

Chumporn Palm Oil Industry Public Company Limited
and its subsidiaries
Report and consolidated financial statements
31 December 2023

Independent Auditor's Report

To the Shareholders of Chumporn Palm Oil Industry Public Company Limited

Opinion

I have audited the accompanying consolidated financial statements of Chumporn Palm Oil Industry Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2023, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of Chumporn Palm Oil Industry Public Company Limited for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Chumporn Palm Oil Industry Public Company Limited and its subsidiaries and of Chumporn Palm Oil Industry Public Company Limited as at 31 December 2023, 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 including Independence Standards* issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

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

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 to 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 to ensure that sales is recognised and recorded fairly in accordance with related accounting standards.

I have examined the revenue recognition of the Group by

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

Biological assets

The Group is required to record biological assets at their fair value less cost to sell, as described in Notes 4.4 and 10 to the consolidated financial statements. The estimation data and assumptions used in measuring fair value which consisted of estimated harvesting volume and selling price at each point 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 value 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 consolidated 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. The annual report of the Group is expected to be made available to me after the date of this auditor's report.

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.

When I read the annual report of the Group, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

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

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

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

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

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.

Pimjai Manitkajohnkit

Certified Public Accountant (Thailand) No. 4521

EY Office Limited

Bangkok: 22 February 2024

Chumporn Palm Oil Industry Public Company Limited and its subsidiaries

Statement of financial position

As at 31 December 2023

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2023	2022	2023	2022
Assets					
Current assets					
Cash and cash equivalents	7	72,302,394	78,068,709	49,459,917	49,017,178
Trade and other receivables	6, 8	425,676,896	494,440,261	503,885,599	617,909,884
Short-term loans to related parties	6	-	-	120,000,000	210,000,000
Inventories	9	654,339,879	933,011,405	631,726,916	894,679,726
Biological assets	10	75,547,959	78,198,423	47,888,170	60,212,240
Other current financial assets	11, 37.1	33,630,468	39,577,656	33,630,468	39,577,656
Other current assets		9,542,675	9,510,663	7,302,540	7,321,035
Total current assets		1,271,040,271	1,632,807,117	1,393,893,610	1,878,717,719
Non-current assets					
Investments in subsidiaries	12	-	-	210,999,993	205,999,993
Investment in joint venture	13	7,307,422	4,947,931	4,900,000	4,900,000
Investment properties	14	128,431,269	128,431,269	128,431,269	128,431,269
Property, plant and equipment	15	2,735,719,867	2,737,871,637	1,755,224,848	1,732,999,519
Right-of-use assets	16	5,365,688	5,935,840	2,888,337	3,217,652
Bearer plants	17	310,678,140	330,794,763	308,935,429	329,262,046
Intangible assets	18	3,421,909	2,601,333	3,255,554	2,400,672
Other non-current assets		14,391,214	9,907,987	13,097,100	8,715,384
Total non-current assets		3,205,315,509	3,220,490,760	2,427,732,530	2,415,926,535
Total assets		4,476,355,780	4,853,297,877	3,821,626,140	4,294,644,254

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 2023

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2023	2022	2023	2022
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from banks	19	1,135,000,000	1,400,000,000	1,030,000,000	1,190,000,000
Trade and other payables	6, 20	166,989,403	168,456,917	167,044,780	237,402,532
Current portion of long-term loans from banks	21	119,756,304	136,466,304	119,756,304	136,466,304
Current portion of lease liabilities	16	1,499,392	1,135,692	1,004,812	747,065
Value added tax payable		26,843,424	21,892,025	24,359,826	12,897,672
Other current liabilities		8,461,359	7,886,890	6,095,581	3,281,544
Total current liabilities		1,458,549,882	1,735,837,828	1,348,261,303	1,580,795,117
Non-current liabilities					
Long-term loans from banks, net of current portion	21	98,370,888	218,127,192	98,370,888	218,127,192
Lease liabilities, net of current portion	16	4,159,425	5,005,050	2,012,647	2,541,381
Provision for long-term employee benefits	22	53,582,303	59,205,715	50,853,097	56,146,850
Deferred tax liabilities	29.1	221,430,139	214,686,284	215,697,914	210,993,741
Other non-current financial liabilities	37.1	648,080	2,440,467	648,080	2,440,467
Total non-current liabilities		378,190,835	499,464,708	367,582,626	490,249,631
Total liabilities		1,836,740,717	2,235,302,536	1,715,843,929	2,071,044,748
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	56,255,019	55,637,432	56,255,019	55,637,432
Unappropriated		658,159,586	637,157,451	125,640,734	244,075,616
Other components of shareholders' equity	24	867,481,156	867,481,156	866,167,156	866,167,156
Total shareholders' equity		2,639,615,063	2,617,995,341	2,105,782,211	2,223,599,506
Total liabilities and shareholders' equity		4,476,355,780	4,853,297,877	3,821,626,140	4,294,644,254

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

Directors

Chumporn Palm Oil Industry Public Company Limited and its subsidiaries

Statement of comprehensive income

For the year ended 31 December 2023

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2023	2022	2023	2022
Profit or loss:					
Revenues					
Sales	6, 25, 32	5,255,241,394	7,681,229,768	5,321,149,828	8,030,218,443
Other income	6	14,251,004	16,290,968	12,602,213	12,314,094
Total revenues		5,269,492,398	7,697,520,736	5,333,752,041	8,042,532,537
Expenses					
Cost of sales	6	4,676,386,446	6,900,082,609	4,915,419,224	7,483,357,130
Selling and distribution expenses		133,685,646	142,767,539	129,991,296	139,564,960
Administrative expenses	6	250,949,206	269,134,351	221,954,042	241,015,280
Loss on exchange		1,996,697	1,294,922	1,995,427	1,294,922
Total expenses		5,063,017,995	7,313,279,421	5,269,359,989	7,865,232,292
Operating profit		206,474,403	384,241,315	64,392,052	177,300,245
Share of profit from investment in joint venture	13.2	2,359,491	1,787,739	-	-
Finance income	6, 26	736,633	393,918	8,194,499	10,493,110
Finance cost	27	(51,171,530)	(53,344,603)	(45,465,842)	(44,662,805)
Gain (loss) on change in fair value of biological assets		(2,825,937)	17,747,330	(12,324,070)	12,952,770
Gain (loss) on change in fair value of derivatives		1,843,410	265,271	1,843,410	(2,202,647)
Profit before income tax		157,416,470	351,090,970	16,640,049	153,880,673
Income tax expenses	29.2	(6,187,924)	(21,608,779)	(4,288,297)	(20,156,283)
Profit for the year		151,228,546	329,482,191	12,351,752	133,724,390
Other comprehensive income:					
Other comprehensive income not to be reclassified to profit or loss in subsequent periods					
Changes in surplus on revaluation of assets	15	-	277,636,893	-	277,636,893
Less: Income tax effect	29.3	-	(55,527,379)	-	(55,527,379)
		-	222,109,514	-	222,109,514
Actuarial gain arising from defined benefit plan of employees					
benefit plan of employees	22	4,086,489	-	3,386,210	-
Less: Income tax effect	29.3	(817,298)	-	(677,242)	-
		3,269,191	-	2,708,968	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax		3,269,191	222,109,514	2,708,968	222,109,514
Other comprehensive income for the year		3,269,191	222,109,514	2,708,968	222,109,514
Total comprehensive income for the year		154,497,737	551,591,705	15,060,720	355,833,904
Earnings per share					
31					
Basic earnings per share					
Profit attributable to equity holders of the Company		0.239	0.521	0.020	0.211

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 2023

(Unit: Baht)

Consolidated financial statements								
Note	Issued and paid-up share capital		Capital reserve for share-based payment transactions	Retained earnings		Other components of shareholders' equity		
				Appropriated - statutory reserve	Unappropriated	Other comprehensive income - revaluation surplus on assets	Total other components of shareholders' equity	Total shareholders' equity
Balance as at 1 January 2022	632,752,650	412,309,890	12,656,762	48,951,212	434,437,994	645,371,642	645,371,642	2,186,480,150
Profit for the year	-	-	-	-	329,482,191	-	-	329,482,191
Other comprehensive income for the year	-	-	-	-	-	222,109,514	222,109,514	222,109,514
Total comprehensive income for the year	-	-	-	-	329,482,191	222,109,514	222,109,514	551,591,705
Dividends paid	34	-	-	-	(120,076,514)	-	-	(120,076,514)
Statutory reserve	23	-	-	6,686,220	(6,686,220)	-	-	-
Balance as at 31 December 2022	632,752,650	412,309,890	12,656,762	55,637,432	637,157,451	867,481,156	867,481,156	2,617,995,341
Balance as at 1 January 2023	632,752,650	412,309,890	12,656,762	55,637,432	637,157,451	867,481,156	867,481,156	2,617,995,341
Profit for the year	-	-	-	-	151,228,546	-	-	151,228,546
Other comprehensive income for the year	-	-	-	-	3,269,191	-	-	3,269,191
Total comprehensive income for the year	-	-	-	-	154,497,737	-	-	154,497,737
Dividends paid	34	-	-	-	(132,878,015)	-	-	(132,878,015)
Statutory reserve	23	-	-	617,587	(617,587)	-	-	-
Balance as at 31 December 2023	632,752,650	412,309,890	12,656,762	56,255,019	658,159,586	867,481,156	867,481,156	2,639,615,063
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-

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

Chumporn Palm Oil Industry Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the year ended 31 December 2023

(Unit: Baht)

Separate financial statements								
Note	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 assets	Total other components of shareholders' equity	Total shareholders' equity
Balance as at 1 January 2022	632,752,650	412,309,890	12,656,762	48,951,212	237,113,960	644,057,642	644,057,642	1,987,842,116
Profit for the year	-	-	-	-	133,724,390	-	-	133,724,390
Other comprehensive income for the year	-	-	-	-	-	222,109,514	222,109,514	222,109,514
Total comprehensive income for the year	-	-	-	-	133,724,390	222,109,514	222,109,514	355,833,904
Dividends paid	34	-	-	-	(120,076,514)	-	-	(120,076,514)
Statutory reserve	23	-	-	6,686,220	(6,686,220)	-	-	-
Balance as at 31 December 2022	<u>632,752,650</u>	<u>412,309,890</u>	<u>12,656,762</u>	<u>55,637,432</u>	<u>244,075,616</u>	<u>866,167,156</u>	<u>866,167,156</u>	<u>2,223,599,506</u>
Balance as at 1 January 2023	632,752,650	412,309,890	12,656,762	55,637,432	244,075,616	866,167,156	866,167,156	2,223,599,506
Profit for the year	-	-	-	-	12,351,752	-	-	12,351,752
Other comprehensive income for the year	-	-	-	-	2,708,968	-	-	2,708,968
Total comprehensive income for the year	-	-	-	-	15,060,720	-	-	15,060,720
Dividends paid	34	-	-	-	(132,878,015)	-	-	(132,878,015)
Statutory reserve	23	-	-	617,587	(617,587)	-	-	-
Balance as at 31 December 2023	<u>632,752,650</u>	<u>412,309,890</u>	<u>12,656,762</u>	<u>56,255,019</u>	<u>125,640,734</u>	<u>866,167,156</u>	<u>866,167,156</u>	<u>2,105,782,211</u>
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-

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

Chumporn Palm Oil Industry Public Company Limited and its subsidiaries

Statement of cash flows

For the year ended 31 December 2023

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Cash flows from operating activities				
Profit before tax	157,416,470	351,090,970	16,640,049	153,880,673
Adjustments to reconcile profit before tax				
to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	179,822,781	174,526,252	130,401,212	125,673,291
Gain on lease contracts termination	(1,783)	(36,746)	(1,783)	-
Reversal reduction of cost of inventories to net realisable value	(195,960)	(411,741)	(287,500)	(411,741)
Written-off bearer plants	494,987	2,291,978	494,987	2,291,978
Financial fee amortisation	133,696	123,279	133,696	123,279
Gain on sales/write-offs of equipment	(2,121,725)	(42,500)	(1,082,029)	(50,152)
Loss on sales/write-offs of intangible assets	2	-	2	1,167
Reversal allowance for expected credit losses	(598,100)	(1,099,194)	(598,100)	(1,099,194)
Share of profit from investment in joint venture	(2,359,491)	(1,787,739)	-	-
Long-term employee benefits expenses	4,871,947	5,156,282	4,364,626	4,622,336
Reversal of allowance for impairment of investments				
in subsidiaries	-	-	(5,000,000)	-
Loss (gain) on change in fair value of biological assets	2,825,937	(17,747,330)	12,324,070	(12,952,770)
Loss (gain) on change in fair value of derivatives	(1,843,410)	(265,271)	(1,843,410)	2,202,647
Unrealised loss on exchange	1,821,455	1,152,620	1,821,455	1,152,620
Finance income	(736,633)	(393,918)	(8,194,499)	(10,493,110)
Finance cost	51,171,530	53,344,603	45,465,842	44,662,805
Profit from operating activities before changes in				
operating assets and liabilities	390,701,703	565,901,545	194,638,618	309,603,829
Operating assets (increase) decrease				
Trade and other receivables	69,361,465	47,757,562	112,735,130	4,220,796
Inventories	278,867,486	(315,812,372)	263,240,310	(315,902,232)
Biological assets	(175,473)	817,136	-	-
Other current financial assets	5,998,211	(14,942,446)	5,998,211	(14,942,446)
Other current assets	(1,839,710)	(2,347,073)	(1,789,016)	(4,622,543)
Other non-current assets	1,193,769	1,337,254	1,082,452	1,150,469
Operating liabilities increase (decrease)				
Trade and other payables	(2,344,240)	(112,511,068)	(70,152,763)	(75,204,388)
Value added tax payables	4,951,399	(9,166,339)	11,462,154	(7,003,735)
Other current liabilities	574,469	2,326,205	2,814,037	438,930
Provision for long-term employee benefits	(6,408,870)	(4,841,663)	(6,272,170)	(4,093,987)
Cash flows from (used in) operating activities	740,880,209	158,518,741	513,756,963	(106,355,307)
Cash paid for income tax	(5,938,180)	(4,637,495)	(5,725,534)	(4,422,806)
Net cash flows from (used in) operating activities	734,942,029	153,881,246	508,031,429	(110,778,113)

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

Chumporn Palm Oil Industry Public Company Limited and its subsidiaries

Statement of cash flows (continued)

For the year ended 31 December 2023

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Cash flows from investing activities				
Cash received from finance income	736,633	393,918	10,081,754	13,514,028
Decrease in short-term loans to related parties	-	-	90,000,000	87,800,000
Acquisitions of property, plant and equipment	(153,577,336)	(87,032,852)	(127,862,737)	(66,834,055)
Acquisitions of intangible assets	(1,231,037)	(1,093,263)	(1,219,457)	(1,063,766)
Cash received from sales of equipment	4,648,620	212,796	1,786,986	262,584
Cash received from sales of intangible assets	-	-	-	11,215
Increase in bearer plants	(5,019,199)	(3,033,202)	(5,254,278)	(3,033,203)
Net cash flows from (used in) investing activities	(154,442,319)	(90,552,603)	(32,467,732)	30,656,803
Cash flows from financing activities				
Increase (decrease) in short-term loans from banks	(265,000,000)	276,000,000	(160,000,000)	280,000,000
Cash paid for lease liabilities	(1,730,000)	(1,520,000)	(1,134,000)	(966,000)
Cash received from long-term loans from banks	-	100,000,000	-	100,000,000
Repayment of long-term loans from banks	(136,600,000)	(295,800,000)	(136,600,000)	(165,800,000)
Dividends paid	(132,878,015)	(120,076,514)	(132,878,015)	(120,076,514)
Cash paid for finance cost	(50,058,010)	(53,230,946)	(44,508,943)	(44,237,851)
Net cash flows from (used in) financing activities	(586,266,025)	(94,627,460)	(475,120,958)	48,919,635
Net increase (decrease) in cash and cash equivalents	(5,766,315)	(31,298,817)	442,739	(31,201,675)
Cash and cash equivalents at beginning of year	78,068,709	109,367,526	49,017,178	80,218,853
Cash and cash equivalents at end of year (Note 7)	72,302,394	78,068,709	49,459,917	49,017,178
	-	-	-	-

Supplemental cash flows information:

Non-cash transactions

Increase (decrease) in accounts payable for acquisitions of property, plant and equipment which had not yet been paid	24,669	(12,274,825)	(1,012,526)	2,485,017
Surplus on land revaluation	-	277,636,893	-	277,636,893

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 2023

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 manufacturing and distribution of palm oil products. Its registered address, which is the head office, is at 296, Moo 2, Phetchkasem Road, Tambon Salui, Ampur Tasae, Chumporn. The Company’s branch is located at 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, issued under the Accounting Act B.E. 2543.

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

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

2.2 Basis of consolidation

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

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2023	2022
			(%)	(%)
CPI Agrotech Co., Ltd.	Production and distribution of palm seeds and palm sprouts	Thailand	100	100
CPP Co., Ltd.	Production and distribution of palm oil and production and distribution of electricity from biogas	Thailand	100	100
CPI Power Co., Ltd.	Production and distribution of electricity	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 and joint venture under the cost method less allowance for loss on impairment (if any).

3. New financial reporting standards

3.1 Financial reporting standards that became effective in the current year

During the year, the Group has adopted the revised financial reporting standards which are effective for fiscal years beginning on or after 1 January 2023. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements.

3.2 Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2024

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2024. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The management of the Group believes that adoption of these amendments will not have any significant impact on the Group's financial statements.

4. Significant accounting policies

4.1 Revenue and expense recognition

Sales of goods

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

Rendering of services

Service income is recognised over time when service has been rendered taking into account the stage of completion.

Interest income

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

Finance cost

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

Other income

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

4.2 Cash and cash equivalents

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

4.3 Inventories

Inventories are valued at the lower of cost (under the weighted average method) and net realisable value. The cost of inventories is measured using the standard cost method, which approximates actual cost and includes all production costs and attributable factory overheads. Raw materials, spare parts and factory supplies are valued at the lower of weighted average cost and net realisable value and are charged to production costs whenever consumed.

4.4 Biological assets

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

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

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

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

The agricultural produce is included in inventories.

4.5 Investments in subsidiaries and joint venture

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

4.6 Investment property

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

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

4.7 Property, plant and equipment/Depreciation

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

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

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

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

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

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

Depreciation is included in determining income.

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

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

4.8 Leases

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

The Group as a lessee

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

Right-of-use assets

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

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

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

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

Lease liabilities

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

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

Short-term leases and leases of low-value assets

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

4.9 Bearer plants/Amortisation

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

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

- Palm trees - 20 years, using a systematic basis that takes into account the age of the palm trees and 20 - 30 years, using straight-line basis
- Coconut trees - 30 years, using straight-line basis.

Amortisation is included in determining income.

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

4.10 Intangible assets/Amortisation

Intangible assets are initially 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 the straight-line basis over the economic useful life and tested for impairment whenever there is an indication that the intangible assets may be impaired. The amortisation period and the amortisation method of such intangible assets is reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

A summary of the intangible assets with finite useful lives is as follows:

Software computer	10 years
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4.11 Related party transactions

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

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

4.12 Foreign currencies

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

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

Gains and losses on exchange are included in determining income.

4.13 Impairment of non-financial assets

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

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

4.14 Employee benefits

Short-term employee benefits

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

Post-employment benefits

Defined contribution plans

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

Defined benefit plans

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

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

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

4.15 Provisions

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

4.16 Equity-settled share-based payment transactions

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

4.17 Income tax

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

Current tax

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

Deferred tax

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

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

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

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

4.18 Financial instruments

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

Classification and measurement of financial assets

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

Financial assets at amortised cost

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

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

Financial assets at FVTPL

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

These financial assets include derivatives and financial assets with cash flows that are not solely payments of principal and interest.

The Group may elect to measure financial assets at FVTPL if doing so eliminates, or significantly reduces a recognition inconsistency.

Classification and measurement of financial liabilities

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

The Group may elect to measure financial liabilities at FVTPL if doing so eliminates, or significantly reduces a recognition inconsistency.

Regular way purchases and sales of financial assets

Regular way purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace are recognised on the settlement date, i.e., the date on which an asset is delivered.

Derecognition of financial instruments

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Group has transferred substantially all the risks and rewards of the asset, or the Group has transferred control of the asset.

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

Impairment of financial assets

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

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

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

For trade accounts receivable, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

ECLs are calculated based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

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

Offsetting of financial instruments

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

4.19 Derivatives

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

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

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

4.20 Fair value measurement

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

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

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

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

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

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

5. Significant accounting judgements and estimates

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

Biological assets

The Group measured its biological assets at their fair value less costs to sell. Such fair values were calculated using the method as described in accounting policy. The valuation involves certain assumptions and estimates as described in Note 10.

Property, plant and equipment/Depreciation

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

The Group measures land at revalued amounts. Such amounts are determined by the independent valuer using the market approach. The valuation involves certain assumptions and estimates as described in Note 15.

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/Amortisation

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

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

6. Related party transactions

The relationships between the Company and its related parties are summarised below.

Name of related parties	Relationship
CPI Agrotech Co., Ltd.	Subsidiary
CPP Co., Ltd.	Subsidiary
CPI Power Co., Ltd.	Subsidiary
C K Trading (1965) Co., Ltd.	Joint venture
Khonburi Sugar Public Company Limited	Common shareholders/directors

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

(Unit: Million Baht)					
	Consolidated		Separate		Transfer pricing policy
	financial statements		financial statements		
	2023	2022	2023	2022	
<u>Transactions with subsidiaries</u>					
(eliminated from the consolidated financial statements)					
Sales	-	-	298	573	Market price
Rental income	-	-	1	1	Monthly fees of Baht 0.03 - 0.04 million
Finance income	-	-	8	10	4.75% per annum and rate charged on call borrowings from a bank plus 0.5% per annum
Purchase of raw materials	-	-	1,065	1,834	Market price
Purchase of equipment	-	-	1	-	Market price
Purchase of factory supplies	-	-	4	-	Market price
<u>Transactions with joint venture</u>					
Other income	3	4	3	4	Contract price
Service expenses	17	17	17	17	Contract price

As at 31 December 2023 and 2022, the balances of the accounts between the Company and those related parties are as follows:

		(Unit: Thousand Baht)	
		Consolidated financial statements	
		2023	2022
Other receivables - related parties (Note 8)			
Joint venture		218	342
Other payables - related parties (Note 20)			
Joint venture		1,454	-
Deposits - related parties (presented as other current liabilities)			
Joint venture		218	218
		(Unit: Thousand Baht)	
		Separate financial statements	
		2023	2022
Trade accounts receivable - related parties (Note 8)			
Subsidiaries		91,809	144,844
Other receivables - related parties (Note 8)			
Subsidiaries		100	40
Joint venture		218	342
Total other receivables - related parties		318	382
Accrued income - related parties (Note 8)			
Subsidiaries		36	24
Interest receivables - related parties (Note 8)			
Subsidiaries		7,613	9,501
Short-term loans to related parties			
Subsidiaries		120,000	210,000
Trade accounts payable - related parties (Note 20)			
Subsidiaries		12,245	87,438
Other payables - related parties (Note 20)			
Subsidiaries		395	-
Joint venture		1,454	-
Total other payables - related parties		1,849	-

Short-term loans to related parties

As at 31 December 2023 and 2022, the balances of loans between the Company and those related parties and the movement of such loans are as follows:

(Unit: Thousand Baht)

		Separate financial statements			
		Balance as at	During the year		Balance as at
Loans to	Relationship	1 January 2023	Increase	Decrease	31 December 2023
CPI Agrotech Co., Ltd.	Subsidiary	12,000	-	(12,000)	-
CPP Co., Ltd.	Subsidiary	198,000	202,750	(280,750)	120,000
Total		210,000	202,750	(292,750)	120,000

The above loans are unsecured and due at call. Interest is charged at the rates of 4.75% per annum and interest rate charged on call borrowings from a bank plus 0.50% per annum.

Directors and management's benefits

During the years ended 31 December 2023 and 2022, the Group had employee benefit expenses payable to its directors and management as below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Short-term employee benefits	25,229	25,139	25,009	24,615
Post-employment benefits	635	879	635	871
Total	25,864	26,018	25,644	25,486

Guarantee obligations with related parties

The Company has outstanding guarantee obligations with its subsidiaries, as described in Note 35.4 a).

7. Cash and cash equivalents

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Cash	325	278	240	190
Bank deposits	71,977	77,791	49,220	48,827
Total	72,302	78,069	49,460	49,017

As at 31 December 2023, bank deposits in saving accounts carried interests between 0.15% - 0.60% per annum (2022: between 0.15% - 0.40% per annum).

8. Trade and other receivables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Trade accounts receivable - related parties (Note 6)				
Aged on the basis of due dates				
Not yet due	-	-	14	1,510
Past due				
Up to 1 month	-	-	6,995	44,750
1 - 3 months	-	-	43,902	93,565
3 - 6 months	-	-	40,898	5,019
Total trade accounts receivable - related parties	-	-	91,809	144,844
Trade accounts receivable - unrelated parties				
Aged on the basis of due dates				
Not yet due	324,802	417,184	304,967	386,245
Past due				
Up to 1 month	89,371	70,742	89,192	70,742
1 - 3 months	5,090	1,080	4,992	1,080
3 - 6 months	794	-	159	-
6 - 12 months	187	-	-	-
Over 12 months	4,003	5,001	4,003	5,001
Total	424,247	494,007	403,313	463,068
Less: Allowance for expected credit losses	(503)	(1,101)	(503)	(1,101)
Total trade accounts receivable				
- unrelated parties - net	423,744	492,906	402,810	461,967
Total trade accounts receivable - net	423,744	492,906	494,619	606,811
Other receivables				
Other receivables - related parties (Note 6)	218	342	318	382
Accrued income - related parties (Note 6)	-	-	36	24
Interest receivables - related parties (Note 6)	-	-	7,613	9,501
Other receivables - unrelated parties	1,715	1,192	1,300	1,192
Total other receivables	1,933	1,534	9,267	11,099
Total trade and other receivables	425,677	494,440	503,886	617,910

The normal credit term is not over 60 days.

Set out below is the movements in the allowance for expected credit losses of trade accounts receivable.

	(Unit: Thousand Baht)	
	Consolidated and Separate financial statements	
	2023	2022
Beginning balance	1,101	2,200
Amount written off	(408)	(681)
Amount recovered during the year	(190)	(418)
Ending balance	503	1,101

9. Inventories

	(Unit: Thousand Baht)					
	Consolidated financial statements					
	Cost		Reduce cost to net realisable value		Inventories - net	
	2023	2022	2023	2022	2023	2022
Finished goods	199,189	230,688	(117)	(313)	199,072	230,375
Raw materials	376,108	587,274	-	-	376,108	587,274
Work in process	4,390	23,356	-	-	4,390	23,356
Spare parts and factory supplies	74,770	92,006	-	-	74,770	92,006
Total	654,457	933,324	(117)	(313)	654,340	933,011

	(Unit: Thousand Baht)					
	Separate financial statements					
	Cost		Reduce cost to net realisable value		Inventories - net	
	2023	2022	2023	2022	2023	2022
Finished goods	199,189	230,688	(25)	(313)	199,164	230,375
Raw materials	385,929	607,727	-	-	385,929	607,727
Work in process	97	96	-	-	97	96
Spare parts and factory supplies	46,537	56,482	-	-	46,537	56,482
Total	631,752	894,993	(25)	(313)	631,727	894,680

Movements in the allowance for diminution in value of inventories account during the years 2023 and 2022, which were presented as cost of sales, are summarised below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Beginning balance	313	724	313	724
Reversal allowance for diminution in value of inventories during the year	(196)	(411)	(288)	(411)
Ending balance	117	313	25	313

10. Biological assets

Movements of the biological assets account for the years ended 31 December 2023 and 2022 are summarised below.

	(Unit: Thousand Baht)			
	Consolidated			Separate
	financial statements			financial
				statements
	Palm seeds			
	Palm fruit on trees	and palm sprouts	Total	Palm fruit on trees
Balance as at 1 January 2022	47,259	14,009	61,268	47,259
Gains arising from changes in fair value less costs to sell	224,592	11,997	236,589	224,592
Decrease due to sell	-	(8,020)	(8,020)	-
Decrease due to harvest	(211,639)	-	(211,639)	(211,639)
Balance as at 31 December 2022	60,212	17,986	78,198	60,212
Gains arising from changes in fair value less costs to sell	195,700	18,717	214,417	195,700
Decrease due to sell	-	(9,043)	(9,043)	-
Decrease due to harvest	(208,024)	-	(208,024)	(208,024)
Balance as at 31 December 2023	47,888	27,660	75,548	47,888

Significant estimates 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 purchasing prices of palm fruit at the front of the Company's factory from which the Company purchased in the past less estimated planting cost, harvesting cost and transportation cost from estate.

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

Palm seeds and palm sprouts

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

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

The result of sensitivity analysis for significant assumptions that affects the fair value of biological assets as at 31 December 2023 and 2022 are summarised below:

(Unit: Million Baht)

	Consolidated financial statements			
	2023		2022	
	Increase by 10%	Decrease by 10%	Increase by 10%	Decrease by 10%
Price of palm fruit at the point of harvest	5	(5)	7	(7)
Weight of palm fruit	5	(5)	6	(6)
Price of palm seeds and palm sprouts	3	(3)	2	(2)
Quantity of palm seeds and palm sprouts	3	(3)	2	(2)

(Unit: Million Baht)

	Separate financial statements			
	2023		2022	
	Increase by 10%	Decrease by 10%	Increase by 10%	Decrease by 10%
Price of palm fruit at the point of harvest	5	(5)	7	(7)
Weight of palm fruit	5	(5)	6	(6)

11. Other current financial assets

		(Unit: Thousand Baht)	
		Consolidated and Separate financial statements	
		2023	2022
<u>Debt instruments at amortised cost</u>			
Amounts placed for trading of palm oil future contracts		33,579	39,578
Total debt instruments at amortised cost - net		33,579	39,578
<u>Financial assets at FVTPL</u>			
Derivative assets		51	-
Total financial assets at FVTPL		51	-
Total other financial assets - net		33,630	39,578

12. Investments in subsidiaries

Details of investments in subsidiaries as presented in separate financial statements are as follows:

(Unit: Thousand Baht)												
Company's name	Called-up capital		Shareholding percentage		Cost		Allowance for impairment of investments		Carrying amounts based on cost method - net		Dividend received during the year	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
			(%)	(%)								
CPI Agrotech Co., Ltd.	15,000	15,000	100	100	15,000	15,000	-	(5,000)	15,000	10,000	-	-
CPP Co., Ltd.	191,000	191,000	100	100	191,000	191,000	-	-	191,000	191,000	-	-
CPI Power Co., Ltd.	5,000	5,000	100	100	5,000	5,000	-	-	5,000	5,000	-	-
Total					211,000	211,000	-	(5,000)	211,000	206,000	-	-

13. Investment in joint venture

13.1 Detail of investment in joint venture

Investment in joint venture represent investment in entity which is jointly controlled by the Company and other company. Detail of this investment are as follows:

							(Unit: Thousand Baht)	
Joint venture	Nature of business	Country of incorporation	Shareholding percentage		Consolidated financial statements		Separate financial statements	
					Carrying amounts based on equity method		Carrying amounts based on cost method	
			2023	2022	2023	2022	2023	2022
			(%)	(%)				
<u>Held by the Company</u>								
C K Trading (1965) Co., Ltd.	Conduct an agent business of selling all types of consumer goods	Thailand	49	49	7,307	4,948	4,900	4,900
Total					7,307	4,948	4,900	4,900

13.2 Share of profit and dividend received

During the current year, the Company recognised its share of profit from investment in joint venture in the consolidated financial statements and dividend received in the separate financial statements as follows:

Joint venture	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	Share of profit from investment in joint venture during the year		Dividend received during the year	
	2023	2022	2023	2022
C K Trading (1965) Co., Ltd.	2,359	1,788	-	-

13.3 Summarised financial information about material joint venture

Summarised information about financial position as at 31 December 2023 and 2022.

	(Unit: Thousand Baht)	
	2023	2022
Cash and cash equivalents	18,051	16,471
Other current assets	2,950	1,994
Other non-current assets	220	220
Other current liabilities	(2,687)	(3,330)
Other non-current liabilities	(3,621)	(5,257)
Net assets	14,913	10,098
Shareholding percentage (%)	49%	49%
Share of net assets	7,307	4,948
Carrying amounts of joint venture based on equity method	7,307	4,948

Summarised information about income for the year ended 31 December 2023 and 2022.

	(Unit: Thousand Baht)	
	For the years ended 31 December	
	2023	2022
Revenues	26,671	28,854
Other income	89	98
Profit	4,815	3,648

14. Investment property

As at 31 December 2023 and 2022, the Company presented the net book value of investment property which is land awaiting sales amounting to Baht 128 million under the cost method.

The additional information of the investment property as at 31 December 2023 and 2022 stated below:

	(Unit: Thousand Baht)	
	Consolidated and Separate financial statements	
	2023	2022
Fair value	160,010	160,010

In 2022, the Company engaged the independent valuer to determine the fair value of land awaiting sales. The fair value of the land awaiting sales has been determined based on market prices. Key assumptions used in the valuation include government's appraisal price and the market price of nearby land.

15. Property, plant and equipment

Movements of property, plant and equipment for the years ended 31 December 2023 and 2022 are summarised below.

(Unit: Thousand Baht)

Consolidated financial statements									
	Revaluation basis	Cost basis							
	Land	Land improvement	Buildings and building improvement	Machinery and equipment	Tools and factory equipment	Motor vehicles	Furniture, fixtures and office equipment	Assets under installation and under construction	Total
Cost / Revalued amount									
As at 1 January 2022	908,232	412,602	692,663	2,797,179	70,970	199,027	116,559	33,510	5,230,742
Additions	15,234	-	263	13,246	5,161	12,937	6,757	21,161	74,759
Disposals/Write-offs	-	-	(1,846)	(4,059)	(428)	(201)	(4,141)	-	(10,675)
Transfers in (out)	-	-	4,496	1,876	351	-	3	(6,726)	-
Revaluations on land	277,637	-	-	-	-	-	-	-	277,637
As at 31 December 2022	1,201,103	412,602	695,576	2,808,242	76,054	211,763	119,178	47,945	5,572,463
Additions	19,844	-	32	12,671	3,559	21,721	8,384	87,391	153,602
Disposals/Write-offs	-	-	-	(5,190)	(3,645)	(24,105)	(4,693)	-	(37,633)
Transfers in (out)	-	5,518	7,034	59,725	1,225	9,178	3,751	(86,431)	-
Transfers to bearer plants (Note 17)	-	-	-	-	-	-	-	(810)	(810)
As at 31 December 2023	1,220,947	418,120	702,642	2,875,448	77,193	218,557	126,620	48,095	5,687,622
Accumulated depreciation									
As at 1 January 2022	-	197,935	385,760	1,812,479	53,624	156,561	91,148	-	2,697,507
Depreciation for the year	-	15,591	20,774	94,397	3,466	6,447	6,913	-	147,588
Depreciation on disposals/write-offs	-	-	(1,794)	(4,053)	(366)	(201)	(4,090)	-	(10,504)
As at 31 December 2022	-	213,526	404,740	1,902,823	56,724	162,807	93,971	-	2,834,591
Depreciation for the year	-	15,582	20,936	95,938	3,929	9,244	6,788	-	152,417
Depreciation on disposals/write-offs	-	-	-	(5,062)	(3,603)	(22,025)	(4,416)	-	(35,106)
As at 31 December 2023	-	229,108	425,676	1,993,699	57,050	150,026	96,343	-	2,951,902
Net book value									
As at 31 December 2022	1,201,103	199,076	290,836	905,419	19,330	48,956	25,207	47,945	2,737,872
As at 31 December 2023	1,220,947	189,012	276,966	881,749	20,143	68,531	30,277	48,095	2,735,720
Depreciation for the year									
2022 (Baht 129 million included in manufacturing cost, and the remaining balance in administrative expenses)									147,588
2023 (Baht 132 million included in manufacturing cost, and the remaining balance in administrative expenses)									152,417

(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									
As at 1 January 2022	905,039	292,286	461,604	1,916,654	53,596	167,050	100,917	29,468	3,926,614
Additions	15,234	-	263	10,188	4,428	12,937	6,280	19,989	69,319
Disposals/Write-offs	-	-	(1,846)	(4,059)	(399)	(201)	(3,821)	-	(10,326)
Transfers in (out)	-	-	696	1,876	-	-	3	(2,575)	-
Revaluations on land	277,637	-	-	-	-	-	-	-	277,637
As at 31 December 2022	1,197,910	292,286	460,717	1,924,659	57,625	179,786	103,379	46,882	4,263,244
Additions	19,844	-	32	11,576	3,145	15,569	7,247	69,437	126,850
Disposals/Write-offs	-	-	-	(5,349)	(3,419)	(9,674)	(4,444)	-	(22,886)
Transfers in (out)	-	5,518	7,034	56,535	156	5,996	3,721	(78,960)	-
As at 31 December 2023	1,217,754	297,804	467,783	1,987,421	57,507	191,677	109,903	37,359	4,367,208
Accumulated depreciation									
As at 1 January 2022	-	183,370	357,658	1,646,746	43,659	128,760	80,576	-	2,440,769
Depreciation for the year	-	12,447	15,122	57,820	1,951	6,217	6,032	-	99,589
Depreciation on disposals/write-offs	-	-	(1,794)	(4,053)	(338)	(201)	(3,728)	-	(10,114)
As at 31 December 2022	-	195,817	370,986	1,700,513	45,272	134,776	82,880	-	2,530,244
Depreciation for the year	-	12,470	15,225	59,273	2,402	8,663	5,887	-	103,920
Depreciation on disposals/write-offs	-	-	-	(5,062)	(3,378)	(9,548)	(4,193)	-	(22,181)
As at 31 December 2023	-	208,287	386,211	1,754,724	44,296	133,891	84,574	-	2,611,983
Net book value									
As at 31 December 2022	1,197,910	96,469	89,731	224,146	12,353	45,010	20,499	46,882	1,733,000
As at 31 December 2023	1,217,754	89,517	81,572	232,697	13,211	57,786	25,329	37,359	1,755,225
Depreciation for the year									
2022 (Baht 83 million included in manufacturing cost, and the remaining balance in administrative expenses)									99,589
2023 (Baht 86 million included in manufacturing cost, and the remaining balance in administrative expenses)									103,920

During the year 2022, the Company engaged 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 278 million. The Group recognised the increase of revaluation of land in shareholders' equity as "Other components of shareholders' equity".

The details of land carried on the revaluation basis is as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Land				
Original cost	136,595	116,751	135,045	115,201
Surplus from revaluation on land	1,084,352	1,084,352	1,082,709	1,082,709
Revalued amount on land	1,220,947	1,201,103	1,217,754	1,197,910
Stated at cost				
Net book value	136,595	116,751	135,045	115,201

As at 31 December 2023, 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 1,686 million (2022: Baht 1,651 million) (the Company only: Baht 1,652 million (2022: Baht 1,612 million)).

16. Leases

The Group as a lessee

The Group has lease contracts for various items of property, plant, and equipment used in its operations. Leases generally have lease terms between 3 and 16 years.

a) Right-of-use assets

Movement of right-of-use assets for the years ended 31 December 2023 and 2022 are summarised below:

(Unit: Thousand Baht)

Consolidated financial statements

	Land and land improvement	Buildings and building improvement	Total
As at 1 January 2022	1,189	4,293	5,482
Additions	-	2,475	2,475
Lease contracts termination	-	(683)	(683)
Depreciation for the year	(85)	(1,253)	(1,338)
As at 31 December 2022	1,104	4,832	5,936
Additions	-	1,214	1,214
Lease contracts termination	-	(239)	(239)
Depreciation for the year	(85)	(1,460)	(1,545)
As at 31 December 2023	1,019	4,347	5,366

(Unit: Thousand Baht)

Separate financial statements

	Land and land improvement	Buildings and building improvement	Total
As at 1 January 2022	1,189	771	1,960
Additions	-	2,133	2,133
Depreciation for the year	(85)	(790)	(875)
As at 31 December 2022	1,104	2,114	3,218
Additions	-	940	940
Lease contracts termination	-	(239)	(239)
Depreciation for the year	(85)	(946)	(1,031)
As at 31 December 2023	1,019	1,869	2,888

b) Lease liabilities

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Lease payments	6,605	7,295	3,444	3,826
Less: Deferred interest expenses	(946)	(1,154)	(427)	(538)
Total	5,659	6,141	3,017	3,288
Less: Portion due within one year	(1,499)	(1,136)	(1,005)	(747)
Lease liabilities - net of current portion	4,160	5,005	2,012	2,541

Movements of the lease liabilities account during the years ended 31 December 2023 and 2022 are summarised below:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Balance at beginning of year	6,141	5,698	3,288	2,044
Additions	1,213	2,475	940	2,132
Accretion of interest	276	208	164	78
Repayments	(1,730)	(1,520)	(1,134)	(966)
Lease contracts termination	(241)	(720)	(241)	-
Balance at end of year	5,659	6,141	3,017	3,288

A maturity analysis of lease payments is disclosed in Note 37.2 under the liquidity risk.

c) Expenses relating to leases that are recognised in profit or loss

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Depreciation expense of right-of-use assets	1,545	1,338	1,031	875
Interest expense on lease liabilities	276	208	164	78
Expense relating to short-term leases	5,605	7,131	4,380	5,174

d) Others

The Group had total cash outflows for leases for the year ended 31 December 2023 of Baht 7 million (2022: Baht 9 million) (the Company only: Baht 5 million (2022: Baht 6 million)), including the cash outflows related to short-term leases and leases of low-value assets.

17. Bearer plants

(Unit: Thousand Baht)

	Consolidated financial statements				Total
	Palm trees ready for harvest	Coconut trees ready for harvest	Palm trees not ready for harvest	Coconut trees not ready for harvest	
Cost					
As at 1 January 2022	442,494	-	6,845	543	449,882
Additions	-	-	3,033	-	3,033
Transfers in (out)	-	543	-	(543)	-
Write-offs	(3,247)	-	-	-	(3,247)
As at 31 December 2022	439,247	543	9,878	-	449,668
Additions	-	-	5,019	-	5,019
Transfers from property, plant and equipment (Note 15)	810	-	-	-	810
Write-offs	(724)	-	-	-	(724)
As at 31 December 2023	439,333	543	14,897	-	454,773
Accumulated amortisation					
As at 1 January 2022	94,755	-	-	-	94,755
Amortisation charged for the year	25,070	3	-	-	25,073
Amortisation on write-offs	(955)	-	-	-	(955)
As at 31 December 2022	118,870	3	-	-	118,873
Amortisation charged for the year	25,435	16	-	-	25,451
Amortisation on write-offs	(229)	-	-	-	(229)
As at 31 December 2023	144,076	19	-	-	144,095
Net book value					
As at 31 December 2022	320,377	540	9,878	-	330,795
As at 31 December 2023	295,257	524	14,897	-	310,678
Amortisation for the year (included in manufacturing cost)					
2022					25,073
2023					25,451

(Unit: Thousand Baht)

	Separate financial statements		
	Palm trees ready for harvest	Palm trees not ready for harvest	Total
Cost			
As at 1 January 2022	436,393	9,348	445,741
Additions	-	3,033	3,033
Write-offs	(3,247)	-	(3,247)
As at 31 December 2022	433,146	12,381	445,527
Additions	-	5,254	5,254
Write-offs	(724)	-	(724)
As at 31 December 2023	432,422	17,635	450,057
Accumulated amortisation			
As at 1 January 2022	92,494	-	92,494
Amortisation charged for the year	24,726	-	24,726
Amortisation on write-offs	(955)	-	(955)
As at 31 December 2022	116,265	-	116,265
Amortisation charged for the year	25,086	-	25,086
Amortisation on write-offs	(229)	-	(229)
As at 31 December 2023	141,122	-	141,122
Net book value			
As at 31 December 2022	316,881	12,381	329,262
As at 31 December 2023	291,300	17,635	308,935
Amortisation for the year (included in manufacturing cost)			
2022			24,726
2023			25,086

As at 31 December 2023, palm trees costing a total net book value of Baht 3 million (2022: Baht 4 million) were located on land which the Company had only occupancy rights.

18. Intangible assets

The net book value of intangible assets which are computer software as at 31 December 2023 and 2022 is presented below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Cost	26,953	25,724	26,329	25,112
Less: Accumulated amortisation	(23,531)	(23,123)	(23,073)	(22,711)
Net book value	<u>3,422</u>	<u>2,601</u>	<u>3,256</u>	<u>2,401</u>

A reconciliation of the net book value of intangible assets for the years 2023 and 2022 is presented below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Net book value at beginning of year	2,601	2,035	2,401	1,832
Acquisition of computer software	1,231	1,093	1,219	1,064
Net book value on disposals/write-offs	-	-	-	(12)
Amortisation for the year	(410)	(527)	(364)	(483)
Net book value at end of year	<u>3,422</u>	<u>2,601</u>	<u>3,256</u>	<u>2,401</u>

Amortisation was included in administrative expenses in profit or loss.

19. Short-term loans from banks

	(Unit: Thousand Baht)					
	Interest rate		Consolidated		Separate	
	(% per annum)		financial statements		financial statements	
	2023	2022	2023	2022	2023	2022
Short-term loans from banks	3.10 - 3.85	2.50 - 3.99	1,135,000	1,400,000	1,030,000	1,190,000
Total			<u>1,135,000</u>	<u>1,400,000</u>	<u>1,030,000</u>	<u>1,190,000</u>

These short-term loans from banks are collateral free. The loans repayment will due at call and within 3 months as from issuance date of promissory notes.

20. Trade and other payables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Trade accounts payable - related parties (Note 6)	-	-	12,245	87,438
Trade accounts payable - unrelated parties	90,305	77,419	88,589	75,590
Accrued expenses	38,941	48,026	36,196	43,044
Other payables - related parties (Note 6)	1,454	-	1,849	-
Other payables - unrelated parties	36,289	43,012	28,166	31,331
Total trade and other payables	166,989	168,457	167,045	237,403

21. Long-term loans from banks

			(Unit: Thousand Baht)			
Credit line	Interest rate (% per annum)	Repayment condition	Consolidated		Separate	
			financial statements		financial statements	
			2023	2022	2023	2022
1) Credit line of Baht 250 million of the Company	MLR - 1.50	Grace period until the earlier of 9 months, then quarterly installments of Baht 12.5 million for 20 installments, the last installment is remaining principal and accrued interest. The repayment period is from March 2021 to December 2025	100,000	150,000	100,000	150,000
2) Credit line of Baht 200 million of the Company	MLR - 2.75	Quarterly installments of Baht 16.67 million for 11 installments and Baht 16.63 million for the final installment. The repayment period is from December 2021 to September 2024	49,970	116,650	49,970	116,650
3) Credit line of Baht 100 million of the Company	MLR - 1.805	Monthly installments of Baht 1.66 million for 59 installments and Baht 2.06 million for the final installment. The repayment period is from May 2022 to May 2027	68,460	88,380	68,460	88,380
Total			218,430	355,030	218,430	355,030
Less: Deferred financial fee			(303)	(437)	(303)	(437)
Long-term loans from banks - net			218,127	354,593	218,127	354,593
Less: Current portion due within one year			(119,756)	(136,466)	(119,756)	(136,466)
Long-term loans from banks - net of current portion			98,371	218,127	98,371	218,127

Movements of the long-term loans from banks account during the years ended 31 December 2023 and 2022 are summarised below:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Beginning balance	354,593	550,395	354,593	420,395
Additional borrowings	-	100,000	-	100,000
Repayment loans	(136,600)	(295,800)	(136,600)	(165,800)
Financial fee	-	(125)	-	(125)
Financial fee amortisation	134	123	134	123
Ending balance	218,127	354,593	218,127	354,593

On 13 May 2022, the Company entered into loan agreement with a local bank of Baht 100 million. The objective is to support the operation. The loan is to be repaid in full amount within May 2027.

Long-term credit facilities of the Company are collateral-free loans. The loan agreements contain several covenants which, among other things, require the Group to not create lien over assets, maintain debt-to-equity ratio and debt service coverage ratio at the rates prescribed in the agreements.

In the current year, the Company failed to comply with the condition to maintain certain financial ratio stipulated in the loan agreement. However, the Company has been relieved to a fault condition of the financial ratio from the banks within 2023. Thus, classification of long-term loans as at 31 December 2023 are based on the normal payment terms specified in the loan agreement.

As at 31 December 2023 and 2022, the Group has no long-term credit facilities which have not yet been drawn down.

In order to manage the interest rate risks associated with the long-term loans from banks, the Group entered into interest rate swap agreements with two commercial banks to swap interest rates as described in Note 37.1.

22. Provision for long-term employee benefits

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

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Provision for long-term employee benefits				
at beginning of year	59,206	58,891	56,147	55,619
Included in profit or loss:				
Current service cost	3,976	4,264	3,540	3,801
Interest cost	895	893	824	821
Included in other comprehensive income:				
Actuarial loss (gain) arising from				
Financial assumptions changes	(9,149)	-	(8,360)	-
Experience adjustments	5,063	-	4,974	-
Benefits paid during the year	(6,409)	(4,842)	(6,272)	(4,094)
Provision for long-term employee benefits				
at end of year	53,582	59,206	50,853	56,147

The Group expects to pay Baht 3 million of long-term employee benefits during the next year (2022: Baht 6 million) (the Company only: Baht 3 million (2022: Baht 6 million)).

As at 31 December 2023 and 2022, the weighted average duration of the liabilities for long-term employee benefit is 13 - 20 years (the Company only: 13 years).

Significant actuarial assumptions are summarised below:

	(Unit: % per annum)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Discount rate	3.2 - 3.6	1.5 - 1.8	3.2	1.5
Salary increase rate	3.5	3.5	3.5	3.5
Turnover rate	1.9 - 28.7	1.9 - 28.7	2.4 - 28.7	2.4 - 28.7

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2023 and 2022 are summarised below:

(Unit: Million Baht)

	2023			
	Consolidated financial statements		Separate financial statements	
	Increase 0.5%	Decrease 0.5%	Increase 0.5%	Decrease 0.5%
Discount rate	(2.44)	2.63	(2.24)	2.41
Salary increase rate	2.61	(2.45)	2.39	(2.25)
	Increase 10%	Decrease 10%	Increase 10%	Decrease 10%
Turnover rate	(1.83)	1.86	(1.60)	1.71

(Unit: Million Baht)

	2022			
	Consolidated financial statements		Separate financial statements	
	Increase 0.5%	Decrease 0.5%	Increase 0.5%	Decrease 0.5%
Discount rate	(2.88)	3.11	(2.59)	2.79
Salary increase rate	3.74	(3.27)	3.39	(2.95)
	Increase 10%	Decrease 10%	Increase 10%	Decrease 10%
Turnover rate	(2.69)	2.96	(2.29)	2.69

23. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside a statutory reserve at least 5% of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10% of the registered capital. The statutory reserve is not available for dividend distribution. During the year 2023, the Company set aside a statutory reserve of Baht 1 million (2022: Baht 7 million).

24. Other components of shareholders' equity

This represents surplus arising from revaluation of assets. 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	
	2023	2022	2023	2022
Type of goods:				
Sale of palm oil products, palm sprouts and palm seeds	5,079,898	7,494,432	5,297,152	7,995,888
Sale of electricity	166,125	179,151	23,998	34,330
Sales biogas	9,218	7,647	-	-
Total revenue from contracts with customers	<u>5,255,241</u>	<u>7,681,230</u>	<u>5,321,150</u>	<u>8,030,218</u>
Timing of revenue recognition:				
Revenue recognised at a point in time	5,079,898	7,494,432	5,297,152	7,995,888
Revenue recognised over time	175,343	186,798	23,998	34,330
Total revenue from contracts with customers	<u>5,255,241</u>	<u>7,681,230</u>	<u>5,321,150</u>	<u>8,030,218</u>

26. Finance income

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Interest income on bank deposits	699	283	519	216
Interest income on loans to subsidiaries	-	-	7,637	10,167
Other interest income	38	110	38	110
Total	<u>737</u>	<u>393</u>	<u>8,194</u>	<u>10,493</u>

27. Finance cost

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Interest expenses on borrowings	50,896	53,137	45,302	44,585
Interest expenses on lease liabilities	276	208	164	78
Total	<u>51,172</u>	<u>53,345</u>	<u>45,466</u>	<u>44,663</u>

28. Expenses by nature

Significant expenses classified by nature are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Salaries, wages and other employee benefits	374,186	341,733	337,368	307,043
Depreciation and amortisation	179,823	174,526	130,401	125,673
Raw materials and consumables used	3,884,119	5,733,129	4,349,837	6,522,010
Changes in finished goods	31,303	87,841	31,211	87,841
Fuel and energy	165,450	176,047	132,372	142,250

29. Income tax

29.1 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	
	2023	2022	2023	2022
Deferred tax assets				
Allowance for expected credit losses	101	220	101	220
Allowance for diminution in value of inventories	5	63	5	63
Derivatives	119	488	119	488
Finance lease liabilities	603	658	603	658
Allowance for impairment of investments in subsidiaries	-	1,000	-	1,000
Provision for long-term employee benefits	9,193	10,391	10,171	11,229
Unused tax losses	-	4,576	-	4,576
Total	10,021	17,396	10,999	18,234
Deferred tax liabilities				
Biological assets	14,003	14,568	9,577	12,042
Revaluation surplus on assets	216,870	216,870	216,542	216,542
Right-of-use assets	578	644	578	644
Total	231,451	232,082	226,697	229,228
Deferred tax liabilities - net	221,430	214,686	215,698	210,994

As at 31 December 2023, the Group had deductible temporary differences and unused tax losses totaling Baht 5 million (2022: Baht 27 million) (the Company only: Nil (2022: Nil)), on which deferred tax assets have not been recognised as the Group believes that there is an uncertainty that deductible temporary differences and unused tax losses will be utilised and future taxable profits may not be sufficient to allow utilisation of the temporary differences and unused tax losses. The above unused tax losses will expire by the year 2028 (2022: by the year 2027) (the Company only: Nil (2022: by the year 2027)).

29.2 Income tax expenses

Income tax expenses for the years ended 31 December 2023 and 2022 are made up as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Current income tax:				
Corporate income tax charge for the year	261	-	261	-
Deferred tax:				
Deferred tax relating to origination and reversal of temporary differences	5,927	21,609	4,027	20,156
Income tax expenses reported in profit or loss	6,188	21,609	4,288	20,156

The reconciliation between accounting profit and income tax expenses is shown below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Accounting profit before tax	157,416	351,091	16,640	153,881
Applicable tax rate	20%	20%	20%	20%
Accounting profit before tax multiplied by income tax rate	31,483	70,218	3,328	30,776
Effects of:				
Promotional privileges (Note 30)	(21,267)	(38,597)	(784)	(824)
Non-deductible expenses	4,066	21,900	5,801	19,364
Additional expense deductions allowed	(8,094)	(31,912)	(4,057)	(29,160)
Income tax expenses reported in profit or loss	6,188	21,609	4,288	20,156

29.3 Income tax relating to component of other comprehensive income

The amounts of income tax relating to component of other comprehensive income for the years ended 31 December 2023 and 2022 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Deferred tax on changes in surplus on revaluation of assets	-	55,527	-	55,527
Deferred tax on actuarial gain arising from defined benefit plan of employees	817	-	677	-
	817	55,527	677	55,527

30. Promotional privileges

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

Details	The Company	The Company	CPI Agrotech Co., Ltd.	CPP Co., Ltd.	CPP Co., Ltd.
1. Certificate No.	1702(1)/2556	2644(1)/2556	2390(5)/2554	2548(2)/2557	59-1178-1-00-1-0
2. Promotional privileges for	Manufacture of biogas	Production of electricity from biogas	Production of palm seeds and palm sprouts	Production of crude palm oil and kernel oil	Production of electricity from biomass
3. The significant privileges are					
3.1 Exemption from corporate income tax on net profit from promoted operations and exemption from income tax on dividends paid from the net profit of the operations throughout the period in which the corporate income tax is exempted.	8 years	8 years	8 years	8 years	8 years
3.2 50% reduction of corporate income tax on income derived from the promoted operations for a period of 5 years after the tax-exemption period in 3.1 ends	Granted	Granted	Not granted	Not granted	Not granted
3.3 Exemption from import duty on machinery as approved by the board.	Granted	Granted	Granted	Granted	Granted
4. Date of approval	22 May 2013	14 October 2013	20 September 2011	2 July 2013	13 July 2016
5. Date of first earning operating income	Start operations on 18 October 2016 but not yet generating income	29 September 2014	1 August 2013	2 March 2017	27 April 2017

The Group's operating revenues for the years ended 31 December 2023 and 2022, divided between promoted and non-promoted operations, are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements					
	Promoted		Non-promoted		Total	
	operations		operations			
	2023	2022	2023	2022	2023	2022
Sales						
Domestic sales	204,783	200,147	4,912,440	7,067,028	5,117,223	7,267,175
Export sales	-	-	138,018	414,055	138,018	414,055
Total sales	<u>204,783</u>	<u>200,147</u>	<u>5,050,458</u>	<u>7,481,083</u>	<u>5,255,241</u>	<u>7,681,230</u>

(Unit: Thousand Baht)

	Separate financial statements					
	Promoted		Non-promoted		Total	
	operations		operations			
	2023	2022	2023	2022	2023	2022
Sales						
Domestic sales	23,998	23,701	5,159,134	7,592,463	5,183,132	7,616,164
Export sales	-	-	138,018	414,054	138,018	414,054
Total sales	<u>23,998</u>	<u>23,701</u>	<u>5,297,152</u>	<u>8,006,517</u>	<u>5,321,150</u>	<u>8,030,218</u>

31. Earnings per share

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

The following table sets forth the computation of basic earnings per share:

	Consolidated financial statements					
	Profit for the year		Weighted average number of ordinary shares		Earnings per share	
	2023	2022	2023	2022	2023	2022
	(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)
Basic earnings per share						
Profit attributable to equity holders of the Company	151,229	329,482	632,753	632,753	<u>0.239</u>	<u>0.521</u>

Separate financial statements					
Profit for the year		Weighted average number of ordinary shares		Earnings per share	
2023	2022	2023	2022	2023	2022
(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)
Basic earnings per share					
Profit attributable to equity holders of the Company					
12,352	133,724	632,753	632,753	<u>0.020</u>	<u>0.211</u>

32. Segment information

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

For management purposes, the Group is organised into business units based on its products and services and has three major reportable segments as follows:

- The palm oil products segment, which produces and distributes palm oil products and by products.
- The palm seeds, palm sprouts and others segment, which produces and distributes palm seeds, palm sprouts and others.
- The electricity segment, which produces and distributes electricity.

The palm seeds, palm sprouts and others and the electricity segment are insignificant. The Group's revenues from these two segments accounted for 4 percent of the total revenues amount in this interim consolidated financial information. Therefore, such presented internal reports are classified as a single operating segment. It is reported in the same way as the interim consolidated financial information were presented.

Major customers

For the year 2023, the Group has revenue from a major customer in amount of Baht 516 million (2022: a major customer in amount of Baht 1,350 million), arising from sales by the palm oil products segment.

33. Provident fund

The Group and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both the Group and employees contribute to the fund monthly at the rates of 3% - 5% of basic salary. The fund, which is managed by TISCO Asset Management Company Limited, will be paid to employees upon termination in accordance with the fund rules. The contributions for the year 2023 by the Group amounting to approximately Baht 5 million (2022: Baht 4 million) (the Company only: Baht 4 million (2022: Baht 4 million)) were recognised as expenses.

34. Dividends paid

Dividends	Approved by	Total dividends (Million Baht)	Dividend per share (Baht)
Final dividends for the year 2022	Annual General Meeting of the shareholders on 27 April 2023	132.9	0.210
Total dividend payment in 2023		132.9	0.210
Final dividends for the year 2021	Annual General Meeting of the shareholders on 28 April 2022	120.1	0.190
Total dividend payment in 2022		120.1	0.190

35. Commitments and contingent liabilities

35.1 Capital commitments

As at 31 December 2023, the Group had capital commitments of Baht 3 million (the Company only: Baht 2 million) relating to the building construction and acquisitions of machinery (2022: Baht 4 million (the Company only: Baht 4 million), relating to the acquisitions of machinery and equipment).

35.2 Lease and service commitments

As at 31 December 2023 and 2022, the Group had future minimum payments required under these one-year lease contracts and non-cancellable service contracts as follows:

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Payable:				
Within 1 year	4	2	3	1
Over 1 and up to 5 years	1	1	1	1
Over 5 years	1	1	1	1

35.3 Electricity sale commitment

The Group entered into the following agreements to sell electricity at a specified quantities and prices as defined in the agreements which are summarised below.

Company's name	Date of agreement	Period	Commencement date	Contracted capacity (MW)
Chumporn Palm Oil Industry Plc.	24 December 2013	5 years and renewable for every 5 years	29 September 2014	3
CPP Co., Ltd.	10 October 2016	15 years 4 months	27 April 2017	4

35.4 Guarantees

- As at 31 December 2023 and 2022, the Company had guaranteed bank credit facilities of its subsidiaries amounting to Baht 326 million.
- As at 31 December 2023 and 2022, there were outstanding bank guarantees issued by banks on behalf of the Group in respect of certain performance bonds as required in the normal course of business. These included the following letters of guarantee:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Letters of guarantee for electricity usage	7	7	3	3
Letter of guarantee for sell/purchase electricity	1	1	1	1
Letter of guarantee for area management	1	1	-	-
Total	9	9	4	4

35.5 Commitments related to sale agreements

As at 31 December 2023, the Company had commitments relating to sale agreements which specified quantity and selling price with local customers amounting to Baht 203 million which the goods will be delivered during January to December 2024 (2022: Baht 552 million which the goods would be delivered during January to December 2023).

35.6 Commitment in respect of uncalled investments

As at 31 December 2023 and 2022, the Company is committed to pay the uncalled portion of its investment in CPI Power Co., Ltd. amounting to Baht 15 million.

36. Fair value hierarchy

As at 31 December 2023 and 2022, the Group had the assets and liabilities that were measured at fair value or for which fair value was disclosed using different levels of inputs as follows:

	(Unit: Million Baht)			
	Consolidated financial statements			
	As at 31 December 2023			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Biological assets	-	-	76	76
Land	-	1,221	-	1,221
Liabilities measured at fair value				
Derivatives				
Interest rate swap agreements	-	1	-	1
Assets for which fair value are disclosed				
Investment property	-	160	-	160

	(Unit: Million Baht)			
	Consolidated financial statements			
	As at 31 December 2022			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Biological assets	-	-	78	78
Land	-	1,201	-	1,201
Liabilities measured at fair value				
Derivatives				
Interest rate swap agreements	-	2	-	2
Assets for which fair value are disclosed				
Investment property	-	160	-	160

(Unit: Million Baht)

Separate financial statements				
As at 31 December 2023				
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Biological assets	-	-	48	48
Land	-	1,218	-	1,218
Liabilities measured at fair value				
Derivatives				
Interest rate swap agreements	-	1	-	1
Assets for which fair value are disclosed				
Investment property	-	160	-	160

(Unit: Million Baht)

Separate financial statements				
As at 31 December 2022				
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Biological assets	-	-	60	60
Land	-	1,198	-	1,198
Liabilities measured at fair value				
Derivatives				
Interest rate swap agreements	-	2	-	2
Assets for which fair value are disclosed				
Investment property	-	160	-	160

Reconciliation of recurring fair value measurements, of biological assets, categorised within Level 3 of the fair value hierarchy, key assumptions used in the valuation and sensitivity analysis of the input to fair value are described in Note 10.

37. Financial instruments

37.1 Derivatives

		(Unit: Thousand Baht)	
		Consolidated	Separate
		financial statements	financial statements
		2023	2022
Derivative assets			
Derivative assets not designated as hedging instruments			
Interest rate swap agreements	51	-	51
Total derivative assets	51	-	-
Derivative liabilities			
Derivatives liabilities not designated as hedging instruments			
Interest rate swap agreements	648	2,240	648
Total derivative liabilities	648	2,240	2,440

Derivatives not designated as hedging instruments

The Group uses foreign exchange forward contracts and interest rate swap agreements to manage some of its transaction exposures. The contracts are entered into for periods consistent with foreign currency and interest rate exposure of the underlying transactions, generally from 2 years to 5 years.

Foreign exchange forward contracts

As at 31 December 2023 and 2022, the Group had no outstanding foreign exchange forward contract.

Interest rate swap agreements

The Group entered into interest rate swap agreements in order to manage the interest rate risks associated with its long-term loans from banks. The details of the interest rate swap agreements outstanding as at 31 December 2023 and 2022 are summarised below.

Consolidated and separate financial statements				
	Principal amount	Interest revenue rate swap agreements	Interest expense rate swap agreements	Termination date
1	Baht 98 million	Floating rate THOR	Fixed rate as stipulated in swap agreement.	May 2027
2	Baht 175 million	Floating rate THOR plus 3.15% per annum	Fixed rate as stipulated in swap agreement.	December 2025
3	Baht 150 million	Floating rate THOR plus 3.30% per annum	Fixed rate as stipulated in swap agreement.	September 2024

37.2 Financial risk management objectives and policies

The Group's financial instruments principally comprise cash and cash equivalents, trade and other receivables, short-term loans to related parties, long-term loans from banks and trade and other payables. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Group is exposed to credit risk primarily with respect to trade and other receivables, short-term loans to related parties, deposits with banks and other financial instruments. Except for derivatives, the maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position. The Group's maximum exposure relating to derivatives is noted in the liquidity risk topic.

Trade accounts receivable

The Group manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. Outstanding trade accounts receivable are regularly monitored. In addition, the Group does not have high concentrations of credit risk since it has a large customer base in various industries.

An impairment analysis is performed at each reporting date to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar credit risks. The Group classifies customer segments by product type, customer type and rating. The Group does not hold collateral as security. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written-off by the Group's policy to determine the appropriateness.

Financial instruments and cash deposits

The Group manages the credit risk from balances with banks by making investments only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Group's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Group's Executive Committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments.

The credit risk on derivatives is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

Market risk

There are three types of market risk comprising foreign currency risk, interest rate risk, and commodity price risk. The Group enters into a variety of derivatives to manage its risk exposure, including:

- foreign exchange forward contracts to hedge the foreign currency risk arising on the export of goods.
- interest rate swaps to mitigate the risk of rising interest rates.
- palm oil future contracts to mitigate the price risk of purchased raw materials.

Foreign currency risk

The Group's exposure to the foreign currency risk relates primarily to its selling transactions that are denominated in foreign currencies. The Group seeks to reduce this risk by entering into foreign exchange forward contracts when it considers appropriate. Generally, the forward contracts mature within one year.

As at 31 December 2023 and 2022, the Group's balances of financial assets and liabilities denominated in foreign currencies are summarised below.

Foreign currencies	Consolidated and separate financial statements					
	Financial assets		Financial liabilities		Average exchange rate	
	2023	2022	2023	2022	2023	2022
	(Thousand)	(Thousand)	(Thousand)	(Thousand)	(Baht per 1 foreign currency unit)	
US Dollar	1,017	1,215	1	14	34.2233	34.5624
Euro	-	21	3	2	38.0334	36.8274

Foreign currency sensitivity

There is no significant impact on the Group's profit before tax and equity due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives as at 31 December 2023 and 2022, as from a reasonably possible change in exchange rates within next one year, with all other variables held constant.

Interest rate risk

The Group's exposure to interest rate risk relates primarily to its deposits at banks, and long-term loans from banks. Most of the Group's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

The Group manages its interest rate risk by entering into interest rate swap agreements, in which it agrees to exchange, at specified intervals, between variable and fixed interest rate interest amounts calculated by reference to an agreed-upon notional principal amount.

As at 31 December 2023 and 2022, 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						
	2023						
	Fixed interest rates			Floating			Effective
	Within	1 - 5	Over	interest	Non-interest		Interest
	1 year	years	5 years	rate	bearing	Total	rate
							(% p.a.)
Financial assets							
Cash and cash equivalents	-	-	-	72	-	72	Note 7
Trade and other receivables	-	-	-	-	426	426	-
Financial liabilities							
Short-term loans from banks	1,135	-	-	-	-	1,135	Note 19
Trade and other payables	-	-	-	-	167	167	-
Long-term loans from banks	-	-	-	218	-	218	Note 21
Lease liabilities	1	3	2	-	-	6	Note 16

(Unit: Million Baht)

	Consolidated financial statements						
	2022						
	Fixed interest rates			Floating			Effective
	Within	1 - 5	Over	interest	Non-interest		Interest
	1 year	years	5 years	rate	bearing	Total	rate
	(% p.a.)						
Financial assets							
Cash and cash equivalents	-	-	-	78	-	78	Note 7
Trade and other receivables	-	-	-	-	494	494	-
Financial liabilities							
Short-term loans from banks	1,400	-	-	-	-	1,400	Note 19
Trade and other payables	-	-	-	-	168	168	-
Long-term loans from banks	-	-	-	355	-	355	Note 21
Lease liabilities	1	3	2	-	-	6	Note 16

(Unit: Million Baht)

	Separate financial statements						
	2023						
	Fixed interest rates			Floating			Effective
	Within	1 - 5	Over	interest	Non-interest		Interest
	1 year	years	5 years	rate	bearing	Total	rate
	(% p.a.)						
Financial assets							
Cash and cash equivalents	-	-	-	49	-	49	Note 7
Trade and other receivables	-	-	-	-	504	504	-
Short-term loans to related parties	90	-	-	30	-	120	Note 6
Financial liabilities							
Short-term loans from banks	1,030	-	-	-	-	1,030	Note 19
Trade and other payables	-	-	-	-	167	167	-
Long-term loans from banks	-	-	-	218	-	218	Note 21
Lease liabilities	1	1	1	-	-	3	Note 16

(Unit: Million Baht)

	Separate financial statements						
	2022						
	Fixed interest rates			Floating			Effective
	Within	1 - 5	Over	interest	Non-interest		Interest
	1 year	years	5 years	rate	bearing	Total	rate
	(% p.a.)						
Financial assets							
Cash and cash equivalents	-	-	-	49	-	49	Note 7
Trade and other receivables	-	-	-	-	618	618	-
Short-term loans to related parties	179	-	-	31	-	210	Note 6
Financial liabilities							
Short-term loans from banks	1,190	-	-	-	-	1,190	Note 19
Trade and other payables	-	-	-	-	237	237	-
Long-term loans from banks	-	-	-	355	-	355	Note 21
Lease liabilities	1	2	-	-	-	3	Note 16

Interest rate sensitivity

There is no significant impact on the Group's profit before tax and equity due to changes in the fair value of monetary assets and liabilities including non-designated floating interest rate derivatives as at 31 December 2023 and 2022, as from a reasonably possible change in floating interest rates within next one year, with all other variables held constant.

Commodity price risk

The Group is affected by the price volatility of certain commodities. Its operating activities require the ongoing purchase of palm fruit for manufacturing process. The Group is exposed to change in the price of palm fruit on its forecast palm fruit purchases, including the government's policies such as ceiling price and palm fruit price guarantee which will affect manufacturing costs.

The Group's Board of Directors has developed and enacted a risk management strategy for commodity price risk and its mitigation by entering into palm oil future contracts and analysing the government's policies, inventory management in accordance with the current situations, controlling the cost of plantation and expanding the plantation.

Commodity price sensitivity

There is no significant impact on the Group's profit before tax and equity due to change in the fair value of monetary assets and liabilities as at 31 December 2023 and 2022, as from a reasonably possible change in commodity price within next one year, with all other variables held constant.

Liquidity risk

The Group monitors the risk of liquidity through the use of bank loans and lease contracts. As at 31 December 2023, the Group's debts will mature less than one year approximately 93% (2022: 88%) (the Company only: 93% (2022: 88%)) compared with the carrying amount of the above liabilities reflected in the financial statements. The Group has assessed the concentration of risk with respect to refinancing its debts and concluded it to be low. The Group has access to a sufficient variety of sources of funding.

The table below summarises the maturity profile of the Group's non-derivative financial liabilities and derivative financial instruments as at 31 December 2023 and 2022 based on contractual undiscounted cash flows, and included interest payments.

(Unit: Thousand Baht)

	Consolidated financial statements				
	As at 31 December 2023				
	On demand	Less than 1 year	1 to 5 years	More than 5 years	Total
Non-derivatives					
Short-term loans from banks	458,725	683,443	-	-	1,142,168
Trade and other payables	-	166,989	-	-	166,989
Long-term loans from banks	-	128,863	105,176	-	234,039
Lease liabilities	-	1,710	2,975	1,920	6,605
Total non-derivatives	458,725	981,005	108,151	1,920	1,549,801
Derivatives					
Derivative liabilities: net settled	-	-	343	-	343
Total derivatives	-	-	343	-	343

(Unit: Thousand Baht)

	Consolidated financial statements				
	As at 31 December 2022				
	On demand	Less than 1 year	1 to 5 years	More than 5 years	Total
Non-derivatives					
Short-term loans from banks	231,468	1,183,805	-	-	1,415,273
Trade and other payables	-	168,457	-	-	168,457
Long-term loans from banks	-	148,908	230,750	-	379,658
Lease liabilities	-	1,374	3,377	2,544	7,295
Total non-derivatives	231,468	1,502,544	234,127	2,544	1,970,683
Derivatives					
Derivative liabilities: net settled	-	3,407	3,468	-	6,875
Total derivatives	-	3,407	3,468	-	6,875

(Unit: Thousand Baht)

	Separate financial statements				
	As at 31 December 2023				
	On demand	Less than 1 year	1 to 5 years	More than 5 years	Total
Non-derivatives					
Short-term loans from banks	453,678	582,899	-	-	1,036,577
Trade and other payables	-	167,045	-	-	167,045
Long-term loans from banks	-	128,863	105,176	-	234,039
Lease liabilities	-	1,122	1,602	720	3,444
Total non-derivatives	453,678	879,929	106,778	720	1,441,105
Derivatives					
Derivative liabilities: net settled	-	-	343	-	343
Total derivatives	-	-	343	-	343

(Unit: Thousand Baht)

	Separate financial statements				
	As at 31 December 2022				
	On demand	Less than 1 year	1 to 5 years	More than 5 years	Total
Non-derivatives					
Short-term loans from banks	211,340	982,602	-	-	1,193,942
Trade and other payables	-	237,403	-	-	237,403
Long-term loans from banks	-	148,908	230,750	-	379,658
Lease liabilities	-	882	1,984	960	3,826
Total non-derivatives	211,340	1,369,795	232,734	960	1,814,829
Derivatives					
Derivative liabilities: net settled	-	3,407	3,468	-	6,875
Total derivatives	-	3,407	3,468	-	6,875

37.3 Fair value of financial instruments

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

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

- a) For financial assets and liabilities which have short-term maturities, including cash and cash equivalents, accounts receivable and short-term loans to, accounts payable and short-term loans from, the carrying amounts in the statement of financial position approximate their fair value.
- b) The carrying amounts of long-term loans carrying interest at rates approximating the market rate, in the statement of financial position approximates their fair value.
- c) The fair value of derivatives has been determined using a discounted future cash flow model and a valuation model technique. Most of the inputs used for the valuation are observable in the relevant market, such as spot rates of foreign currencies, yield curves of the respective currencies and interest rate yield curves. The Group considers counterparty credit risk when determining the fair value of derivatives.

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

38. Capital management

The primary objective of the Group's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value and it meets financial covenants attached to the loan agreements. The Group has complied with these covenants throughout the reporting periods.

As at 31 December 2023, the Group's debt-to-equity ratio was 0.70:1 (2022: 0.85:1) and the Company's was 0.81:1 (2022: 0.93:1).

39. Events after the reporting period

On 22 February 2024, the meeting of the Company's Board of Directors passed a resolution to propose the Annual General Meeting of the Company's shareholders to approve to pay a dividend from operating results for the year 2023 at Baht 0.11 per share, totalling Baht 69.60 million and set aside a statutory reserve of Baht 0.62 million. The dividend will be paid and recorded after it is approved by the Annual General Meeting of the Company's shareholders.

40. Approval of consolidated financial statements

These consolidated financial statements were authorised for issue by the Company's Board of Directors on 22 February 2024.