are more than 30 days past due and considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to have a significant increase in credit risk and to be in default using other internal or external information, such as credit rating of issuers.

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. It is based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Accounting policies adopted before 1 January 2020

Trade and other receivables

Trade and other receivables are stated at the net realisable value. Allowance for doubtful accounts is provided for the estimated losses that may be incurred in collection of receivables. The allowance is generally based on collection experiences and analysis of debt aging.

5.19 Derivatives

The Group uses derivatives, such as forward currency contracts and interest rate swaps, to hedge its foreign currency risks and interest rate risks, respectively.

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. The subsequent changes are recognised in profit or loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Derivatives are presented as non-current assets or non-current liabilities if the remaining maturity of the instrument is more than 12 months and it is not due to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

5.20 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Group applies a quoted market price in an active market to measure its assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Group measures fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

Level 1 - Use of quoted market prices in an active market for such assets or liabilities

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Group determines whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

6. Significant accounting judgements and estimates

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures and actual results could differ from these estimates. Significant judgements and estimates are as follows:

Allowance for expected credit losses of trade receivables

In determining an allowance for expected credit losses of trade receivables, the management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the forecast economic condition for groupings of various customer segments with similar credit risks. The Group's historical credit loss experience and forecast economic conditions may also not be representative of whether a customer will actually default in the future.

Allowance for diminution in value of inventories

The determination of allowance for diminution in the value of inventories requires the management to exercise judgement in estimating losses on outstanding inventories, based on the selling price expected in the ordinary course of business; minus selling expenses and allowance for obsolete, slow-moving and deteriorated inventories, and taking into account the approximate useful life of each type of inventories.

Biological assets

The Group measured its biological assets at their fair value less costs to sell. Such fair values were calculated using the method as described in accounting policy. The valuation involves certain assumptions and estimates as described in Note 11 to the consolidated financial statements.

Leases - The Group as a lessee

Determining the lease term with extension and termination options

In determining the lease term, the management is required to exercise judgement in assessing whether the Group is reasonably certain to exercise the option to extend or terminate the lease considering all relevant facts and circumstances that create an economic incentive for the Group to exercise either the extension or termination option.

Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, the management is required to exercise judgement in estimating its incremental borrowing rate to discount lease liabilities. The incremental borrowing rate is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

Fair value of financial instruments

In determining the fair value of financial instruments recognised in the statement of financial position that are not actively traded and for which quoted market prices are not readily available, the management exercise judgement, using a variety of valuation techniques and models. The input to these models is taken from observable markets, and includes consideration of credit risk, liquidity, correlation and longer-term volatility of financial instruments. Change in assumptions about these factors could affect the fair value recognised in the statement of financial position and disclosures of fair value hierarchy.

Allowance for impairment of investments in subsidiaries

In determining the allowance for impairment of investments in subsidiaries, the management is required to exercise judgements regarding determination of the impairment losses when the indicator existed.

Property, plant and equipment and depreciation

In determining depreciation of plant and equipment, the management is required to make estimates of the useful lives and residual values of the plant and equipment and to review estimate useful lives and residual values when there are any changes.

The Group measures land at revalued amounts. Such amounts are determined by the independent valuer using the market approach. The valuation involves certain assumptions and estimates.

In addition, the management is required to review property, plant and equipment for impairment on a periodical basis and record impairment losses when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

Bearer plants and amortisation

In determining amortisation of bearer plants, the management is required to make estimates of the useful lives and residual values of the bearer plants and to review estimate useful lives and residual values when there are any changes.

In addition, the management is required to review bearer plants for impairment on a periodical basis and record impairment losses when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

Deferred tax assets

Deferred tax assets are recognised for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future taxable profits.

Post-employment benefits under defined benefit plans

The obligation under the defined benefit plan is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

7. Related party transactions

The relationships between the Company and its related parties are summarised below.

Name of related parties	Relationship
CPI Agrotech Co., Ltd.	Subsidiary
CPP Co., Ltd.	Subsidiary
CPI Power Co., Ltd.	Subsidiary (Registered the incorporation on 8 September 2020)
CPI Glow Co., Ltd.	Subsidiary (Registered the dissolution on 30 September 2019 and registered the liquidation on 9 January 2020)

Name of related parties	Relationship
CPI Trading Co., Ltd.	Subsidiary (Registered the dissolution on 18 June 2020 and registered the liquidation on 4 November 2020)
CPI Green Co., Ltd.	Subsidiary (Registered the dissolution on 18 June 2020 and registered the liquidation on 26 November 2020)
C K Trading (1965) Co., Ltd.	Joint venture
Khonburi Sugar PLC.	Common shareholders/directors

During the years, the Group had significant business transactions with related parties. Such transactions, 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 financial statements		Separate financial statements		
	2020	2019	2020	2019	Transfer pricing policy
Transactions with subsidiaries (eliminated from the consolidated financial statements)					
Sales	-	-	174	136	Market price
Rental income	-	-	1	1	Monthly fees of Baht 0.03 - 0.04 million
Interest income	-	-	15	14	4.75% per annum and rate charged on call borrowings from a bank plus 0.50% per annum
Dividend income	-	-	-	50	As declared
Purchase of raw materials	-	-	670	736	Market price
Purchase of assets	-	-	8	3	Market price
Sale of equipment	-	-	1	-	Market price
Transactions with related companies					
Purchase finished goods	-	1	-	-	Market price
Transactions with joint venture					
Other income	4	-	4	-	Contract price
Service expenses	16	-	16	-	Contract price

As at 31 December 2020 and 2019, the balances of the accounts between the Company and those related parties are as follows:

(Unit: Thousand Baht)

	Separate financial statements	
	2020	2019
Trade accounts receivable - related party (Note 9)		
Subsidiary (eliminated from consolidated financial statements)	90,510	30,129
Other receivables - related parties (Note 9)		
Subsidiaries (eliminated from consolidated financial statements)	10,543	9,702
Joint venture	316	-
Total other receivables - related parties	10,859	9,702
Interest receivables - related parties (Note 9)		
Subsidiaries (eliminated from consolidated financial statements)	19,954	5,059
Short-term loans to related parties		
Subsidiaries (eliminated from consolidated financial statements)	403,900	398,500
Trade accounts payables - related party (Note 21)		
Subsidiary (eliminated from consolidated financial statements)	12,344	14,442
Other payables - related party (Note 21)		
Subsidiary (eliminated from consolidated financial statements)	8,968	1,509

Loans to related parties

As at 31 December 2020 and 2019, the balances of loans between the Company and those related parties and the movement of such loans are as follows:

(Unit: Thousand Baht)

		Separate financial statements			
		Balance as at	During the year		Balance as at
Loans to	Relationship	1 January 2020	Increase	Decrease	31 December 2020
CPI Agrotech Co., Ltd.	Subsidiary	37,000	30,000	(30,000)	37,000
CPP Co., Ltd.	Subsidiary	361,500	209,300	(203,900)	366,900
Total		398,500	239,300	(233,900)	403,900

The above loans are unsecured and due at call. Interest is charged at rates of 4.75% per annum and interest rate charged on call borrowings from a bank plus 0.50% per annum.

Directors and management's benefits

During the years ended 31 December 2020 and 2019, the Group had employee benefit expenses payable to its directors and management as below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Short-term employee benefits	23,508	22,421	21,692	20,628
Post-employment and termination benefits	851	1,385	688	1,215
Total	24,359	23,806	22,380	21,843

Guarantee obligations with related parties

The Company has outstanding guarantee obligations with its subsidiaries, as described in Note 37.4 a) to the consolidated financial statements.

8. Cash and cash equivalents

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Cash	788	187	703	101
Bank deposits	92,988	70,976	62,958	52,944
Total	93,776	71,163	63,661	53,045

As at 31 December 2020, bank deposits in saving accounts carried interest at rates between 0.1% - 0.3% per annum (2019: between 0.1% - 0.4% per annum).

9. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Trade receivables - related party				
Aged on the basis of due dates				
Not yet due	-	-	18	30,129
Past due				
Up to 1 month	-	-	18,988	-
1 - 3 months	-	-	36,337	-
3 - 6 months	-	-	35,162	-
6 - 12 months	-	-	5	-
Total trade receivables - related party	-	-	90,510	30,129
Trade receivables - unrelated parties				
Aged on the basis of due dates				
Not yet due	285,784	200,551	260,545	175,610
Past due				
Up to 1 month	36,611	89,882	36,424	88,670
1 - 3 months	775	949	337	906
3 - 6 months	813	910	-	910
6 - 12 months	1	532	1	532
Over 12 months	4,349	4,094	4,349	4,094
Total	328,333	296,918	301,656	270,722
Less: Allowance for expected credit losses				
(2019: Allowance for doubtful accounts)	(4,244)	(2,769)	(4,244)	(2,769)
Total trade receivables - unrelated parties, net	324,089	294,149	297,412	267,953
Total trade receivables, net	324,089	294,149	387,922	298,082
Other receivables				
Other receivables - related parties	316	-	10,859	9,702
Interest receivables - related parties	-	-	19,954	5,059
Other receivables - unrelated parties	2,548	2,733	2,070	2,602
Total	2,864	2,733	32,883	17,363
Less: Allowance for expected credit losses				
(2019: Allowance for doubtful accounts)	(681)	(681)	(681)	(681)
Total other receivables - net	2,183	2,052	32,202	16,682
Total trade and other receivables - net	326,272	296,201	420,124	314,764

Set out below is the movement in the allowance for expected credit losses of trade and other receivables.

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
As at 1 January 2020	3,450	3,450
Provision for expected credit losses	1,515	1,515
Amount recovered during the year	(40)	(40)
As at 31 December 2020	4,925	4,925

10. Inventories

(Unit: Thousand Baht)

	Consolidated financial statements					
	Cost		Reduce cost to net realisable value		Inventories - net	
	2020	2019	2020	2019	2020	2019
Finished goods	213,630	138,297	(116)	-	213,514	138,297
Raw materials	227,973	111,580	-	-	227,973	111,580
Work in process	21,606	96	-	-	21,606	96
Spare parts and factory supplies	58,044	59,321	-	-	58,044	59,321
Total	521,253	309,294	(116)	-	521,137	309,294

(Unit: Thousand Baht)

	Separate financial statements					
	Cost		Reduce cost to net realisable value		Inventories - net	
	2020	2019	2020	2019	2020	2019
Finished goods	213,530	138,297	(116)	-	213,414	138,297
Raw materials	231,166	109,421	-	-	231,166	109,421
Work in process	96	96	-	-	96	96
Spare parts and factory supplies	29,991	33,599	-	-	29,991	33,599
Total	474,783	281,413	(116)	-	474,667	281,413

Movements in the allowance for diminution in value of inventories account during the years 2020 and 2019, which were presented as cost of sales, are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Balance as at beginning of the year	-	58	-	58
Allowance for diminution in value of inventories during the year (reversal)	116	(58)	116	(58)
Balance as at ending of the year	116	-	116	-

11. Biological assets

Movements of the biological assets account for the years ended 31 December 2020 and 2019 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements			Separate financial statements
	Palm fruit on trees	Palm seeds and palm sprouts	Total	Palm fruit on trees
Balance as at 1 January 2019	27,064	27,262	54,326	27,064
Gains arising from changes in fair value less costs to sell	135,884	5,827	141,711	135,884
Decrease due to sell	-	(13,791)	(13,791)	-
Decrease due to harvest	(140,645)	-	(140,645)	(140,645)
Balance as at 31 December 2019	22,303	19,298	41,601	22,303
Gains arising from changes in fair value less costs to sell	169,567	8,135	177,702	169,567
Decrease due to sell	-	(10,115)	(10,115)	-
Decrease due to harvest	(164,948)	-	(164,948)	(164,948)
Balance as at 31 December 2020	26,922	17,318	44,240	26,922

Significant assumptions for the calculation of fair value at the valuation date were as follows:

Palm fruit on trees

Prices of palm fruit at the point of harvest are estimated based on selling prices of palm fruit at the front of the Company's factory from which the Company purchased in the past less estimated planting cost, harvesting cost and transportation cost from estate.

Weight of palm fruit on trees is based on random count data and estimated with references to the average weight for each age when harvesting the palm fruit from historical information, including consideration on loss from planting.

Palm seeds and palm sprouts

Prices of palm seeds and palm sprouts are estimated based on selling price less estimated selling expenses such as transportation cost.

Quantity of palm seeds and palm sprouts is included consideration on loss from planting based on historical information.

The result of sensitivity analysis for significant assumptions that affects the fair value of biological assets as at 31 December 2020 and 2019 are summarised below:

(Unit: Million Baht)

	Consolidated financial statements			
	2020		2019	
	Increase by 10%	Decrease by 10%	Increase by 10%	Decrease by 10%
Price of palm fruit at the point of harvest	3	(3)	2	(2)
Weight of palm fruit	3	(3)	2	(2)
Price of palm seeds and palm sprouts	1	(1)	1	(1)
Quantity of palm seeds and palm sprouts	1	(1)	1	(1)

(Unit: Million Baht)

	Separate financial statements			
	2020		2019	
	Increase by 10%	Decrease by 10%	Increase by 10%	Decrease by 10%
Price of palm fruit at the point of harvest	3	(3)	2	(2)
Weight of palm fruit	3	(3)	2	(2)

12. Other current assets

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Amounts placed for trading of palm oil future contracts	14,912	14,736	14,912	14,736
Others	10,682	14,723	6,257	8,398
Total other current assets	25,594	29,459	21,169	23,134

13. Investment in joint venture

13.1 Detail of investment in joint venture

Investment in joint venture represent investment in entity which are jointly controlled by the Company and other company. Detail of this investment are as follows:

(Unit: Thousand Baht)

Company's name	Nature of business	Country of incorporation	Shareholding percentage		Consolidated financial statements: Carrying amounts based on equity method		Separate financial statements: Carrying amounts based on cost method	
			2020	2019	2020	2019	2020	2019
			(%)	(%)				
Held by the Company								
C K Trading (1965) Co., Ltd.	Conduct an agent business of selling all types of consumer goods	Thailand	49.00	49.00	2,878	462	4,900	490
Total					2,878	462	4,900	490

On 7 January 2020, the Extraordinary General Meeting of C K Trading (1965) Co., Ltd. (a joint venture) passed a resolution to increase the registered share capital by issuing 90,000 ordinary shares with a par value of Baht 100 per share from the original registered share capital of Baht 1 million to a newly registered share capital of Baht 10 million. The Company has invested at the same proportion of 49%, equivalent to the value of Baht 4.41 million. The Company has already paid the such investment between January and February 2020.

13.2 Share of loss and dividend received

During the years, the Company recognised its share of loss from investment in joint venture in the consolidated financial statements as follows:

(Unit: Thousand Baht)

Joint venture	Consolidated financial statements: Share of loss from investment in joint venture during the year		Separate financial statements: Dividend received during the year	
	2020	2019	2020	2019
C K Trading (1965) Company Limited	(1,994)	(28)	-	-

13.3 Summarised financial information about material joint venture

Summarised information about financial position

(Unit: Thousand Baht)

	2020	2019
Cash and cash equivalents	11,398	982
Other current assets	1,651	-
Other non-current assets	218	-
Other current liabilities	(2,970)	(40)
Other non-current liabilities	(4,423)	-
Net assets	**5,874**	**942**
Shareholding percentage (%)	49%	49%
Share of net assets	**2,878**	**462**
Carrying amounts of joint venture based on equity method	**2,878**	**462**

Summarised information about income

(Unit: Thousand Baht)

	For the year ended 31 December	
	2020	2019
Revenues	24,843	-
Interest income	9	-
Loss	(4,069)	(58)

14. Investments in subsidiaries

Details of investments in subsidiaries as presented in separate financial statements are as follows:

(Unit: Thousand Baht)

Company's name	Called-up capital		Shareholding percentage		Cost		Allowance for impairment of investments		Carrying amounts based on cost method - net		Dividend received during the year	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
			(%)	(%)								
CPI Agrotech Co., Ltd.	15,000	15,000	100	100	15,000	15,000	(5,000)	(5,000)	10,000	10,000	-	-
CPP Co., Ltd.	191,000	191,000	100	100	191,000	191,000	-	-	191,000	191,000	-	49,660
CPI Power Co., Ltd.	5,000	-	100	-	5,000	-	-	-	5,000	-	-	-
CPI Trading Co., Ltd.	-	1,300	-	100	-	1,300	-	-	-	1,300	-	-
CPI Green Co., Ltd.	-	12,500	-	100	-	12,500	-	-	-	12,500	-	-
Total					211,000	219,800	(5,000)	(5,000)	206,000	214,800	-	49,660

On 17 June 2020, the Extraordinary General Meeting No.1/2020 of shareholders of CPI Trading Co., Ltd. (a subsidiary) approved the dissolution. The subsidiary registered its dissolution with the Ministry of Commerce on 18 June 2020 and registered its liquidation on 4 November 2020.

On 17 June 2020, the Extraordinary General Meeting No.1/2020 of shareholders of CPI Green Co., Ltd. (a subsidiary) approved the dissolution. The subsidiary registered its dissolution with the Ministry of Commerce on 18 June 2020 and registered its liquidation on 26 November 2020.

On 18 August 2020, a meeting of the executive committee No. 8/2020 approved a resolution to establish CPI Power Co., Ltd. (a subsidiary), registered in Thailand. Its principal activity is the production and distribution of electricity. The registered share capital is Baht 20 million (2 million ordinary shares with a par value of Baht 10 per share). The subsidiary registered as a limited company with the Ministry of Commerce on 8 September 2020, and it called up 25% at Baht 2.5 per share, or a total amount of Baht 5 million. The Company has already paid for those shares.

15. Investment property

As at 31 December 2020, the Company presented the net book value of investment property which is land awaiting sales amounting to Baht 128.4 million under the cost method.

A reconciliation of the net book value of investment property for the year 2020 is presented below.

	Consolidated and Separate financial statements
	2020
Net book value at beginning of year	-
Transferred from advances for purchasing of land	124,008
Increase during the year	4,423
Net book value at end of year	128,431

The additional information of the investment property as at 31 December 2020 stated below:

	Consolidated and Separate financial statements
	2020
The fair value of land awaiting sales	160,010

In 2020, the Company engaged the independent valuer to determine the fair value of land awaiting sales. The fair value of the land awaiting sales has been determined based on market prices. Key assumptions used in the valuation include government's appraisal price and the market price of nearby land.

16. Property, plant and equipment

Movements of property, plant and equipment for the years ended 31 December 2020 and 2019 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements								
	Revaluation basis	Cost basis							
	Land	Land improvement	Buildings and building improvement	Machinery and equipment	Tools and factory equipment	Motor vehicles	Furniture, fixtures and office equipment	Assets under installation and under construction	Total
Cost / Revalued amount									
As at 1 January 2019	908,232	395,881	696,413	2,717,881	66,374	181,384	121,108	60,215	5,147,488
Additions	-	85	361	13,513	1,589	2,723	3,227	45,966	67,464
Disposals	-	-	-	(9)	(121)	(3,978)	(931)	-	(5,039)
Transferred in (out)	-	15,207	6,827	35,985	1,983	6,707	1,319	(68,028)	-
Transferred to intangible assets	-	-	-	-	-	-	-	(239)	(239)
As at 31 December 2019	908,232	411,173	703,601	2,767,370	69,825	186,836	124,723	37,914	5,209,674
Additions	-	-	7,272	9,704	4,528	1,578	2,731	24,572	50,385
Disposals	-	-	(14,675)	(48,727)	(4,228)	(1,460)	(3,946)	-	(73,036)
Transferred in (out)	-	758	(5,951)	41,484	174	8,367	5,503	(50,335)	-
As at 31 December 2020	908,232	411,931	690,247	2,769,831	70,299	195,321	129,011	12,151	5,187,023
Accumulated depreciation									
As at 1 January 2019	-	151,018	325,036	1,554,059	44,915	132,696	91,085	-	2,298,809
Depreciation for the year	-	15,711	23,892	119,107	5,135	12,272	7,403	-	183,520
Depreciation on disposals	-	-	-	(9)	(115)	(3,754)	(868)	-	(4,746)
As at 31 December 2019	-	166,729	348,928	1,673,157	49,935	141,214	97,620	-	2,477,583
Depreciation for the year	-	15,978	23,064	105,377	4,837	10,745	7,235	-	167,236
Depreciation on disposals	-	-	(7,575)	(47,518)	(4,086)	(1,271)	(3,883)	-	(64,333)
As at 31 December 2020	-	182,707	364,417	1,731,016	50,686	150,688	100,972	-	2,580,486
Net book value									
As at 31 December 2019	908,232	244,444	354,673	1,094,213	19,890	45,622	27,103	37,914	2,732,091
As at 31 December 2020	908,232	229,224	325,830	1,038,815	19,613	44,633	28,039	12,151	2,606,537

Depreciation for the year	
2019 (Baht 160 million included in manufacturing cost, and the remaining balance in administrative expenses)	183,520
2020 (Baht 144 million included in manufacturing cost, and the remaining balance in administrative expenses)	167,236

(Unit: Thousand Baht)

	Separate financial statements								
	Revaluation basis	Cost basis							
	Land	Land improvement	Buildings and building improvement	Machinery and equipment	Tools and factory equipment	Motor vehicles	Furniture, fixtures and office equipment	Assets under installation and under construction	Total
Cost / Revalued amount									
As at 1 January 2019	905,039	276,103	444,387	1,879,351	51,464	153,911	106,360	48,169	3,864,784
Additions	-	-	110	7,073	999	2,723	2,309	41,149	54,363
Disposals	-	-	-	-	-	(1,843)	(773)	-	(2,616)
Transferred in (out)	-	15,207	6,473	35,622	1,983	6,707	1,319	(67,311)	-
Transferred to intangible assets	-	-	-	-	-	-	-	(239)	(239)
As at 31 December 2019	905,039	291,310	450,970	1,922,046	54,446	161,498	109,215	21,768	3,916,292
Additions	-	-	7,555	8,080	3,188	1,709	2,547	19,568	42,647
Disposals	-	-	(220)	(48,727)	(4,228)	(1,000)	(3,873)	-	(58,048)
Transferred in (out)	-	758	1,965	13,377	23	8,367	5,373	(29,863)	-
As at 31 December 2020	905,039	292,068	460,270	1,894,776	53,429	170,574	113,262	11,473	3,900,891
Accumulated depreciation									
As at 1 January 2019	-	145,766	308,808	1,491,128	39,669	115,186	84,146	-	2,184,703
Depreciation for the year	-	12,613	16,539	86,674	3,432	8,443	5,929	-	133,630
Depreciation on disposals	-	-	-	-	-	(1,843)	(752)	-	(2,595)
As at 31 December 2019	-	158,379	325,347	1,577,802	43,101	121,786	89,323	-	2,315,738
Depreciation for the year	-	12,876	16,580	70,015	2,984	7,708	5,741	-	115,904
Depreciation on disposals	-	-	(87)	(47,518)	(4,087)	(815)	(3,817)	-	(56,324)
As at 31 December 2020	-	171,255	341,840	1,600,299	41,998	128,679	91,247	-	2,375,318
Net book value									
As at 31 December 2019	905,039	132,931	125,623	344,244	11,345	39,712	19,892	21,768	1,600,554
As at 31 December 2020	905,039	120,813	118,430	294,477	11,431	41,895	22,015	11,473	1,525,573

Depreciation for the year

2019 (Baht 116 million included in manufacturing cost, and the remaining balance in administrative expenses)	133,630
2020 (Baht 97 million included in manufacturing cost, and the remaining balance in administrative expenses)	115,904

In 2018, the Company arranged for an independent professional valuer to appraise the value of land. The basis of the revaluation used was the market approach. The revaluation value of the land is higher than the prior revaluation by Baht 203 million. The Company recognised the increase in shareholders' equity as "Other components of shareholders' equity".

The details of land carried on the revaluation basis is as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Land				
Original cost	101,517	101,517	99,967	99,967
Surplus from revaluation	806,715	806,715	805,072	805,072
Revalued amount	908,232	908,232	905,039	905,039
Stated at cost				
Net book value	101,517	101,517	99,967	99,967

As at 31 December 2020, certain items of plant and equipment were fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to Baht 1,541 million (2019: Baht 1,434 million) (the Company only: Baht 1,525 million (2019: Baht 1,434 million)).

17. Leases

The Group as a lessee

The Group has lease contracts for various items of property, plant, and equipment used in its operations. Leases generally have lease terms between 3 and 16 years.

a) Right-of-use assets

Movement of right-of-use assets for the year ended 31 December 2020 are summarised below:

(Unit: Thousand Baht)

	Consolidated financial statements		
	Land and land improvement	Buildings and building improvement	Total
Net book value as at 1 January 2020	-	-	-
Adjustments of right-of-use assets due to TFRS 16 adoption	2,722	6,241	8,963
Additions during the year	-	1,798	1,798
Lease contracts termination during the year	(1,293)	(1,172)	(2,465)
Depreciation for the year	(155)	(1,287)	(1,442)
Net book value as at 31 December 2020	1,274	5,580	6,854

(Unit: Thousand Baht)

	Separate financial statements		
	Land and land improvement	Buildings and building improvement	Total
Net book value as at 1 January 2020	-	-	-
Adjustments of right-of-use assets due to TFRS 16 adoption	2,722	2,944	5,666
Additions during the year	-	589	589
Lease contracts termination during the year	(1,293)	(1,172)	(2,465)
Depreciation for the year	(155)	(795)	(950)
Net book value as at 31 December 2020	1,274	1,566	2,840

b) Lease liabilities

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Lease payments	8,503	-	3,478	-
Less: Deferred interest expenses	(1,514)	-	(577)	-
Total	6,989	-	2,901	-
Less: Portion due within one year	(1,291)	-	(857)	-
Lease liabilities - net of current portion	5,698	-	2,044	-

A maturity analysis of lease payments is disclosed in Note 39.2 to the consolidated financial statements under the liquidity risk.

c) Expenses relating to leases that are recognised in profit or loss

(Unit: Thousand Baht)

	For the year ended 31 December 2020	
	Consolidated financial statements	Separate financial statements
Depreciation expense of right-of-use assets	1,442	950
Interest expense on lease liabilities	375	205

d) Others

The Group had total cash outflows for leases for the year ended 31 December 2020 of Baht 1.6 million (the Company only: Baht 1.0 million). Moreover, the Group had non-cash additions to right-of-use assets and lease liabilities of Baht 1.8 million (the Company only: Baht 0.6 million).

18. Bearer Plants

(Unit: Thousand Baht)

	Consolidated financial statements			
	Palm trees ready for harvest	Palm trees not ready for harvest	Coconut trees not ready for harvest	Total
Cost				
As at 1 January 2019	311,205	139,036	411	450,652
Additions	-	6,227	132	6,359
Transfer in (out)	138,751	(138,751)	-	-
As at 31 December 2019	449,956	6,512	543	457,011
Additions	-	1,955	-	1,955
Transfer in (out)	4,571	(4,571)	-	-
Written-off	(10,354)	-	-	(10,354)
As at 31 December 2020	444,173	3,896	543	448,612
Accumulated amortisation				
As at 1 January 2019	47,293	-	-	47,293
Amortisation charged for the year	17,171	-	-	17,171
As at 31 December 2019	64,464	-	-	64,464
Amortisation charged for the year	19,909	-	-	19,909
Amortisation on written-off	(9,698)	-	-	(9,698)
As at 31 December 2020	74,675	-	-	74,675
Net book value				
As at 31 December 2019	385,492	6,512	543	392,547
As at 31 December 2020	369,498	3,896	543	373,937
Amortisation for the year (included in manufacturing cost)				
2019				17,171
2020				19,909

(Unit: Thousand Baht)

	Separate financial statements		
	Palm trees ready for harvest	Palm trees not ready for harvest	Total
Cost			
As at 1 January 2019	306,543	139,036	445,579
Additions	-	7,319	7,319
Transfer in (out)	137,312	(137,312)	-
As at 31 December 2019	443,855	9,043	452,898
Additions	-	1,822	1,822
Transfer in (out)	4,571	(4,571)	-
Written-off	(10,354)	-	(10,354)
As at 31 December 2020	438,072	6,294	444,366
Accumulated amortisation			
As at 1 January 2019	46,062	-	46,062
Amortisation charged for the year	16,827	-	16,827
As at 31 December 2019	62,889	-	62,889
Amortisation charged for the year	19,566	-	19,566
Amortisation on written-off	(9,698)	-	(9,698)
As at 31 December 2020	72,757	-	72,757
Net book value			
As at 31 December 2019	380,966	9,043	390,009
As at 31 December 2020	365,315	6,294	371,609
Amortisation for the year (included in manufacturing cost)			
2019			16,827
2020			19,566

As at 31 December 2020, palm trees costing a total net book value of Baht 5 million (2019: Baht 6 million) were located on land which the Company had only occupancy rights.

19. Intangible assets

The net book value of intangible assets which are computer software as at 31 December 2020 and 2019 is presented below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Cost	24,292	23,844	23,722	23,274
Less: Accumulated amortisation	(21,469)	(19,948)	(21,150)	(19,696)
Net book value	2,823	3,896	2,572	3,578

A reconciliation of the net book value of intangible assets for the years 2020 and 2019 is presented below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Net book value at beginning of year	3,896	5,072	3,578	4,691
Acquisition of computer software	448	147	448	139
Transferred from assets under installation	-	239	-	239
Amortisation for the year	(1,521)	(1,562)	(1,454)	(1,491)
Net book value at end of year	2,823	3,896	2,572	3,578

Amortisation was included in administrative expenses in profit or loss.

20. Short-term loans from banks

(Unit: Thousand Baht)

	Interest rate (% per annum)		Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019	2020	2019
Short-term loans from banks	2.08 - 2.57	2.20 - 2.63	1,159,000	1,199,000	1,050,000	1,090,000
Total			1,159,000	1,199,000	1,050,000	1,090,000

These short-term loans from banks are collateral free. The loans repayment will due at call and within 3 months as from issuance date of promissory notes.

21. Trade and other payables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Trade payables - related party	-	-	12,344	14,442
Trade payables - unrelated parties	71,744	58,422	68,469	52,689
Accrued expenses	38,036	17,426	36,932	14,635
Other payables - related party	-	-	8,968	1,509
Other payables - unrelated parties	52,613	52,943	18,468	18,795
Total trade and other payables	162,393	128,791	145,181	102,070

22. Long-term loans from banks

(Unit: Thousand Baht)

Credit line	Interest rate (% per annum)	Repayment condition	Consolidated financial statements		Separate financial statements	
			2020	2019	2020	2019
1) Credit line of Baht 204 million of the Company	MLR - 3	Grace period until the earlier of 18 months, the first installment starts from June 2015, then quarterly installments of not less than Baht 9.55 million. The repayment period is within March 2021.	13,220	51,420	13,220	51,420
2) Credit line of Baht 250 million of the Company	THBFIX + 2.32	Monthly installments of Baht 4.2 million for 60 months, the last installment is remaining principal and accrued interest. The repayment period is from January 2016 to December 2020	-	48,400	-	48,400
3) Credit line of Baht 250 million of the Company	THBFIX + 2.2	Quarterly installments of Baht 12.5 million for 20 installments, the last installment is remaining principal and accrued interest. The repayment period is from October 2017 to July 2022	87,500	137,500	87,500	137,500
4) Credit line of Baht 250 million of the Company	MLR - 1.50	Grace period until the earlier of 9 months, then quarterly installments of Baht 12.5 million for 20 installments, the last installment is remaining principal and accrued interest. The repayment period is from March 2021 to December 2025	250,000	-	250,000	-
5) Credit line of Baht 800 million of subsidiary	AMLR - 2.90	Grace period until the earlier of 18 months, then semi - annually installments of Baht 67 million for 11 installments and Baht 63 million for the final installment. The repayment period is within August 2022.	264,000	398,000	-	-
Total			614,720	635,320	350,720	237,320
Less: Deferred financial fees			(544)	-	(544)	-
Long-term loans from banks, net			614,176	635,320	350,176	237,320
Less: Current portion due within one year			(247,111)	(270,600)	(113,111)	(136,600)
Long-term loans from banks, net of current portion			367,065	364,720	237,065	100,720

Movement of the long-term loans from banks account during the year ended 31 December 2020 are summarised below:

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Balance as at 1 January 2020	635,320	237,320
Add: Additional borrowings	250,000	250,000
Less: Repayment loans	(270,600)	(136,600)
Less: Financial fee	(625)	(625)
Financial fee amortisation	81	81
Balance as at 31 December 2020	614,176	350,176

On 27 May 2020, the Company entered into loan agreement with a local bank of Baht 250 million. The objective is to support the operation. The loan is to be repaid in full amount within December 2025.

Long-term credit facilities of the Company are collateral-free loans. The loan of the subsidiary is guaranteed by the Company. The loan agreements contain several covenants which, among other things, require the Group to maintain debt-to-equity ratio and debt service coverage ratio at the rates prescribed in the agreements.

In the year 2019, the Group failed to comply with the conditions to maintain the financial ratio in the loan agreements. However, the Group received the waiver letters relieving to a fault condition of the financial ratio from the banks within 2019. Thus, reclassification of loans as at 31 December 2019 is based on the normal payment terms specified in the loan agreements.

As at 31 December 2020 and 2019, the Group has no long-term credit facilities which have not yet been drawn down.

In order to manage the interest rate risks associated with the long-term loans from banks, the Group entered into interest rate swap agreements with two commercial banks to swap interest rates are as described in Note 39.2 to the consolidated financial statements.

23. Provision for long-term employee benefits

Provision for long-term employee benefits, which represents compensation payable to employees after they retire, was as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Provision for long-term employee benefits at beginning of year	59,018	42,892	51,870	38,351
Included in profit or loss:				
Current service cost	4,334	4,197	3,386	3,293
Interest cost	1,513	1,405	1,333	1,254
Past service cost from the change of labor law	-	11,187	-	10,308
Included in other comprehensive income:				
Actuarial loss (gain) arising from				
Demographic assumption changes	1,729	-	2,471	-
Financial assumptions changes	5,771	3,437	5,138	2,764
Experience adjustments	(9,724)	-	(5,264)	-
Benefits paid during the year	(3,969)	(4,100)	(3,969)	(4,100)
Provision for long-term employee benefits at end of year	58,672	59,018	54,965	51,870

The Group expects to pay Baht 3 million of long-term employee benefits during the next year (2019: Baht 3 million) (the Company only: Baht 3 million (2019: Baht 3 million)).

As at 31 December 2020, the weighted average duration of the liabilities for long-term employee benefit is 13 - 20 years (2019: 13-19 years) (the Company only: 13 years (2019: 13 years)).

Significant actuarial assumptions used for the valuation are summarised below:

(Unit: % per annum)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Discount rate	1.5 - 1.8	1.9 - 2.0	1.5	1.9 - 2.0
Future salary increase rate	3.5	3.5	3.5	3.5
Employee turnover rate (depending on age)	1.9 - 28.7	0.0 - 30.0	2.4 - 28.7	0.0 - 30.0

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2020 and 2019 are summarised below:

(Unit: Million Baht)

	2020			
	Consolidated financial statements		Separate financial statements	
	Increase 0.5%	Decrease 0.5%	Increase 0.5%	Decrease 0.5%
Discount rate	(2.88)	3.12	(2.64)	2.85
Salary increase rate	3.02	(2.65)	2.75	(2.41)

(Unit: Million Baht)

	2020			
	Consolidated financial statements		Separate financial statements	
	Increase 10%	Decrease 10%	Increase 10%	Decrease 10%
Employee turnover rate	(2.11)	2.31	(1.82)	2.12

(Unit: Million Baht)

	2019			
	Consolidated financial statements		Separate financial statements	
	Increase 0.5%	Decrease 0.5%	Increase 0.5%	Decrease 0.5%
Discount rate	(2.14)	2.39	(1.79)	1.99
Salary increase rate	2.83	(2.56)	2.37	(2.16)

(Unit: Million Baht)

	2019			
	Consolidated financial statements		Separate financial statements	
	Increase 10%	Decrease 10%	Increase 10%	Decrease 10%
Employee turnover rate	(2.35)	2.10	(2.13)	1.90

24. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside to a statutory reserve at least 5% of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10% of the registered capital. The statutory reserve is not available for dividend distribution. During the year, the Company set aside a statutory reserve of Baht 8.18 million.

25. Other components of shareholders' equity

This represents surplus arising from revaluation of land. The revaluation surplus can neither be offset against deficit nor used for dividend payment.

26. Revenue from contracts with customers

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Type of goods or service:				
Sale of palm oil products, palm sprouts and palm seeds	3,721,006	3,153,439	3,852,118	3,249,814
Sale of electricity	167,752	159,910	25,591	22,871
Total revenue from contracts with customers	3,888,758	3,313,349	3,877,709	3,272,685
Timing of revenue recognition:				
Revenue recognised at a point in time	3,721,006	3,153,439	3,852,118	3,249,814
Revenue recognised over time	167,752	159,910	25,591	22,871
Total revenue from contracts with customers	3,888,758	3,313,349	3,877,709	3,272,685

Set out below is a reconciliation of the revenue from contracts with customers with the amounts disclosed in Note 34 to the consolidated financial statements relating to the segment information:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
External customers	3,888,758	3,313,349	3,703,643	3,136,564
Inter-segment	844,487	872,683	174,066	136,121
Total	4,733,245	4,186,032	3,877,709	3,272,685
Adjustments and eliminations	(844,487)	(872,683)	-	-
Total revenue from contracts with customers	3,888,758	3,313,349	3,877,709	3,272,685

27. Other income and other expenses

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Gain on change in fair value of derivatives	2,262	-	899	-
Gain (loss) on exchange	2,157	(1,357)	2,157	(1,374)
Total	4,419	(1,357)	3,056	(1,374)

28. Finance income

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Interest income on bank deposits	204	412	174	305
Interest income on loans to subsidiaries	-	-	15,222	13,374
Total	204	412	15,396	13,679

29. Finance cost

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Interest expenses on borrowings	59,289	66,469	43,051	45,240
Interest expenses on lease liabilities	375	-	205	-
Total	59,664	66,469	43,256	45,240

30. Expenses by nature

Significant expenses classified by nature are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Salaries, wages and other employee benefits	346,705	353,211	284,243	307,269
Depreciation and amortisation	190,111	202,253	137,875	151,948
Raw materials and consumables used	2,845,680	2,113,743	3,113,964	2,411,990
Changes in finished goods	75,217	(76,743)	75,117	(76,743)
Fuel and energy	137,549	78,815	104,551	59,525

31. Income tax

31.1 Deferred tax assets/liabilities

The components of deferred tax assets and deferred tax liabilities are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Deferred tax assets				
Allowance for diminution in value of inventories	23	-	23	-
Derivatives	1,049	-	235	-
Provision for long-term employee benefits	10,155	10,449	10,993	10,374
Unused tax losses	24,163	24,163	24,163	24,163
Total	35,390	34,612	35,414	34,537
Deferred tax liabilities				
Biological assets	6,953	5,518	5,384	4,461
Revaluation surplus on land	161,343	161,343	161,014	161,014
Total	168,296	166,861	166,398	165,475
Deferred tax liabilities - net	132,906	132,349	130,984	130,938

As at 31 December 2020, the Group had deductible temporary differences and unused tax losses totaling Baht 295 million (2019: Baht 333 million) (the Company only: Baht 272 million (2019: Baht 297 million)), on which deferred tax assets have not been recognised as the Group believes that there is an uncertainty that deductible temporary differences and unused tax losses will be utilised and future taxable profits may not be sufficient to allow utilisation of the temporary differences and unused tax losses. The above unused tax losses will expire by the year 2023.

31.2 Income tax expenses

Income tax expenses for the years ended 31 December 2020 and 2019 are made up as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Current income tax:				
Corporate income tax charge for the year	-	-	-	-
Deferred tax:				
Relating to origination and reversal of temporary differences	1,714	2,315	930	3,469
Income tax expenses reported in profit or loss	1,714	2,315	930	3,469

The reconciliation between accounting profit and income tax expenses is shown below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Accounting profit before tax	160,769	92,465	115,150	52,923
Applicable tax rate	20%	20%	20%	20%
Accounting profit before tax multiplied by income tax rate	32,154	18,493	23,030	10,585
Effects of:				
Promotional privileges (Note 32)	(10,320)	(23,228)	(43)	-
Non-deductible expenses	2,030	3,696	1,822	2,899
Additional expense deductions allowed	(24,465)	(161)	(24,310)	(10,075)
Others	2,165	835	431	60
Unused tax losses which may not utilise	150	2,680	-	-
Income tax expenses reported in profit or loss	1,714	2,315	930	3,469

31.3 Income tax relating to component of other comprehensive income

The amounts of income tax relating to component of other comprehensive income for the years ended 31 December 2020 and 2019 are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Deferred tax on actuarial (gain) loss arising from defined benefit plan of employees	(445)	688	469	553
	(445)	688	469	553

32. Promotional privileges

The Group has received promotional privileges from the Board of Investment under the Investment Promotion Act B.E. 2520. Subject to certain imposed conditions, significant privileges include the followings: -

Details	The Company	The Company	CPI Agrotech Co., Ltd.	CPP Co., Ltd.	CPP Co., Ltd.
1. Certificate No.	1702(1)/2556	2644(1)/2556	2390(5)/2554	2548(2)/2557	59-1178-1-00-1-0
2. Promotional privileges for	Manufacture of biogas	Production of electricity from biogas	Production of palm seeds and palm sprouts	Production of crude palm oil and kernel oil	Production of electricity from biomass
3. The significant privileges are					
3.1 Exemption from corporate income tax on net profit from promoted operations and exemption from income tax on dividends paid from the net profit of the operations throughout the period in which the corporate income tax is exempted.	8 years	8 years	8 years	8 years	8 years
3.2 50% reduction of corporate income tax on income derived from the promoted operations for a period of 5 years after the tax-exemption period in 3.1 ends	Granted	Granted	Not granted	Not granted	Not granted
3.3 Exemption from import duty on machinery as approved by the board.	Granted	Granted	Granted	Granted	Granted
4. Date of approval	19 February 2013	14 October 2013	20 September 2011	2 July 2013	13 July 2016
5. Date of first earning operating income	Not start operations	29 September 2014	1 August 2013	2 March 2017	27 April 2017

The Group's operating revenues for the years ended 31 December 2020 and 2019, divided between promoted and non-promoted operations, are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements					
	Promoted operations		Non-promoted operations		Total	
	2020	2019	2020	2019	2020	2019
Sales						
Domestic sales	181,549	166,071	3,629,132	2,920,135	3,810,681	3,086,206
Export sales	-	-	78,077	227,143	78,077	227,143
Total	181,549	166,071	3,707,209	3,147,278	3,888,758	3,313,349

(Unit: Thousand Baht)

	Separate financial statements					
	Promoted operations		Non-promoted operations		Total	
	2020	2019	2020	2019	2020	2019
Sales						
Domestic sales	24,743	21,249	3,774,889	3,024,293	3,799,632	3,045,542
Export sales	-	-	78,077	227,143	78,077	227,143
Total	24,743	21,249	3,852,966	3,251,436	3,877,709	3,272,685

33. Earnings per share

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

The following table sets forth the computation of basic earnings per share:

	Consolidated financial statements					
	Profit for the year		Weighted average number of ordinary shares		Earnings per share	
	2020	2019	2020	2019	2020	2019
	(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)
Basic earnings per share						
Profit attributable to equity holders of the Company	159,055	90,136	632,753	632,753	0.251	0.142

	Separate financial statements					
	Profit for the year		Weighted average number of ordinary shares		Earnings per share	
	2020	2019	2020	2019	2020	2019
	(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)
Basic earnings per share						
Profit attributable to equity holders of the Company	114,220	49,454	632,753	632,753	0.181	0.078

34. 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.

For management purposes, the Group is organised into business units based on its products and services and has three major reportable segments as follows:

- The palm oil products segment, which produces and distributes palm oil products and by products.
- The palm seeds, palm sprouts and others segment, which produces and distributes palm seeds, palm sprouts and others.
- The electricity segment, which produces and distributes electricity.

No operating segments have been aggregated to form the above reportable operating segments.

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss on a basis consistent with that used to measure operating profit or loss in the financial statements.

The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.

The following tables present revenue and profit (loss) information regarding the Group's operating segments for the years ended 31 December 2020 and 2019.

(Unit: Million Baht)

	For the year ended 31 December 2020					
	Palm oil products segment	Palm seeds, palm sprouts and others segment	Electricity segment	Total reportable segments	Adjustments and eliminations	Consolidated
Revenue from external customers	3,693	28	168	3,889	-	3,889
Inter-segment revenue	844	-	-	844	(844)	-
Finance income	15	-	-	15	(15)	-
Finance cost	43	1	31	75	(15)	60
Depreciation and amortisation	137	2	52	191	(1)	190
Income tax expenses	1	-	-	1	1	2
Segment profit (loss)	**77**	**(1)**	**85**	**161**	**(2)**	**159**

(Unit: Million Baht)

	For the year ended 31 December 2019					
	Palm oil products segment	Palm seeds, palm sprouts and others segment	Electricity segment	Total reportable segments	Adjustments and eliminations	Consolidated
Revenue from external customers	3,133	20	160	3,313	-	3,313
Inter-segment revenue	872	1	-	873	(873)	-
Finance income	14	-	-	14	(14)	-
Finance cost	45	1	34	80	(14)	66
Depreciation and amortisation	150	3	49	202	(2)	200
Income tax expenses	3	-	-	3	(1)	2
Segment profit (loss)	**73**	**(13)**	**78**	**138**	**(48)**	**90**

Geographic information

Revenue from external customers is based on locations of the customers.

(Unit: Thousand Baht)

	Consolidated financial statements	
	2020	2019
Revenue from external customers		
Thailand	3,810,681	3,086,206
Singapore	55,410	197,359
Other countries	22,667	29,784
Total	3,888,758	3,313,349

Major customers

For the year 2020, the Group has revenue from a major customer in amount of Baht 902 million (2019: a major customer in amount of Baht 338 million), arising from sales by the palm oil products segment.

35. Provident fund

The Group and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both the Group and employees contribute to the fund monthly at the rates of 3% - 5% of basic salary. The fund, which is managed by TISCO Asset Management Company Limited, will be paid to employees upon termination in accordance with the fund rules. The contributions for the year 2020 by the Group amounting to approximately Baht 4 million (2019: Baht 4 million), to the provident fund (the Company only: Baht 3 million (2019: Baht 4 million)) were recognised as expenses.

36. Dividends

Dividends	Approved by	Total dividends	Dividend per share
		(Million Baht)	(Baht)
Interim dividends for the year 2019	Board of Directors Meeting No. 2/2020 on 13 April 2020	44.9	0.071
Total dividend payment in 2020		44.9	0.071

On 23 July 2020, the Annual General Meeting of the Company's shareholders of the year 2020 acknowledged the interim dividends for the year 2019 and shall not propose any further dividend payment for the year 2019.

37. Commitments and contingent liabilities

37.1 Capital commitments

As at 31 December 2020, the Group had capital commitments of approximately Baht 2 million (2019: Baht 1 million) (the Company only: Baht 2 million (2019: Nil)), relating to the acquisitions of machinery and equipment.

37.2 Service commitments

As at 31 December 2020, the Group had future lease payments required under these non-cancellable service contracts as follows:

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Payable:		
Within 1 year	2	2
Over 1 and up to 5 years	1	1

37.3 Electricity sale/purchase commitment

The Group entered into the following agreements to sell electricity at a specified quantities and prices as defined in the agreements which are summarised below.

Company's name	Date of agreement	Period	Commencement date	Contracted capacity (MW)
Chumporn Palm Oil Industry Plc.	24 December 2013	5 years and Renewable for every 5 years	29 September 2014	3
CPP Co., Ltd.	10 October 2016	15 years 4 months	27 April 2017	4

37.4 Guarantees

a) As at 31 December 2020 and 2019, the Company had guaranteed bank credit facilities of its subsidiaries amounting to Baht 1,026 million and USD 27 million.

b) As at 31 December 2020 and 2019, there were outstanding bank guarantees issued by banks on behalf of the Group in respect of certain performance bonds as required in the normal course of business. These included the following letters of guarantee:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Letters of guarantee for electricity usage	7	7	3	3
Letter of guarantee for sell/purchase electricity	1	1	1	1
Letter of guarantee for area management	1	-	-	-
Total	9	8	4	4

37.5 Commitments related to sale agreements

As at 31 December 2020, the Company had commitments relating to sale agreements which specified quantity and selling price with local customers amounting to Baht 188 million which the goods will be delivered during January to March 2021 (2019: Baht 148 million which the goods would be delivered during January to March 2020).

37.6 Commitment in respect of uncalled investments

The Group is committed to pay the uncalled portions of its investments in subsidiaries as follows:

(Unit: Million Baht)

	As at 31 December	
	2020	2019
CPI Power Co., Ltd.	15.00	-
CPI Green Co., Ltd.	-	37.50
CPI Trading Co., Ltd.	-	3.75

38. Fair value hierarchy

As at 31 December 2020 and 2019, the Group had the assets and liabilities that were measured at fair value or for which fair value was disclosed using different levels of inputs as follows:

(Unit: Million Baht)

	Consolidated financial statements			
	As at 31 December 2020			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Biological assets	-	-	44	**44**
Land	-	908	-	**908**
Liabilities measured at fair value				
Derivatives				
Interest rate swap agreements	-	5	-	**5**
Assets for which fair value are disclosed				
Investment property	-	160	-	**160**

(Unit: Million Baht)

	Consolidated financial statements			
	As at 31 December 2019			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Biological assets	-	-	42	**42**
Land	-	908	-	**908**
Liabilities for which fair value are disclosed				
Derivatives				
Interest rate swap agreements	-	8	-	**8**

(Unit: Million Baht)

	Separate financial statements			
	As at 31 December 2020			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Biological assets	-	-	27	**27**
Land	-	905	-	**905**
Liabilities measured at fair value				
Derivatives				
Interest rate swap agreements	-	1	-	**1**
Assets for which fair value are disclosed				
Investment property	-	160	-	**160**

(Unit: Million Baht)

	Separate financial statements			
	As at 31 December 2019			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Biological assets	-	-	22	**22**
Land	-	905	-	**905**
Liabilities for which fair value are disclosed				
Derivatives				
Interest rate swap agreements	-	2	-	**2**

Reconciliation of recurring fair value measurements, of biological assets, categorised within Level 3 of the fair value hierarchy, key assumptions used in the valuation and sensitivity analysis of the input to fair value are described in Note 11 to the consolidated financial statements.

39. Financial instruments

39.1 Derivatives

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Derivative assets				
Derivative assets not designated as hedging instruments				
Foreign exchange forward contracts	48	-	48	-
Total derivative assets	48	-	48	-
Derivative liabilities				
Derivatives liabilities not designated as hedging instruments				
Interest rate swap agreements	5,296	-	1,226	-
Total derivative liabilities	5,296	-	1,226	-

Derivatives not designated as hedging instruments

The Group uses foreign exchange forward contracts and interest rate swap agreements to manage some of its transaction exposures. The contracts are entered into for periods consistent with foreign currency and interest rate exposure of the underlying transactions, generally from 5 months to 5 years.

Foreign exchange forward contracts

As at 31 December 2020, the Group had foreign exchange forward contracts as follows:

Consolidated and separate financial statements as at 31 December 2020			
Foreign currency	Sold amount	Contractual exchange rate - sold	Contractual maturity date
	(Thousand)	(Baht per 1 foreign currency unit)	
US Dollar	723	30.10	19 April 2021

As at 31 December 2019, the Group had no outstanding foreign exchange forward contracts.

Interest rate swap agreements

The Group entered into interest rate swap agreements in order to manage the interest rate risks associated with its long-term loans from banks. The details of the interest rate swap agreements outstanding as at 31 December 2020 and 2019 are summarised below.

Consolidated financial statements as at 31 December 2020				
	Principal amount	Interest revenue rate swap agreements	Interest expense rate swap agreements	Termination date
1	Baht 250 million	Floating rate 6-month THBFIX plus 2.2% per annum	Fixed rate as stipulated in swap agreement.	July 2022
2	Baht 800 million	Floating rate AMLR minus 2.9% per annum	Fixed rate as stipulated in swap agreement.	August 2022

Separate financial statements as at 31 December 2020				
	Principal amount	Interest revenue rate swap agreements	Interest expense rate swap agreements	Termination date
1	Baht 250 million	Floating rate 6-month THBFIX plus 2.2% per annum	Fixed rate as stipulated in swap agreement.	July 2022

Consolidated financial statements as at 31 December 2019				
	Principal amount	Interest revenue rate swap agreements	Interest expense rate swap agreements	Termination date
1	Baht 204 million	Floating rate MLR minus 3% per annum	Fixed rate as stipulated in swap agreement.	September 2020
2	Baht 250 million	Floating rate 1-month THBFIX plus 2.32% per annum	Fixed rate as stipulated in swap agreement.	December 2020
3	Baht 250 million	Floating rate 6-month THBFIX plus 2.2% per annum	Fixed rate as stipulated in swap agreement.	July 2022
4	Baht 800 million	Floating rate AMLR minus 2.9% per annum	Fixed rate as stipulated in swap agreement.	August 2022

Separate financial statements as at 31 December 2019				
	Principal amount	Interest revenue rate swap agreements	Interest expense rate swap agreements	Termination date
1	Baht 204 million	Floating rate MLR minus 3% per annum	Fixed rate as stipulated in swap agreement.	September 2020
2	Baht 250 million	Floating rate 1-month THBFIX plus 2.32% per annum	Fixed rate as stipulated in swap agreement.	December 2020
3	Baht 250 million	Floating rate 6-month THBFIX plus 2.2% per annum	Fixed rate as stipulated in swap agreement.	July 2022

39.2 Financial risk management objectives and policies

The Group's financial instruments principally comprise cash and cash equivalents, trade and other receivables, short-term loans to related parties, long-term loans from banks and trade and other payables. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Group is exposed to credit risk primarily with respect to trade and other receivables, short-term loans to related parties and deposits with banks. Except for derivatives, the maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position. The Group's maximum exposure relating to derivatives is noted in the liquidity risk topic.

Trade receivables

The Group manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. Outstanding trade receivables are regularly monitored. In addition, the Group does not have high concentrations of credit risk since it has a large customer base in various industries.

An impairment analysis is performed at each reporting date to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar credit risks. The Group classifies customer segments by product type, customer type and rating. The Group does not hold collateral as security. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written-off by the Group's policy to determine the appropriateness.

Financial instruments and cash deposits

The Group manages the credit risk from balances with banks by making investments only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Group's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Group's Executive Committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments.

The credit risk on derivatives is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

Market risk

There are three types of market risk comprising foreign currency risk, interest rate risk, and commodity price risk. The Group enters into a variety of derivatives to manage its risk exposure, including:

- foreign exchange forward contracts to hedge the foreign currency risk arising on the export of goods;
- interest rate swaps to mitigate the risk of rising interest rates.

Foreign currency risk

The Group's exposure to the foreign currency risk relates primarily to its trading transactions that are denominated in foreign currencies. The Group seeks to reduce this risk by entering into foreign exchange forward contracts when it considers appropriate. Generally, the forward contracts mature within one year.

As at 31 December 2020 and 2019, the Company's balances of financial assets and liabilities denominated in foreign currencies are summarised below.

	Consolidated and Separate financial statements					
Foreign currencies	Financial assets		Financial liabilities		Average exchange rate	
	2020	2019	2020	2019	2020	2019
	(Thousand)	(Thousand)	(Thousand)	(Thousand)	(Baht per 1 foreign currency unit)	
US Dollar	530	493	-	14	30.0371	30.9582

Foreign currency sensitivity

There is no significant impact on the Group's profit before tax and equity due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives as at 31 December 2020, as from a reasonably possible change in exchange rates within next one year, with all other variables held constant.

Interest rate risk

The Group's exposure to interest rate risk relates primarily to its deposits at banks, and long-term loans from banks. 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 manages its interest rate risk by entering into interest rate swap agreements, in which it agrees to exchange, at specified intervals, between variable and fixed interest rate interest amounts calculated by reference to an agreed-upon notional principal amount.

As at 31 December 2020 and 2019, significant financial assets and liabilities classified by type of interest rates are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

	Consolidated financial statements						
	2020						
	Fixed interest rates			Floating			
	Within 1 year	1 - 5 years	Over 5 years	interest rate	Non-interest bearing	Total	Interest rate
							(% p.a.)
Financial assets							
Cash and cash equivalents	-	-	-	93	1	94	Note 8
Trade and other receivables	-	-	-	-	326	326	-
Financial liabilities							
Short-term loans from banks	1,159	-	-	-	-	1,159	Note 20
Trade and other payables	-	-	-	-	162	162	-
Long-term loans from banks	-	-	-	614	-	614	Note 22
Lease liabilities	1	3	3	-	-	7	Note 17

(Unit: Million Baht)

	Separate financial statements						
	2020						
	Fixed interest rates			Floating			
	Within 1 year	1 - 5 years	Over 5 years	interest rate	Non-interest bearing	Total	Interest rate
							(% p.a.)
Financial assets							
Cash and cash equivalents	-	-	-	63	1	64	Note 8
Trade and other receivables	-	-	-	-	420	420	-
Short-term loans to related parties	179	-	-	225	-	404	Note 7
Financial liabilities							
Short-term loans from banks	1,050	-	-	-	-	1,050	Note 20
Trade and other payables	-	-	-	-	145	145	-
Long-term loans from banks	-	-	-	350	-	350	Note 22
Lease liabilities	1	1	1	-	-	3	Note 17

(Unit: Million Baht)

	Consolidated financial statements						
	2019						
	Fixed interest rates			Floating			
	Within 1 year	1 - 5 years	Over 5 years	interest rate	Non-interest bearing	Total	Interest rate
							(% p.a.)
Financial assets							
Cash and cash equivalents	-	-	-	71	-	71	Note 8
Trade and other receivables	-	-	-	-	296	296	-
Financial liabilities							
Short-term loans from banks	1,199	-	-	-	-	1,199	Note 20
Trade and other payables	-	-	-	-	129	129	-
Long-term loans from banks	-	-	-	635	-	635	Note 22

(Unit: Million Baht)

	Separate financial statements						
	2019						
	Fixed interest rates			Floating			
	Within 1 year	1 - 5 years	Over 5 years	interest rate	Non-interest bearing	Total	Interest rate (% p.a.)
Financial assets							
Cash and cash equivalents	-	-	-	53	-	53	Note 8
Trade and other receivables	-	-	-	-	315	315	-
Short-term loans to related parties	399	-	-	-	-	399	Note 7
Financial liabilities							
Short-term loans from banks	1,090	-	-	-	-	1,090	Note 20
Trade and other payables	-	-	-	-	102	102	-
Long-term loans from banks	-	-	-	237	-	237	Note 22

Interest rate sensitivity

There is no significant impact on the Group's profit before tax and equity due to changes in the fair value of monetary assets and liabilities including non-designated floating interest rate derivatives as at 31 December 2020, as from a reasonably possible change in floating interest rates within next one year, with all other variables held constant.

Commodity price risk

The Group is affected by the price volatility of certain commodities. Its operating activities require the ongoing purchase of palm fruit for manufacturing process. The Group is exposed to change in the price of palm fruit on its forecast palm fruit purchases, including the government's policies such as ceiling price and palm fruit price guarantee which will affect manufacturing costs.

The Group's Board of Directors has developed and enacted a risk management strategy for commodity price risk and its mitigation by analysing the government's policies, inventory management in accordance with the current situations, controlling the cost of plantation and expanding the plantation.

Commodity price sensitivity

There is no significant impact on the Group's profit before tax and equity due to change in the fair value of monetary assets and liabilities as at 31 December 2020, as from a reasonably possible change in commodity price within next one year, with all other variables held constant.

Liquidity risk

The Group monitors the risk of liquidity through the use of bank loans and lease contracts. As at 31 December 2020, the Group's debts will mature less than one year approximately 81% (2019: 81%) (the Company only: 85% (2019: 85%)) compared with the carrying amount of the above liabilities reflected in the consolidated financial statements. The Group has assessed the concentration of risk with respect to refinancing its debts and concluded it to be low. The Group has access to a sufficient variety of sources of funding.

The table below summarises the maturity profile of the Group's non-derivative financial liabilities and derivative financial instruments as at 31 December 2020 based on contractual undiscounted cash flows, and included interest payments.

(Unit: Thousand Baht)

	Consolidated financial statements				
	On demand	Less than 1 year	1 to 5 years	More than 5 years	Total
Non-derivatives					
Short-term loans from banks	220,262	944,300	-	-	1,164,562
Trade and other payables	-	162,393	-	-	162,393
Long-term loans from banks	-	261,927	384,986	-	646,913
Lease liabilities	-	1,560	3,070	3,873	8,503
Total non-derivatives	220,262	1,370,180	388,056	3,873	1,982,371
Derivatives					
Derivative liabilities: net settled	-	3,821	1,003	-	4,824
Total derivatives	-	3,821	1,003	-	4,824

(Unit: Thousand Baht)

	Separate financial statements				
	On demand	Less than 1 year	1 to 5 years	More than 5 years	Total
Non-derivatives					
Short-term loans from banks	211,204	843,689	-	-	1,054,893
Trade and other payables	-	145,181	-	-	145,181
Long-term loans from banks	-	123,481	253,729	-	377,210
Lease liabilities	-	972	1,306	1,200	3,478
Total non-derivatives	211,204	1,113,323	255,035	1,200	1,580,762
Derivatives					
Derivative liabilities: net settled	-	983	201	-	1,184
Total derivatives	-	983	201	-	1,184

39.3 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. Loans are bearing floating interest rates, their fair value is not expected to be materially different from the amounts presented in the statements of financial position.

The methods and assumptions used by the Group in estimating the fair value of financial instruments are as follows:

a) For financial assets and liabilities which have short-term maturities, including cash and cash equivalents, accounts receivable and short-term loans to, accounts payable and short-term loans from, the carrying amounts in the statement of financial position approximate their fair value.

b) The carrying amounts of long-term loans carrying interest at rates approximating the market rate, in the statement of financial position approximates their fair value.

c) The fair value of derivatives has been determined using a discounted future cash flow model and a valuation model technique. Most of the inputs used for the valuation are observable in the relevant market, such as spot rates of foreign currencies, yield curves of the respective currencies and interest rate yield curves. The Group considers to counterparty credit risk when determining the fair value of derivatives.

During the current year, there were no transfers within the fair value hierarchy.

40. Capital management

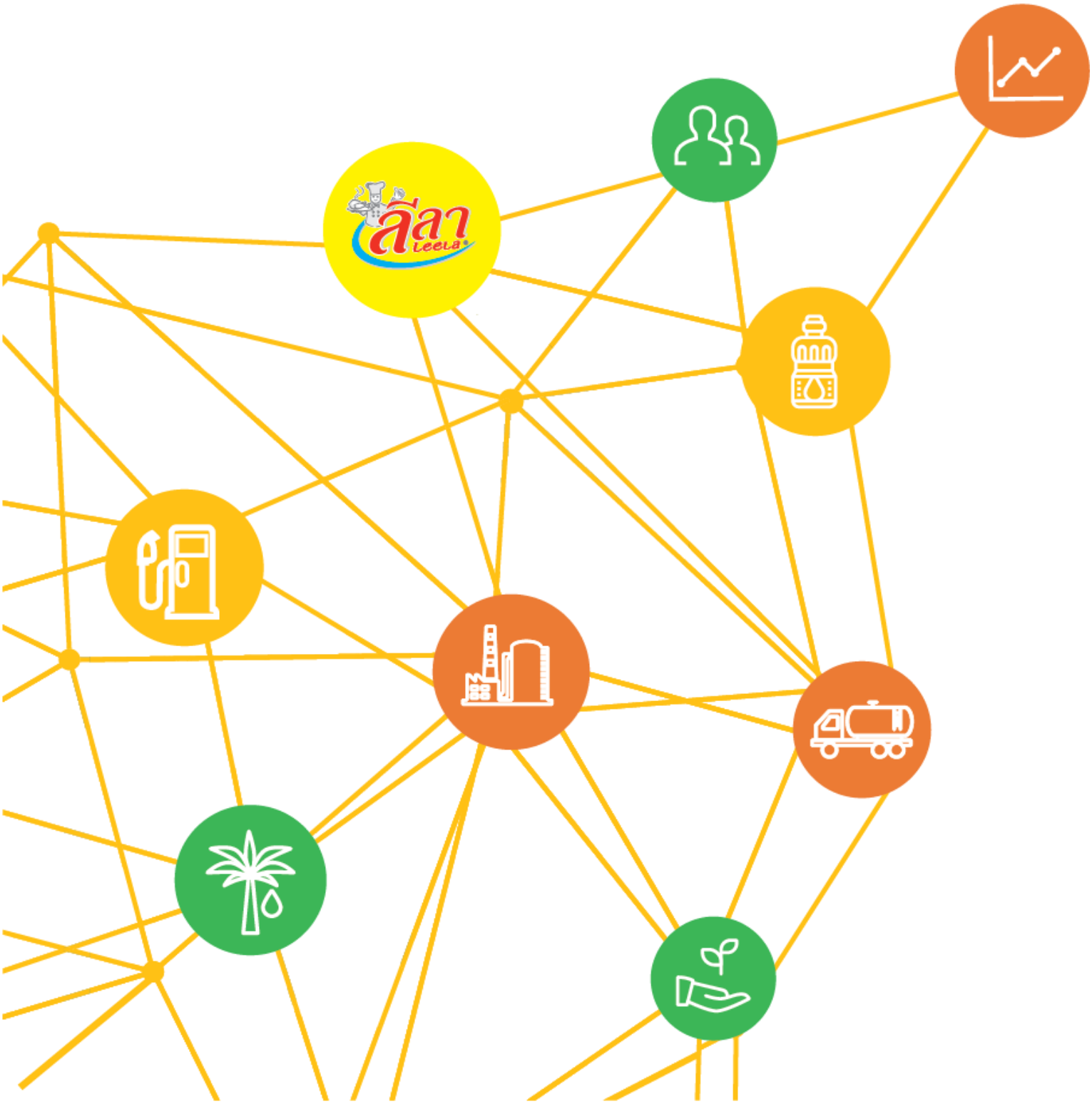
The primary objective of the Group's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value. As at 31 December 2020, the Group's debt-to-equity ratio was 1.10:1 (2019: 1.16:1) and the Company's was 0.93:1 (2019: 0.88:1).

41. Event after the reporting period

On 25 February 2021, the meeting of the Company's Board of Directors passed a resolution to propose the Annual General Meeting of the Company's shareholders to adopt a resolution to pay a dividend from operating results for the year 2020 of Baht 0.11 per share, totalling Baht 69.60 million and set aside a statutory reserve of Baht 5.71 million. The dividend will be paid and recorded after it is approved by the Annual General Meeting of the Company's Shareholders.

42. Approval of consolidated financial statements

These consolidated financial statements were authorised for issue by the Company's Board of Directors on 25 February 2021.


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Report of the Board of Directors' Responsibility to the Financial Reports

The Board of Directors of Chumporn Palm Oil Industry Public Company Limited strongly values the duties and responsibilities in accordance with good corporate governance principles. The Board of Directors is responsible for the financial statements of the Company and its subsidiaries including financial information presented in the annual report and the annual financial statements for the period as form 1 January 2020 to 31 December 2020, which are prepared according to Generally Accepted Accounting Standards of Thailand. The Board of Directors has selected and consistently followed and appropriated accounting policy. The aforementioned financial statements are prepared using careful judgment and the best estimation. In addition, important information is adequately disclosed in the notes to the financial statements. The financial statements have been examined by an independent external auditor and the auditor has expressed an unqualified opinion. Therefore, the financial statements accurately and transparently reflect the Company's financial status and operating performance for the period as form 1 January 2020 to 31 December 2020 and can be used for the benefit of shareholders and investors.

The Board of Directors has appointed the Audit and Risk Management Committee, which comprises of independent directors, to review the quality of the financial reports and to evaluate the internal control system, risk management system and various systems to support effective financial documentation to ensure that accounting records are correct, completed, exact time and able to prevent fraud or materially irregular operations. The Audit and Risk Management Committee's opinion is presented in the Audit and Risk Management Committee's report which is a part of this annual report.

The Board of Directors believes that the Company's overall internal control system is able to create credibility and reliability for the financial statements of Chumporn Palm Oil Industry Public Company Limited and its subsidiaries for the period ended 31 December 2020.



Mr.Banphot Hongthong
Chairman of the Board of Directors



Mr.Kritbhong Takviriyanan
Chief Executive Officer

Confirmation of Information Accuracy

The Company having carefully, reviewed the information contained in this Annual Registration Statement, herby certify that the said information is accurate, complete and true, is not misleading and does not omit any material information which is required to be disclosed and false or that;

(1) The financial statements and financial information forming a part here of contain accurate and complete material information in respect of the financial condition, results of operations and cash flows of the Company and its subsidiaries;

(2) The Company is responsible for arranging for an effective disclosure system to assure that the Company properly and completely discloses the material information of the Company and its subsidiaries, and shall be responsible for monitoring to ensure compliance with such system;

(3) The Company is responsible for arranging for an effective internal controls and monitoring them to ensure compliance with such system, and the Company has reported the information as of November 10, 2020 relating to the internal control, including the deficiency and material change of the internal control that may affect preparation of financial report of the Company and its subsidiaries, to the auditor and Audit Committee.

As evidence that all documents are the same set of documents that the Company has reviewed. The Company assigned Mrs.Ratsamee Pongjindanon to initial all pages hereof. If any pages do not have the initials of Mrs.Ratsamee Pongjindanon indicated, it shall be deemed that the Company has not reviewed that aforesaid information.

Name	Position	Signature
1. Mr.Chusak Prachayangprecha	Director	.....
2. Mr.Rachoj Tawintermsup	Director	.....

Proxy

Mrs.Ratsamee Pongjindanon	Chief Financial Officer	.....

Attachment 1

Details of Directors, Executives, Controlling Persons and Company Secretary



1. Details of Directors, Executives, Controlling Persons and Company Secretary



Name	:	**Mr.Banphot Hongthong**
Position	:	Independent Director / Chairman of the Board of Directors / Chairman of the Nomination and Remuneration Committee
Appointed date	:	April 26, 2018
Age	:	73 years
Education	:	B.A (Economics) from Northeastern University, USA M.A (Economic Development) from Northeastern University, USA
Training	:	DAP Certificate from IOD year 2013
Attended training course in last year	:	None
Shareholding of Company	:	None
Shareholding of subsidiaries	:	None
Spouses' shareholding of Company or Subsidiaries	:	None
Change of securities holding of Company	:	None
Change of securities holding of Subsidiaries	:	None
Family Relationship among Company's Directors	:	None

Positions in other businesses that may cause conflict of interest to the Company : None

Experience:

Listed Companies

2018 - Present	Chairman of the Board of Directors, Independent Director and Chairman of the Nomination and Remuneration Committee	Chumporn Palm Oil Industry Public Company Limited
2013 - Present	Chairman of the Board of Directors and Independent Director	Exotic food Public Company Limited
2010 - 2018	Independent Director, Member of the Audit Committee and Chairman of the Nomination and Remuneration Committee	Grand Canal Land Public Company Limited

Company Limited/Others

2020 - Present	Chairman of the Board of Directors and Independent Director	Mula-X Holding (Thailand) Company Limited
2013 - Present	Consultant	National Power Supply Public Company Limited
2013 - Present	Consultant	Unicord Public Company Limited
2011 - Present	Chairman of the Board of Directors	Dhipaya Life Assurance Public Company Limited
2009 - 2016	Director	Evergreen Plus Company Limited



Name	:	**Mr. Paiboon Kujareevanich**
Position	:	Independent Director /
		Member of the Audit and Risk Management Committee
Appointed date	:	November 9, 2016
Age	:	63 years
Education	:	B.A (Commerce and Accountancy), Chulalongkorn University
	:	X M.B.A., Thammasat University
Training	:	DAP Certificate from IOD 13/2014

Attended training course in last year : None

Shareholding of Company : None

Shareholding of subsidiaries : None

Spouses' shareholding of Company or Subsidiaries : None

Change of securities holding of Company : None

Change of securities holding of Subsidiaries : None

Family Relationship among Company's Directors : None

Positions in other businesses that may cause conflict of interest to the Company : None

Experience:

Listed Companies

2020 - Present	Independent Director, Chairman of the Audit Committee and Member of the Nomination and Remuneration Committee	Veranda Resort Public Company Limited
2019 - Present	Member of the Audit and Risk Management Committee	Chumporn Palm Oil Industry Public Company Limited
2018 - Present	Independent Director and Chairman of the Audit Committee	I&I group Public Company Limited
2017 - 2018	Chairman of the Risk Management Committee	Chumporn Palm Oil Industry Public Company Limited
2016 - 2018	Member of the Audit Committee	Chumporn Palm Oil Industry Public Company Limited
2016 - Present	Independent Director	Chumporn Palm Oil Industry Public Company Limited
2014 - 2017	Deputy Managing Director	Carabao Group Public Company Limited
2014 - 2017	Member of the Executive Committee	Carabao Group Public Company Limited
2014 - 2017	Member of the Risk Management Committee	Carabao Group Public Company Limited
2014 - 2015	Director	Carabao Group Public Company Limited
2011 - 2013	Member of Executive Committee and Member of the Risk Management Committee	Oishi Group Public Company Limited
2006 - 2013	Deputy Managing Director	Oishi Group Public Company Limited

Company Limited/Others

2018 - 2019	Chief Financial Officer	Bangpakok Hospital Group Company Limited

2014 - 2015	Director	Carabaodang Company Limited
2014 - 2015	Director	Tawandang DCM Company Limited
2014 - 2015	Director	Asia Pacific Glass Company Limited



Name : **Mr. Nopporn Picha**

Position : Independent Director /
Chairman of the Audit and Risk Management Committee /
Member of the Nomination and Remuneration Committee

Appointed date : January 31, 2018

Age : 72 years

Education : Bachelor Degree of Science, Kasetsart University
: M.S in Development Economics, National Institution of Development Administration (NIDA)

Training : Corporate Governance for Capital Market Intermediaries (CGI) Class 3/2015
: Advance Audit Committee Program (AACP) from IOD 14/2014
: Directors Certification Program (DCP) from IOD 100/2008
: Directors Accreditation Program (DAP) from IOD 2/2003

Attended training course in last year : None

Shareholding of Company : None

Shareholding of subsidiaries : None

Spouses' shareholding of Company or Subsidiaries : None

Change of securities holding of Company : None

Change of securities holding of Subsidiaries : None

Family Relationship among Company's Directors : None

Positions in other businesses that may cause conflict of interest to the Company : None

Experience:

<u>Listed Companies</u>

2019 - Present	Chairman of the Audit and Risk Management Committee	Chumporn Palm Oil Industry Public Company Limited
2018 - 2019	Chairman of the Audit Committee	Chumporn Palm Oil Industry Public Company Limited
2018 - Present	Independent Director and Member of the Nomination and Remuneration Committee	Chumporn Palm Oil Industry Public Company Limited
2010 - Present	Independent Director Chairman of Audit Committee	AIRA Capital Public Company Limited
2006 - Present	Independent Director Chairman of the Audit Committee	AIRA Securities Public Company Limited
2004 - 2007	Chairman of the Audit Committee	Oishi Group Public Company Limited

1998 - 2006	Independent Director Member of the Audit Committee	Thai Agri Foods Public Company Limited

Company Limited/Others

2015 - 2018	Director	Siam Smile Broker (Thailand) Company Limited
2010 - 2016	Director	Ratchaburi World Cogeneration Company Limited
2007 - 2015	Chairman of Board of Director	Viet World Company Limited



Name : **Mr.Saravut Menasavet**

Position : Independent Director / Member of the Audit and Risk Management Committee

Appointed date : April 26, 2018

Age : 72 years

Education : Bachelor of Laws, Thammasat University

Training : DAP Certificate from IOD 119/2015

: AACP Certificate from IOD 34/2019

: Executive Couse 1 No.23 from Office of the Civil Service Commission

: Accounting and Financial Officer Couse No.35 from Comptroller General's Department

Attended training course in last year : None

Shareholding of Company : None

Shareholding of subsidiaries : None

Spouses' shareholding of Company or Subsidiaries : None

Change of securities holding of Company : None

Change of securities holding of Subsidiaries : None

Family Relationship among Company's Directors : None

Positions in other businesses that may cause conflict of interest to the Company : None

Experience:

Listed Companies

2019 - Present	Member of the Audit and Risk Management Committee	Chumporn Palm Oil Industry Public Company Limited
2018 - 2019	Member of the Audit Committee	Chumporn Palm Oil Industry Public Company Limited
2018 - Present	Independent Director	Chumporn Palm Oil Industry Public Company Limited
2017 - Present	Independent Director and Member of the Audit Committee	Exotic food Public Company Limited

Company Limited/Others

2015 - Present	Independent Director	Dhipaya Life Assurance Public Company Limited



Name	:	**Mr. Takon Tawintermsup**
Position	:	Director / Chairman of Executive Committee / Authorized Director
Appointed date	:	14 October 1993
Age	:	66 years
Education	:	Secondary Education, Matthayom Wat Thatthong School
Training	:	DCP Certificate from IOD 32/2003
	:	FND Certificate from IOD 5/2003

Attended training course in last year: None

Shareholding	:	1.23%
Shareholding in subsidiaries	:	1 share of CPI Agrotech Company Limited and 1 share of CPI Power Company
Spouses' shareholding of Company or Subsidiaries	:	None
Change of securities holding of Company	:	bought 1,081,000 shares
Change of securities holding of Subsidiaries	:	None
Family Relationship among Company's Directors	:	Father of Mr.Rachoj Tawintermsup and Brother in law to Mr.Karoon Nuntileepong and Mr.Kosol Nuntileepong

Positions in other businesses that may cause conflict of interest to the Company : None

Experience:

Listed Companies

2018 - Present	Acting Managing Director	Khonburi Sugar Public Company Limited
2007 - Present	Chairman of Executive Committee	Chumporn Palm Oil Industry Public Company Limited
1993 - Present	Director	Chumporn Palm Oil Industry Public Company Limited
1974 - Present	Director and Chairman of Executive Committee	Khonburi Sugar Public Company Limited

Company Limited/Others

2020 - Present	Director	CPI Power Limited
2016 - 2020	Director	CPI Trading Company Limited
2016 - 2020	Director	CPI Green Company Limited
2014 - Present	Director	CPP Company Limited
2011 - Present	Director	CPI Agrotech Company Limited
2010 - Present	Director	Khonburi Capital Company Limited
2008 - Present	Director	KBS Trading Company Limited
2008 - Present	Director	Khonburi Power Plant Company Limited
2004 - Present	Director	Khonburi Bio Energy Company Limited
1993 - Present	Managing Director	Chumporn Holding Company Limited
1988 - Present	Executive Director	Bumrungrad M.C. Company Limited



Name : **Mr. Chusak Prachayangprecha**

Position : Director / Member of the Executive Committee / Member of the Nomination and Remuneration Committee / Authorized Director

Appointed date : 14 October 1993

Age : 75 years

Education : BS.BA Husson University, Maine, USA

Training : DCP Certificate from IOD 18/2002

Attended training course in last year: None

Shareholding : 2.09%

Shareholding in subsidiaries : 2 share of CPI Agrotech Company Limited, 1 share of CPI Green Company Limited and 1 share of CPI Power Company Limited

Spouses' shareholding of Company or Subsidiaries : None

Change of securities holding of Company : None

Change of securities holding of Subsidiaries : None

Family Relationship among Company's Directors : None

Positions in other businesses that may cause conflict of interest to the Company : None

Experience:

Listed Companies

2013 - Present	Member of the Nomination and Remuneration Committee	Chumporn Palm Oil Industry Public Company Limited
2007 - Present	Member of Executive Committee	Chumporn Palm Oil Industry Public Company Limited
1993 - Present	Director	Chumporn Palm Oil Industry Public Company Limited

Company Limited/Others

2020 - Present	Director	CPI Power Company Limited
2017 - 2019	Director	CPI Grow Company Limited
2016 - 2020	Director	CPI Trading Company Limited
2016 - 2020	Director	CPI Green Company Limited
2014 - Present	Director	CPP Company Limited
2011 - Present	Director	CPI Agrotech Company Limited
2009 - 2019	Director	Ceramic Industry Club, The Federation of Thai Industries
2008 - Present	Director	Thai Ceramic Industry Company Limited
1993 - Present	Chairman	Chumporn Holding Company Limited



Name	:	**Mr. Karoon Nuntileepong**
Position	:	Director / Chairman of the Corporate Governance Committee
Appointed date	:	14 October 1993
Age	:	60 years
Education	:	Master Degree of Business Administration, Chulalaongkorn University
	:	Bachelor of Laws, Thammasat University
Training	:	DCP Diploma & Certificate from IOD 9/2001
	:	How to Develop a Risk Management Plan Certificate No.11/22016
	:	Board Matters and Trends Certificate No.2/2017
	:	Advanced Audit Committee Program Certificate No.25/2017

Attended training course in last year: Board Nomination and Compensation Program (BNCP) No.10/2020

Shareholding of Company	:	None
Shareholding of subsidiaries	:	None
Spouses' shareholding of Company or Subsidiaries	:	None
Change of securities holding of Company	:	None
Change of securities holding of Subsidiaries	:	None
Family Relationship among Company's Directors	:	Mr.Takon Tawintermsup's wife younger brother Uncle of Mr.Rachoj Tawintermsup and Brother of Mr.Kosol Nuntileepong

Positions in other businesses that may cause conflict of interest to the Company : None

Experience:

Listed Companies

2015 - Present	Chairman of the Corporate Governance Committee	Chumporn Palm Oil Industry Public Company Limited
2015 - Present	Independent Director, Member of the Audit Committee and Member of the Nomination and Remuneration Committee	Singha Estate Public Company Limited
2007 - 2014	Managing Director	Chumporn Palm Oil Industry Public Company Limited
1993 - Present	Director	Chumporn Palm Oil Industry Public Company Limited
1982 - 2006	Assistant Managing Director	Chumporn Palm Oil Industry Public Company Limited

Company Limited/Others

2001 - Present	Director	Chumporn Holding Company Limited
1999 – Present	Director	Nature Touch Company Limited



Name : **Mr. Kitti Chatlekhavanich**

Position : Director / Authorized Director

Appointed date : 23 April 1999

Age : 51 years

Education : Sasin Graduate Institute of Administration, Chulalongkorn University

Training : DCP Diploma & Certificate from IOD 4/2000

Attended training course in last year : None

Shareholding : 2.21%

Shareholding in subsidiaries : None

Spouses' shareholding of Company or Subsidiaries : None

Change of securities holding of Company : Bought 1,000,000 shares

Change of securities holding of Subsidiaries : None

Family Relationship among Company's Directors : None

Positions in other businesses that may cause conflict of interest to the Company : None

Experience:

Listed Companies

2015 - 2018	Member of the Risk Management Committee	Chumporn Palm Oil Industry Public Company Limited
1999 - Present	Director	Chumporn Palm Oil Industry Public Company Limited

Company Limited/Others

2016 - 2020	Director	CPI Trading Company Limited
2016 - 2020	Director	CPI Green Company Limited
2014 - Present	Director	CPP Company Limited
2014 - Present	Director	CPI Agrotech Company Limited
2006 - Present	Director	Chumporn Holding Company Limited
2006 - Present	Director	Polymer Marketing Company Limited
1992 - Present	Managing Director	Liack Seng Trading Company Limited



Name	:	**Mr. Songridth Niwattisaiwong**
Position	:	Director / Member of the Corporate Governance Committee / Authorized Director
Appointed date	:	14 October 1993
Age	:	68 years
Education	:	Master Degree of Engineering, UNSW, Australia
	:	Bachelor Degree of Engineering (Chemical), Chulalongkorn University
Training	:	DCP Diploma & Certificate from IOD 15/2002
Attended training course in last year	:	None
Shareholding	:	0.44%
Shareholding in subsidiaries	:	None
Spouses' shareholding of Company or Subsidiaries	:	None
Change of securities holding of Company	:	None
Change of securities holding of Subsidiaries	:	None
Family Relationship among Company's Directors	:	None

Positions in other businesses that may cause conflict of interest to the Company : None

Experience:

Listed Companies

2015 - Present	Member of the Corporate Governance Committee	Chumporn Palm Oil Industry Public Company Limited
1993 - Present	Director	Chumporn Palm Oil Industry Public Company Limited
1990 - 2012	Project Director	Chumporn Palm Oil Industry Public Company Limited

Company Limited/Others

2007 - Present	Director	Thai Ceramic Industry Company Limited
1993 - Present	Director	Chumporn Holding Company Limited



Name	:	**Mr. Rachoj Tawintermsup**
Position	:	Director / Authorized Director / Deputy Chief Executive Officer
Appointed date	:	24 February 2014
Age	:	34 years
Education	:	University of Essex, UK, LLB LAW
		MBA, Sasin Graduate Institute of Business Administration
		of Chulalongkorn University
Training	:	None

การเข้ารับการพัฒนาและฝึกอบรมในปีที่ผ่านมา : ไม่มี

Shareholding of Company	:	0.84%
Shareholding of subsidiaries	:	1 share of CPI Agrotech Company Limited, 1 share of CPP Company Limited,
		1 share of CPI Power Company Limited

Spouses' shareholding of Company or Subsidiaries : None

Change of securities holding of Company : None

Change of securities holding of Company or Subsidiaries last year : None

Family Relationship among Company's Directors : Son to Mr.Takon Tawintermsup
Nephew to Mr.Karoon Nuntileepong and
Mr.Kosol Nuntileepong

Positions in other businesses that may cause conflict of interest to the Company : None

Experience:

Listed Companies

2018 - Present	Deputy Chief Executive Officer	Chumporn Palm Oil Industry Public Company Limited
2014 - Present	Director	Chumporn Palm Oil Industry Public Company Limited
2014 - 2017	Assistant Managing Director	Chumporn Palm Oil Industry Public Company Limited
2011 - 2014	Secretary to Management Office	Chumporn Palm Oil Industry Public Company Limited

Company Limited/Others

2020 - Present	Director	CPI Power Company Limited
2019 - Present	Director	C K Trading (1965) Company Limited
2017 - 2019	Director	CPI Glow Company Limited
2016 - 2020	Director	CPI Trading Company Limited
2016 - 2020	Director	CPI Green Company Limited
2016 - Present	Assistant Managing Director	CPI Agrotech Company Limited
2014 - Present	Director	CPP Company Limited
2014 - Present	Director	CPI Agrotech Company Limited
2006 - Present	Director	Chumporn Holding Company Limited



Name	:	**Mr.Kritbhong Takviriyanan**
Position	:	Chief Executive Officer
Age	:	53 years
Education	:	Master Degree of Business Administration from Chulalongkorn University
	:	Mini MBA from Thammasat University
	:	Bachelor Degree of Electrical and Electronics Engineering from Chulalongkorn University
Training	:	Certificate of Asian International Executive Program from INSEAD
	:	Leadership in Action by Michigan Ross School of Business year 2007
	:	Asian International Executive Program by INSEAD year 2013

Attended training course in last year : None

Shareholding of Company : None

Shareholding of Subsidiaries : None

Spouses' shareholding of Company or Subsidiaries : None

Change of securities holding of Company or Subsidiaries : None

Family Relationship among Company's Directors : None

Positions in other businesses that may cause conflict of interest to the Company : None

Experience:

Listed Companies

2018 - Present	Chief Executive Officer	Chumporn Palm Oil Industry Public Company Limited
2017 - 2017	Deputy Chief Executive Officer	Chumporn Palm Oil Industry Public Company Limited

Company Limited/Others

2008 - 2014	Managing Director	Praxair (Thailand) Company Limited
2006 - 2007	Deputy Managing Director	Praxair (Thailand) Company Limited
2005 - 2006	Director of Business Development (Asia Pacific)	Praxair (Thailand) Company Limited
2001 - 2005	Director of Sales and Marketing	Praxair (Thailand) Company Limited
2000 - 2001	Director of Business Development	Praxair (Thailand) Company Limited
1998 - 2000	Plant Director	Praxair (Thailand) Company Limited



Name	:	**Mrs. Ratsamee Pongjindanon**
Position	:	Chief Financial Officer
Age	:	48 years
Education	:	Master Degree of Science Accounting, Thamasat University
	:	Diploma Degree in Auditing, Thamasat Universty
Training	:	Certified public accountant (CPA)
	:	Chief Financial Officer Certification Program Class 17
	:	Asean Chartered Professional Accountant
	:	Strategic Chief Financial Officer in Capital Market No.8

Attended training course in last year : Thai Financial Reporting Standards

Shareholding of Company : None

Shareholding of Subsidiaries : None

Spouses' shareholding of Company or Subsidiaries : None

Change of securities holding of Company or Subsidiaries : None

Family Relationship among Company's Directors : None

Positions in other businesses that may cause conflict of interest to the Company : None

Experience:

Listed Companies

2018 - 2018	Acting Internal Audit Manager	Chumporn Palm Oil Industry Public Company Limited
2016 - Present	Chief Financial Officer	Chumporn Palm Oil Industry Public Company Limited
2013 - 2016	Internal Audit Director	Chumporn Palm Oil Industry Public Company Limited
2012 - 2013	Assistant Finance & Accounting Director	Chumporn Palm Oil Industry Public Company Limited
1998 - 2011	Senior Internal Audit Manager	Chumporn Palm Oil Industry Public Company Limited

Company Limited/Others

1993 - 1997	Senior Auditor	SGV-NA THAILAND Company Limited



Name : **Mr. Thawatchai Chomwarn**

Position : Sales & Marketing Director

Age : 53 years

Education : Master Degree of Business Administration,
Sul Ross State University, Texas, USA

Training : None

Attended training course in last year: None

Shareholding of Company : None

Shareholding of Subsidiaries : 1,000 shares of C.K.Trading (1965) Company Limited.

Spouses shareholding of Company or Subsidiaries : None

Change of securities holding of Company or Subsidiaries : None

Family Relationship among Company's Directors : None

Positions in other businesses that may cause conflict of interest to the Company : None

Experience:

Listed Companies

2014 - Present	Sales & Marketing Director	Chumporn Palm Oil Industry Public Company Limited
2008 - 2013	Marketing & Logistics Manager	Chumporn Palm Oil Industry Public Company Limited
1999 - 2007	Marketing & Sales Support Manager	Chumporn Palm Oil Industry Public Company Limited

Company Limited/Others

2019 - Present	Director and Managing Director	C K Trading (1965) Company Limited



Name : **Mr.Prawit Toemwiriyakun**

Position : Human Resource Director

Age : 49 years

Education : Bachelor Degree of Laws from Thammasat University

: Master Degree of Faculty of Public Health from Thammasat University

: Master Degree of Science (Management Information System) from Chulalongkorn University

Training : None

Attended training course in last year: None

Shareholding of Company : None

Shareholding of Subsidiaries : None

Spouses shareholding of Company or Subsidiaries : None

Change of securities holding of Company or Subsidiaries : None

Family Relationship among Company's Directors : None

Positions in other businesses that may cause conflict of interest to the Company : None

Experience:

Listed Companies

2019 - Present	Human Resource Director	Chumporn Palm Oil Industry Public Company Limited
2005 - 2019	Management Information System Manager and Human Resource Manager	Sabina Public Company Limited

Company Limited/Others

2004 - 2005	Senior Application Instructor	Actran System Company Limited
2003 - 2004	Management Information System Manager	Plus Property Company Limited
2001 - 2003	Computer Head of Department	Royal can Industries Company Limited
1999 - 2001	Teacher of Computer Program	Suan Dusit University
1997 - 1999	System Analyst	United Software Company Limited



Name : **Mr.Jaroslaw Marian Kiblida**

Position : Business Development Director

Age : 34 years

Education : Master Degree of Finance,
Sasin Graduate Institute of Business Administration

Training : None

Attended training course in last year: None

Shareholding of Company : None

Shareholding of Subsidiaries : None

Spouses shareholding of Company or Subsidiaries : None

Change of securities holding of Company or Subsidiaries : None

Family Relationship among Company's Directors : None

Positions in other businesses that may cause conflict of interest to the Company : None

Experience:

Listed Companies

2019 - Present	Business Development Director	Chumporn Palm Oil Industry Public Company Limited



Name : **Mr. Anorn Rittan**

Position : Operation Director

Age : 57 years

Education : Diploma Degree of Business Administration,
Suratthani Rajabhat University

Training : None

Attended training course in last year: None

Shareholding of Company : None

Shareholding of Subsidiaries : None

Spouses' shareholding of Company or Subsidiaries : None

Change of securities holding of Company or Subsidiaries : None

Family Relationship among Company's Directors : None

Positions in other businesses that may cause conflict of interest to the Company : None

Experience:

Listed Companies

2019 - Present	Operation Director	Chumporn Palm Oil Industry Public Company Limited
2007 - 2008	Factory Director	Chumporn Palm Oil Industry Public Company Limited
2005 - 2007	Assistant Factory Director	Chumporn Palm Oil Industry Public Company Limited
2001 - 2005	Product Manager	Chumporn Palm Oil Industry Public Company Limited
1994 - 2001	Head of Section	Chumporn Palm Oil Industry Public Company Limited

Company Limited/Others

2017 - Present	Factory Director	CPP Company Limited
2008 - 2016	Project Manager	STRR Engineering Company Limited



Name : **Mr. Chumphon Thainukun**

Position : Factory Director

Age : 44 years

Education : Bachelor Degree of Faculty of Education (Chemical) from Prince of Songkla University

Training : None

Attended training course in last year : None

Shareholding of Company : None

Shareholding of Subsidiaries : None

Spouses' shareholding of Company or Subsidiaries : None

Change of securities holding of Company or Subsidiaries : None

Family Relationship among Company's Directors : None

Positions in other businesses that may cause conflict of interest to the Company : None

Experience:

Listed Companies

2020 - Present	Factory Director	Chumporn Palm Oil Industry Public Company Limited
2001 - 2016	Production 1 Manager	Chumporn Palm Oil Industry Public Company Limited
2008 - 2011	Production Planning Head	Chumporn Palm Oil Industry Public Company Limited
2000 - 2008	Quality control Head	Chumporn Palm Oil Industry Public Company Limited
1999 - 2000	Planning officer	Chumporn Palm Oil Industry Public Company Limited

Company Limited/Others

2016 - 2019	Assistant Factory Director	CPP Company Limited

Qualifications Director and Management

Director and Management are qualify related to relate to the commission of offences under the provisions of the Securities and Exchange Act B.E. 2535 and never been an employee or partner of an external auditor company in the last 2 years.

Company Secretary

Name : **Mr.Komklid Thonguam**

Position : Company Secretary

Age : 39 years

Education : Bachelor Degree of General Management Business,
Rajamagala University of Technology Tawon-Ok (Chakrabongse Bhuvanarth Campus)

Training : Company Secretary Program (CSP) 71/2016
: Company Reporting Program (CRP) 15/2016
: Board Reporting Program (BRP) 21/2016

Attended training course in last year : None

Shareholding of Company : None

Shareholding of Subsidiaries : None

Spouses shareholding of Company or Subsidiaries : None

Change of securities holding of Company or Subsidiaries : None

Family Relationship among Company's Directors : None

Experience:

Listed Companies

2016 - Present	Company Secretary	Chumporn Palm Oil Industry Public Company Limited
2014 - 2015	Administration Secretary	Chumporn Palm Oil Industry Public Company Limited
2011 - 2014	Secretary to Managing Director	Chumporn Palm Oil Industry Public Company Limited
2001 - 2007	Administration Registers of Legal Office	Charoen Pokphand Food Public Company Limited

Company Limited/Others

2009 - 2011	Invoice & Costing Officer	Der Asia Tours Company Limited

Responsibilities

Accordance with Section 89/15 of Securities and Exchange Act to perform the following duties: To be a center point in making/keeping documents, Handling Board/Committees members registrations, Arranging shareholders meetings, Reporting the interests of Board/Committees members as well as the Executives, Others, (as assigned by the Board of Directors)

2. Information on the position of Director and Executive

Name		CPI	Subsidiary company			
			CPI Agrotech	CPP	CPI Power	C.K.Trading (1965)
Mr.Banphot	Hongthong	X				
Mr.Nopporn	PIcha	/				
Mr.Paiboon	Kujareevanich	/				
Mr.Saravut	Menasavet	/				
Mr.Takon	Tawintermsup	//	/	X	/	
Mr.Chusak	Prachayangprecha	//	X	/	/	
Mr.Karoon	Nuntileepong	/				
Mr.Kitti	Chatlekhavanich	/	/	/		
Mr.Songridth	Niwattisaiwong	/				
Mr.Rachoj	Tawintermsup	/	/	/	/	/
Mr.Kosol	Nuntileepong		/			
Mr.Thawatchai	Chomwarn					/

หมายเหตุ : / = Director X = Chairman // = Executive director

3. Information on penalties of Directors, Executives and Authorized person in the past 5 years

There is no director, executive or authorized person has committed an offense under the Securities and Exchange Act B.E. 2535 or the Derivatives Act B.E. 2546 for the past 5 years on the following offenses

1. Acts of dishonesty or negligence
2. Disclosure or dissemination of false information that may cause misleading or conceal the truth that should be disclosed which may affect the decision of the shareholders, investors or related persons.
3. Unfair conduct or taking advantage of investors in trading securities or futures contract or have a joint or support for such those actions.

Attachment 2

Details of Directors, Executives,

Controlling Persons of Subsidiaries



1. Details of Directors, Executives, Controlling Persons of Subsidiaries

CPI Agrotech Company Limited consists of 5 members as follows;

1) Mr. Chusak Prachayangprecha
2) Mr. Takon Tawintermsup
3) Mr. Rachoj Tawintermsup
4) Mr. Kitti Chatlekhavanich
5) Mr. Kosol Nuntileepong

Numbers and names of directors who is/are authorized to sign binding the company

Mr.Rachoj Tawintermsup or Mr.Kosol Nuntileepong is authorized to co-sign with Mr.Chusak Prachayangprecha or Mr.Kitti Chatlekhavanich totaling 2 persons and affix with the company seal.

Remark No. 1-4 : Please see "Attachment 1"
No. 5 : Please see "Attachment 2 – Topic 2"

CPP Company Limited consists of 4 members as follows;

1) Mr. Chusak Prachayangprecha
2) Mr. Takon Tawintermsup
3) Mr. Rachoj Tawintermsup
4) Mr. Kitti Chatlekhavanich

Numbers and names of directors who is/are authorized to sign binding the company

Mr.Rachoj Tawintermsup is authorized to co-sign with Mr.Chusak Prachayangprecha or Mr.Kitti Chatlekhavanich totaling 2 persons and affix with the company seal.

Remark No. 1-4 : Please see "Attachment 1"

CPI Power Company Limited consists of 3 members as follows;

1) Mr. Chusak Prachayangprecha
2) Mr. Takon Tawintermsup
3) Mr. Rachoj Tawintermsup

Numbers and names of directors who is/are authorized to sign binding the company

One director sign and affix with the company seal.

Remark No. 1-3 : Please see "Attachment 1"

2. Directors Details of Subsidiary Company

CPI Agrotech Company Limited

Name : **Mr. Kosol Nuntileepong**

Position : Director / Authorized Director / Managing Director

Age : 58 years

Education : Bachelor Degree (Statistics), Chulalongkorn University

Training : None

Shareholding : 1 share

Shareholding in Subsidiaries : 1 share of CPP Company Limited

Shareholding in CPI : 0.91%

Spouses' shareholding of Company or Subsidiaries : None

Change of securities holding of CPI : None

Change of securities holding of Subsidiaries : None

Family Relationship among Company's Directors : Mr.Takon Tawintermsup's wife younger brother Brother to Mr.Karoon Nuntileepong and Uncle to Mr.Rachoj Tawintermsup

Positions in other businesses that may cause conflict of interest to the Company : None

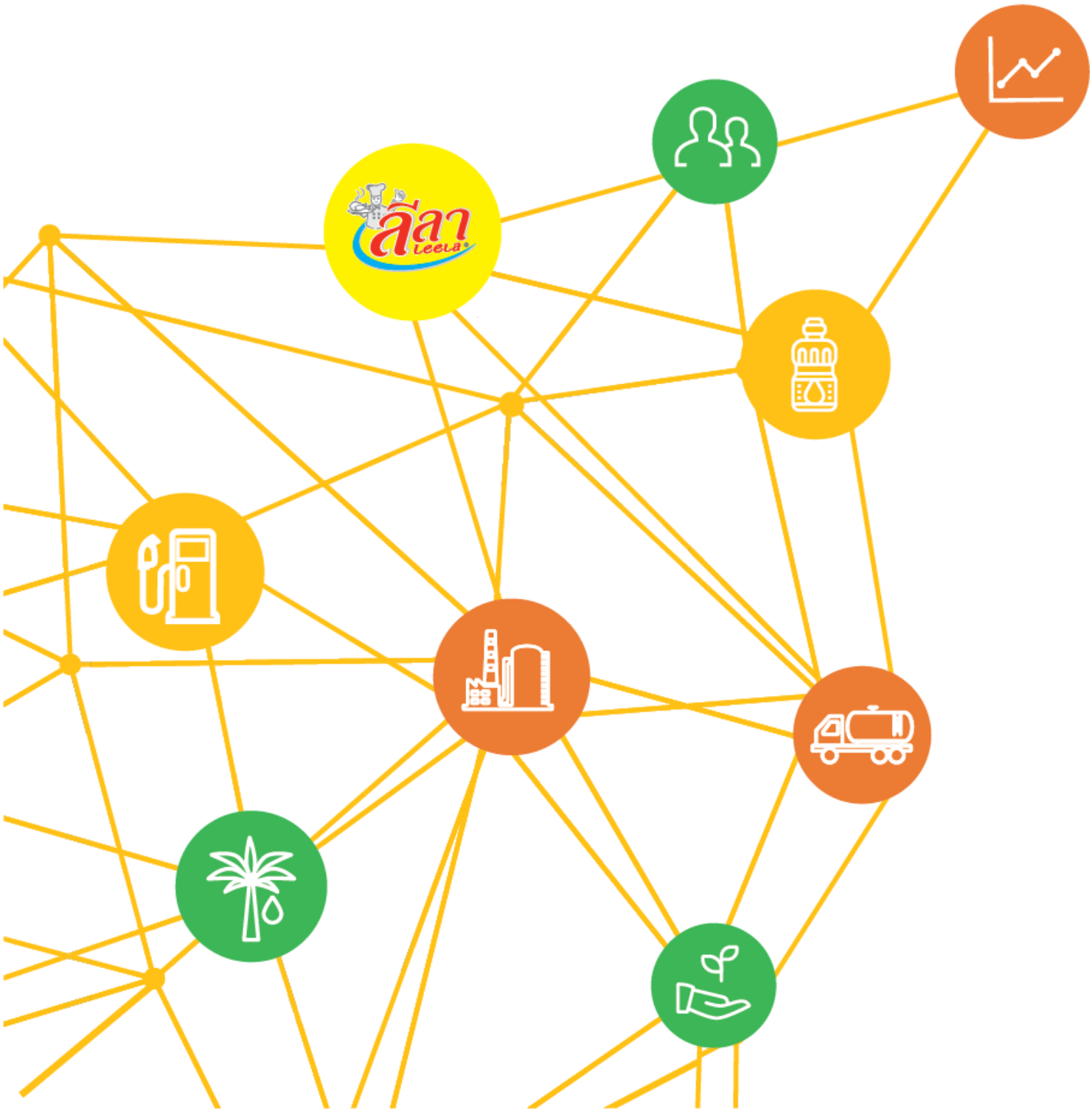
Experience:

Listed Companies

2008 - 2014	Adviser	Khonburi Sugar Public Company Limited
2004 - 2011	Adviser	Chumporn Palm Oil Industry Public Company Limited

Company Limited/Others

2012 - 2014	Director	CPP Company Limited
2011 - Present	Director and Managing Director	CPI Agrotech Company Limited
2004 - Present	Director	Chumporn Holding Company Limited


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Attachment 3

Details of Head of Accounting Supervisor,

The Accounting Supervisor and

Head of Internal Audit



Details of Head of Accounting Supervisor

Name	:	**Mrs. Ratsamee Pongjindanon**
Position	:	Chief Financial Officer
Age	:	48 years
Education	:	Master Degree of Science Accounting, Thamasat University
	:	Diploma Degree in Auditing, Thamasat Universty
Training	:	Certified public accountant (CPA)
	:	Chief Financial Officer Certification Program Class 17
	:	Asean Chartered Professional Accountant
	:	Strategic Chief Financial Officer in Capital Market No.8

Attended training course in last year : Thai Financial Reporting Standards

Shareholding of Company : None

Shareholding of Subsidiaries : None

Spouses' shareholding of Company or Subsidiaries : None

Change of securities holding of Company or Subsidiaries : None

Family Relationship among Company's Directors : None

Positions in other businesses that may cause conflict of interest to the Company : None

Experience:

Listed Companies

2018 - 2018	Acting Internal Audit Manager	Chumporn Palm Oil Industry Public Company Limited
2016 - Present	Chief Financial Officer	Chumporn Palm Oil Industry Public Company Limited
2013 - 2016	Internal Audit Director	Chumporn Palm Oil Industry Public Company Limited
2012 - 2013	Assistant Finance & Accounting Director	Chumporn Palm Oil Industry Public Company Limited
1998 - 2011	Senior Internal Audit Manager	Chumporn Palm Oil Industry Public Company Limited

Company Limited/Others

1993 - 1997	Senior Auditor	SGV-NA THAILAND Company Limited

Details of Accounting Supervisor

Name : **Ms.Somsri Fonganantarat**

Position : Assistant Accouting and Financial Manager (Accounting Department)

Age : 55 years

Education : Bachelor of Accounting, Ramkhamhaeng University

Attended training course in last year : Thai Financial Reporting Standards 9 & 16

: Update Tax Law 2020

Shareholding of Company : None

Shareholding of Subsidiaries : None

Spouses' shareholding of Company or Subsidiaries : None

Change of securities holding of Company or Subsidiaries : None

Family Relationship among Company's Directors : None

Positions in other businesses that may cause conflict of interest to the Company : None

Experience:

Listed Companies

1998 - Present	Assistant Accouting and Financial Manager	Chumporn Palm Oil Industry Public Company Limited
1992 - 1998	Accouting officer	Chumporn Palm Oil Industry Public Company Limited

Details of Head of Internal Audit

Name	:	**Mr.Kongsakol Borvornpinyopong**
Position	:	Acting Internal Audit Manager
Age	:	46 years
Education	:	Master of Business Administration. Ramkhamhaeng University
	:	Bachelor of Business Administration (Accounting-Auditing), Rajamangala University of Technology Krungthep Campus
Training	:	Certified Professional Internal Auditor of Thailand (CPIAT) No.286/10
	:	Anti-Corruption : The Practical Guide (ACPG) No. 25/2015 (IOD)
	:	Director Accreditation Program (DAP) No. 97/2012 (IOD)
Shareholding of Company	:	None
Shareholding of Subsidiaries	:	None
Spouses' shareholding of Company or Subsidiaries	:	None
Change of securities holding of Company or Subsidiaries	:	None
Family Relationship among Company's Directors	:	None

Positions in other businesses that may cause conflict of interest to the Company : None

Experience:

Listed Companies

2021 - Present	Acting Internal Audit Manager	Chumporn Palm Oil Industry Public Company Limited
2018 - 2020	Internal Audit Director	TWZ Corporation Public Company Limited
2014 - 2017	Internal Audit Director	Muang Thai Insurance Public Company Limited
2012 - 2014	Internal Audit Director and Company Secretary	TWZ Corporation Public Company Limited

Company Limited/Others

2020 - 2020	Senior Auditor	SGV-NA THAILAND Company Limited

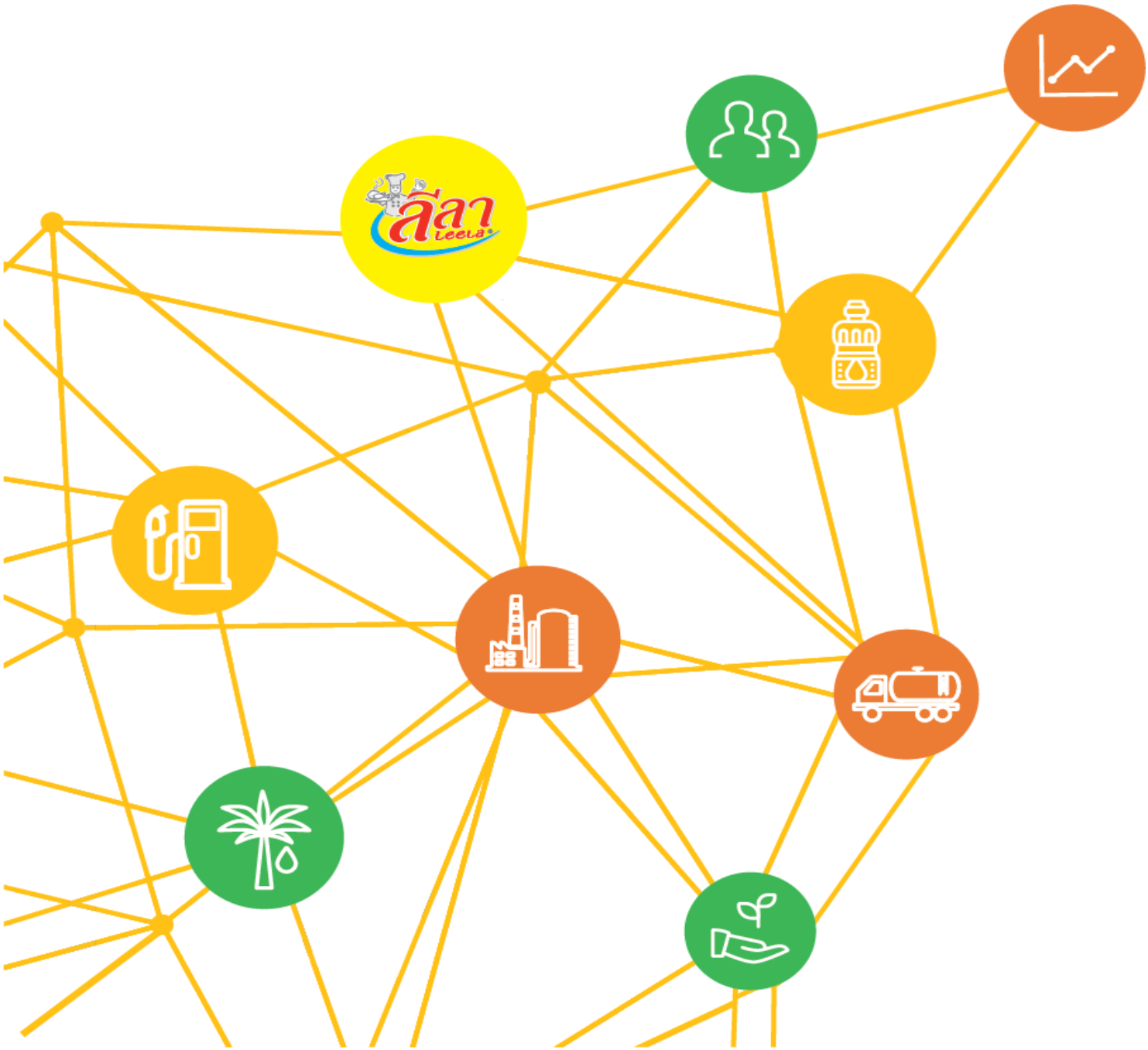
Company Limited/Others

2020 - 2020	Risk Management and Corporate Sustainability Director	HNC Power Company Limited
2017 - 2018	Executive Director	F One Autosport Company Limited

Attachment 4

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Profile Disclosures

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3.9	Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the indicators and other information in the report.		About this report
3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement (e.g., mergers/acquisitions, change of base years/periods, nature of business, measurement methods).		About this report
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Indicator	Description	Page	Note
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SO 5	Confirmed incidents of corruption and actions taken.	129-130	
Public Policy			
SO 6	Total value of political contributions by country and recipient/beneficiary.	70-72	
Anti-competitive Behavior			
SO 7	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes.	85	
Compliance			
SO 8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	85	
Product Responsibility			
Customer Health and Safety			
PR 1	Percentage of significant product and service categories for which health and safety impacts are assessed for improvement.	-	
PR 2	Total number of incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services during their life cycle, by type of outcomes.	-	
Product and Service Labeling			
PR 3	Type of product and service information required by the organization's procedures for product and service information and labeling, and percentage of significant products and service categories subject to such information requirements.	-	
Marketing Communications			
PR 6	Sale of banned or disputed products.	-	







สำนักงานใหญ่ :

296 หมู่ 2 ถนนเพชรเกษม ตำบลสลุย
อำเภอท่าแซะ จังหวัดชุมพร 86140
โทร : +66 (0) 7761 1000 แฟกซ์ : +66 (0) 7761 1011

Head Office :

296 Moo 2 Phetkasem Road, Salui Sub-District,
Thasae District, Chumporn 86140 Thailand
Tel : +66 (0) 7761 1000 Fax : +66 (0) 7761 1011

สาขากรุงเทพฯ :

1168/91 อาคารลุมพินีทาวเวอร์ ชั้น 30 ถนนพระราม 4
แขวงทุ่งมหาเมฆ เขตสาทร กรุงเทพฯ 10120
โทร : +66 (0) 2679 9166 แฟกซ์ : +66 (0) 2285 6369

Bangkok Branch :

1168/91 30th Floor, Lumpini Tower, Rama IV Road,
Thung Mahamek, Sathorn, Bangkok 10120 Thailand
Tel : +66 (0) 2679 9166 Fax : +66 (0) 2285 6369



Website : www.cpi-th.com E-mail : info@cpi-th.com