



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

ANNUAL REPORT

2019

รายงานประจำปี 2562



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Dear shareholders,

Thailand's overall economy in the year 2019 grew by less than expected with a growth of only 2.5 percent, largely due to lower exports which were affected by lower global demand due to trade barriers as well as local currency strength. In the year 2020, the Thai economy is expected to expand by only 2.8 percent again largely due to lower volume of exports which are forecasted to recover slower than expected as a result of unfavorable currency conditions and other structural factors of the Thai economy. Additionally, government spending and private investment will likely expand less than estimated due to the slowing household income growth and stronger than expected effects of drought. These factors will result in an overall economic landscape that will foster more aggressive competition.

For the palm oil industry in the year 2019, during the first half of the year, production increased both in Thailand and abroad causing palm oil price to drop dramatically which helped boost demand. Regarding foreign countries, consumption increased by 9.16 percent and exports grew by 8.63 percent. In Thailand, palm oil price has also dropped considerably as a result of increased production. As a result, consumption increased by 11.65 percent. Government created a policy to encourage the use of palm oil in the renewable energy sector to produce biodiesel and generate electricity. Consumption in the energy sector therefore increased by more than 40.00 percent. However, the situation changed dramatically in the middle of the last quarter. International prices continuously increased by more than 40.00 percent while Thailand began to face drought situations. This resulted in raw materials becoming scarce pushing prices up by more than 160.00 percent resulting in sales and consumption slowing down significantly.

For the palm oil industry in 2020, it is expected that in the first quarter, production will remain low and continue to slow down continuously until the drought alleviates. It is expected that the situation may improve after the new production will gradually be released at the end of the first quarter. 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



The Nomination and Remuneration Committee's Report

Dear shareholders,

In 2019 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 2019 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 September 1' 2018 – November 30 '2018 before the Annual General Meeting of year 2019 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,

The company focuses on the support and operation in order to conform to the good corporate governance to develop corporate governance to be transparent and fair for all stakeholders related to the company business and to make the confidence and trust for stakeholders and general public. Moreover, it is to support the sustainable organization policy. For all those reason the board of directors appointed the Corporate Governance Committee since Year 2015.

In 2019, 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) For 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 2019 is 91% and score of overall listed companies is 82%, 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) In part of Corporate Social Responsibility (CSR), intend to create the activities in Chumphon and the provinces nearby where are the locations of manufacturing base by manage budget to create the activities such as Mangrove forest planting activity, Forst planting & Release fish on Mother's day, Children's day activity, Improve the drinking water system for community about manufacturing, Supporting youth sport for against drug abuse and etc.

3) Sustainability Management (SM) is 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 in order to water the plants about 211 rai 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. There are over 16,501 visitors since it has opened and also offers Professional Palm Management Course since now the training has already taken 39 classes which are about 10-12 people per class.

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

Dear Shareholders,

In 2019, 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



น้ำมันปาล์มโพลีเอสเตอร์จากเนื้อปาล์ม



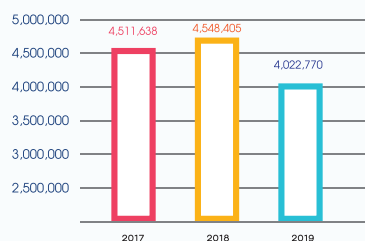
ปาล์ม
Palmela

(Unit : Thousand Baht)

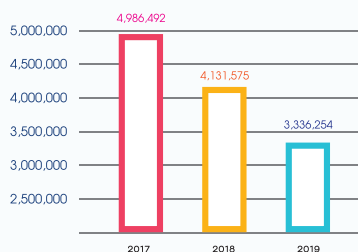
Detail	Year 2017	Year 2018	Year 2019
Total Assets	4,511,638	4,548,405	4,022,770
Total Liabilities	2,742,723	2,781,872	2,168,837
Total Shareholders' Equity	1,768,915	1,766,533	1,857,934
Sales income	4,955,817	4,112,338	3,313,349
Service income	18,554	8,301	0
Total Revenues	4,986,492	4,131,575	3,336,254
Gross profit	455,689	355,728	498,647
Net Profit (Loss)	16,196	(139,418)	90,151
Earning per Revenue (%)	0.32	(3.37)	2.72
Return on Equity (%)	0.92	(7.89)	4.86
Return on Asset (%)	0.36	(3.07)	2.24
Earnings per Share (Baht)	0.026	(0.220)	0.142
Book value per Share (Baht)	2.80	2.79	0.93
Dividend per Share (Baht)	0.04	None	N/A

N/A : Dividend will be considered and approved on Annual General Meeting No. 1/2020 on April 23, 2020.

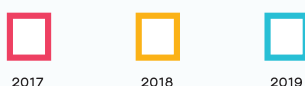
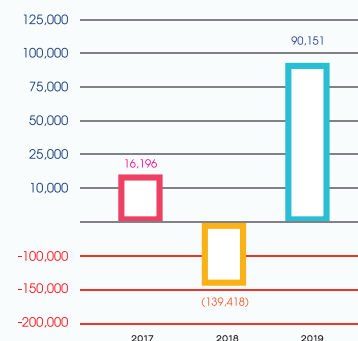
Total Assets



Total Revenues



Net Profit (Loss)



The Board of Directors



Mr. Banphot Hongthong

Chairman of the Board of Directors
Chairman of the Nomination and Remuneration Committee
Independent Director



Mr. Nopporn Picha

Independent Director
Chairman of the Audit and Risk Management Committee
Member of the Nomination and Remuneration Committee



Mr. Paiboon Kujareewanich

Independent Director
Member of the Audit and Risk Management Committee



Mr. Saravut Menasavet

Independent Director
Member of the Audit and Risk Management Committee



Mr. Takon Tawintermsup

Director
Chairman of the Executive Committee



Mr. Chusak Prachayangprecha

Director
Member of the Executive Committee
Member of the Nomination and Remuneration Committee



Mr. Karoon Nuntileepong

Director
Chairman of the Corporate Governance Committee



Mr. Kitt Chattlekhavanich

Director



Mr. Songridh Niwattisaiwong

Director
Member of the Corporate Governance Committee



Mr. Racho Tawintermsup

Director



Mr. Kritbhong Takviriyanan
Chief Executive Officer



Mr. Rachoj Tawintermsup
Deputy Chief Executive Officer



Mrs. Ratsamee Pongjindanon
Chief Financial Officer



Mr. Thawatchai Chomwarn
Sales & Marketing Director



Mr. Prawit Toemwiriakun
Human Resource Director



Mr. Jaroslaw Marian Kibilda
Business Development Director



Mr. Anorn Rittan
Operation Director



Mr. Chumphon Thainukun
Acting Factory Director

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)

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.4/2019 on November 12, 2019)

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.

Management Wish

1. White Factory
2. Continuous Improvement
3. Total Productive Maintenance
4. Environmental Governance for sustainable development and growth alongside the communities as well as to be aware of safety, occupational health and the environment
5. Anti Corruption

Policy and Business Operation Overview

- Year 2015 Increasing registered capital in CPP Company Limited for Refinery Palm Oil and Generate & Selling electricity.
- Year 2015 Being awarded “2015 National Excellent Establishment” on Occupational Health Safety and Environment in 2015 Safety Week Activity in the Southern part of Thailand.
- Year 2015 The Company raised the registered paid up capital from Baht 560,569,547 to Baht 632,752,650 with Department of Business Development on July 7, 2015 in order to support the results for the last exercise of CPI-W1.
- Year 2016 Established the subsidiary namely, CPI Green Company Limited and CPI Trading Company to support the future business plan which are expected to perform.
- Year 2016 Being awarded “Prevention and Correction of drugs problems in the workplace”.
- Year 2016 Department of Business Development granted the certification of the package quantity.
- Year 2016 The Company has certified as a member of the Collective Action Coalition Against Corruption since October 2016.
- Year 2017 The Board of Investment granted CPP Company Limited promotional privileges certificate No. 59-1178-1-00-1-0 on July 13, 2016 for Biomass.
- Year 2017 Established the subsidiary namely, CPI Glow Company Limited to support the future business plan which are expected to perform.
- Year 2017 Restructure of the Shareholding in the Company’s Subsidiary. The objective is to enhance the flexibility and efficiency of internal management for Energy business group by transfer 4,999,995 shares in CPI Green Company Limited to CPI Glow Company Limited.
- Year 2017 CPI Glow Company Limited call up shared capital from shareholder for 1% from 25% to be 26%.
- Year 2017 CPI Trading Company Limited call up shared capital from shareholder for 75% to be fully paid.
- Year 2017 Established the subsidiary namely, CPI Energy Company Limited to support the future business plan which are expected to perform about Production and distribution of biodiesel and other fuel.
- Year 2017 Department of Business Development granted the certification of the package quantity.
- Year 2017 Established the subsidiary namely, All Bloom Coconut Company Limited to support the future business plan which are expected to perform about Research, Improvement, Development, Breeding, Seedling production & distribution of Coconut, Palm Oil and all kind of plant.
- Year 2018 Increasing registered capital in CPP Company Limited Baht 6,000,000 to be total Baht 191,000,000.
- Year 2018 Being awarded “2018 National Excellent Establishment” on Occupational Health Safety and Environment in Safety Week Activity in the Southern part of Thailand.
- Year 2018 CPI Energy Company Limited and All Bloom Coconut Company Limited was registered the dissolution and the liquidation with the Department of Business Development.
- Year 2019 Increasing registered capital in CPI Trading Company Limited Baht 5,000,000 to be total Baht 5,050,000.
- Year 2019 CPI Glow Company Limited was registered the dissolution and the liquidation with the Department of Business Development.
- Year 2019 Being awarded “2019 National Excellent Establishment” on Occupational Health Safety and Environment in Safety Week Activity in the Southern part of Thailand.
- Year 2019 The Company received a renew of certified as a member of the Collective Action Coalition Against Corruption.
- Year 2019 Invested 49 percent of total issued shares in C K Trading Company Limited.

The Company's shareholding structure



- Remark**
- 1) CPI Agrotech Company Limited, CPP Company Limited, CPI Green Company Limited and CPI Trading Company Limited have not invested in other company.
 - 2) CPI Green Company Limited has been established to support the future business plans which are expected to perform.
 - 3) CPI Glow Company Limited was registered the dissolution on September 30, 2019 and registered the liquidation on January 9, 2020 with the Department of Business Development respectively.

Policy and Business Operation Overview

CPI Agrotech Company Limited

Produce and distribute oil palm seeds and seedlings to planters. CPI Agrotech Company Limited 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.

In 2012 CPI Agrotech Company Limited 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. Operation business is started since year 2012.

CPP Company Limited (Former CPI Power Plant Company Limited)

Refinery palm oil and generate & selling electricity. CPP Company Limited 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.

In 2014 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 value.

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

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

CPI Green Company Limited

Production and distribution Biodiesel and other fuel. CPI Green Company Limited has been registered as a juristic person under the Civil and Commercial Code on February 3, 2016 with initial registered capital of Baht 50,000 with ordinary shares 5,000 shares par value per share Baht 10 which paid up in the first time 25% and then increasing capital company Baht 49,950,000 which paid up in the first time 25% to be total registered capital Baht 50,000,000. The company has been established to support the future business plans which are expected to perform.

CPI Trading Company Limited

Buying and selling all kinds of vegetable oils. CPI Trading Company Limited has been registered as a juristic person under the Civil and Commercial Code on February 3, 2016 with initial registered capital of Baht 50,000 with ordinary shares 5,000 shares par value per share Baht 10 which paid up in the first time 25%. In 2016 paid up the capital 75% to be fully value.

In 2019 registered increasing capital company Baht 5,000,000 which paid up in first time 25% to be total registered capital Baht 5,050,000 with ordinary shares 505,000 shares par value per share Baht 10. Operation business is started since year 2019.

CPI Glow Company Limited

Production and distribution of electricity and all types of energy. CPI Glow Company Limited has been registered as a juristic person under the Civil and Commercial Code on January 4, 2017 with initial registered capital of Baht 5,000,000 with ordinary shares 500,000 shares par value per share Baht 10 which paid up in the first time 25% and then increasing capital company more Baht 45,000,000 which paid up in the first time 25% to be total registered capital Baht 50,000,000. In 2017 paid up the capital 1% to be 26%.

Remark CPI Glow Company Limited was registered the dissolution on September 30, 2019 and registered the liquidation on January 9, 2020 with the Department of Business Development.

C K Tradind (1965) Company Limited.

Providing service as a broker or agent dealing for consumer products distribution and providing marketing services. C K Trading (1965) Company Limited 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 paid up fully value

In 2020 registered increasing capital company Baht 9,000,000 which paid up fully value to be total registered capital Baht 10,000,000 with ordinary shares 100,000 shares par value per share Baht 10. Operation business is started since year 2020.

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., according to the company's mission 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.

Governance of subsidiary and joint venture. The company will consider and appoint the representative to perform the duties as director which will be related to the company's investment proportion or according to the term and condition in the contract of subsidiary or joint venture and/or appoint the presentative to perform the duties as management as agreement.

The Board of directors or Executive committee has authority to consider and appoint the representatives whom will be suitable, qualified and experiences and without conflicts of interest with these subsidiary or joint venture as well as not having prohibited characteristics, lacking trust in laws or related regulations.

The management in the business that the company has an expertise. The company will assign the representatives to perform the duties as director and/or executive to participate in management and setting policies and management guidelines in accordance with the company's plans, including monitoring and controlling the operation to follow the subsidiary or joint venture's business plan.

The management in the business that the company has not an expertise. The company will assign the representatives to perform the duties as director rather than took the role in management directly.

The representatives must perform the duties as director and/or executive of the subsidiary or joint venture with responsibility and monitoring, controlling the operation of subsidiary or joint venture to be in accordance with the relevant laws, rules and regulations and the company does not allow the representatives including parent, siblings, children, spouses using the internal information for the self-benefit.

General Information

General Information

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
Branch Office No 2.	:	28/6 Moo 9, Chiang Rak Noi Sub District, Bang Pa In District, Phranakhon Si Ayutthaya
Website:	:	www.cpi-th.com
E-mail:	:	info@cpi-th.com
Registration No.	:	0107536001184 (Former : BorMorJor.192)
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 under “Leela” 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. There are other by-products such as RBD Palm Stearin, Palm Fatty Acid Distillate, Palm Kernel Fatty Acid Distillate and Kernel Meal etc.
Registered Capital	:	Baht 775,424,053
Paid up Capital	:	Baht 632,752,650
Issued shares	:	632,752,650 Shares
Par value per Share	:	1 Baht

The 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, Prachuabkhiran
CPI 3	:	Khao Chaiyarat plantation 2,401 rais at Moo 4,5 Kao Chairat Sub-, 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.

Subsidiary Company

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) 599 943 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
Shareholding Ratio	:	owned by Chumporn Palm Oil Industry Public Company Limited 99.99%

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, Prachuabkhirikan 77170

Registration No. : 0105555182855

Type of Business : Refinery Palm Oil 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

Shareholding Ratio : owned by Chumporn Palm Oil Industry Public Company Limited 99.99%

CPI Green 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. : 0105559019851

Type of Business : Production and distribution of biodiesel and other fuel.

Registered Capital : Baht 50,000,000

Ordinary shares : 5,000,000 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%

CPI Trading 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. : 0105559020027

Type of Business : Buying and selling all kinds of vegetable oils.

Registered Capital : Baht 5,050,000

Ordinary shares : 505,000 shares

Par value per share : Baht 10

Paid up per share : Baht 10 and paid up 25% for the increase capital.

Shareholding Ratio : owned by Chumporn Palm Oil Industry Public Company Limited 99.99%

General Information

CPI Glow Company Limited

(It was registered the dissolution on September 30, 2019 and registered the liquidation on January 9, 2020.)

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.	: 0105560000352
Type of Business	: Production and distribution of electricity and all types of energy.
Registered Capital	: Baht 50,000,000
Ordinary shares	: 5,000,000 shares
Par value per share	: Baht 10
Paid up per share	: Baht 2.60
Shareholding Ratio	: owned by Chumporn Palm Oil Industry Public Company Limited 99.99%

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

References

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

Auditor

Mr.Sophon Permsirivallop	C.P.A. Registration No.3182 or
Ms.Runnapa Lertsuwankul	C.P.A. Registration No. 3516 or
Mr.Chayapol Supposedtanon	C.P.A. Registration No. 3972 or
Ms.Sumana Punpongsanon	C.P.A. Registration No. 5872 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
EY Office Ltd address	Lake Rachada Office Complex, 33rd Floor, 193/136-137 Rachadapisek Road, Bangkok 10110 Tel. (662) 264 0777
Period as the Auditor	: Mr.Sophon Permsirivallop, C.P.A. Registration No.3182 was an auditor for CPI 3 year (Year 2010, 2011 and 2012) : Mr.Chayapol Supposedtanon, C.P.A. Registration No.3972 has been an auditor for CPI 4 year (Year 2013, 2014, 2015 and 2016) : Ms.Sumana Punpongsanon, C.P.A. Registration No. 5872 has been an auditor for CPI 1 year (Year 2017) : Ms.Runnapa Lertsuwankul, C.P.A. Registration No. 3516 has been an auditor for CPI 1 year (Year 2018) : Ms.Orawan Techawatanasirikul C.P.A. Registration No. 4807 has been an auditor for CPI 1 year (Year 2019)
Conflict with interest	: None relationship or stockholder with Company, Subsidiaries, the Management and Shareholder

Legal Advisor

Prof. Dr.Sahaton Rattanapijit
Faculty of Law, Thammasat University
2 Prachan Road, Bangkok 10200
Tel. (662) 221 6111 Ext. 2121

Revenue Structure

Unit : Million Baht

Product	Conducted by	% Share of Company	Year 2017		Year 2018		Year 2019	
			Revenue	%	Revenue	%	Revenue	%
Palm seed and Palm Seedling	CPI Agrotech Company Limited	99.99	45.77	95.71	35.36	95.05	21.22	84.42
Other products	CPI Agrotech Company Limited	99.99	2.05	4.29	1.84	4.95	3.92	15.58
	Total Revenue		47.82	100.00	37.20	100.00	25.14	100.00
Crude oil	CPP Company Limited	99.99	892.38	71.38	1,026.41	70.53	635.21	71.24
Other products	CPP Company Limited	99.99	357.73	28.62	428.92	29.47	256.44	28.76
	Total Revenue		1,250.11	100.00	1,455.33	100.00	891.65	100.00
Domestic Revenue								
Crude Oil	Chumporn Palm Oil Industry PCL.		414.66	8.15	401.25	9.21	682.31	20.32
RBD Oil	Chumporn Palm Oil Industry PCL.		3,071.30	60.34	2,514.26	57.69	2,123.53	63.25
Other Products	Chumporn Palm Oil Industry PCL.		1,044.30	20.52	1,094.70	25.12	324.54	9.67
			4,530.25	89.01	4,010.21	92.01	3,130.39	93.23
Export Revenue								
Crude Oil	Chumporn Palm Oil Industry PCL.		425.32	8.36	224.02	5.14	159.78	4.76
RBD Oil	Chumporn Palm Oil Industry PCL.		16.84	0.33	20.92	0.48	20.57	0.61
Other Products	Chumporn Palm Oil Industry PCL.		117.73	2.30	103.18	2.37	46.80	1.39
			559.89	10.99	348.12	7.99	227.14	6.77
Total Revenue			5,090.14	100.00	4,358.33	100.00	3,357.53	100.00



Regarding as Annual General Meeting No.1/2019 on April 25, 2019, the meeting approved the amendments to the Dividend payment policy as follows,

Former Policy : Dividend payment policy for the company is not less than 40% of the net profit after deduction statutory reserves and income tax. The statutory reserve should be collected not less than 5% of net profit until the statutory reserve would be collected not less than 10% of registered capital.

Changing to : 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 consolidate 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

Detail	2013	2014	2015	2016	2017	2018
Net Profit (Million Baht)	24.80	60.78	(32.62)	(6.52)	(82.13)	(62.98)
Retained earnings – Unappropriated (Million Baht)	270.13	311.05	243.85	232.56	130.18	41.89
Basic earnings per share (Baht)	0.044	0.108	(0.055)	(0.01)	(0.13)	(0.10)
Dividend (Baht/Share)	0.03	0.06	0.03	0.03	0.04	None
Stock interim dividend	-	-	-	-	-	-
Dividend Ratio (%)	68.18	55.56	N/A	N/A	N/A	N/A

- Remark**
- Year 2013-2018 was non-consolidated subsidiaries
 - N/A Dividend ratio could be calculated because paid from retained earnings of separate financial statements of the company.
 - The new dividend payment policy is effective from the fiscal year 2019 onwards.

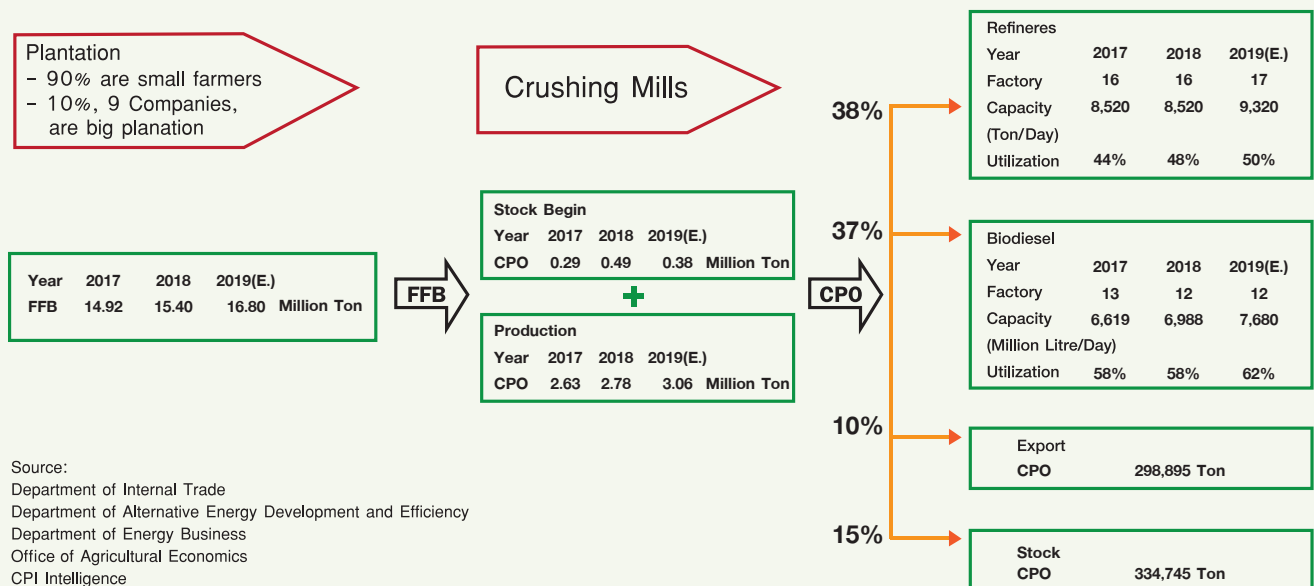
Risk Factors

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 Level Risks

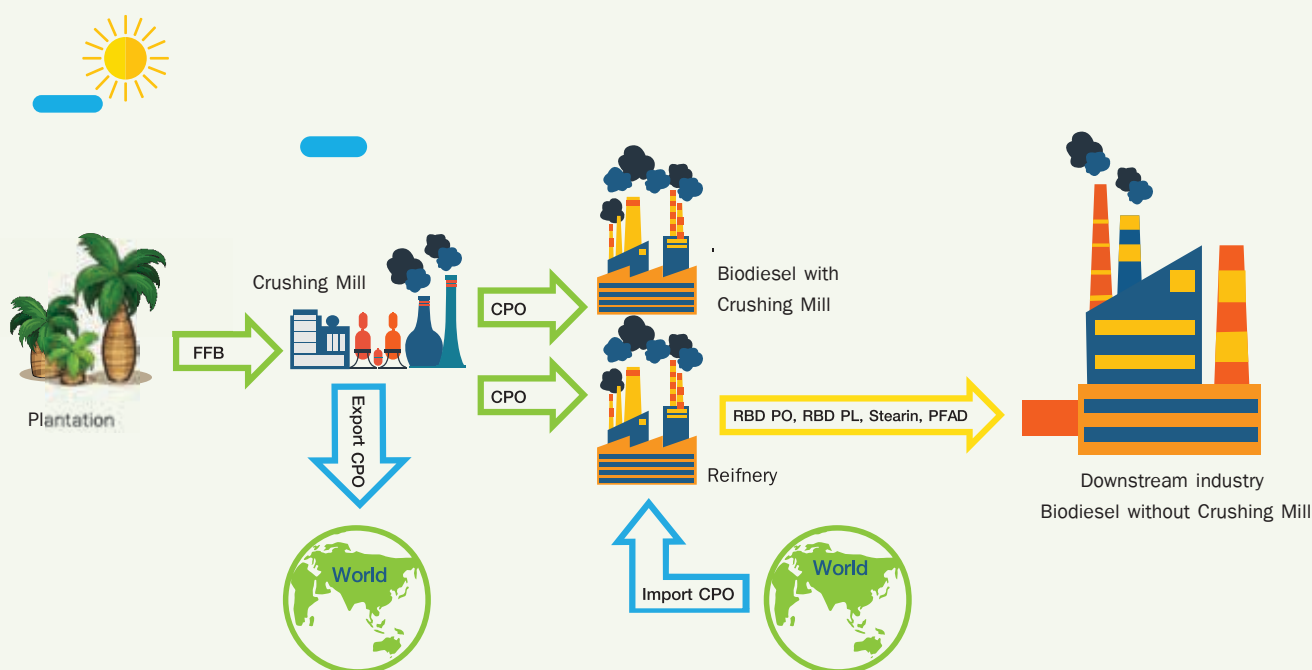
These are risks that all entrepreneurs in all business sectors confront with because they are structural risks which arise from policies and measures put forward by the state or its agencies. We shall begin with general structure of the industry so that the investors can see and understand the general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

ภาพที่ 1 Basic Structure of Thai Palm Industries



The supply chain which is comprised of Oil Palm plantations sending their fruit to crushing mills. Then, the crushing mill will extract oil from the fresh fruit bunches (FFB). 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.

In year 2019 Thailand could produce CPO around 3.06 million tons from approximately 16.80 million tons of FFB. The demand for cooking and industrial used around 1.49 million tons or 43% of total CPO production per year, and demand for palm oil to be used as fuel to mix for diesel B7, B10, and B20 which was around 1.33 million tons or 38%. Finally, export was around 0.30 million tons or 9% of total CPO production for the year 2019. The total palm oil for cooking, industry, and export was around 3.12 million tons while remaining stock from the year 2019 was around 0.38 million tons which will cause the stock volume to carry forward at the beginning of year 2020 and remain close to the balance carried over from the beginning of year 2019.

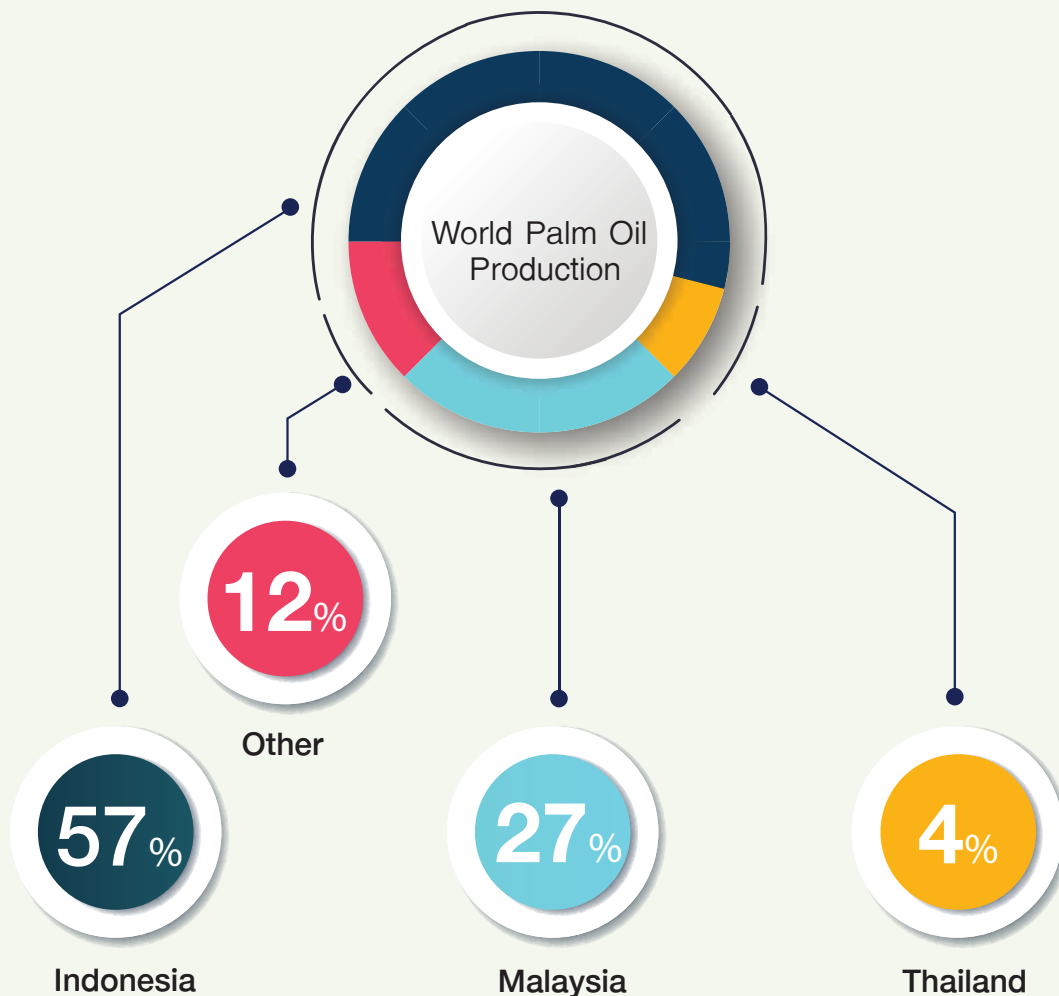


Due to this reliance on local consumption, the market cannot self-correct as the local price very rarely corresponds to the international market price. As a result, in situations of high production the price drops drastically until producers can export excess stocks, however, in the opposite scenario there is no mechanism to correct prices when the country enters a shortage. This dynamic often leads to government intervention in an attempt to correct the matter. This is the source of the other main industrial risk which is uncertain government policy. In 2019 we have seen ample support from the government in an effort to boost fruit and CPO prices by promoting higher biodiesel blending as well as stock purchase for electricity production. This is why we observed such volatile and rapid price movement in both FFB and CPO.

Among other industrial risks, crushing mill production capacity continues to be double the FFB availability in the country. While plantation area is expanding each year, the amount of old palm trees with lower yields also continues to grow.

Risk Factors

The macro risks faced by Thailand were shared by other palm oil producing countries as well. The main producers; Indonesia and Malaysia also experienced very high production earlier in the year followed by a sharp drop due to weather conditions and lack of fertilizer application. Additionally, the entire world economy felt the effects of an extended trade war between the US and China, which weighed especially hard on demand.



Picture : Production Share of Palm Oil by Country – Year 2019 Malaysia and Indonesia 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 can be summarized as follows;

- 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 company has operated business since year 1979 which this mention time, the company has a good relationship with customers and person related with this business circles for a long time. This means most of the customer or person in this industry are well connected even though the intense competition especially in price competition. However most of the company's customers is a big potential organization and has good credibility. In the cause, the risk of bad debt of the company has been being lower. In addition, the company has not sale or focus on just one particular and sale volume in each customer is not more than 10% of the total of sale.

The customer satisfaction survey of the year 2019 was 85%. It was increased 2% from the previous year. This was because customer satisfied in the service and distribution.

- 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.

Risk Factors

- 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 reporting factor can be summarized as follows;

- 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 can be summarized as follows;

- 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.

Shareholding Structure

The first ten major shareholders as of December 30, 2019

Shareholders	Shares	Percentage
1. Chumporn Holding Company Limited	214,669,400	33.926
2. Mr.Kitti Chatlekhavanich's Group	35,955,701	5.682
Mr.Kitti Chatlekhavanich	13,009,923	2.056
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	33,790,001	5.340
Mr.Takon Tawintermsup	6,680,158	1.056
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	32,571,615	5.148
Mr.Chusak Prachayangprecha	13,253,181	2.095
Mr.Kovit Prachayangprecha	11,346,974	1.793
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
Mrs.Vimol Saeju	880,916	0.139
6. Thai NVDR Company Limited	9,345,014	1.477
7. 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
8. Mr.Muangthong Sathengsakpong	7,857,600	1.242
9. Mr.Thawat Tachawattanasuk	7,000,000	1.106
10.Mr.Wisut Ruangsukawanna	5,872,776	0.928
Minor Shareholders	243,559,888	38.492
Total	632,752,650	100

Remark Chumporn Holding Company Limited comprises shareholder as follows:

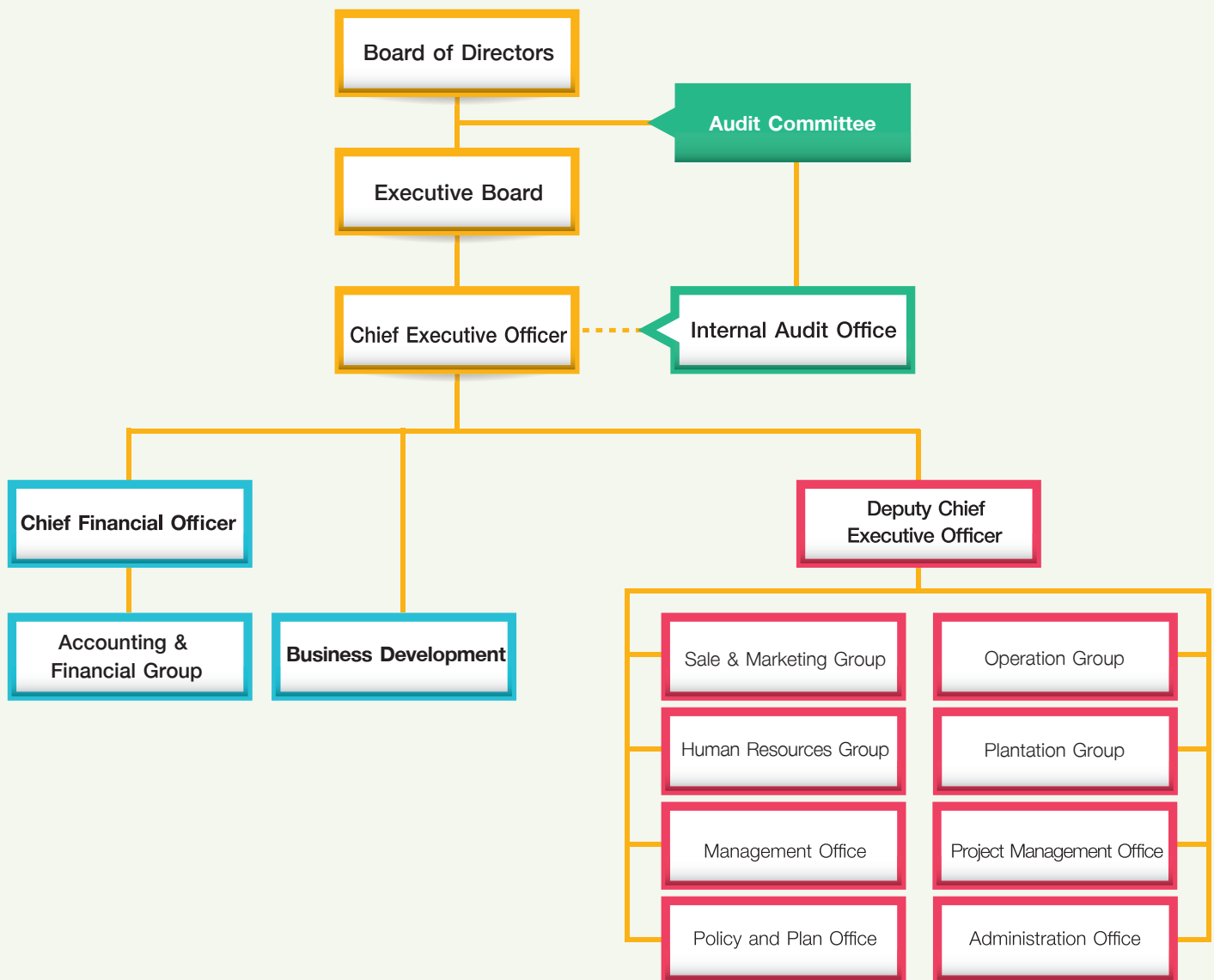
1. Mr.Takon Tawintermsup's group holds 1,845,000 shares or 21.96%
 - Mr.Takon Tawintermsup is director and holds 250,000 shares or 2.98%
 - Mr.Rachoj Tawintermsup is director and holds 225,000 shares or 2.68%
 - Mr.Rangsan Tawintermsup is director and holds 230,000 shares or 2.74%
 - Mrs.Rampha Tawintermsup 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, 2019

Nationality	Person	Share	Percentage
Thai	2,208	624,621,818	98.72
Other	10	8,130,832	1.28
Total	2,218	632,752,650	100

Management Structure

Organization Chart



The Board of Directors comprises of member as follows;

No.	Name of Directors	Position
1.	Mr. Banphot Hongthong	Chairman of the Board of Directors Chairman of the Nomination and Remuneration Committee Independent Director
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. Kittu Chatlekhavanich	Director
10.	Mr. Racho Tawintermsup	Director

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

Management Structure

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

Mr.Takon Tawinternsup or Mr.Rachoj Tawinternsup 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.

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.

Tenure 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.

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 directors 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 the meeting is eligible to cast 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 one but he is unable to perform his duty, the shareholders in the meeting shall elect one of the shareholder to chair the meeting.

The Audit and Risk Management Committee reports directly to the Board of directors. The Audit Committee comprises as follows;

No.	Name of Directors		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 Audit Committee No. 1, 2 and 3 has sufficient knowledge and experience to review financial statement.

Management Structure

The 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.

Tenure of the Audit and Risk Management Committee

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

Risk Management Policy

The Board of directors and executive aware of the risk factor and respond to determine the risk management plan by following criteria of the Committee of Sponsoring Organizations of the Tread way Commission-Enterprise Risk Management (COSO-ERM) to manage the risk may occur under uncertainty in various conditions. The board of directors determines risk management policy as follows;

- 1) Specification risk management to be the responsibility of Directors, Executives and employees to manage risk factor to be an acceptable level by determine risk management operation are an integral part of normal operation.
- 2) Stipulation a risk management system manual to be used as a guideline for the entire organization.
- 3) Stipulation a risk management system for the entire organization, in accordance with the achievement of the organization's goals.
- 4) Follow up, evaluate and report the risk management results including review and up to date the guidelines regularly.
- 5) Development the information technology system to be component with risk management.

Management Structure

The Executive Committee comprises as follows;

No.	Name of Directors		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.

Management Structure

The **Nomination and Remuneration Committee** comprises as follows;

No.	Name of Directors		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.

Tenure 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.

The Corporate Governance Committee comprises as follows;

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

Corporate Governance Committee was appointed to operate and control process to follow the rules of Corporate Governance. The scope of duties and responsibilities have been considering from Board of director.

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.

Tenure 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.

Corporate Governance Policy

The Board of Directors has allowed and facilitated good business management in every level of the organization and continuously improved, strived to enhance the performance to achieve intended business goals as efficiently as possible and always conducted the business according to the laws and other related regulations to take pride in 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 shareholders, investors and all other associates. Hence, the Board of Directors has determined Corporate Governance Policy as follows.

- 1) To conduct the business in accordance with the principles of Good Corporate Governance along with transparency and verifiability.
- 2) To direct all members of the board of directors 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 budgets and must undertake relevant follow-ups on a regular basis.
- 6) To provide Authorized Manual to specify the scope of power.
- 7) To provide Codes of Conduct and notify the members of the board of directors along with every other employees and associates to adhere.

Management Structure

Chief Executive Officer

No.	Name of Directors	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.

Management

No.	Name of Directors	Position	ตำแหน่ง
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	Acting Factory Director
9.	Mr. Kritsana	Sommart	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	Siengsutvivong	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. Krit	Siriprasertchok	General Manager
18.	Ms. Yada	Sawadsree	Quality Assurance & Production Planning Manager
19.	Mr. Graivoot	Shevasavaz	FFB Procurement Manager
20.	Mr. Sira	Sawedsilp	Engineering Manager
21.	Mr. Utai	Khanmueng	Acting Production 1 Manager
22.	Mr. Chalong	Intago	Production 2 Manager
23.	Mr. Phattanasak	Dechdee	Acting Production 3 Manager

Remark 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.

Management Structure

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: 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).

Selecting Directors and Executives

Independent Directors

Independent directors of the company with the following qualification:

- (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.

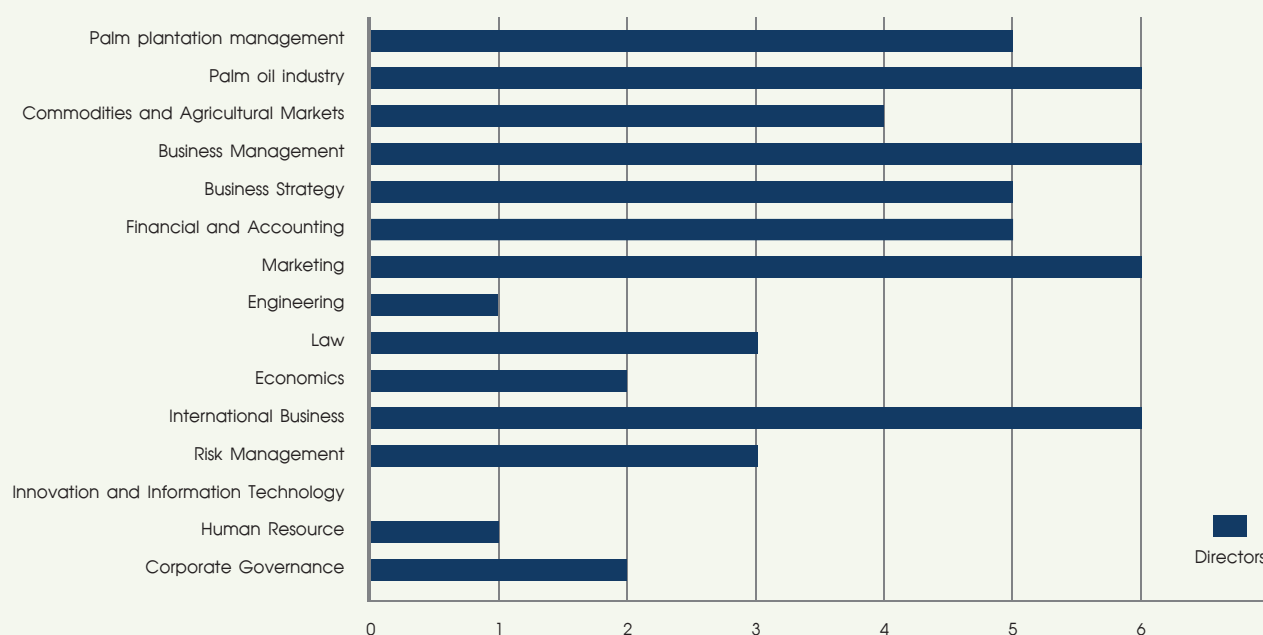
Selecting Directors and Executives

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 the company give an opportunity for shareholder to propose nominate candidates as the director of company in advance

The company gave an opportunity to the shareholder to propose the qualified during September 1, 2018 to November 30, 2018 for the Annual General Meeting of Shareholder No.1/2019 and during August 23, 2019 to November 30, 2019 for the Annual General Meeting of Shareholder No.1/2020. The Shareholders were notified by new system of the SET and the company's website and The Nomination and Remuneration committee also use data and information via Director Pool to recruit person to be director.

The Nomination and Remuneration committee will 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 Nomination and Remuneration Committee's duties and responsibilities.

Board Skill Matrix



Management Structure

The procedures for the appointment directors as follows

- 1) 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.
- 2) Each shareholder has number of vote equal to the number of shares held
- 3) Each shareholder must use all their votes to elect candidate to be a director but cannot divide the vote.
- 4) 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 the company gives the right of shareholder to propose nominee to be elected as the company's director in advance which the vote will be based on majority votes, there is no cumulative voting.

Remuneration for Directors, Executives and Employees

Remuneration for Directors : The Company has policy for remunerating its Directors with clarity, transparency and suitable for the job with adequacy and maintain Directors who are qualified and experienced and they receive remuneration suitably commensurate to their duties and responsibilities.

Remuneration for Executives : The remuneration policy was set by the Board of Directors and the Company's performance.

Remuneration for Employess : The remuneration for employees will consistent with the company's performance as short term and long term. In short term, the company will evaluate from KPI performance which this issue employees will be gain in Bonut and for long term, the company will evaluate from competency which will make two times per year and employees will gain in salary and promotion. In the present the company has not allocated ESOP for employees.

Remuneration for Directors

According to Annual General Meeting of Shareholders No.1/2019 held on April 24, 2019. The meeting approved director's remuneration and the meeting allowance for the year 2019 as follows;

1) The meeting allowance for year 2019 as follows

Meeting allowance	Baht/Person/time			
	Position	Year 2017	Year 2018	Year 2019
The Board of directors	Chairman	30,000	30,000	30,000
	Member	20,000	20,000	20,000
The Audit Committee	Chairman	25,000	25,000	-
	Member	20,000	20,000	-
The Risk Management Committee	Chairman	25,000	25,000	-
	Member	20,000	20,000	-
The Audit and Risk Management Committee	Chairman	-	-	25,000
	Member	-	-	20,000
The Nomination and Remuneration Committee	Chairman	25,000	25,000	25,000
	Member	20,000	20,000	20,000
The Executive Committee	Chairman	25,000	25,000	25,000
	Member	20,000	20,000	20,000
The Corporate Governance Committee	Chairman	25,000	25,000	25,000
	Member	20,000	20,000	20,000

2) Director's remuneration for year 2019 is equivalent as previous year which chairman of the board of directors will distribute accordingly.

Detail	Year 2017	Year 2018	Year 2019
Director's remuneration	4,000,000 Baht	4,000,000 Baht	4,000,000 Baht

Management Structure

Remuneration for Directors as of December 31, 2019

No.	Name	The meeting allowance (Unit : Baht)							The director's remuneration Year 2019 ⁽¹⁾	Total
		The Audit Committee (1 meeting) ⁽⁴⁾	The Risk Management Committee (1 meeting) ⁽⁴⁾	The Audit and Risk Management Committee (3 meeting) ⁽⁴⁾	The Nomination and remuneration Committee (1 meeting)	The Corporate Governance Committee (4 meeting)	The Executive Committee (12 meeting)	The Board of Directors (4 meeting)		
1.	Mr.Banphot Hongthong	-	-	-	25,000	-	-	120,000	500,000	645,000
2.	Mr.Nopporn Picha	25,000	-	75,000	20,000	-	-	80,000	460,000	660,000
3.	Assoc. Dr. Ninnat Olanvoravuth	20,000	-	-	-	-	-	20,000	-	40,000
4.	Mr. Paiboon Kujareevanich	20,000	25,000	60,000	-	-	-	60,000	380,000	545,000
5.	Mr. Saravut Menasavet	20,000	-	60,000	-	-	-	80,000	380,000	540,000
6.	Mr. Takon Tawintermsup	-	-	-	-	-	300,000	80,000	380,000	760,000
7.	Mr. Chusak Prachayangprecha	-	-	-	20,000	-	240,000	80,000	380,000	720,000
8.	Mr. Karoon Nuntileepong	-	-	-	-	100,000	-	80,000	380,000	560,000
9.	Mr. Kitt Chatlekhanich	-	20,000	-	-	-	-	80,000	380,000	480,000
10.	Mr. Songridth Niwattisaiwong	-	-	-	-	80,000	-	80,000	380,000	540,000
11.	Mr. Racho Tawintermsup	-	-	-	-	-	-	80,000	380,000	460,000
12.	Mrs. Ratsamee Pongjindanon ⁽³⁾	-	20,000	-	-	-	-	-	-	20,000
Total		85,000	65,000	195,000	65,000	180,000	540,000	840,000	4,000,000	5,970,000

Remark

- 1) The Annual General Meeting of Shareholding No 1/2019 held on April 24, 2019 approved the budget for director's remuneration which is limit of Baht 4,000,000. It's equivalent as previous year and not has other benefits. The chairman of the board of directors can distribute accordingly.
- 2) Assoc.Prof.Dr.Ninnat Olanvoravuth, Independent Director and a member of Audit committee completed directorship term on April 24, 2019 and requests not to be re-elected to resume the directorship for another term.
- 3) Mrs.Ratsamee Pongjindanon, Chief Financial Officer is not a director of company but is appointed as member of the Risk Management Committee.
- 4) Board of Director meeting no.1/2019 held on February 21, 2019 approved to change Audit Committee to Audit and Risk Management Committee.

Remuneration for Executives as of December 31, 2019

Detail	Year 2017	Year 2018	Year 2019
Executives (person)	10 persons	8 persons	8 persons
Remuneration (Baht)	17.42 MB	16.20 MB	18.40 MB
Meeting allowance, salary, bonus and provident fund, other (retirement compensation)			
Provident car	3 persons	2 persons	3 persons

Remuneration for Chief Executive Officer as of December 31, 2019

Remuneration for Chief Executive Officer will be dividing as compensation and fixed benefits depend on duty, responsibility and experience. The Nomination and remuneration Committee will review rate salary and bonus every year to present the board of directors to consideration and approval. Other compensation as health insurance, accident insurance, travels insurance, provident fund and other welfare which will depend on duty of operation. The total compensation for Chief Executive Officer is about Baht 2,500,000-6,000,000 per year.

Other remuneration for Directors and Executives

- Year 2013 Issued ESOP#1 to Directors and Employees of the company and its subsidiary.
- Year 2014 to Year 2019 None



Management Structure

Employees

Employees and Remuneration

Detail	Year 2017	Year 2018	Year 2019
Employees as			
Bangkok branch	81 persons	83 persons	79 persons
Chumphorn office	885 persons	853 persons	745 persons
Total	966 persons	936 persons	824 persons
Employees by level			
Executive's and manager	26 persons	26 persons	27 persons
Foreman, Section head	159 persons	165 persons	153 persons
Employees	781 persons	745 persons	644 persons
Remuneration			
Salary	175,476,728 Baht	179,774,913 Baht	162,680,479 Baht
- Bonus	13,072,889 Baht	24,634,385 Baht	26,296,293 Baht
- Other	25,119,527 Baht	35,404,360 Baht	25,414,172 Baht
- Provident fund	4,299,963 Baht	4,417,182 Baht	3,131,079 Baht
- Social security	6,395,015 Baht	7,168,387 Baht	6,347,862 Baht
Total	224,364,122 Baht	251,399,227 Baht	223,869,885 Baht

Labor disputes in the past 3 years

None

Skill Development for Executive and Employees Policy

The company recognizes the value of human resources in every level therefor the company will get and give every chance for employees to growth in the career path and has set up the skill development plan in every year to provide training for director executive and employees to encourage the skill, knowledge, abilities to growth up with the company.

Training for Director

Year	Name	Course
2019	Mr.Saravut Menasavet	- Advance Audit Committee Program (AACP 34/2019)
	Mr.Rachoj Tawintermsup	- Invest Canabis Asia - International laws and regulations regarding packing and the environment strategies for business - Palm Biodiesel Conference - Asia Palm Oil Conference (APOC)2019

Training for Executive

Year	Name	Course
2019	Mrs.Ratsamee Pongjindanon	- Asean Chartered Professional Accountant - Strategic CFO in Capital Markets No.8 - Auditors of the future : Perspective of Stakeholders and Audit Data Analytics - Management Business and Advance Financial
	Mr.Jaroslav Kibilda	- Innobioplast 2019

Hours of training for management and employees

Year	Hours of training	Average/Person/Year (Hours)
2016	34,603.00	36.31
2017	19,526.00	20.19
2018	23,239.00	24.11
2019	19,042.00	23.22

Remark Training courses were HR for Non HR, Supervisor skills, Management skill to become Professional manager , Communication skills, Team work skills, Problem solving and decision making, Safety health and environment, Thai labor standards, Company business, Company production, ISO, GMP, HACCP, RSPO etc.

The Board of Directors and Management Details

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 : 72 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 or Subsidiaries last year : 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 and Independent Director and Chairman of the Nomination and Remuneration Committee	Chumphorn Palm Oil Industry Public Company Limited
2013 - Present	Chairman of the Board of Directors and Independent Director	Exotic food Public 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
2010 - Present	Independent Director and Member of the Audit Committee and Chairman of the Nomination and Remuneration Committee	Grand Canal Land Public Company Limited

Company Limited/Others

2016 - Present	Consultant	P-Mart Superstore Company Limited
2013 - 2017	Consultant	Shop Global (Thailand) 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
: M.B.A., Thummasat University

Training : DAP Certificate from IOD 13/2014

Attended training course in last year : None

Shareholding : None

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

2019 - Present	Member of the Audit and Risk Management Committee	Chumporn Palm Oil Industry 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 Executive Director	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 - Present	Independent Director and Chairman of the Audit Committee	I & I Group Public Company Limited
2018 - 2019	Chief Financial Officer	Bangpakok Hospital Group
2014 - 2015	Director	Carabaodang Company Limited
2014 - 2015	Director	Tawandang DCM Company Limited
2014 - 2015	Director	Asia Pacific Glass Company Limited

The Board of Directors and Management Details

Name	: Mr. Nopporn Picha
Position	: Independent Director / Chairman of the Audit and Risk Management Committee / Member of the Nomination and Remuneration Committee
Appointed date	: Janurey 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	: None
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

2018 - Present	Chairman of the Audit and Risk Management Committee	Chumphorn Palm Oil Industry Public Company Limited
2018 - 2019	Chairman of the Audit Committee	Chumphorn Palm Oil Industry Public Company Limited
2018 - Present	Independent Director and Member of the Nomination and Remuneration Committee	Chumphorn 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 Audit Committee	AIRA Securities Public Company Limited
2004 - 2007	Chairman of 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
2000 - 2005	Chairman of Board of Director	UEA Witthaya Equipment 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 Degree of Laws, Thammasat University

Training : DAP Certificate from IOD 119/2015
 : Executive Course 1 No.23 from Office of the Civil Service Commission
 : Accounting and Financial Officer Course No.35 from Comptroller General's Department

Attended training course in last year : Advance Audit Committee Program (AACP 34/2019)

Shareholding of Company : None

Shareholding of subsidiaries : None

Spouses' shareholding of Company or Subsidiaries : None

Change of securities holding of Company or Subsidiaries last year : 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
2015 - Present	Independent Director	Dhipaya Life Assurance Public Company Limited
Company Limited/Others		
2016 - Present	Consultant	P-Mart Superstore Company Limited

The Board of Directors and Management Details

Name	: Mr. Takon Tawintermsup
Position	: Director / Chairman of Executive Committee / Authorized Director
Appointed date	: 14 October 1993
Age	: 65 years
Education	: Secondary Education, Matthayom Wat Thatthong School
Training	: DCP Certificate from IOD 32/2003 and FND Certificate from IOD 5/2003
Attended training course in last year	: None
Shareholding	: 1.05%
Shareholding in subsidiaries	: 1 share of CPI Agrotech Company Limited, 1 share of CPI Green Company Limited, 1 share of CPI Trading 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	: 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	Chumphorn Palm Oil Industry Public Company Limited
1993 - Present	Director	Chumphorn Palm Oil Industry Public Company Limited
1974 - Present	Director and Chairman of Executive Committee	Khonburi Sugar Public Company Limited

Company Limited/Others

2016 - Present	Director	CPI Trading Company Limited
2016 - Present	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	Chumphorn Holding 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	:	74 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, 1 share of CPI Trading Company Limited, and 1 share of CPP 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			
2016 - Present	Director	CPI Trading Company Limited	
2016 - Present	Director	CPI Green Company Limited	
2014 - Present	Director	CPP Company Limited	
2011 - Present	Director	CPI Agrotech Company Limited	
2009 - Present	Director	Ceramic Industry Club, The Federation of Thai Industries	
2008 - Present	Director	Thai Ceramic Industry Company Limited	
1993 - Present	Chairman	Chumporn Holding Company Limited	

The Board of Directors and Management Details

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, Chulalongkorn 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: None

Shareholding : None

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 : 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

The Board of Directors and Management Details

Name	: Mr. Kitti Chatlekhavanich	
Position	: Director / Authorized Director	
Appointed date	: 23 April 1999	
Age	: 50 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	: 2.05%	
Shareholding in subsidiaries	: 1 share of CPI Green Company Limited, 1 share of CPI Trading Limited	
Spouses' shareholding of Company or Subsidiaries	: None	
Change of securities holding of Company	: Buy 2,038,000 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 - Present	Director	CPI Trading Company Limited
2016 - Present	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
1994 - Present	Director	Polymer Marketing Company Limited
1992 - Present	Managing Director	Liack Seng Trading Company Limited

The Board of Directors and Management Details

Name : **Mr. Songridth Niwattisaiwong**

Position : Director / Member of the Corporate Governance Committee / Authorized Director

Appointed date : 14 October 1993

Age : 67 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 of Subsidiaries : None

Spouses' shareholding of Company or Subsidiaries : None

Change of securities holding of Company and 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. Racho J Tawintermsup
Position	: Director / Authorized Director / Deputy Chief Executive Officer
Appointed date	: 24 February 2014
Age	: 33 years
Education	: University of Essex United Kingdom, LLB LAW : MBA, Sasin Graduate Institute of Business Administration of Chulalongkorn University
Training	: None
Attended training course in last year	: Invest Cannabis Asia : International laws and regulations regarding packing and the environment strategies for business : Palm Biodiesel Conference : Asia Palm Oil Conference (APOC) 2019
Shareholding	: 0.84%
Shareholding in subsidiaries	: 2 shares of CPI Green Company Limited, 2 shares of CPI Trading Company Limited, 1 share of CPI Agrotech Company Limited and 1 share of CPP 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	: 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

2019 - Present	Director	C K Trading (1965) Company Limited
2017 - 2019	Director	CPI Glow Company Limited
2016 - Present	Director	CPI Trading Company Limited
2016 - Present	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
2008 - 2011	Lawyer	Baker & McKenzie Ltd.

The Board of Directors and Management Details

Name : **Mr.Kritbhong Takviriyanan**
Position : Chief Executive Officer
Age : 52 years
Education : Master Degree of Business Administration from Chulalongkorn University
 : An education certificate of Asian International Executive Program from INSEAD
 : An education certificate of Mini MBA from Thammasat University
 : Bachelor Degree of Electrical and Electronics Engineering from Chulalongkorn University
Training : Certificate of Asian International Executive Program from INSEAD
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, Thamassat University Diploma Degree in Auditing, Thamassat Universty	
Training	:	Certified public accountant Chief Financial Officer Certification Program Class 17 Asean Chartered Professional Accountant	
Attended training course in last year	:	Strategic CFO in Capital Markets No.8 Auditors of the future : Perspective of Stakeholders and Audit Data Analytics Management Business and Advance Financial	
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	

The Board of Directors and Management Details

Name : **Mr. Thawatchai Chomwarn**
Position : Sales & Marketing Director
Age : 52 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 : 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

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
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The Board of Directors and Management Details

Name : **Mr.Prawit Toemwiriyakun**

Position : Human Resource Director

Age : 48 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

The Board of Directors and Management Details

Name	: Mr.Jaroslav Marian Kibilda	
Position	: Business Development Director	
Age	: 33 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	Chumphorn 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

The Board of Directors and Management Details

Name : **Mr. Chumphon Thainukun**
Position : Acting Factory Director
Age : 43 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
Experience:

Listed Companies

2020 - Present	Acting 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
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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
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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)

The Board of Directors and Management Details

Details of Subsidiary Company Directors

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 “Board of Directors and Management Details”

No. 5 : Please see “Directors of Subsidiary Company Details”

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 “Board of Directors and Management Details”

CPI Green 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.Takon Tawintermsup or 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 “Board of Directors and Management Details”

CPI Trading 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.Takon Tawintermsup or 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 “Board of Directors and Management Details”

The Board of Directors and Management Details

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 of 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

Corporate Governance Policies

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 uses action plans and conducts regular follow-ups to make sure that everything is done in accordance with the business plans and the cost remains within the corporate budget for every business quarter. The business objectives, plans and budgets are also changed, improved and updated yearly as well.

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.

Corporate Governance

1 Shareholders' Rights

In 2019, 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 prior to the Annual General Meeting which in 2019 during on September 1, 2018 until November 30, 2018 and the Annual General Meeting of 2020 during on August 23, 2019 until November 30, 2019. 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.
- 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 2019, 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. This was done during April 3-4-5, 2019 and nine of eleven directors attended in 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 prior to the Annual General Meeting which in 2019 during on September 1, 2018 until November 30, 2018 and the Annual General Meeting of 2020 during on August 23, 2019 until November 30, 2019. 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.

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- 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.

- Stocks Holders : 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. The specifications are 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 executive committee.

In 2019, the independent director 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.

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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. Regarding as Corporate Governance, an independent director's tenure must not be longer than the period of 6 years. There are one independent director has been act more than 6 years and director should not be as director more than 5 listed companies because it will effect performance. None of director works as director more than 5 listed companies.

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. For business plans and corporate budget, 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.

To prevent future conflict over business profits, the company does not engage in business transaction with major shareholders, Director, Executives or any person related to the individuals. The Board of directors also takes precaution against any conflict over benefits that may arise. Under such circumstance, the company shall delegate an Audit 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 committee afterwards.



Corporate Governance

Changes in stocks owned by Director and Executives in 2019.

Name	Total Stocks owned as of January 1, 2019		Changes during the year				Total Stocks owned as of December 31, 2019	
			Exercise CPI-W1		Buy / (Sold) / (Transfer)			
	Share(s)	%	Share(s)	%	Share(s)	%	Share(s)	%
1. Mr.Banphot Hongtong	0		-		-		0	
Spouses and underage children	0		-		-		0	
2. Mr.Paiboon Kujareevanich	0		-		-		0	
Spouses and underage children	0		-		-		0	
3. Mr.Nopporn Picha	0		-		-		0	
Spouses and underage children	0		-		-		0	
4. Mr.Saravut Menasavet	0		-		-		0	
Spouses and underage children	0		-		-		0	
5. Mr.Takon Tawintermsup	6,680,158	1.05	-		-		6,680,158	1.05
Spouses and underage children	0		-		-		0	
6. Mr.Chusak Prachayangprecha	13,253,181	2.09	-		-		13,253,181	2.09
Spouses and underage children	0		-		-		0	
7. Mr.Karoon Nuntileepong	0		-		-		0	
Spouses and underage children	0		-		-		0	
8. Mr.Kitti Chatlekhanich	10,621,923	1.68	-		2,388,000	0.38	13,009,923	2.06
Spouses and underage children	0		-		-		0	
9. Mr.Songridth Niwattisaiwong	2,831,260	0.44	-		-		2,831,260	0.44
Spouses and underage children	0		-		-		0	
10. Mr.Rachoj Tawintermsup	5,348,266	0.84	-		-		5,348,266	0.84
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.Somchay Chataramanee	0		-		-		0	
Spouses and underage children	0		-		-		0	
Total share of Director (personal no. 1-10)	38,734,788	6.10	-		2,388,000	0.38	41,122,788	6.48
Total share of Executive (personal 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.

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Name	Number of meetings attended / Numbers of meetings Year 2019							
	The Audit Committee ⁽²⁾ (1 time)	The Risk Management Committee ⁽²⁾ (1 time)	The Audit and Risk Management Committee ⁽²⁾ (3 time)	The Nomination and Remuneration Committee (1 time)	The Corporate Governance Committee (4 time)	The Executive Committee (12 time)	The Board of directors (4 time)	Shareholder's meeting (1 time)
Mr.Banphot Hongthong	-	-	-	1/1 (100%)	-	-	4/4 (100%)	1/1
Mr.Nopporn Picha	1/1 (100%)	-	3/3 (100%)	1/1 (100%)	-	-	4/4 (100%)	1/1
Assoc.Prof.Dr.Ninnat Olanvoravuth ⁽¹⁾	1/1 (100%)	-	-	-	-	-	1/1 (100%)	0/1
Mr.Pai boon Kujareevanich	1/1 (100%)	1/1 (100%)	3/3 (100%)	-	-	-	3/4 (75%)	0/1
Mr.Saravut Menasavet	1/1 (100%)	-	3/3 (100%)	-	-	-	4/4 (100%)	1/1
Mr.Takon Tawintermsup	-	-	-	-	-	12/12 (100%)	4/4 (100%)	1/1
Mr.Chusak Prachayangprecha	-	-	-	1/1 (100%)	-	12/12 (100%)	4/4 (100%)	1/1
Mr.Karoon Nuntileepong	-	-	-	-	4/4 (100%)	-	4/4 (100%)	1/1
Mr.Kitti Chatlekhavanich	-	1/1 (100%)	-	-	-	-	4/4 (100%)	1/1
Mr.Songridth Niwattisaiwong	-	-	-	-	4/4 (100%)	-	4/4 (100%)	1/1
Mr.Rachoj Tawintermsup	-	-	-	-	-	-	4/4 (100%)	1/1
Mrs.Ratsamee Pongjindanon ⁽³⁾	-	1/1 (100%)	-	-	-	-	-	-

Remark :

- 1) Assoc.Prof.Dr.Ninnat Olanvoravuth Independent Director and a member of Audit Committee completed directorship term on April 25, 2019 and requests not to be re-elected to resume the directorship for another term.
- 2) Board of Director meeting no.1/2019 held on February 21, 2019 approved to change the Audit committee to the Audit and Risk Management Committee.
- 3) Mrs.Ratsamee Pongjindanon, Chief Financial Officer is assigned to be a member of the Risk Management Committee but is not a board of director.

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. With a scoring system of 100%; >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.1/2020 on February 17, 2020, all directors assessed work performance of the board of directors, Sub-committee and individual director for performance in year 2019. 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. The overall summary of assessment findings showed an average of 93.46%, regarded as excellent.

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. The overall summary of assessment findings showed as follows;

- The Nomination and Remuneration Committee had the average score 88.57%, rated excellent.
- The Audit and Risk Management Committee had the average score 95.24%, rated excellent.
- The Corporate Governance Committee had the average score 97.50%, rated excellent.
- The Executive Committee had the average score 93.10%, rated excellent.

3) Self-Assessment to evaluate individual director. The overall summary of assessment findings showed an average of 93.10%, regarded as excellent.

Compensation for Auditors

From the Annual General Meeting No.1/2019 approved and appointed Mr.Sophon Permsirivallop, Certified Public Accountant (C.P.A.) Registration No.3182 or Ms.Rungrapa Lertsuwankul, C.P.A. No.3561 or Mr.Chayapol Suppasetanon, 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 Ernst & Young Office Limited audited the company for the Year 2019 and fix their audit fee Baht 1,500,000 increased by Baht 100,000 from the last year and audited in accordance with compliance to BOI standard is Baht 100,000, equal from the last year. In addition EY Office Limited is also the auditor of subsidiaries for the year 2019 too.

Related party transactions

The company has determined a relevant policy. 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. In 2017, 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, 2018, Section 7.

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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 transactions must be done fairly in accordance with the market price and agreement must be the same manner as the other general contractor without bargaining power and/or any influence of director, executive and their related party. The connected transactions must have reasonable condition which can be proved and not causing transfer of benefit.

1) The ordinary business and/or ordinary business support transactions 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 directors 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.

Name of company	Type of transaction	Connected companies	Relationship	Amount of Year 2019	Pricing policy
CPI Trading Co.,Ltd (The company holds 99.99% of shares)	Buy sugar	Khonburi Sugar PCL.	Mr.Takon Tawintermsup - Director and holds 1 share of CPI Trading Co.,Ltd - Director and holds 0.655% of shares of Khonburi Sugar PCL.	1.02 Million Baht	Market price applied with third party transactions

Internal Information Management

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.

Internal Control and Risks Management

Opinions of the Board of directors on Internal Control System

During the Board of director's meeting No. 4/2019 held on November 12, 2019, 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

Opinions of the Audit and Risk Management Committee

In 2019, 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 or Ms.Sumana Punpongsanon and Ms.Orawan Techawatanasirikul from Ernst & Young Office Limited who audited the company for each business quarter of the 2019 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.4/2019 on November 5, 2019, the plan was approved and would be used in 2020.

Head of internal audit section

Mr. Wongwaris Ussaraniroj was appointed as Internal Audit Manager. He has experiences in operation control and internal audit and he is also familiar with the company's business, activities and operations. Therefore, consideration and approval to appoint, removal, transfer head of internal audit section is authorized by the Audit and Risk management committee.

Corporate Social Responsibilities : CSR

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. 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.

- 1) Corporate Governance
- 2) Human Rights
- 3) Labor Practice
- 4) Environment
- 5) Fair Operation Practice
- 6) Consumers Issues
- 7) Community Involvement and Development

Internal Structure of the Organization

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

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.

Technology Used in the Biogas Production

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 will 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

1. The total production costs are reduced as a result of renewable biogas as a much cheaper substitute for fuel oil and other biomass.
2. 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.
3. The application of the technology ensures better quality of life and overall health of the company's employees.
4. With the technology, the company can lower pollution problems and prevent insect infestation that might spread germs.

Corporate Social Responsibilities : CSR

Benefits for Surrounding Communities

1. The Biogas technology employed can help lowering insect infestation and other problems between communities with factories.

2. The quality of life and mental health of the community shall be improved as well.

3. Possible contamination natural water sources can be minimized, if not entirely eradicated.

Benefits to the Environment

1. The technology helps with maintaining environmental quality by reducing air pollution in soil and in water and also limit water contamination problems to nature.

2. 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

2. Waste Water Pipelines to Animal Foods and Agriculture Center Project at Mhu 2, Khantasaphr Vilage, Tambol Salui, Ta-sae District, Chumphorn Province. The objectives for this project are as follow;

1. 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 Chumphorn Province as animal food and as renewable energy.

2. 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.

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

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. Along the pipelines, there are 22 places where 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 m³tank-2 of them 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 Chumphorn 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.

3. CPI Learning Center Project

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.

4. 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 incubate 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.

Community activities Participation in Chumporn Facotry in Year 2019

Project : Community Relations, budget for all activity total Baht 618,230

- Attending village meetings in the nearby area every month in order to listen to the opinions and listen for problems that have occurred. This was done so the company can improve management strategies to limit potential affects that our business operation can have on the surrounding community.
- Attending Children activities day in the nearby area at Baan Hauy Sak, Baan Mai Somboon, Ban Kansub, Chairad, Saitong, Kammasan, Saikaew, Songpinong, Hongcharoen.
- Beach garbage collection at Leamtan, Chumporn.
- Attending Ta-rad-na-boon Festival is a big merit in the community by providing food to support the Buddhists who come to make a pilgrimage.
- Attending Songkran festival at community in Chumporn.
- Attending Labor activity Day at Chumporn.

Corporate Social Responsibilities : CSR

- Attending in Elders' Day
- Attending Run for Kids 2019.
- Make merit by release fish at Klong Ta-Sae, Wat Hongpiyaram Chumphon
- Attending in Mother's day
- Supporting education for tables, chairs and painting improvements to SaiKaew School.
- Improved the awning to SaunSub School.
- Improved drinking water system to community nearby factory.
- Supporting sports equipment for the youth football club.
- Attending Run for Lanta at Karbi.

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 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.

(RATIO)	Consolidated financial statements			Separate financial statement		
	2019	2018	2017	2019	2018	2017
LIQUIDITY RATIO						
Current Ration (Time)	0.48	0.59	0.74	0.83	0.85	0.96
Quick Ration (Time)	0.29	0.29	0.39	0.62	0.51	0.55
Cash Ration (Time)	0.34	0.19	0.37	0.29	0.08	0.26
Account Receivable Turnover (Time)	10.18	9.82	10.27	7.81	10.37	10.70
Average Collection Period (Day)	35.36	36.67	35.05	46.07	34.72	33.65
Inventory Turnover (Time)	6.26	6.34	6.03	6.84	6.83	6.54
Average Sale Period (Day)	57.50	56.81	59.69	52.64	52.68	55.07
Account Payable Turnover (Day)	15.69	19.72	34.78	20.18	28.01	51.26
Receivable Turnover (Day)	22.94	18.26	10.35	17.84	12.85	7.02
Cash Cycle (Day)	69.91	75.22	84.39	80.88	74.55	81.70
PROFITABILITY RATIO						
Gross Profit Margin (%)	15.05	8.63	9.16	10.34	3.22	5.57
Operating Income Margin (%)	4.80	(1.67)	1.35	3.00	(0.41)	(1.02)
Net Profit Margin (%)	2.72	(3.39)	0.33	1.51	(1.53)	(1.63)
Return on Equity (%)	4.86	(7.89)	0.92	2.71	(3.55)	(4.83)
EFFICIENCY RATIO						
Return on Assets (%)	2.24	(3.07)	0.36	1.43	(1.63)	(2.24)
Return on Fix Assets (%)	3.30	(4.89)	0.59	3.09	(3.75)	(5.37)
Asset Turnover (Time)	0.82	0.90	1.10	0.95	1.07	1.38
FINANCIAL POLICY RATIO						
Debt to Equity (Time)	1.17	1.57	1.55	0.89	1.17	1.15
Interest Coverage Ratio (Time)	2.39	(0.98)	0.95	2.17	(0.38)	(1.02)
Leverage Ration (Time)	0.07	(0.02)	0.023	0.061	(0.008)	(0.025)
Pay Out Ration (%)	NA	NA	NA	NA	NA	NA
Information of share***						
Book value per share (Baht)	2.93	2.79	2.80	2.88	2.81	2.69
Earnings per share (Baht)	0.142	(0.220)	0.026	0.078	(0.100)	(0.130)

NA could not calculate in percentage or it will be approved on Annual General Meeting on April 23, 2020

Management Discussion and Analysis

1. Operation Results Analysis

1) Sales Income

The company and its subsidiaries earned sale incomes in year 2019 total Baht 3,313.35 Million which was decreased from the last year Baht 807.29 Million or 19.59%. This income resulted from average selling price of the main products decreased by 7.14% and the average selling volume of the main products in the year 2019 decreased by 10.86% from the last year. In addition, the company received additional income from producing and distributing biogas electricity to PEA for Baht 158.33 Million. The company also received special tax from the Board of Investment of Thailand in accordance with a provision under the Investment Promotion Act. B.E.1977.

Regarding CPI Agrotech Company Limited earned income from the selling of palm seedlings and seeds for the total amount of Baht 21.22 Million (Year 2018 : Baht 35.36 Million) which was decreased Baht 14.14 Million or 39.99%.

2) Sales Capital (Costs of Goods and Products)

The company and its subsidiaries had a total Baht 2,814.70 million in cost of sale & service income. It was decreased from the last year Baht 950.21 Million or 25.24%. The main reason was average cost of raw materials lower than last year.

3) Sales Expenses

The company and its subsidiaries had a total Baht 131.68 Million in sale expenses. It was decreased from the last year Baht 25.06 million or 15.99%. The main reason for this was because the cost for the distribution lowers in year 2018.

4) Sales Income Administration Expenses

The company and its subsidiaries had a total Baht 219.02 million in administration expenses. It was decreased from the last year Baht 7.54 million or 3.33%. The main reason for this came from expense of employees were decreased.

5) Financial Ratios**Liquidity Ratios***Current Ratio (times)*

The company and its subsidiaries had lower current ratio from 0.59 times in 2018 to 0.48 times in 2019. This resulted from the company and its subsidiaries in 2019 having 34.08% decreased in current assets because of inventory, receivable and fair value of biological assets less than last year and current liabilities were decreased 18.65% because of short term loan, trade and other payables and value added tax payable was lower.

Average Collection Period (days)

The company and its subsidiaries had the average collection period from 36.67 days in 2018 to 35.36 days in 2019.

Repayment Period (days)

The company and its subsidiaries had longer repayment period from 18.26 days in 2018 to 22.94 days in 2019. This was because more of credit was from equipment supplier.

Profitability*Gross Profits Ratio(%)*

The company and its subsidiaries had gross profit margin increased from 8.63% in 2018 to 15.05% in 2019 because of cost of product was decreased more than sale income was decrease.

Return on Equity (ROE) (%)

The company and its subsidiaries had a return on equity increased from (7.89%) in 2018 to 4.86% in 2019. This was because the company and its subsidiaries had net profit more than year 2018 total Baht 229.57 million or 164.66%.

Operation Efficiency Ratios*Return on Assets (ROA) (%)*

The company and its subsidiaries had a rate of return on assets increased from (3.07%) in 2018 to 2.24% in 2019. This was because the company and its subsidiaries had net profit more than year 2018 Baht 229.57 million or 164.66%.

Financial Policies Analysis Ratios*Debt to Equity Ratio (times)*

The company and its subsidiaries had Debt to Equity ratio decreased from 1.57 times in 2018 to 1.17 times in 2019. This was the company and its subsidiaries had total liabilities decreased 22.04% because less account payable in raw material supplier while shareholders' equity was increased 4.95%

Interest Coverage Ratio (times)

The company and its subsidiaries had Interest Coverage ratio increased from (0.98) times in 2018 to 2.39 times in 2019 because the company and its subsidiaries had net profits before finance cost and income increased from last year.

Management Discussion and Analysis

2. Financial Status Analysis

1) Assets

1.1) Components of the assets

The company and its subsidiaries had total assets as of December 31, 2019 total Baht 4,022.77 Million. These were divided into land lots, buildings and equipment total Baht 2,732.09 Million or 67.92% of all assets. Next up was bearer plants total Baht 392.55 Million, inventory total Baht 309.29 Million, trade accounts receivable and other receivables account total Baht 296.20 Million or 9.76%, 7.69% and 7.36% respectively of the total assets. The rest, including cash and cash equivalents, advance cash for land purchasing, biological asset, current asset and intangible assets total Baht 292.64 Million or 7.27% of the total assets.

1.2) Changes in Assets

Total assets of the company and its subsidiaries as of December 31, 2019 were decreased Baht 525.64 Million or 11.56% because of the following reasons:

- Inventories were decreased Baht 280.50 Million because raw material price was lower in quarter 4 of year 2019.
- Land lots, buildings and equipment were decreased Baht 116.59 Million because the depreciation.
- Trade receivables and other receivables were decreased Baht 58.45 Million because price of main product was decrease in December 2019.
- Cash and cash equivalents were decreased Baht 57.93 Million.
- Bearer plants were decreased Baht 10.81 Million.

2) Financial Liquidity

2.1) Cash Flow

The company and its subsidiaries had cash and cash equivalents as of December 31, 2019 total Baht 71.16 Million which was decrease of Baht 57.93 Million from the last year.

- Cash flow from operating activities: Cash was used in operating activities total Baht 605.47 Million. The main reason was because trade receivables and other account receivables were decreased Baht 58.49 Million, inventories were decreased Baht 280.56 Million, trade payables and other account payables were increased Baht 99.44 Million and value added tax payable was decrease Baht 6.42 Million.
- Cash flow from investing activities: Cash was used in various investing activities total Baht 74.27 Million to buy new equipment and machine total Baht 68.14 Million and invested Baht 6.36 Million in palm oil replanting project.
- Cash flow from financing activities: Cash was used in financing activities total Baht 589.13 Million because paid to short-term loan Baht 249 Million, current portion of long-term loans Baht 272.60 Million and interest payment Baht 67.53 Million.

3) Fund Sources

3.1) Shareholders Equity

Shareholders' equity of the company and its subsidiaries as of December 31, 2019 total Baht 1,853.93 Million which was increased Baht 87.40 Million or 4.95% when compared to shareholders' equity as of December 31, 2018 total Baht 1766.53 Million because of the company and its subsidiary had comprehensive income for the year 2019 Baht 87.40 Million.

Book value per share as of December 31, 2019 was 2.93 and year 2018 was Baht 2.79.

3.2) Liabilities

3.2.1) Components of Liabilities

The company and its subsidiaries had total liabilities as of December 31, 2019 total Baht 2,168.84 Million. Part of the liabilities was short-termed loan from a financial institution of Baht 1,199 Million or 55.28%, long-termed loan with one year loan period Baht 364.72 Million or 16.82%, long-termed loan which must be paid off within one year Baht 270.60 Million or 12.47%, trade and other payables of Baht 128.79 Million or 5.94%, deferred income tax liabilities Baht 132.25 Million or 6.1%, cash paid for long-term employee benefits Baht 59.02 Million or 2.72%

Management Discussion and Analysis

3.2.2) Changes in Liabilities

The total amount of company and subsidiaries' liabilities as of December 31, 2019 was decreased Baht 613.04 Million or 22.04% because of the following reasons:

- Short-termed loans from financial were decreased Baht 249 Million or 17.20% because of paid to loan payment.
- Trade payables and other payables were decreased total Baht 101.18 Million or 44% because of bought CPO in December 2019 lower than December 2018.
- Long-termed loan which must be paid off within one year was decreased Baht 261.05 Million or 41.72% due to pay by installments.
- Deferred income tax liabilities were increased Baht 1.63 Million or 1.25%.
- VAT payable was decreased Baht 6.42 Million or 34.45%.

Note : Financial statements are shown in addendum, interested investors can learn more about the company and its issued securities from the annual registration statement or from 56-1 which is also listed in www.sec.or.th or on the company's website at www.cpi-th.com



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 from 1 January 2019 to 31 December 2019, which are prepared according to Generally Accepted Accounting Standards of Thailand. The Board of Directors has selected and consistently followed and appropriate 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 from 1 January 2019 to 31 December 2019 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 2019.



Mr. Banphot Hongthong
Chairman of the Board of Directors



Mr. Kritbhong Takviriyanan
Chief Executive Officer

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 2019, 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 four 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 2019 which is presented to Board of Directors for approval. Financial statement for 2019 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 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) 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 2019. 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.

- 5) Consider and appointed the risk management team and set scope of duties and responsibilities as follows;
 - 5.1) Suggest the risk management guideline relating to operation business of the company.
 - 5.2) Suggest the risk management plan throughout the organization.
 - 5.3) Monitor and evaluated the implementation of the risk management framework.
 - 5.4) Organize a meeting once a quarter to report to the Audit and Risk management committee.
 - 5.5) Perform other duties as assigned by the Audit and Risk management committee or the Board of directors.
- 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



Chumporn Palm Oil Industry Public Company Limited
and its subsidiaries
Report and consolidated financial statements
31 December 2019

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 Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2019, 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 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 Public Company Limited and its subsidiaries and of Chumporn Palm Oil Public Company Limited as at 31 December 2019, 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.

Independent Auditor's Report

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.

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 controls.
- 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 period-end.
- Performing analytical procedures on disaggregated data by customer and by product to detect possible irregularities in sales transactions throughout the period.

Biological assets

The Group is required to record biological assets at their fair value less cost to sell, as described in Note 5.5 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.

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.

Independent Auditor's Report

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.

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.
- 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: 17 February 2020

Financial Statement

Chumphorn Palm Oil Industry Public Company Limited and its subsidiaries

Statement of financial position

As at 31 December 2019

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
Assets					
Current assets					
Cash and cash equivalents	8	71,163,423	129,095,278	53,044,879	97,581,910
Trade and other receivables	7,9	296,200,973	354,648,375	314,764,484	413,385,046
Short-term loans to related parties	7	-	-	398,500,000	294,000,000
Inventories	10	309,294,035	589,791,703	281,413,232	576,721,396
Biological assets	11	41,601,095	54,326,335	22,303,234	27,064,287
Prepaid expenses		21,347,612	12,811,789	21,347,612	12,781,236
Other current assets	12	29,459,287	25,928,221	23,133,602	12,695,857
Total current assets		769,066,425	1,166,601,701	1,114,507,043	1,434,229,732
Non-current assets					
Investment in joint venture	13	461,789	-	490,000	-
Investments in subsidiaries	14	-	-	214,799,938	219,049,950
Property, plant and equipment	15	2,732,090,798	2,848,679,075	1,600,553,735	1,680,081,186
Bearer plants	16	392,547,361	403,358,818	390,008,600	399,517,431
Intangible assets	17	3,896,399	5,072,889	3,577,520	4,691,119
Advances for purchasing of land	18	124,007,750	124,007,750	124,007,750	124,007,750
Deposits		684,688	684,688	206,688	206,688
Total non-current assets		3,253,688,785	3,381,803,220	2,333,644,231	2,427,554,124
Total assets		4,022,755,210	4,548,404,921	3,448,151,274	3,861,783,856

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 2019

		(Unit: Baht)			
		Consolidated financial statements		Separate financial statements	
	Note	2019	2018	2019	2018
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from banks	19	1,199,000,000	1,448,000,000	1,090,000,000	1,340,000,000
Trade and other payables	7, 20	128,791,088	229,973,029	102,069,699	188,742,948
Current portion of long-term loans	21	270,600,000	282,150,000	136,600,000	148,150,000
Value added tax payable		12,221,762	18,643,864	10,887,297	11,304,917
Other current liabilities		2,237,252	3,821,307	1,809,828	3,428,735
Total current liabilities		1,612,850,102	1,982,588,200	1,341,366,824	1,691,626,600
Non-current liabilities					
Long-term loans, net of current portion	21	364,720,000	625,770,000	100,720,000	227,770,000
Deferred tax liabilities	27	132,248,647	130,621,458	130,938,194	128,022,413
Provision for long-term employee benefits	22	59,017,767	42,892,327	51,869,751	38,351,245
Total non-current liabilities		555,986,414	799,283,785	283,527,945	394,143,658
Total liabilities		2,168,836,516	2,781,871,985	1,624,894,769	2,085,770,258
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	23	32,345,939	32,345,939	32,345,939	32,345,939
Unappropriated		118,481,811	31,096,053	89,133,622	41,890,715
Other components of shareholders' equity	24	645,371,642	645,371,642	644,057,642	644,057,642
Total shareholders' equity		1,853,918,694	1,766,532,936	1,823,256,505	1,776,013,598
Total liabilities and shareholders' equity		4,022,755,210	4,548,404,921	3,448,151,274	3,861,783,856

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

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Directors

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Financial Statement

Chumphorn Palm Oil Industry Public Company Limited and its subsidiaries

Statement of comprehensive income

For the year ended 31 December 2019

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2019	2018	2019	2018
Profit or loss:					
Revenues					
Sales	25, 30	3,313,348,667	4,112,338,150	3,272,684,703	4,115,628,275
Service income		-	8,300,553	-	8,300,553
Gain on exchange		16,434	-	-	-
Dividend income	14	-	-	49,659,992	212,009,967
Other income		22,888,900	10,935,838	35,187,855	22,387,206
Total revenues		3,336,254,001	4,131,574,541	3,357,532,550	4,358,326,001
Expenses					
Cost of sales		2,814,701,865	3,760,080,273	2,934,181,708	3,986,390,032
Cost of services		-	4,830,147	-	4,830,147
Selling and distribution expenses		131,681,725	156,743,864	128,659,225	149,946,633
Administrative expenses		219,018,590	226,562,421	185,393,605	186,797,549
Loss on palm oil future contracts		-	46,985,304	-	46,985,304
Loss on impairment of investments in subsidiaries		-	-	5,000,000	-
Loss on change in fair value of biological assets		10,530,482	4,770,381	4,761,052	99,053
Loss on exchange		1,373,880	97,510	1,373,880	97,511
Total expenses		3,177,306,542	4,200,069,900	3,259,369,470	4,375,146,229
Gain (loss) before share of loss from investment in joint venture		158,947,459	(68,495,359)	98,163,080	(16,820,228)
Share of loss from investment in joint venture		(28,211)	-	-	-
Profit (loss) before finance cost and income tax		158,919,248	(68,495,359)	98,163,080	(16,820,228)
Finance cost		(66,468,850)	(69,858,419)	(45,240,475)	(44,158,485)
Profit (loss) before income tax		92,450,398	(138,353,778)	52,922,605	(60,978,713)
Income tax expense	27.2	(2,314,679)	(1,064,066)	(3,468,565)	(1,998,331)
Profit (loss) for the year		90,135,719	(139,417,844)	49,454,040	(62,977,044)
Other comprehensive income:					
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods:</i>					
Actuarial loss arising from defined benefit plan of employees	22	(3,437,451)	-	(2,763,916)	-
Less: Income tax effect	27.3	687,490	-	552,783	-
		(2,749,961)	-	(2,211,133)	-
Changes in revaluation surplus on assets		-	202,657,900	-	202,657,900
Less: Income tax effect		-	(40,531,580)	-	(40,531,580)
		-	162,126,320	-	162,126,320
Other comprehensive income for the year		(2,749,961)	162,126,320	(2,211,133)	162,126,320
Total comprehensive income for the year		87,385,758	22,708,476	47,242,907	99,149,276
Earning (loss) per share					
Basic earning (loss) per share					
Earning (loss) attributable to equity holders of the Company	29	0.142	(0.220)	0.078	(0.100)

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 2019

(Unit: Baht)

	Note	Consolidated financial statements						
		Issued and paid-up share capital	Share premium	Capital reserve for share-based payment transactions	Retained earnings		Other components of shareholders' equity	
					Appropriated - statutory reserve	Unappropriated	Other comprehensive income - revaluation surplus on land	Total other components of shareholders' equity
Balance as at 1 January 2018		632,752,650	412,309,890	12,437,309	32,345,939	195,824,003	483,245,322	1,768,915,113
Loss for the year		-	-	-	-	(139,417,844)	-	(139,417,844)
Other comprehensive income for the year		-	-	-	-	-	162,126,320	162,126,320
Total comprehensive income for the year		-	-	-	-	(139,417,844)	162,126,320	22,708,476
Dividend paid	32	-	-	-	-	(25,310,106)	-	(25,310,106)
Share-based payment transactions		-	-	219,453	-	-	-	219,453
Balance as at 31 December 2018		632,752,650	412,309,890	12,656,762	32,345,939	31,098,053	645,371,642	1,766,532,936
Balance as at 1 January 2019		632,752,650	412,309,890	12,656,762	32,345,939	31,098,053	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	118,451,811	645,371,642	1,853,918,694

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

Financial Statement

Chumporn Palm Oil Industry Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the year ended 31 December 2019

		Separate financial statements					
	Issued and paid-up share capital	Share premium	Capital reserve for share-based payment transactions	Retained earnings	Other components of shareholders' equity		
Note				Appropriated - statutory reserve	Unappropriated	Other comprehensive income - revaluation surplus on land	Total other components of shareholders' equity
	632,752,650	412,309,890	12,437,309	32,345,939	130,177,865	481,931,322	481,931,322
Balance as at 1 January 2018							
Loss for the year	-	-	-	-	(62,977,044)	-	-
Other comprehensive income for the year	-	-	-	-	-	162,126,320	162,126,320
Total comprehensive income for the year	-	-	-	-	(62,977,044)	162,126,320	99,149,276
Dividend paid	-	-	-	-	(25,310,106)	-	(25,310,106)
Share-based payment transactions	-	-	219,453	-	-	-	219,453
Balance as at 31 December 2018	632,752,650	412,309,890	12,656,762	32,345,939	41,890,715	644,057,642	1,776,013,598
	632,752,650	412,309,890	12,656,762	32,345,939	41,890,715	644,057,642	1,776,013,598
Balance as at 1 January 2019							
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	1,823,256,505

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

Financial Statement

Chumporn Palm Oil Industry Public Company Limited and its subsidiaries

Cash flows statement

For the year ended 31 December 2019

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Cash flows from operating activities				
Profit (Loss) before tax	92,450,398	(138,353,778)	52,922,605	(60,978,713)
Adjustments to reconcile profit (loss) before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	202,252,942	210,193,177	151,948,102	162,084,008
Gain on sales of equipment	(160,588)	(500,044)	(166,759)	(3,562,462)
Reversal of allowance for doubtful debts	(44,000)	(83,700)	(44,000)	(48,000)
Reversal of reduction of cost of inventories to net realisable value	(58,465)	(1,961,784)	(58,465)	(1,961,784)
Share of loss from investment in joint venture	28,211	-	-	-
Impairment of investments in subsidiaries	-	-	5,000,000	-
Long-term employee benefits expenses	16,787,674	5,611,787	14,854,275	4,731,031
Loss on changes in fair value of biological assets	10,530,482	4,770,381	4,761,052	99,053
Unrealised loss on exchange	1,770,099	261,840	1,770,099	261,840
Expenses for share-based payment transactions	-	219,453	-	219,453
Dividend income	-	-	(49,659,992)	(212,009,967)
Interest income	(411,562)	(1,191,576)	(13,678,706)	(9,653,767)
Interest expenses	66,468,850	69,858,419	45,240,475	44,158,485
Profit (loss) from operating activities before changes in operating assets and liabilities	389,614,041	148,824,175	212,888,686	(76,660,823)
Operating assets (increase) decrease				
Trade and other receivables	58,491,386	130,408,115	101,294,013	114,878,635
Prepaid expenses	(8,535,822)	(5,992,385)	(8,566,375)	(6,021,079)
Inventories	280,556,134	9,110,512	295,366,629	15,177,211
Biological assets	2,194,758	(900,682)	-	-
Other current assets	(3,995,540)	(378,934)	(11,089,060)	384,108
Deposits	-	(58,518)	-	(58,518)
Dividend receivable	-	-	(61,119,990)	-
Operating liabilities increase (decrease)				
Trade and other payables	(99,440,784)	76,612,506	(85,359,483)	90,423,504
Value added tax payable	(6,422,102)	4,231,535	(417,620)	(2,674,057)
Other current liabilities	(1,584,055)	67,600	(1,618,907)	701,470
Cash paid for long-term employee benefits	(4,099,686)	(13,137,090)	(4,099,685)	(13,137,090)
Cash flows from operating activities	606,778,330	348,786,834	437,278,208	123,013,361
Cash paid for income tax	(1,305,587)	(2,610,139)	(1,118,769)	(2,139,091)
Net cash flows from operating activities	605,472,743	346,176,695	436,159,439	120,874,270

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

Financial Statement

Chumphorn Palm Oil Industry Public Company Limited and its subsidiaries

Cash flows statement (continued)

For the year ended 31 December 2019

			(Unit: Baht)	
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Cash flows from investing activities				
Interest received	411,562	1,191,576	11,049,239	7,245,331
Increase in short-term loans to related parties	-	-	(104,500,000)	(56,400,000)
Cash paid for investment in joint venture	(490,000)	-	(490,000)	-
Cash paid for investments in subsidiaries	-	-	(749,988)	(5,987,508)
Acquisitions of plant and equipment	(68,143,441)	(117,848,863)	(55,041,966)	(93,305,640)
Proceeds from sales of equipment	453,588	545,852	188,054	3,608,273
Increase in bearer plants	(6,359,463)	(23,242,718)	(7,319,190)	(23,144,372)
Acquisitions of intangible assets	(146,981)	(216,000)	(138,526)	(214,000)
Cash received from dividend income	-	-	110,779,982	150,889,977
Net cash flows used in investing activities	(74,274,735)	(139,570,153)	(46,222,395)	(17,307,939)
Cash flows from financing activities				
Increase (decrease) in short-term loans from banks	(249,000,000)	195,000,000	(250,000,000)	140,000,000
Repayment of long-term loans	(272,600,000)	(272,600,000)	(138,600,000)	(138,600,000)
Dividend payment	-	(25,310,106)	-	(25,310,106)
Cash paid for interest expenses	(67,529,863)	(70,919,790)	(45,874,075)	(44,771,451)
Net cash flows used in financing activities	(589,129,863)	(173,829,896)	(434,474,075)	(68,681,557)
Net increase (decrease) in cash and cash equivalents	(57,931,855)	32,776,646	(44,537,031)	34,884,774
Cash and cash equivalents at beginning of year	129,095,278	96,318,632	97,581,910	62,697,136
Cash and cash equivalents at end of year (Note 8)	71,163,423	129,095,278	53,044,879	97,581,910
	-	-	-	-
Supplemental cash flows information:				
Non-cash transactions				
Surplus on land revaluation	-	202,657,900	-	202,657,900
Actuarial loss arising from defined benefit plan of employees	3,437,451	-	2,763,916	-
Purchases of equipment which had yet been paid increase (decrease)	(680,167)	2,999,959	(680,167)	2,999,959
Transfer assets under installation to intangible assets	238,511	403,212	238,511	403,212

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 2019****1. General information**

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 branches are located at No. 1168/91 Lumpini Tower, 30th Floor, Rama 4 Road, Thung Maha Mek, Sathorn, Bangkok.

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 dated 11 October 2016, 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”):

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2019	2018
			%	%
CPI Agrotech Co., Ltd.	Production and distribution of palm seeds and palm sprouts	Thailand	100	100

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Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2019	2018
			%	%
CPP Co., Ltd.	Production and distribution of palm oil and production and distribution of electricity from biogas	Thailand	100	100
CPI Trading Co., Ltd.	Trading of vegetable oil	Thailand	100	100
CPI Glow Co., Ltd. (Registered the liquidation on 9 January 2020)	Production and distribution of electricity	Thailand	-	100
CPI Green Co., Ltd.	Production and distribution of biodiesel	Thailand	100	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 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 have adopted the revised (revised 2018) and new financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2019. 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 Company's and its subsidiaries' financial statements. However, the new standard involves changes to key principles, which are summarised below:

TFRS 15 Revenue from Contracts with Customers

TFRS 15 supersedes the following accounting standards together with related interpretations.

TAS 11 (revised 2017)	Construction Contracts
TAS 18 (revised 2017)	Revenue
TSIC 31 (revised 2017)	Revenue - Barter Transactions Involving Advertising Services
TFRIC 13 (revised 2017)	Customer Loyalty Programmes
TFRIC 15 (revised 2017)	Agreements for the Construction of Real Estate
TFRIC 18 (revised 2017)	Transfers of Assets from Customers

Entities are to apply this standard to all contracts with customers unless those contracts fall within the scope of other standards. The standard establishes a five-step model to account for revenue arising from contracts with customers, with revenue being recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The standard requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model.

The Group adopted TFRS 15 which the presentation of comparative information was not restated. The Group elect to apply the following practical expedients.

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- Not restate completed contracts as at 1 January 2019 for which the entity has transferred all of the goods or services identified in accordance with the previous accounting policy;

The effect of the presentation regarding with the TFRS 15 Revenue from Contracts with Customers is described in Note 4.

(b) Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2020

The Federation of Accounting Professions issued a number of new and revised 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 except the following new standards which involve 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
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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. These include stipulations regarding the presentation and disclosure of financial instruments. When the TFRSs related to financial instruments are effective, some accounting standards, interpretations and guidance which are currently effective will be cancelled.

The management of the Group expects the adoption of these accounting standards to result in the following adjustments.

- Recognition of credit losses - The Group is to recognise 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 is to initially recognise derivatives at their fair value on the contract date and subsequently measure them at fair value at the end of each reporting period. Changes in the fair value of derivatives are recognised in profit or loss. However, the Group is currently considering application of hedge accounting for certain derivatives

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 using similar principles to those used under TAS 17.

The Group plans to adopt TFRS 16 using the modified retrospective method of adoption of which the cumulative effect is recognised as an adjustment to the retained earnings as at 1 January 2020, and the comparative information was not restated.

The management of the Group expects the effect of the adoption of this accounting standard to the statement of financial position as at 1 January 2020 to be to increase the Group's assets by approximately Baht 7 million (the Company only: approximately Baht 7 million) and the Group's liabilities by approximately Baht 7 million (the Company only: approximately Baht 7 million).

4. Effects of changes in accounting policies due to the adoption of new financial reporting standard

As described in Note 3 a) to the financial statements, during the year, the Group have adopted TFRS 15 which the presentation of comparative information was not restated.

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The amounts of adjustments affecting the statements of comprehensive income for the year 2019 are summarised below.

(Unit: Million Baht)

	For the year ended 31 December 2019					
	Consolidated financial statements			Separate financial statements		
	Previous accounting policy			Previous accounting policy		
		Decrease	TFRS 15		Decrease	TFRS 15
Statement of comprehensive income						
Profit or loss:						
Sales of goods	3,323	(10)	3,313	3,283	(10)	3,273
Selling and distribution expenses	142	(10)	132	139	(10)	129

The nature of these adjustments are described below:

- Considerations paid to customers in accordance with traditional business practice. The Group have determined that there are some commercial terms and considerations payable to customers as a result of determining the price with customers. As a result, the Group may have to make payment or provide special discounts to customers, especially modern trade customers, and these amounts should be recognised net with sales of the year. Previously, they were recognised and classified as selling expenses.

5. Significant accounting policies

5.1 Revenue recognition

Sales of goods

Revenue from sales of goods are recognised at the point in time when control of the asset is transferred to the customer, generally on 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.

Rendering of services

Service revenue is recognised at a point in time upon completion of the service.

Interest income

Interest income is recognised on an accrual basis based on the effective interest rate.

5.2 Cash and cash equivalents

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

5.3 Trade and other accounts receivable

Trade and other accounts receivable are stated at the net realisable value. Allowance for doubtful debts 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.

5.4 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 charged to production costs whenever consumed.

5.5 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 measured reliably, this biological assets shall be measured at its cost less any accumulated depreciation and any accumulated impairment losses. Once the fair value of such a biological assets becomes reliably measurable, the Group shall measure it at its fair value less costs to sell.

The agricultural produce is included in inventories.

5.6 Investments

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

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

5.7 Property, plant and equipment and 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 assets, the increase is credited directly to the other comprehensive income and the cumulative increase is recognised 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 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	-	5 - 40 years
Buildings	-	10 - 40 years
Building improvement	-	10 years
Machinery and equipment	-	5 - 40 years
Tools and factory equipment	-	5 - 30 years
Motor vehicles	-	5 years
Furniture, fixtures and office equipment	-	5 - 10 years

Depreciation is included in determining income.

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

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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 Bearer plants

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

Amortisation is calculated by reference to cost 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

The amortisation is included in determining income.

No amortisation is provided on bearer plant not ready for harvest.

5.9 Intangible assets and amortisation

Intangible assets acquired 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 useful 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 are 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

5.10 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

5.11 Related party transactions

Related parties comprise enterprises and individuals 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, and key management personnel, directors and officers with authority in the planning and direction of the Company's operations.

5.12 Long-term leases

Leases of 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.

5.13 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also the Company's functional currency. Items included in the consolidated financial statements of each entity are measured using that 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.

5.14 Impairment of assets

At the end of each reporting period, the Group perform impairment reviews in respect of the property, plant and equipment, 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.

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.

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5.15 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, 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 have obligations in respect of the severance payments they must make to employees upon retirement, both under labor law and as agreed with the employees. The Group treat 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 post-employment benefits are recognised immediately in other comprehensive income.

5.16 Provisions

Provisions are recognised when the Group have 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.

5.17 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.

5.18 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 recognise deferred tax liabilities for all taxable temporary differences while they recognise 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 review and reduce 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 record deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

5.19 Derivatives**Forward exchange contracts**

Receivables and payables arising from forward exchange contracts are translated into Baht at the rates of exchange ruling at the end of reporting period. Unrealised gains and losses from the translation are included in determining income. Premiums or discounts on forward exchange contracts are amortised on a straight-line basis over the contract periods.

Interest rate swap contracts

The net amount of interest to be received from or paid to the counterparty under an interest rate swap contract is recognised as income or expenses on an accrual basis.

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 apply a quoted market price in an active market to measure their 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 measure 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 observable 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 determine 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. The significant accounting judgements and estimates are as follows:

Allowance for doubtful debts

In determining an allowance for doubtful debts, the management needs to make judgement and estimates based upon, among other things, debt collection experience, aging profile of outstanding debts and the prevailing economic condition.

Biological assets

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

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.

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 Company's and its subsidiaries' 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.

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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 temporary differences between tax base and accounting base of assets and liabilities at the end of reporting date to the extent that it is probable that taxable profit will be available against which deferred tax assets 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. However, actual post-retirement costs may ultimately differ from these estimates.

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 Trading Co., Ltd.	Subsidiary
CPI Glow Co., Ltd.	Subsidiary (Registered the dissolution on 30 September 2019 and registered the liquidation on 9 January 2020)
CPI Green Co., Ltd.	Subsidiary
C K Trading (1965) Co., Ltd.	Joint venture
Khonburi Sugar Public Company Limited	Common directors/shareholders

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 Company and those related parties.

	(Unit: Million Baht)		
	Separate financial statements		Transfer pricing policy
	2019	2018	
<u>Transactions with subsidiaries</u> (eliminated from the consolidated financial statements)			
Sales	136	208	Market price
Rental income	1	2	Monthly fees of Baht 0.03 - 0.13 million
Interest income	14	9	2.70% - 4.75% per annum and rate charged on call borrowings from a bank plus 0.5% per annum
Dividend income	50	212	As declared
Purchase of raw materials	736	1,285	Market price
Purchase of assets	3	-	Market price
Sale of equipment	-	3	Market price

(Unit: Million Baht)				
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
<u>Transactions with related company</u>				
Purchase finished goods	1	-	-	-
				Market price

The balances of the accounts as at 31 December 2019 and 2018 between the Company and these related parties are as follows:

(Unit: Thousand Baht)		
	Separate financial statements	
	2019	2018
Trade account receivable - related party (Note 9)		
Subsidiary (eliminated from consolidated financial statements)	30,129	14,174
Other receivables - related parties (Note 9)		
Subsidiaries (eliminated from consolidated financial statements)	9,702	9,690
Accrued dividend income - related party (Note 9)		
Subsidiary (eliminated from consolidated financial statements)	-	61,120
Short-term loans to related parties		
Subsidiaries (eliminated from consolidated financial statements)	398,500	294,000

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		(Unit: Thousand Baht)	
		Separate financial statements	
		2019	2018
Interest receivables - related parties (Note 9)			
Subsidiaries (eliminated from consolidated financial statements)		5,059	2,429
Trade account payable - related party (Note 20)			
Subsidiary (eliminated from consolidated financial statements)		14,442	25,996
Other payable - related party (Note 20)			
Subsidiary (eliminated from consolidated financial statements)		1,509	3,643

Loans to related parties

As at 31 December 2019 and 2018, the balance of loans between the Company and the related parties and the movement of such loans are as follows:

		(Unit: Thousand Baht)			
		Separate financial statements			
Loan to	Relationship	Balance as at	During the year		Balance as at
		1 January 2019	Increase	Decrease	31 December 2019
CPI Agrotech Co., Ltd.	Subsidiary	30,000	34,000	(27,000)	37,000
CPP Co., Ltd.	Subsidiary	264,000	282,500	(185,000)	361,500
Total		294,000	316,500	(212,000)	398,500

The above loans are unsecured and due at call. Interest is charged at rates of 2.73% - 4.75% per annum and interest rate charged on call borrowings from a bank plus 0.5% per annum.

Directors and management's benefits

During the years ended 31 December 2019 and 2018, the Group had employee benefit expenses payable to their directors and management recognised in profit or loss as below.

		(Unit: Thousand Baht)			
		Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
Short-term employee benefits		22,421	22,470	20,628	19,462
Post-employment and termination benefits		1,385	897	1,215	537
Share-based payment		-	50	-	50
Total		23,806	23,417	21,843	20,049

Guarantee obligations with related party

The Company had outstanding guarantee obligations with its subsidiary, as described in Note 33.4 a) to the financial statements.

8. Cash and cash equivalents

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
Cash	187	20,847	101	11,860
Bank deposits	70,976	108,248	52,944	85,722
Total	71,163	129,095	53,045	97,582

As at 31 December 2019, bank deposits in saving accounts carried interest at rates of 0.1% - 0.4% per annum (2018: between 0.10% - 0.38% per annum).

9. Trade and other receivables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
Trade receivable - related party				
Aged on the basis of due dates				
Not yet due	-	-	30,129	14,174
Total trade receivable - related party	-	-	30,129	14,174
Trade receivable - unrelated party				
Aged on the basis of due dates				
Not yet due	200,551	283,651	175,610	256,271
Past due				
Up to 1 month	89,882	59,840	88,670	59,423
1 - 3 months	949	6,944	906	6,444
3 - 6 months	910	1,379	910	1,379
6 - 12 months	532	410	532	160
Over 12 months	4,094	3,256	4,094	3,256
Total	296,918	355,480	270,722	326,933
Less: Allowance for doubtful debts	(2,769)	(2,813)	(2,769)	(2,813)
Total trade receivables - unrelated parties, net	294,149	352,667	267,953	334,120
Total trade receivables, net	294,149	352,667	298,082	338,294

Financial Statement

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Other receivables				
Other receivables - related parties	-	-	9,702	9,690
Accrued dividend income - related party	-	-	-	61,120
Interest receivables - related parties	-	-	5,059	2,429
Other receivables - unrelated parties	2,733	2,662	2,602	2,533
Total	2,733	2,662	17,363	75,772
Less: Allowance for doubtful debts	(681)	(681)	(681)	(681)
Total other receivables - net	2,052	1,981	16,682	75,091
Total trade and other receivables - net	296,201	354,648	314,764	413,385

10. Inventories

(Unit: Thousand Baht)

	Consolidated financial statements					
			Reduce cost to net			
	Cost		realisable value		Inventories – net	
	2019	2018	2019	2018	2019	2018
Finished goods	138,297	215,098	-	(58)	138,297	215,040
Raw materials	111,580	330,622	-	-	111,580	330,622
Work in process	96	25,281	-	-	96	25,281
Spare parts and factory supplies	59,321	18,849	-	-	59,321	18,849
Total	309,294	589,850	-	(58)	309,294	589,792

(Unit: Thousand Baht)

	Separate financial statements					
			Reduce cost to net			
	Cost		realisable value		Inventories – net	
	2019	2018	2019	2018	2019	2018
Finished goods	138,297	215,098	-	(58)	138,297	215,040
Raw materials	109,421	329,866	-	-	109,421	329,866
Work in process	96	96	-	-	96	96
Spare parts and factory supplies	33,599	31,719	-	-	33,599	31,719
Total	281,413	576,779	-	(58)	281,413	576,721

Movements in the allowance for diminution in value of inventories account during the years 2019 and 2018, which were presented as cost of sales, are summarised below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
Balance as at beginning of the year	58	2,020	58	2,020
Add: Reversal allowance for diminution in value of inventories during the year	(58)	(1,962)	(58)	(1,962)
Balance as at ending of the year	-	58	-	58

11. Biological assets

Movements of the biological assets account for the year ended 31 December 2019 and 2018 is summarised below.

	(Unit: Thousand Baht)		
	Consolidated		Separate
	financial statements		financial statements
	Palm seeds		
	Palm fruit	and palm	
	on trees	sprouts	Palm fruit on trees
Balance as at 1 January 2018	27,163	31,033	58,196
Gains arising from changes in fair value less costs to sell	159,139	24,734	183,873
Decrease due to sell	-	(28,505)	(28,505)
Decrease due to harvest	(159,238)	-	(159,238)
Balance as at 31 December 2018	27,064	27,262	54,326
Gains arising from changes in fair value less costs to sell	135,884	5,827	141,711
Decrease due to sell	-	(13,791)	(13,791)
Decrease due to harvest	(140,645)	-	(140,645)
Balance as at 31 December 2019	22,303	19,298	41,601

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 estate cost, harvesting cost and transportation cost from estate.

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Weight of palm fruit on tree are based on random count data and estimated with references to the average weight for each age when harvest the palm fruit from historical information, including consideration on loss from planting.

Palm seeds, palm sprouts

Prices of palm seeds, and palm sprouts are estimated based on selling price less estimated selling expense such as transportation cost selling price

Quantity of palm seeds and palm sprouts included consideration on loss from planting based on historical information

The result of sensitivity analysis for significant assumptions that affect the fair value of biological assets as at 31 December 2019 and 2018 are summarised below:

(Unit: Million Baht)

	Consolidated financial statements			
	2019		2018	
	Increase by	Decrease by	Increase by	Decrease by
	10 percent	10 percent	10 percent	10 percent
Price of palm fruit at the point of harvest	2	(2)	3	(3)
Weight of palm fruit	2	(2)	3	(3)
Price of palm seeds and palm sprouts	1	(1)	3	(3)
Quantity of palm seeds and palm sprouts	1	(1)	3	(3)

(Unit: Million Baht)

	Separate financial statements			
	2019		2018	
	Increase by	Decrease by	Increase by	Decrease by
	10 percent	10 percent	10 percent	10 percent
Price of palm fruit at the point of harvest	2	(2)	3	(3)
Weight of palm fruit	2	(2)	3	(3)

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12. Other current assets

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
Amounts placed for trading of				
palm oil future contracts	14,736	5,207	14,736	5,207
Others	14,723	20,721	8,398	7,489
Total other current assets	<u>29,459</u>	<u>25,928</u>	<u>23,134</u>	<u>12,696</u>

13. Investment in joint venture

Details of investment in joint venture as presented in financial statements as at 31 December 2019 and 2018 are as follows:

					(Unit: Thousand Baht)			
		Country of incorporation	Shareholding		Consolidated		Separate	
			percentage		financial statements		financial statements	
Company's name	Nature of business		Carrying amounts based on equity method		Carrying amounts based on cost method			
			2019	2018	2019	2018	2019	2018
			(%)	(%)				
<u>Held by the Company</u>								
C K Trading (1965) Company Limited	Conduct an agent business of selling consumer goods	Thailand	49.00	-	462	-	490	-
<u>Total</u>					<u>462</u>	<u>-</u>	<u>490</u>	

On 9 August 2019, the Board of Directors' meeting of the Company approved the joint investment with a listed company ("the co-investor") by establishing a new company named C K Trading (1965) Co., Ltd. to conduct an agent business of selling consumer goods and to provide marketing and advertising services to promote products to individuals and juristic persons. Such company was registered with the Ministry of Commerce on 2 September 2019. Its registered share capital is Baht 1,000,000 (10,000 ordinary shares with a par value of Baht 100 each). Both parties in this joint investment are to invest in an equal proportion of 49%.

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14. Investments in subsidiaries

Details of investments in subsidiaries as presented in the separate financial statements as at 31 December 2019 and 2018 are as follows:

(Unit: Thousand Baht)

Company's name	Called-up capital		Shareholding percentage		Cost		Allowance for impairment of investments		Investment-net		Dividend received	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
			(%)	(%)								
CPI Agrotech Co., Ltd.	15,000	15,000	100	100	15,000	15,000	(5,000)	-	10,000	15,000	-	-
CPP Co., Ltd.	191,000	191,000	100	100	191,000	191,000	-	-	191,000	191,000	49,660	212,010
CPI Trading Co., Ltd.	1,300	50	100	100	1,300	50	-	-	1,300	50	-	-
CPI Glow Co., Ltd.	-	13,000	-	100	-	13,000	-	-	-	13,000	-	-
CPI Green Co., Ltd.	12,500	-	100	-	12,500	-	-	-	12,500	-	-	-
Total					219,800	219,050	(5,000)	-	214,800	219,050	49,660	212,010

In April 2019, CPI Trading Co., Ltd. issued 500,000 new ordinary shares to offer to the existing shareholders in proportion of their shareholding at par value of Baht 10 per share and called up 25%, or totaling Baht 1.25 million. The Company purchased the new shares for a total of Baht 1.25 million in order to maintain 100% interest in share capital of that company.

On 1 August 2019, the meeting of the Board of Directors of CPP Co., Ltd. passed a resolution proposing that the interim dividend for 19,100,000 shares of Baht 2.60 per share, totaling Baht 49.66 million, to be paid to the existing shareholders in respect of retained earnings as at 30 June 2019.

On 9 August 2019, the meeting of the Company's Board of Directors No. 3/2019 passed a resolution to restructure the Company's shareholding in the subsidiary, by transferring 4,999,995 shares of CPI Green Co., Ltd. with the par value of Baht 10 per share and already called Baht 2.5 per share from CPI Glow Co., Ltd. to the Company at a selling price of Baht 2.5 per share or a total of Baht 12.5 million. The Company already paid of such shares.

On 27 September 2019, the Extraordinary General Meeting of shareholders of CPI Glow Co., Ltd. approved the dissolution. This company registered its dissolution with the Ministry of Commerce on 30 September 2019, and then registered its liquidation on 9 January 2020. The Company recognized the loss on dissolution of its subsidiary of Baht 0.4 million in profit or loss statement.

15. Property, plant and equipment

(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									
1 January 2018	705,574	390,101	694,094	2,679,533	62,446	165,676	112,062	31,715	4,841,201
Additions	-	385	-	25,502	1,994	21,046	9,117	62,805	120,849
Disposals	-	-	-	(1,111)	(197)	(15,399)	(110)	-	(16,817)
Transferred in (out)	-	5,395	2,319	13,957	2,131	10,061	39	(33,902)	-
Transferred to intangible assets	-	-	-	-	-	-	-	(403)	(403)
Revaluations	202,658	-	-	-	-	-	-	-	202,658
31 December 2018	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	1,569	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)
31 December 2019	908,232	411,173	703,601	2,767,370	69,825	186,836	124,723	37,914	5,209,674
Accumulated depreciation									
1 January 2018	-	135,562	300,878	1,424,348	39,816	133,920	84,113	-	2,118,637
Depreciation charged for the year	-	15,456	24,158	130,817	5,287	14,175	7,053	-	196,946
Depreciation on disposals	-	-	-	(1,106)	(188)	(15,399)	(81)	-	(16,774)
31 December 2018	-	151,018	325,036	1,554,059	44,915	132,696	91,085	-	2,298,809
Depreciation charged 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)
31 December 2019	-	166,729	348,928	1,673,157	49,935	141,214	97,620	-	2,477,583
Net book value									
31 December 2018	908,232	244,863	371,377	1,163,822	21,459	48,688	30,023	60,215	2,848,679
31 December 2019	908,232	244,444	354,673	1,094,213	19,890	45,622	27,103	37,914	2,732,091
Depreciation for the year									
2018 (Baht 184 million included in manufacturing cost, and the remaining balance in administrative expenses)									196,946
2019 (Baht 160 million included in manufacturing cost, and the remaining balance in administrative expenses)									183,520

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(Unit: Thousand Baht)

Separate financial statements

	Revaluation basis	Cost basis							Total
	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	
Cost / Revalued amount									
1 January 2018	702,381	270,708	442,481	1,843,427	48,459	140,256	97,602	37,728	3,583,042
Additions	-	-	-	24,550	1,276	18,993	8,829	42,656	96,304
Disposals	-	-	-	(1,111)	(197)	(15,399)	(110)	-	(16,817)
Transferred in (out)	-	5,395	1,906	12,485	1,928	10,061	39	(31,812)	-
Transferred to intangible assets	-	-	-	-	-	-	-	(403)	(403)
Revaluations	202,658	-	-	-	-	-	-	-	202,658
31 December 2018	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)
31 December 2019	905,039	291,310	450,970	1,922,046	54,446	161,498	109,215	21,768	3,916,292
Accumulated depreciation									
1 January 2018	-	133,395	291,970	1,391,738	36,270	120,173	78,683	-	2,052,229
Depreciation charged for the year	-	12,371	16,383	100,496	3,588	10,412	5,544	-	149,249
Depreciation on disposals	-	-	-	(1,106)	(189)	(15,399)	(81)	-	(16,775)
31 December 2018	-	145,766	308,808	1,491,128	39,669	115,186	84,146	-	2,184,703
Depreciation charged 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)
31 December 2019	-	158,379	325,347	1,577,802	43,101	121,786	89,323	-	2,315,738
Net book value									
31 December 2018	905,039	130,337	135,579	388,223	11,795	38,725	22,214	48,169	1,680,081
31 December 2019	905,039	132,931	125,623	344,244	11,345	39,712	19,892	21,768	1,600,554
Depreciation for the year									
2018 (Baht 141 million included in manufacturing cost, and the remaining balance in administrative expenses)									149,249
2019 (Baht 116 million included in manufacturing cost, and the remaining balance in administrative expenses)									133,630

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".

A breakdown of land carried on the revaluation basis is as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
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 2019, 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 1,434 million (2018: Baht 1,245 million).

16. Bearer Plants

	(Unit: Thousand Baht)			
	Consolidated financial statements			Total
	Palm trees ready for harvest	Palm trees not ready for harvest	Coconut trees not ready for harvest	
Cost				
1 January 2018	311,205	115,892	313	427,410
Additions	-	23,144	98	23,242
31 December 2018	311,205	139,036	411	450,652
Additions	-	6,227	132	6,359
Transfer in (out)	138,751	(138,751)	-	-
31 December 2019	449,956	6,512	543	457,011

Financial Statement

(Unit: Thousand Baht)

	Consolidated financial statements			
	Palm trees ready for harvest	Palm trees not ready for harvest	Coconut trees not ready for harvest	Total
Accumulated amortisation				
1 January 2018	35,570	-	-	35,570
Amortisation charged for the year	11,723	-	-	11,723
31 December 2018	47,293	-	-	47,293
Amortisation charged for the year	17,171	-	-	17,171
31 December 2019	64,464	-	-	64,464
Net book value				
31 December 2018	263,912	139,036	411	403,359
31 December 2019	385,492	6,512	543	392,547
Amortisation for the year (included in manufacturing cost)				
2018				11,723
2019				17,171

(Unit: Thousand Baht)

	Separate financial statements		
	Palm trees ready for harvest	Palm trees not ready for harvest	Total
Cost			
1 January 2018	306,543	115,892	422,435
Additions	-	23,144	23,144
31 December 2018	306,543	139,036	445,579
Additions	-	7,319	7,319
Transfer in (out)	137,312	(137,312)	-
31 December 2019	443,855	9,043	452,898
Accumulated amortisation			
1 January 2018	34,681	-	34,681
Amortisation charged for the year	11,381	-	11,381
31 December 2018	46,062	-	46,062
Amortisation charged for the year	16,827	-	16,827
31 December 2019	62,889	-	62,889

(Unit: Thousand Baht)

	Separate financial statements		
	Palm trees ready for harvest	Palm trees not ready for harvest	Total
Net book value			
31 December 2018	260,481	139,036	399,517
31 December 2019	380,966	9,043	390,009
Amortisation for the year (included in manufacturing cost)			
2018			11,381
2019			16,827

As at 31 December 2019, palm trees costing a total net book value of Baht 6 million (2018: Baht 6 million) were located on land which the Company had only occupancy rights.

17. Intangible assets

The net book value of intangible assets which is computer software as at 31 December 2019 and 2018 are presented below.

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate financial statements	
	2019	2018	2019	2018
Cost	23,844	23,459	23,274	22,896
Less: Accumulated amortisation	(19,948)	(18,386)	(19,696)	(18,205)
Net book value	3,896	5,073	3,578	4,691

Financial Statement

A reconciliation of the net book value of intangible assets for the years 2019 and 2018 are presented below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
Net book value at beginning of year	5,072	5,981	4,691	5,530
Acquisition of computer software	147	215	139	214
Transferred from assets under installation	239	403	239	403
Disposal - net book value at disposal date	-	(3)	-	(3)
Amortisation for the year	(1,562)	(1,523)	(1,491)	(1,453)
Net book value at end of year	3,896	5,073	3,578	4,691

Amortisation was included in administrative expenses in profit or loss.

18. Advances for purchasing of land

In February 2011, the Company entered into an agreement to purchase and to sell land with a Thai company, to purchase land for Baht 124 million. As at 31 December 2019 and 2018, the Company has made full payment of the purchase price. At the present, the Company is considering alternatives for utilization, so the transfer of right has yet to be made.

19. Short-term loans from banks

	Interest rate (percent per annum)	(Unit: Thousand Baht)			
		Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
Short-term loans from banks	2.20 - 2.63 (2018: 2.20 - 2.78)	1,199,000	1,448,000	1,090,000	1,340,000
Total		1,199,000	1,448,000	1,090,000	1,340,000

20. Trade and other payables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
Trade payable - related party	-	-	14,442	25,996
Trade payables - unrelated parties	58,422	107,951	52,689	104,513
Accrued expenses	17,426	34,037	14,635	25,164
Other payable - related party	-	-	1,509	3,643
Other payables - unrelated parties	52,943	87,985	18,795	29,427
Total trade and other payables	128,791	229,973	102,070	188,743

21. Long-term loans

			(Unit: Thousand Baht)			
Credit line	Interest rate (% per annum)	Repayment condition	Consolidated		Separate	
			financial statements		financial statements	
			2019	2018	2019	2018
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.	51,420	89,620	51,420	89,620
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	98,800	48,400	98,800
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	137,500	187,500	137,500	187,500
4) Credit line of Baht 800 million of the 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.	398,000	532,000	-	-
Total			635,320	907,920	237,320	375,920
Less: Current portion			(270,600)	(282,150)	(136,600)	(148,150)
Long-term loans, net of current portion			364,720	625,770	100,720	227,770

Financial Statement

Movement in the long-terms loans account during the year 2019 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Balance as at 1 January 2019	907,920	375,920
Less: Repayments	(272,600)	(138,600)
Balance as at 31 December 2019	635,320	237,320

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 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 years 2019 and 2018, the Group failed to comply with the condition to maintain the financial ratio in the loan agreements. However, the Group have been relieved to a fault condition of the financial ratio from the banks within 2019 and 2018. Thus, reclassification of long-term loans as at 31 December 2019 and 2018 are based on the normal payment terms specified in the loan agreements.

As at 31 December 2019 and 2018, the Group did not have long-term credit facilities that it has yet to draw 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 three commercial banks to swap interest rates as described in Note 35.

22. Provision for long-term employee benefits

Provision for long-term employee benefits, which represents compensation payable to employees after they retire from the Group, were as follows:

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	2019	2018	2019	2018
Provision for long-term employee benefits at beginning of year	42,892	50,418	38,351	46,757
Included in profit or loss:				
Current service cost	4,197	4,246	3,293	3,469
Interest cost	1,405	1,365	1,254	1,262
Past service cost from the change of labor law	11,187	-	10,308	-
Included in other comprehensive income:				
Actuarial loss arising from				
Financial assumptions changes	3,437	-	2,764	-
Benefits paid during the year	(4,100)	(13,137)	(4,100)	(13,137)
Provision for long-term employee benefits at end of year	59,018	42,892	51,870	38,351

On 5 April 2019, the Labor Protection Act (No. 7) B.E. 2562 was announced in the Royal Gazette. This stipulates additional legal severance pay rates for employees who have worked for an uninterrupted period of twenty years or more, with such employees entitled to receive not less than 400 days' compensation at the latest wage rate. The law is effective from 5 May 2019. This change is considered a post-employment benefits plan amendment and the Group have additional past service cost from the change of labor law in comprehensive income statement and long-term employee benefit liabilities of Baht 11 million (The Company only: Baht 10 million) as a result.

The Group expect to pay Baht 3 million of long-term employee benefits during the next year (separate financial statements: Baht 3 million) (2018: Baht 8 million (separate financial statements: Baht 8 million)).

As at 31 December 2019, the weighted average duration of the liabilities for long-term employee benefit is 13 years to 19 years (separate financial statements: 13 years) (2018: 13 years to 19 years (separate financial statements: 13 years)).

Financial Statement

Key actuarial assumptions used for the valuation are as follows:

	(Unit: % per annum)			
	Consolidated		Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
Discount rate	1.9 - 2.0	2.7 - 3.0	1.9 - 2.0	2.7 - 3.0
Future salary increase rate	3.5	3.5	3.5	3.5
Employee turnover rate (depending on age)	0.0 - 30.0	0.0 - 30.0	0.0 - 30.0	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 2019 and 2018 are summarised below:

	(Unit: Million Baht)			
	As at 31 December 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)

	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

	(Unit: Million Baht)			
	As at 31 December 2018			
	Consolidated financial statements		Separate financial statements	
	Increase 0.5%	Decrease 0.5%	Increase 0.5%	Decrease 0.5%
Discount rate	(1.86)	2.01	(1.59)	1.71
Salary increase rate	2.22	(2.11)	1.90	(1.82)

	Consolidated financial statements		Separate financial statements	
	Increase 10%	Decrease 10%	Increase 10%	Decrease 10%
Employee turnover rate	(1.58)	1.75	(1.45)	1.61

23. 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.

24. 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.

25. Revenue from contracts with customers

(Unit: Thousand Baht)				
	Consolidated		Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
Type of goods or service:				
Sale of palm oil products, palm sprouts and palm seeds	3,153,439	3,944,801	3,249,814	4,087,843
Sale of electricity	159,910	167,537	22,871	27,785
Services of palm oil refining	-	8,301	-	8,301
Total revenue from contracts with customers	3,313,349	4,120,639	3,272,685	4,123,929
Timing of revenue recognition:				
Revenue recognised at a point in time	3,153,439	3,944,801	3,249,814	4,087,843
Revenue recognised over time	159,910	175,838	22,871	36,086
Total revenue from contracts with customers	3,313,349	4,120,639	3,272,685	4,123,929

Set out below, is the reconciliation of the revenue from contracts with customers with the amounts disclosed in Note 30 relating to the segment information:

(Unit: Thousand Baht)				
	Consolidated		Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
External customers	3,313,349	4,120,639	3,136,564	3,915,711
Inter-segment	872,683	208,010	136,121	208,218
	4,186,032	4,328,649	3,272,685	4,123,929
Adjustments and eliminations	(872,683)	(208,010)	-	-
Total revenue from contracts with customers	3,313,349	4,120,639	3,272,685	4,123,929

Financial Statement

26. Expenses by nature

Significant expenses classified by nature are as follows:

			(Unit: Thousand Baht)	
	Consolidated		Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
Salaries, wages and other employee benefits	353,211	360,190	307,269	307,864
Depreciation and amortisation	202,253	210,193	151,948	162,084
Raw materials and consumables used	2,993,955	4,545,575	2,411,990	3,457,947
Changes in finished goods	(76,743)	(7,975)	(76,743)	(7,975)
Fuel and energy	78,815	73,867	59,525	52,971

27. Income tax

27.1 Deferred tax assets / liabilities

The components of deferred tax assets and deferred tax liabilities are as follows:

			(Unit: Thousand Baht)	
	Consolidated		Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
Deferred tax assets				
Provision for long-term employee benefits	10,449	7,612	10,374	7,670
Allowance for diminution in value of inventories	-	12	-	12
Unused tax losses	24,163	30,723	24,163	30,723
Total	34,612	38,347	34,537	38,405
Deferred tax liabilities				
Biological assets	5,518	7,625	4,461	5,413
Revaluation surplus on land	161,343	161,343	161,014	161,014
Total	166,861	168,968	165,475	166,427
Deferred tax liabilities - net	132,349	130,621	130,938	128,022

27.2 Income tax expenses

Income tax expenses for the years ended 31 December 2019 and 2018 are summarised as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
Current income tax:				
Corporate income tax charge for the year	-	-	-	-
Deferred tax:				
Relating to origination and reversal of temporary differences	2,315	1,064	3,469	1,998
Income tax expenses reported in the statements of comprehensive income	2,315	1,064	3,469	1,998

The reconciliation between accounting profit (loss) and income tax expenses are shown below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
Accounting profit (loss) before tax	92,465	(138,354)	52,923	(60,979)
Applicable tax rate	20%	20%	20%	20%
Accounting profit (loss) before tax multiplied by income tax rate	18,493	(27,671)	10,585	(12,195)
Effects of:				
Promotional privileges (Note 28)	(23,228)	(27,638)	-	-
Non-deductible expenses	3,696	1,359	2,899	1,259
Additional expense deductions allowed	(161)	(365)	(10,075)	(42,746)
Others	835	(698)	60	316
Unused tax losses which may not utilise	2,680	56,077	-	55,364
Income tax expenses reported in the statements of comprehensive income	2,315	1,064	3,469	1,998

Financial Statement

As at 31 December 2019, the Group had deductible temporary differences and unused tax losses totaling Baht 333 million (2018: Baht 317 million) (separate financial statement: Baht 297 million (2018: Baht 297 million)). No deferred tax assets have been recognised on these amounts as the Group believe that there is an uncertainty that deductible temporary differences will be utilised and future taxable profits may not be sufficient to allow utilisation of the unused tax losses. The above unused tax losses will expire by the year 2023.

27.3 Income tax relating to each component of other comprehensive income

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2019 and 2018 are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Deferred tax relating to income tax effect of:				
Actuarial losses arising from defined benefit plan of employees	688	-	553	-
Changes in revaluation surplus on assets	-	(40,531)	-	(40,531)
	<u>688</u>	<u>(40,531)</u>	<u>553</u>	<u>(40,531)</u>

28. Promotional privileges

The Board of Investment granted the Group promotional privileges under the Investment Promotion Act B.E. 2520. Subject to certain imposed conditions, significant privileges include the followings: -

Details	The Company	The Company	The Company	CPI Agrotech Co., Ltd.	CPP Co., Ltd.	CPP Co., Ltd.
1. Certificate No.	1025(2)/2548	1702(1)/2556	2644(1)/2556	2390(5)/2554	2548(2)/2557	59-1178-1-00-1-0
2. Promotional privileges for	Manufacture of vegetable oil	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 (Expired)	8 years	8 years	8 years	8 years	8 years
Details	The Company	The Company	The Company	CPI Agrotech	CPP Co., Ltd.	CPP Co., Ltd.

				Co., Ltd.		
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	Not granted	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	Granted
4. Date of approval	20 October 2004	19 February 2013	14 October 2013	20 September 2011	2 July 2013	13 July 2016
5. Date of first earning operating income	3 November 2005	Not start operations	29 September 2014	1 August 2013	2 March 2017	27 April 2017

The Group operating revenues for the years ended 31 December 2019 and 2018, divided between promoted and non-promoted operations, are summarised below.

(Unit: Thousand Baht)

Consolidated financial statements						
		Non-promoted				
		Promoted operations	operations		Total	
		2019	2018	2019	2018	2018
Sales						
Domestic sales		166,071	221,317	2,920,135	3,542,901	3,086,206
Export sales		-	-	227,143	348,120	227,143
Total		166,071	221,317	3,147,278	3,891,021	3,313,349

(Unit: Thousand Baht)

Separate financial statements						
		Non-promoted				
		Promoted operations	operations		Total	
		2019	2018	2019	2018	2018
Sales						
Domestic sales		21,249	22,614	3,024,293	3,744,894	3,045,542
Export sales		-	-	227,143	348,120	227,143
Total		21,249	22,614	3,251,436	4,093,014	3,272,685

Financial Statement

29. Earnings (loss) per share

Basic earnings (loss) per share is calculated by dividing profit (loss) 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 profit (loss) per share:

Consolidated financial statements					
Profit (loss) for the year		Weighted average number of ordinary shares		Profit (loss) per share	
2019	2018	2019	2018	2019	2018
(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)
Basic earnings (loss) per share					
Profit (loss) attributable to equity holders of the Company					
90,136	(139,418)	632,753	632,753	0.142	(0.220)
Separate financial statements					
Profit (loss) for the year		Weighted average number of ordinary shares		Profit (loss) per share	
2019	2018	2019	2018	2019	2018
(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)
Basic earnings loss per share					
Profit (loss) attributable to equity holders of the Company					
49,454	(62,977)	632,753	632,753	0.078	(0.100)

30. 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 are organised into business units based on its products and services and have 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 coconut sprouts segment, which produces and distributes palm seeds, palm sprouts and coconut sprouts.
- The electricity segment.

No operating segments have been aggregated to form the above reportable operating segments.

Financial Statement

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 operating segments for the years ended 31 December 2019 and 2018, respectively.

(Unit: Million Baht)

For the year ended 31 December 2019

	Palm oil products segment	Palm seeds, palm sprouts and coconut sprouts segment	The 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)	-
Interest income	14	-	-	14	(14)	-
Interest expenses	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

(Unit: Million Baht)

For the year ended 31 December 2018

	Palm oil products segment	Palm seeds, palm sprouts and coconut sprouts segment	The electricity segment	Total reportable segments	Adjustments and eliminations	Consolidated
Revenue from external customers	3,917	35	168	4,120	-	4,120
Inter-segment revenue	208	-	-	208	(208)	-
Interest income	9	-	-	9	(9)	-
Interest expenses	44	1	34	79	(9)	70
Depreciation and amortisation	145	3	63	211	(1)	210
Income tax (revenue) expenses	2	(1)	-	1	-	1
Segment profit (loss)	(199)	(4)	69	(134)	(5)	(139)

Financial Statement

Geographic information

The Group are operated in Thailand only. As a result, all of the revenues and assets as reflected in these financial statements pertain to the aforementioned geographical reportable segment.

Revenue from external customers is based on locations of the customers.

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	2019	2018
Revenue from external customers		
Thailand	3,086,206	3,764,218
Singapore	197,359	302,950
Other countries	29,784	45,170
Total	<u>3,313,349</u>	<u>4,112,338</u>

Major customers

For the year 2019, the Company had revenue from one major customer in amount of Baht 338 million (2018: one major customer in amount of Baht 421 million), arising from sales by the palm oil products segment.

31. Provident fund

The Group and their 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 2019 by the Group amounting to approximately Baht 4 million (2018: Baht 6 million), to the provident fund (the Company only: Baht 4 million (2018: Baht 5 million)) were recognised as expenses.

32. Dividend payment

Dividends	Approved by	Total dividends	Dividend per share
		(Thousand Baht)	(Baht)
Final dividends for 2017	Annual General Meeting of the shareholders on 26 April 2018	<u>25,310</u>	<u>0.04</u>

33. Commitments and contingent liabilities**33.1 Capital commitments**

As at 31 December 2019, the Group had capital commitments of approximately Baht 1 million (2018: Baht 5 million) (the Company only: Nil (2018: Baht 1 million)), relating to the acquisitions of machinery and equipment.

33.2 Operating lease commitments

The Group have entered into several lease agreements in respect of the lease of land and service agreements.

Future minimum lease payments required under operating lease agreements and service agreements were as follows.

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Payable within:				
1 year	2	4	2	2
2 to 5 years	5	4	5	3
More than 5 years	5	6	5	6

33.3 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.

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 2017	15 years 4 months	27 April 2017	4

Financial Statement

33.4 Bank guarantees

- a) As at 31 December 2019 and 2018, the Company has guaranteed bank credit facilities of its subsidiary amounting to Baht 1,026 million and USD 27 million.
- b) As at 31 December 2019 and 2018, 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:

	Consolidated		(Unit: Million Baht)	
	financial statements		Separate	
	2019	2018	2019	2018
Letters of guarantee for electricity usage	7	7	3	3
Letter of guarantee for power purchase agreement (PPA)	1	1	1	1
Total	8	8	4	4

33.5 Commitments related to advanced sale agreements

The Company entered into advanced sale agreements which specified quantity and selling price with local customers. As at 31 December 2019, the Company has sale value of Baht 148 million which the goods will be delivered during January - March 2020 (2018: Baht 110 million which the goods would be delivered during January 2019 - March 2019).

33.6 Commitment in respect of uncalled investments

The Group are committed to pay the uncalled portions of their investments in subsidiaries as follows:

	31 December 2019	31 December 2018
CPI Glow Co., Ltd.	-	37.00
CPI Green Co., Ltd.	37.50	37.50
CPI Trading Co., Ltd.	3.75	-

34. Fair value hierarchy

As at 31 December 2019, the Group had the assets and liabilities that were measured at fair value using different levels of inputs as follows:

(Unit: Million Baht)

Consolidated financial statements			
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	8	-	8

(Unit: Million Baht)

Separate financial statements			
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	2	-	2

As at 31 December 2018, the Group had the assets and liabilities that were measured at fair value using different levels of inputs as follows:

(Unit: Million Baht)

Consolidated financial statements			
Level 1	Level 2	Level 3	Total
Assets measured at fair value			
Biological assets	-	54	54
Land	908	-	908
Liabilities for which fair value are disclosed			
Derivatives			
Forward exchange contracts	0.1	-	0.1
Interest rate swap	6	-	6

Financial Statement

(Unit: Million Baht)

	Separate financial statements			Total
	Level 1	Level 2	Level 3	
Assets measured at fair value				
Biological assets	-	-	27	27
Land	-	905	-	905
Liabilities for which fair value are disclosed				
Derivatives				
Forward exchange contracts	-	0.1	-	0.1
Interest rate swap	-	2	-	2

35. Financial instruments

35.1 Financial risk management

Financial instruments of the Group, as defined under Thai Accounting Standard No. 107 “Financial Instruments: Disclosure and Presentations”, principally comprise cash and cash equivalents, trade and other receivables, amounts placed for trading of palm oil forward contracts, loans to and loans from, trade and other payables. The financial risks associated with these financial instruments and how they are managed are described below.

Credit risk

The Group are exposed to credit risk primarily with respect to trade receivables and loans to related party. The Group manage the risk by adopting appropriate credit control policies and procedures and therefore do not expect to incur material financial losses. In addition, the Group do not have high concentration of credit risk since it has a large customer base. The maximum exposure to credit risk is limited to the carrying amount of trade receivables and loans to related party as stated in the statements of financial position.

Interest rate risk

The Group exposure to interest rate risk relates primarily to its cash at banks and loans. However, since most of the Group financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

As at 31 December 2019 and 2018, 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							
2019							
Fixed interest rates			Over 5 years	Floating interest rate	Non-interest bearing	Total	Interest rate (% p.a.)
Within 1 year	1 - 5 years						
Financial assets							
Cash and cash equivalents	-	-	-	71	-	71	Note 8
Trade and other receivables	-	-	-	-	296	296	-
Amounts placed for trading of palm oil forward contracts	-	-	-	-	15	15	-
Financial liabilities							
Short-term loans from banks	1,199	-	-	-	-	1,199	Note 19
Trade and other payables	-	-	-	-	129	129	-
Long-term loans	-	-	-	635	-	635	Note 21

(Unit: Million Baht)

Separate financial statements							
2019							
Fixed interest rates			Over 5 years	Floating interest rate	Non-interest bearing	Total	Interest rate (% p.a.)
Within 1 year	1 - 5 years						
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
Amounts placed for trading of palm oil forward contracts	-	-	-	-	15	15	-
Financial liabilities							
Short-term loans from banks	1,090	-	-	-	-	1,090	Note 19
Trade and other payables	-	-	-	-	102	102	-
Long-term loans	-	-	-	237	-	237	Note 21

(Unit: Million Baht)

Consolidated financial statements							
2018							
Fixed interest rates			Over 5 years	Floating interest rate	Non-interest bearing	Total	Interest rate (% p.a.)
Within 1 year	1 - 5 years						
Financial assets							
Cash and cash equivalents	-	-	-	108	21	129	Note 8
Trade and other receivables	-	-	-	-	355	355	-
Amounts placed for trading of palm oil forward contracts	-	-	-	-	5	5	-

Financial Statement

(Unit: Million Baht)

Consolidated financial statements							
2018							
Fixed interest rates				Floating interest rate	Non-interest bearing	Total	Interest rate (% p.a.)
Within 1 year	1 - 5 years	Over 5 years					
Financial liabilities							
Short-term loans from banks	1,448	-	-	-	-	1,448	Note 19
Trade and other payables	-	-	-	-	230	230	-
Long-term loans	-	-	-	908	-	908	Note 21

(Unit: Million Baht)

	Separate financial statements						
	2018						
	Fixed interest rates						
	Within 1 year	1 - 5 years	Over 5 years	Floating interest rate	Non-interest bearing	Total	Interest rate (% p.a.)
Financial assets							
Cash and cash equivalents	-	-	-	86	12	98	Note 8
Trade and other receivables	-	-	-	-	413	413	-
Short-term loans to related parties	294	-	-	-	-	294	Note 7
Amounts placed for trading of palm oil forward contracts	-	-	-	-	5	5	-
Financial liabilities							
Short-term loans from banks	1,340	-	-	-	-	1,340	Note 19
Trade and other payables	-	-	-	-	189	189	-
Long-term loans	-	-	-	376	-	376	Note 21

Interest rate swap agreements

The Group entered into interest rate swap agreements in order to manage the interest rate risks associated with their long-term loans from banks. The details of the interest rate swap agreements outstanding as at 31 December 2019 and 2018 are summarised below.

Consolidated financial statements as at 31 December 2019 and 2018				
	Principal amount	Interest Revenue Rate Swap agreements	Interest Expense Rate Swap agreements	Termination date
1	Baht 204 million	Floating rate MLR minus 3%	Fixed rate as stipulated in swap agreement.	September 2020
2	Baht 250 million	Floating rate 1-month THBFIX plus 2.32%	Fixed rate as stipulated in swap agreement.	December 2020
3	Baht 250 million	Floating rate 6-month THBFIX plus 2.2%	Fixed rate as stipulated in swap agreement.	July 2022
4	Baht 800 million	Floating rate AMLR minus 2.9%	Fixed rate as stipulated in swap agreement.	August 2022

Separate financial statements as at 31 December 2019 and 2018				
	Principal amount	Interest Revenue Rate Swap agreements	Interest Expense Rate Swap agreements	Termination date
1	Baht 204 million	Floating rate MLR minus 3%	Fixed rate as stipulated in swap agreement.	September 2020
2	Baht 250 million	Floating rate 1-month THBFIX plus 2.32%	Fixed rate as stipulated in swap agreement.	December 2020
3	Baht 250 million	Floating rate 6-month THBFIX plus 2.2%	Fixed rate as stipulated in swap agreement.	July 2022

Foreign currency risk

The Company's and its subsidiaries' exposure to foreign currency risk arises mainly from trading transactions that are denominated in foreign currencies. The Company seeks to reduce this risk by entering into forward exchange contracts when it considers appropriate. Generally, the forward contracts mature within one year.

As at 31 December 2019 and 2018, the Company's balances of financial assets denominated in foreign currencies are summarised below.

Foreign currencies	Financial assets		Financial liabilities		Average exchange rate	
	2019	2018	2019	2018	2019	2018
	(Thousand)	(Thousand)	(Thousand)	(Thousand)	(Baht per 1 foreign currency unit)	
US Dollar	493	328	14	19	30.9582	32.4498

Financial Statement

As at 31 December 2019, the Group did not have forward exchange contracts.

Consolidated and separate financial statements as at 31 December 2018

Foreign currency	Sold amount	Contractual exchange rate - sold	Contractual maturity date
	(Thousand)	(Baht per 1 foreign currency unit)	
US Dollar	325	32.86	20 February 2019

35.2 Fair value of financial instruments

Since the majority of the Group 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 estimated fair values of the derivatives as at 31 December 2019 and 2018 are as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
	Fair value	Fair value	Fair value	Fair value
	Gain (loss)	Gain (loss)	Gain (loss)	Gain (loss)
Derivatives				
Forward exchange contracts	-	(0.1)	-	(0.1)
Interest rate swap contracts	(7.5)	(6.1)	(2.1)	(2.0)

The methods and assumptions used by the Company in estimating the fair value of financial instruments are as follows:

- For financial assets and liabilities which have short-term maturity, including cash and cash equivalents, accounts receivable and short-term loans to, accounts payable and short-term loans from, their carrying amounts in the statement of financial position approximate their fair value.
- For long-term loans carrying interest approximate to the market rate, their carrying amounts in the statement of financial position approximate their fair value.

- c) For derivatives, their fair value has been determined by using a discounted future cash flows 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, interest rate yield curves and commodity price yield curves. The Group had considered to counterparty credit risk when determining the fair value of derivatives.

During the current year, there were no transfers within the fair value hierarchy.

36. Capital management

The primary objective of the Company'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 2019, the Group's debt-to-equity ratio was 1.16:1 (2018: 1.57:1) and the Company's was 0.88:1 (2018: 1.17:1).

37. Event after the reporting period

On 7 January 2020, the Extraordinary General Meeting of C K Trading (1965) Company Limited (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 percent, equivalent to the value of Baht 4.41 million. The Company paid the investments during January and February 2020

On 17 February 2019, the meeting of the Company's Board of Directors passed a resolution proposing the payment of a dividend of Baht 0.071 per share, totaling to Baht 44.93 million and set aside a statutory reserve of Baht 2.47 million, for approval by the Annual General Meeting of the Company's shareholders.

38. Approval of consolidated financial statements

These consolidated financial statements were authorised for issue by the Company's Board of Directors on 17 February 2020.

Profile Disclosures

Indicator	Description	Page	Note
1. Strategy and Analysis			
1.1	Statement from the most senior decision-maker of the organization.	3	
1.2	Description of Key impacts, risk, and opportunities.	24	
2. Organizational Profile			
2.1	Name of the organization.	12	
2.2	Primary brands, products, and/or services	12	
2.3	Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures.	18	
2.4	Location of organization's headquarters.	18	
2.5	Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	18	
2.6	Nature of ownership and legal form.	18	
2.7	Markets served (included geographic breakdown, inside cover sectors served, and types of customers/beneficiaries).	24	
2.8	Scale of the reporting organization.	-	
2.9	Significant changes during the reporting period regarding size, structure, or ownership.	-	
2.10	Awards received in the reporting period.	14	
3. Report Parameters			
3.1	Reporting period (e.g., fiscal/calendar year) for information provided.		About this report
3.2	Date of most recent previous report (if any).		About this report
3.3	Reporting cycle (annual, biennial, etc.)		About this report
3.4	Contact point for questions regarding the report or its contents.		About this report
3.5	Process for defining report content.		About this report
3.6	Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers).		About this report
3.7	State any specific limitations on the scope or boundary of the report.		About this report
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/ or between organizations.		About this report
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
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.		About this report
3.12	Table identifying the location of the Standard Disclosures in the report.		About this report
4. Governance, Commitments, and Engagement			
4.1	Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight.	32-45	
4.2	Indicate whether the Chair of the highest governance body is also an executive officer.	32-45	
4.3	For organizations that have a unitary board structure, state the number and gender of members of the highest governance body that are independent and/or non-executive members.	32-45	
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	-	
4.5	Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements), and the organization's performance (including social and environmental performance).	47-50	
4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided.	84-87	
4.7	Process for determining the composition, qualifications, and expertise of the members of the highest governance body and its committees, including any consideration of gender and other indicators of diversity.	44-46	
4.8	Internally developed statements of mission of values, codes of conduct, and principles relevant to economic, environmental and social performance and the status of their implementation.	88-92	

Indicator	Description	Page	Note
4.9	Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles.	88-92	
4.10	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance.	88-92	
4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organization.	88-92	
4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses.	88-92	
4.13	Memberships in associations (such as industry associations) and/or national/international advocacy organizations.	88-92	
4.14	List of stakeholder groups engaged by the organization.	76	
4.15	Basis for identification and selection of stakeholders with whom to engage.	-	
4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.	-	
4.17	Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting.	-	
Economic			
EC 1	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.	-	
EC 2	Financial implications and other risks and opportunities for the organization's activities due to climate change.	-	
EC 3	Coverage of the organization's defined benefit plan obligations.	-	
EC 4	Significant financial assistance received from government.	-	
Environmental			
Energy			
EN 6	Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives.	82-92	
EN 7	Initiatives to reduce indirect energy consumption and reductions achieved.	82-92	
Biodiversity			
EN 11	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	18	
EN 12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.	-	
EN 13	Habitats protected or restored.	-	
Effluents and Waste			
EN 27	Extent of impact mitigation of environmental impacts of products and services.	88-92	
Compliance			
EN 29	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	-	
Social : Labor Practices and Decent Work			
Employment			
LA 1	Total number and rates of new employee hires and employee turnover by age group, gender and region.	50	
LA 2	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation.	47-50	
LA 3	Return to work and retention rates after parental leave, by gender.	-	
Labor/Management Relations			
LA 4	Minimum notice periods regarding operational changes, including whether these are specified in collective agreements.	-	
Occupational Health and Safety			
LA 5	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs.	-	
LA 6	Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender.	-	http://www.cpi-th.com/content_sub.php?id=3&sub_id=84
LA 7	Workers with high incidence or high risk of diseases related to their occupation.	-	http://www.cpi-th.com/content_sub.php?id=3&sub_id=84

Indicator	Description	Page	Note
LA 8	Health and safety topics covered in formal agreements with trade unions.	-	
Training and Education			
LA 9	Average hours of training per year per employee by gender, and by employee category.	51	
LA 10	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	51	
LA 11	Percentage of employees receiving regular performance and career development reviews, by gender and by employee category.	-	
Diversity and Equal Opportunity			
LA 12	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity.	50	
Equal Remuneration for Women and men			
LA 13	Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation.	-	
Suppliers Assessment for Labor Practices			
LA 15	Significant actual and potential negative impacts for labor practices in the supply chain and actions taken.	-	
Human Rights			
Investment			
HR 1	Total number and percentage of significant investment agreements and contracts that include human rights clauses or the underwent human rights screening.	-	http://www.cpi-ih.com/content_sub.php?id=3&sub_id=84
HR 2	Total hours of employee training on human rights policies or procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.	51	
Non-discrimination			
HR 3	Total number of incidents of discrimination and corrective actions taken.	-	http://www.cpi-ih.com/content_sub.php?id=3&sub_id=84
Freedom of Association and Collective Bargaining			
HR 4	Operations and suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and measures taken to support these rights.	24	
Child Labor			
HR 5	Operations and suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor.	-	
Forced or Compulsory Labor			
HR 6	Operations and suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor.	-	http://www.cpi-ih.com/content_sub.php?id=3&sub_id=84
Security Practices			
HR 7	Percentage of security personnel trained in the organization's human rights policies or procedures that are relevant to operations.	-	
Indigenous Right			
HR 8	Total number of incidents of violations involving rights of indigenous peoples and actions taken.	-	
Society			
Local communities			
SO 1	Percentage of operations with implemented local community engagement, impact assessments, and development programs.	-	
SO 2	Operations with significant actual or potential negative impacts on local communities.	-	
Anti-corruption			
SO 3	Total number and percentage of operations assessed for risks related to corruption and the significant risks identified.	92	
SO 4	Communication and training on anti-corruption policies and procedures.	92	
SO 5	Confirmed incidents of corruption and actions taken.	-	
Public Policy			
SO 6	Total value of political contributions by country and recipient/beneficiary.	-	
Anti-competitive Behavior			
SO 7	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes.	-	

Indicator	Description	Page	Note
Compliance			
SO 8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	-	
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.	-	





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