

Chumporn Palm Oil Industry Public Company Limited  
and its subsidiaries  
Review report and interim financial information  
For the three-month period ended 31 March 2021

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

To the Shareholders of Chumporn Palm Oil Industry Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of Chumporn Palm Oil Industry Public Company Limited and its subsidiaries as at 31 March 2021, and the related consolidated statements of comprehensive income, changes in shareholders' equity, and cash flows for the three-month period then ended, as well as the condensed notes to the interim consolidated financial statements. I have also reviewed the separate financial information of Chumporn Palm Oil Industry Public Company Limited for the same period (collectively "interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34 *Interim Financial Reporting*. My responsibility is to express a conclusion on this interim financial information based on my review.

### **Scope of Review**

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

### **Conclusion**

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

Orawan Techawatanasirikul

Certified Public Accountant (Thailand) No. 4807

EY Office Limited

Bangkok: 13 May 2021

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

**Statement of financial position**

**As at 31 March 2021**

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	31 March 2021	31 December 2020	31 March 2021	31 December 2020
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	4	81,972	93,776	60,493	63,661
Trade and other receivables	3, 5	356,302	326,272	485,984	420,124
Short-term loans to related parties	3	-	-	389,000	403,900
Inventories	6	386,459	521,137	343,337	474,667
Biological assets		77,889	44,240	57,656	26,922
Prepaid expenses		15,219	135	12,769	135
Current derivative assets	21.1	-	48	-	48
Other current assets		64,817	25,594	56,207	21,169
<b>Total current assets</b>		<b>982,658</b>	<b>1,011,202</b>	<b>1,405,446</b>	<b>1,410,626</b>
<b>Non-current assets</b>					
Investment in joint venture	7	3,384	2,878	4,900	4,900
Investments in subsidiaries	8	-	-	206,000	206,000
Investment property	9	128,431	128,431	128,431	128,431
Property, plant and equipment	10	2,579,264	2,606,537	1,505,282	1,525,573
Right-of-use assets	11	6,511	6,854	2,620	2,840
Bearer plants	12	369,335	373,937	367,092	371,609
Intangible assets		2,621	2,823	2,385	2,572
Deposits		775	685	207	207
<b>Total non-current assets</b>		<b>3,090,321</b>	<b>3,122,145</b>	<b>2,216,917</b>	<b>2,242,132</b>
<b>Total assets</b>		<b>4,072,979</b>	<b>4,133,347</b>	<b>3,622,363</b>	<b>3,652,758</b>

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 March 2021**

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	31 March 2021	31 December 2020	31 March 2021	31 December 2020
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from banks	13	1,009,000	1,159,000	870,000	1,050,000
Trade and other payables	3, 14	279,844	162,393	263,751	145,181
Current portion of long-term loans from banks	15	233,891	247,111	99,891	113,111
Current portion of lease liabilities		1,306	1,291	867	857
Value added tax payable		30,699	28,103	27,989	26,631
Current derivative liabilities	21.1	5,377	-	5,377	-
Other current liabilities		8,762	1,991	5,509	1,679
Total current liabilities		1,568,879	1,599,889	1,273,384	1,337,459
Non-current liabilities					
Long-term loans from banks - net of current portion	15	275,092	367,065	212,092	237,065
Lease liabilities - net of current portion		5,366	5,698	1,824	2,044
Provision for long-term employee benefits		59,971	58,672	56,130	54,965
Deferred tax liabilities		138,513	132,906	135,874	130,984
Non-current derivative liabilities	21.1	3,832	5,296	851	1,226
Total non-current liabilities		482,774	569,637	406,771	426,284
Total liabilities		2,051,653	2,169,526	1,680,155	1,763,743

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 March 2021**

(Unit: Thousand Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>31 March 2021</b>	<b>31 December 2020</b>	<b>31 March 2021</b>	<b>31 December 2020</b>
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>Shareholders' equity</b>				
Share capital				
Registered				
775,424,053 ordinary shares of Baht 1 each	775,424	775,424	775,424	775,424
Issued and paid-up				
632,752,650 ordinary shares of Baht 1 each	632,753	632,753	632,753	632,753
Share premium	412,310	412,310	412,310	412,310
Capital reserve for share-based payment transactions	12,657	12,657	12,657	12,657
Retained earnings				
Appropriated - statutory reserve	40,530	40,530	40,530	40,530
Unappropriated	281,306	220,199	203,502	146,707
Other components of shareholders' equity	641,770	645,372	640,456	644,058
<b>Total shareholders' equity</b>	<b>2,021,326</b>	<b>1,963,821</b>	<b>1,942,208</b>	<b>1,889,015</b>
<b>Total liabilities and shareholders' equity</b>	<b>4,072,979</b>	<b>4,133,347</b>	<b>3,622,363</b>	<b>3,652,758</b>
	-	-	-	-

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

Directors

(Unaudited but reviewed)

**Chumporn Palm Oil Industry Public Company Limited and its subsidiaries****Statement of comprehensive income****For the three-month period ended 31 March 2021**

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2021	2020	2021	2020
<b>Profit or loss:</b>					
<b>Revenues</b>					
Sales	16, 19	1,237,908	834,836	1,268,718	812,456
Other income		3,814	1,856	3,351	1,573
Gain on exchange		333	2,158	333	2,158
<b>Total revenues</b>		<b>1,242,055</b>	<b>838,850</b>	<b>1,272,402</b>	<b>816,187</b>
<b>Expenses</b>					
Cost of sales		1,126,646	813,585	1,170,429	787,623
Selling and distribution expenses		22,845	22,147	22,495	21,852
Administrative expenses		47,365	53,480	41,930	46,678
<b>Total expenses</b>		<b>1,196,856</b>	<b>889,212</b>	<b>1,234,854</b>	<b>856,153</b>
<b>Operating profit (loss)</b>		<b>45,199</b>	<b>(50,362)</b>	<b>37,548</b>	<b>(39,966)</b>
Share of profit from investment in joint venture	7.2	506	1,216	-	-
Finance income		6	9	3,544	3,807
Finance cost		(11,871)	(13,891)	(8,693)	(9,419)
Gain on change in fair value of biological assets		33,233	24,786	30,734	24,814
Gain (loss) on change in fair value of derivatives		542	783	(547)	(162)
<b>Profit (loss) before income tax expenses</b>		<b>67,615</b>	<b>(37,459)</b>	<b>62,586</b>	<b>(20,926)</b>
Income tax expenses	17	(6,508)	(3,353)	(5,791)	(3,170)
<b>Profit (loss) for the period</b>		<b>61,107</b>	<b>(40,812)</b>	<b>56,795</b>	<b>(24,096)</b>
<b>Other comprehensive income:</b>					
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods</i>					
Loss on cash flow hedges		(4,503)	-	(4,503)	-
Less: Income tax effect	17	901	-	901	-
Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax		(3,602)	-	(3,602)	-
<b>Other comprehensive income for the period</b>		<b>(3,602)</b>	<b>-</b>	<b>(3,602)</b>	<b>-</b>
<b>Total comprehensive income for the period</b>		<b>57,505</b>	<b>(40,812)</b>	<b>53,193</b>	<b>(24,096)</b>
(Unit: Baht)					
<b>Earnings per share</b>					
18					
Basic earnings per share					
Profit (loss) attributable to equity holders of the Company		0.097	(0.064)	0.090	(0.038)

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

(Unaudited but reviewed)

Chumporn Palm Oil Industry Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the three-month period ended 31 March 2021

(Unit: Thousand Baht)

	Consolidated financial statements								
						Other components of			
						shareholders' equity			
	Issued and paid-up share capital	Share premium	Capital reserve for share-based payment transactions	Retained earnings		Other comprehensive income		Total other components of shareholders' equity	Total shareholders' equity
			Appropriated - statutory reserve	Unappropriated	Revaluation surplus on assets	Cash flows hedge reserve			
Balance as at 1 January 2020	632,753	412,310	12,657	32,346	112,474	645,372	-	645,372	1,847,912
Loss for the period	-	-	-	-	(40,812)	-	-	-	(40,812)
Other comprehensive income for the period	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	(40,812)	-	-	-	(40,812)
Balance as at 31 March 2020	632,753	412,310	12,657	32,346	71,662	645,372	-	645,372	1,807,100
Balance as at 1 January 2021	632,753	412,310	12,657	40,530	220,199	645,372	-	645,372	1,963,821
Profit for the period	-	-	-	-	61,107	-	-	-	61,107
Other comprehensive income for the period	-	-	-	-	-	-	(3,602)	(3,602)	(3,602)
Total comprehensive income for the period	-	-	-	-	61,107	-	(3,602)	(3,602)	57,505
Balance as at 31 March 2021	632,753	412,310	12,657	40,530	281,306	645,372	(3,602)	641,770	2,021,326
	-	-	-	-	-	-	-	-	-

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

(Unaudited but reviewed)

Chumporn Palm Oil Industry Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the three-month period ended 31 March 2021

(Unit: Thousand Baht)

	Separate financial statements								
						Other components of shareholders' equity			
	Issued and paid-up share capital	Share premium	Capital reserve for share-based payment transactions	Retained earnings		Other comprehensive income		Total other components of shareholders' equity	Total shareholders'
				Appropriated - statutory reserve	Unappropriated	Revaluation surplus on assets	Cash flows hedge reserve		equity
Balance as at 1 January 2020	632,753	412,310	12,657	32,346	87,472	644,058	-	644,058	1,821,596
Loss for the period	-	-	-	-	(24,096)	-	-	-	(24,096)
Other comprehensive income for the period	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	(24,096)	-	-	-	(24,096)
Balance as at 31 March 2020	632,753	412,310	12,657	32,346	63,376	644,058	-	644,058	1,797,500
Balance as at 1 January 2021	632,753	412,310	12,657	40,530	146,707	644,058	-	644,058	1,889,015
Profit for the period	-	-	-	-	56,795	-	-	-	56,795
Other comprehensive income for the period	-	-	-	-	-	-	(3,602)	(3,602)	(3,602)
Total comprehensive income for the period	-	-	-	-	56,795	-	(3,602)	(3,602)	53,193
Balance as at 31 March 2021	632,753	412,310	12,657	40,530	203,502	644,058	(3,602)	640,456	1,942,208
	-	-	-	-	-	-	-	-	-

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



(Unaudited but reviewed)

**Chumporn Palm Oil Industry Public Company Limited and its subsidiaries****Statement of cash flows****For the three-month period ended 31 March 2021**

(Unit: Thousand Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2021	2020	2021	2020
<b>Cash flows from operating activities</b>				
Profit (loss) before tax	67,615	(37,459)	62,586	(20,926)
Adjustments to reconcile profit (loss) before tax				
to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	44,841	48,714	32,123	35,992
Reduction of cost of inventories to net realisable value	69	7,985	69	7,985
Written-off bearer plants	-	284	-	284
Financial fee amortisation	27	-	27	-
Loss (gain) on sale of equipment	(554)	521	(682)	520
Reversal of allowance for expected credit losses	-	(8)	-	(8)
Share of gain from investment in joint venture	(506)	(1,216)	-	-
Long-term employee benefits expenses	1,299	1,462	1,165	1,180
Gain on change in fair value of biological assets	(33,233)	(24,786)	(30,734)	(24,814)
Loss (gain) on change in fair value of derivatives	(542)	(839)	547	107
Unrealised gain on exchange	(304)	(2,175)	(304)	(2,175)
Finance income	(6)	(9)	(3,544)	(3,807)
Finance cost	11,871	13,891	8,693	9,419
Profit from operating activities before changes in				
operating assets and liabilities	90,577	6,365	69,946	3,757
Operating assets (increase) decrease				
Trade and other receivables	(30,030)	(41,713)	(68,088)	(51,192)
Inventories	134,609	(80,086)	131,261	(64,611)
Biological assets	(416)	(1,182)	-	-
Prepaid expenses	(15,084)	(13,649)	(12,634)	(10,137)
Deposits	(90)	-	-	-
Other current assets	(38,530)	(335)	(34,448)	35
Operating liabilities increase (decrease)				
Trade and other payables	119,382	103,849	119,213	94,988
Value added tax payable	2,596	8,517	1,358	8,095
Other current liabilities	6,721	6,568	3,781	3,603
Cash paid for long-term employee benefits	-	(308)	-	(308)
Cash flows from (used in) operating activities	269,735	(11,974)	210,389	(15,770)
Cash paid for income tax	(331)	-	(229)	-
<b>Net cash flows from (used in) operating activities</b>	<b>269,404</b>	<b>(11,974)</b>	<b>210,160</b>	<b>(15,770)</b>

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

(Unaudited but reviewed)

**Chumporn Palm Oil Industry Public Company Limited and its subsidiaries****Statement of cash flows (continued)****For the three-month period ended 31 March 2021**

(Unit: Thousand Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2021	2020	2021	2020
<b>Cash flows from investing activities</b>				
Cash received from finance income	6	213	5,771	155
Decrease (increase) in short-term loans to related parties	-	-	14,900	(60,500)
Cash paid for investment in joint venture	-	(4,410)	-	(4,410)
Acquisitions of machinery and equipment	(13,910)	(15,711)	(8,048)	(10,963)
Cash received from disposal of equipment	1,128	373	2,057	373
Increase in bearer plants	(422)	(256)	(422)	(256)
Acquisitions of intangible assets	(147)	-	(147)	-
<b>Net cash flows from (used in) investing activities</b>	<b>(13,345)</b>	<b>(19,791)</b>	<b>14,111</b>	<b>(75,601)</b>
<b>Cash flows from financing activities</b>				
Increase (decrease) in short-term loans from banks	(150,000)	344,682	(180,000)	314,682
Cash paid for lease liabilities	(390)	(366)	(243)	(273)
Repayment of long-term loans from banks	(105,220)	(111,200)	(38,220)	(44,200)
Cash paid for interest	(12,253)	(14,345)	(8,976)	(9,609)
<b>Net cash flows from (used in) financing activities</b>	<b>(267,863)</b>	<b>218,771</b>	<b>(227,439)</b>	<b>260,600</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(11,804)</b>	<b>187,006</b>	<b>(3,168)</b>	<b>169,229</b>
Cash and cash equivalents at beginning of period	93,776	71,163	63,661	53,045
<b>Cash and cash equivalents at end of period (Note 4)</b>	<b>81,972</b>	<b>258,169</b>	<b>60,493</b>	<b>222,274</b>
	-		-	
<b>Supplemental cash flows information:</b>				
Non-cash transactions				
Decrease in acquisitions of equipment				
which had not yet been paid	(1,484)	(4,163)	(334)	(2,611)

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

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

**Notes to interim consolidated financial statements**

**For the three-month period ended 31 March 2021**

**1. General information**

**1.1 General information of the Company**

Chumporn Palm Oil Industry Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. Its major shareholder is Chumporn Holding Company Limited, which was incorporated in Thailand. The Company is principally engaged in the 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.

**1.2 Coronavirus disease 2019 Pandemic**

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

**1.3 Basis for the preparation of interim financial information**

This interim financial information is prepared in accordance with Thai Accounting Standard No. 34 *Interim Financial Reporting*, with the Company choosing to present condensed interim financial statements. However, the Company has presented the statements of financial position, comprehensive income, changes in shareholders’ equity, and cash flows in the same format as that used for the annual financial statements.

This interim financial information is intended to provide information additional to that included in the latest annual financial statements. Accordingly, it focuses on new activities, events and circumstances so as not to duplicate information previously reported. This interim financial information should therefore be read in conjunction with the latest annual financial statements.

The interim financial information in Thai language is the official statutory financial information of the Company. The interim financial information in English language has been translated from the Thai language interim financial information.

#### **1.4 Basis of consolidation**

This interim financial information included the financial statements of Chumporn Plam Oil Industry Public Company Limited and its subsidiaries (“the Group”) and has been prepared on the same basis as that applied for the preparation of the consolidated financial statements for the year ended 31 December 2020 with no changes in the composition of the Group during the current period.

#### **1.5 New financial reporting standards**

##### **a) Financial reporting standards that became effective in the current period**

During the period, the Group has adopted the revised financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2021. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

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

##### **b) Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2022**

The Federation of Accounting Professions issued amendments to Thai Financial Reporting Standard 16 Leases that provide temporary exemptions from the impact of interest rate benchmark reform for a lessee, provided that all specified conditions are to be met.

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

#### **2. Significant accounting policies**

The interim financial information is prepared by using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2020 except the changes in accounting policies related to hedge accounting.

##### **Hedge accounting**

For the purpose of hedge accounting, hedges are classified as:

- Cash flow hedges when hedging the exposure to a variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transactions.

At the inception of a hedging relationship, the Group formally designates and documents the hedging relationship to which it wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

The documentation, at the inception of the hedge and on an ongoing basis, includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Group will assess whether the hedging relationship meets the hedge effectiveness requirements, including analysis of the sources of hedge ineffectiveness and how the hedge ratio is determined.

A hedging relationship qualifies for hedge accounting if it meets all of the following hedge effectiveness requirements:

- There is an economic relationship' between the hedged item and the hedging instrument.
- The effect of credit risk is not the dominant factor in the value changes that result from that economic relationship.
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

Hedges that meet all of the qualifying criteria for hedge accounting are accounted for, as described below:

### ***Cash flow hedges***

The effective portion of the gain or loss on the hedging instrument is recognised in other comprehensive income in the cash flow hedge reserve, while any ineffective portion is recognised immediately in profit or loss. The cash flow hedge reserve is adjusted to the lower (in absolute amounts) of the cumulative gain or loss on the hedging instrument and the cumulative change in fair value of the hedged item.

The way cash flow hedge reserve accumulated in other comprehensive income are subsequently accounted for, depends on the nature of the underlying hedged transaction. If the hedged transaction subsequently results in the recognition of a non-financial item, the reserve accumulated in equity is removed from the separate component of equity and included in the initial cost or other carrying amount of the hedged asset or liability. This is not a reclassification adjustment and is not recognised in other comprehensive income for the period. For any other cash flow hedges, the reserve accumulated in other comprehensive income is subsequently

reclassified to profit or loss as a reclassification adjustment in the same period which the hedged cash flows affect profit or loss.

If cash flow hedge accounting is discontinued, the cash flow hedge reserve accumulated in other comprehensive income must remain in equity if the hedged future cash flows are still expected to occur. Otherwise, the reserve will be immediately reclassified to profit or loss as a reclassification adjustment. After discontinuation, once the hedged cash flow occurs, the way the reserve remaining in equity is accounted for depends on the nature of the underlying transaction as described above.

### 3. 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
CK Trading (1965) Co., Ltd.	Joint venture
Khonburi Sugar Public Company Limited	Common shareholders/directors

During the periods, 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)

For the three-month periods ended 31 March					Transfer pricing policy
Consolidated		Separate			
financial statements		financial statements			
2021	2020	2021	2020		
<u>Transactions with subsidiaries</u>					
(eliminated from the consolidated financial statements)					
Sales	-	-	67.1	10.6	Market price
Rental income	-	-	0.2	0.2	Monthly fees of Baht 0.03 - 0.04 million
Finance income	-	-	3.5	3.8	4.75% per annum and rate charged on call borrowings from a bank plus 0.50% per annum
Purchase of raw materials	-	-	114.1	41.4	Market price

(Unaudited but reviewed)

Transactions with joint venture

Other income	0.9	0.9	0.9	0.9	Contract price
Service expenses	4.4	5.3	4.4	5.3	Contract price

The balances of the accounts as at 31 March 2021 and 31 December 2020 between the Company and these related companies are as follows:

(Unit: Thousand Baht)

Consolidated financial statements

	31 March 2021	31 December 2020
<b>Other receivables - related party (Note 5)</b>		
Joint venture	314	316

(Unit: Thousand Baht)

Separate financial statements

	31 March 2021	31 December 2020
<b>Trade accounts receivable - related party (Note 5)</b>		
Subsidiary (eliminated from consolidated financial statements)	136,346	90,510
<b>Other receivables - related parties (Note 5)</b>		
Subsidiaries (eliminated from consolidated financial statements)	2,619	10,543
Joint venture	314	316
Total other receivables - related parties	2,933	10,859
<b>Interest receivables - related parties (Note 5)</b>		
Subsidiaries (eliminated from consolidated financial statements)	17,727	19,954
<b>Short-term loans to related parties</b>		
Subsidiaries (eliminated from consolidated financial statements)	389,000	403,900
<b>Trade accounts payable - related party (Note 14)</b>		
Subsidiary (eliminated from consolidated financial statements)	20,586	12,344
<b>Other payables - related parties (Note 14)</b>		
Subsidiaries (eliminated from consolidated financial statements)	1,019	8,968

**Short-term loans to related parties**

As at 31 March 2021 and 31 December 2020, the balances of loans between the Company and those related parties and the movement of such loans are as follows:

(Unit: Thousand Baht)

Loans to	Relationship	Separate financial statements			
		Balance as at	During the period		Balance as at
		1 January 2021	Increase	Decrease	31 March 2021
CPI Agrotech Co., Ltd.	Subsidiary	37,000	-	(30,000)	7,000
CPP Co., Ltd.	Subsidiary	366,900	59,000	(43,900)	382,000
Total		403,900	59,000	(73,900)	389,000

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 three-month periods ended 31 March 2021 and 2020, the Group had employee benefit expenses payable to its directors and management as below.

(Unit: Thousand Baht)

	For the three-month periods ended 31 March			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Short-term employee benefits	8,988	9,061	8,577	8,425
Post-employment and termination benefits	256	213	239	172
Total	9,244	9,274	8,816	8,597

**Guarantee obligations with related parties**

The Company has outstanding guarantee obligations with its subsidiaries, as described in Note 20.4 a) to the interim consolidated financial statements.



(Unaudited but reviewed)

#### 4. Cash and cash equivalents

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2021	2020	2021	2020
Cash	7,693	788	2,660	703
Bank deposits	74,279	92,988	57,833	62,958
Total	81,972	93,776	60,493	63,661

As at 31 March 2021, bank deposits in saving accounts carried interest at rates between 0.1% - 0.2% per annum (31 December 2020: between 0.1% - 0.3% per annum).

#### 5. Trade and other receivables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2021	2020	2021	2020
<b>Trade accounts receivable - related party</b>				
Aged on the basis of due dates				
Not yet due	-	-	4,451	18
Past due				
Up to 1 month	-	-	28,365	18,988
1 - 3 months	-	-	38,696	36,337
3 - 6 months	-	-	55,316	35,162
6 - 12 months	-	-	9,518	5
Total trade accounts receivable - related party	-	-	136,346	90,510

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March 2021	31 December 2020	31 March 2021	31 December 2020
<b>Trade accounts receivable - unrelated parties</b>				
Aged on the basis of due dates				
Not yet due	314,300	285,784	290,168	260,545
Past due				
Up to 1 month	36,993	36,611	36,351	36,424
1 - 3 months	1,430	775	1,211	337
3 - 6 months	625	813	-	-
6 - 12 months	625	1	-	1
Over 12 months	4,148	4,349	4,148	4,349
Total	358,121	328,333	331,878	301,656
Less: Allowance for expected credit losses	(4,244)	(4,244)	(4,244)	(4,244)
Total trade accounts receivable - unrelated parties - net	353,877	324,089	327,634	297,412
Total trade accounts receivable - net	353,877	324,089	463,980	387,922
<b>Other receivables</b>				
Other receivables - related parties	314	316	2,933	10,859
Interest receivables - related parties	-	-	17,727	19,954
Other receivables - unrelated parties	2,792	2,548	2,025	2,070
Total	3,106	2,864	22,685	32,883
Less: Allowance for expected credit losses	(681)	(681)	(681)	(681)
Total other receivables - net	2,425	2,183	22,004	32,202
Total trade and other receivables - net	356,302	326,272	485,984	420,124

## 6. Inventories

(Unit: Thousand Baht)

	Consolidated financial statements					
	Cost		Reduce cost to net realisable value		Inventories - net	
	31 March	31 December	31 March	31 December	31 March	31 December
	2021	2020	2021	2020	2021	2020
Finished goods	244,700	213,630	(185)	(116)	244,515	213,514
Raw materials	69,866	227,973	-	-	69,866	227,973
Work in process	13,765	21,606	-	-	13,765	21,606
Spare parts and factory supplies	58,313	58,044	-	-	58,313	58,044
Total	386,644	521,253	(185)	(116)	386,459	521,137

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Separate financial statements					
	Cost		Reduce cost to net realisable value		Inventories - net	
	31 March	31 December	31 March	31 December	31 March	31 December
	2021	2020	2021	2020	2021	2020
Finished goods	245,002	213,530	(185)	(116)	244,817	213,414
Raw materials	67,767	231,166	-	-	67,767	231,166
Work in process	1,116	96	-	-	1,116	96
Spare parts and factory supplies	29,637	29,991	-	-	29,637	29,991
Total	343,522	474,783	(185)	(116)	343,337	474,667

## 7. Investment in joint venture

### 7.1 Detail of investment in joint venture

Detail of investment in joint venture, represent investment in entity which are jointly controlled by the Company and other company, as presented in financial statements as at 31 March 2021 and 31 December 2020 are as follows:

Joint venture	Nature of business	Country of incorporation	Shareholding percentage		Consolidated financial statements Carrying amounts based on equity method		(Unit: Thousand Baht) Separate financial statements Carrying amounts based on cost method	
			31 March	31 December	31 March	31 December	31 March	31 December
			2021	2020	2021	2020	2021	2020
			(%)	(%)				
<u>Held by the Company</u>								
C K Trading (1965) Company Limited	Conduct an agent business of selling all types of consumer goods	Thailand	49	49	3,384	2,878	4,900	4,900
Total					3,384	2,878	4,900	4,900

### 7.2 Share of profit and dividend received

(Unit: Thousand Baht)

Joint venture	For the three-month periods ended 31 March			
	Consolidated financial statements		Separate financial statements	
	Share of profit from investment in joint venture		Dividend received during the period	
	2021	2020	2021	2020
C K Trading (1965) Company Limited	506	1,216	-	-

## 8. Investments in subsidiaries

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

Company's name	Called-up capital		Shareholding percentage		Cost		Allowance for impairment of investments		Carrying amounts based on cost method - net		(Unit: Thousand Baht) Dividend received during the period	
	31 March 2021	31 December 2020	31 March 2021	31 December 2020	31 March 2021	31 December 2020	31 March 2021	31 December 2020	31 March 2021	31 December 2020	31 March 2021	31 March 2020
			(%)	(%)								
CPI Agrotech Co., Ltd.	15,000	15,000	100	100	15,000	15,000	(5,000)	(5,000)	10,000	10,000	-	-
CPP Co., Ltd.	191,000	191,000	100	100	191,000	191,000	-	-	191,000	191,000	-	-
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)	(5,000)	206,000	206,000	-	-

## 9. Investment property

As at 31 March 2021 and 31 December 2020, the Company presented the net book value of investment property which is land awaiting sales amounting to Baht 128.4 million under the cost method.

## 10. Property, plant and equipment

Movements of the property, plant and equipment account during the three-month period ended 31 March 2021 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Net book value as at 1 January 2021	2,606,537	1,525,573
Acquisitions during the period - at cost	12,426	7,714
Disposal during the period - net book value as at disposal date	(574)	(1,375)
Depreciation for the period	(39,125)	(26,630)
Net book value as at 31 March 2021	2,579,264	1,505,282

## 11. Right-of-use assets

Movements of the right-of-use assets account during the three-month period ended 31 March 2021 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Net book value as at 1 January 2021	6,854	2,840
Depreciation for the period	(343)	(220)
Net book value as at 31 March 2021	6,511	2,620

**12. Bearer plants**

Movements of the bearer plants account during the three-month period ended 31 March 2021 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
Net book value as at 1 January 2021	373,937	371,609
Acquisitions during the period - at cost	422	422
Amortisation during the period	(5,024)	(4,939)
Net book value as at 31 March 2021	369,335	367,092

As at 31 March 2021 and 31 December 2020, palm trees with the net book value of Baht 5 million were located on land which the Company had only occupancy rights.

**13. Short-term loans from banks**

	(Unit: Thousand Baht)					
	Interest rate		Consolidated		Separate	
	(% per annum)		financial statements		financial statements	
	31 March	31 December	31 March	31 December	31 March	31 December
	2021	2020	2021	2020	2021	2020
Short-term loans from banks	2.08 - 2.47	2.08 - 2.57	1,009,000	1,159,000	870,000	1,050,000

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

**14. Trade and other payables**

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2021	2020	2021	2020
Trade accounts payable - related parties	-	-	20,586	12,344
Trade accounts payable - unrelated parties	204,354	71,744	199,866	68,469
Accrued expenses	24,537	38,036	23,176	36,932
Other payables - related parties	-	-	1,019	8,968
Other payables - unrelated parties	50,953	52,613	19,104	18,468
Total trade and other payables	279,844	162,393	263,751	145,181

(Unaudited but reviewed)

**15. Long-term loans from banks**

			(Unit: Thousand Baht)			
Credit line	Interest rate (% per annum)	Repayment condition	Consolidated		Separate	
			financial statements		financial statements	
			31 March 2021	31 December 2020	31 March 2021	31 December 2020
1) Credit line of Baht 204 million of the Company	MLR - 3	Grace period until the earlier of 18 months, the first installment starts from June 2015, then quarterly installments of not less than Baht 9.55 million. The repayment period is within March 2021.	-	13,220	-	13,220
2) Credit line of Baht 250 million of the Company	THBFIX + 2.2	Quarterly installments of Baht 12.5 million for 20 installments, the last installment is remaining principal and accrued interest. The repayment period is from October 2017 to July 2022	75,000	87,500	75,000	87,500
3) 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	237,500	250,000	237,500	250,000
4) Credit line of Baht 800 million of the subsidiary	AMLR - 2.90	Grace period until the earlier of 18 months, then semi-annually installments of Baht 67 million for 11 installments and Baht 63 million for the final installment. The repayment period is within August 2022.	197,000	264,000	-	-
Total			509,500	614,720	312,500	350,720
Less: Deferred financial fee			(517)	(544)	(517)	(544)
Long-term loans from banks - net			508,983	614,176	311,983	350,176
Less: Current portion due within one year			(233,891)	(247,111)	(99,891)	(113,111)
Long-term loans - net of current portion			275,092	367,065	212,092	237,065

Movements of the long-term loans from banks account during the three-month period ended 31 March 2021 are summarised below.

			(Unit: Thousand Baht)	
			Consolidated	Separate
			financial statements	financial statements
Balance as at 1 January 2021			614,176	350,176
Less: Repayment loans			(105,220)	(38,220)
Financial fee amortisation			27	27
Balance as at 31 March 2021			508,983	311,983

Long-term credit facilities of the Company are collateral-free loans. The loan of the subsidiary is guaranteed by the Company.

The loan agreements contain several covenants which, among other things, require the Group to not create lien over assets, maintain debt to equity ratio and debt service coverage ratio at the rates prescribed in the agreements.

As at 31 March 2021 and 31 December 2020, the Group had 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 21.1 to the interim consolidated financial statements.

## 16. Revenue from contracts with customers

(Unit: Thousand Baht)

	For the three-month periods ended 31 March			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
<b>Type of goods or service:</b>				
Sale of palm oil products, palm sprouts and palm seeds	1,204,722	801,438	1,267,356	810,386
Sale of electricity	32,939	33,398	1,362	2,070
Others	247	-	-	-
Total revenue from contracts with customers	<u>1,237,908</u>	<u>834,836</u>	<u>1,268,718</u>	<u>812,456</u>
<b>Timing of revenue recognition:</b>				
Revenue recognised at a point in time	1,204,969	801,438	1,267,356	810,386
Revenue recognised over time	32,939	33,398	1,362	2,070
Total revenue from contracts with customers	<u>1,237,908</u>	<u>834,836</u>	<u>1,268,718</u>	<u>812,456</u>

(Unaudited but reviewed)

Set out below is a reconciliation of the revenue from contracts with customers with the amounts disclosed in Note 19 to the interim consolidated financial statements relating to the segment information:

	(Unit: Thousand Baht)			
	For the three-month periods ended 31 March			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
External customers	1,237,908	834,836	1,201,613	801,818
Inter-segment	181,231	51,998	67,105	10,638
Total	1,419,139	886,834	1,268,718	812,456
Adjustments and eliminations	(181,231)	(51,998)	-	-
Total revenue from contracts with customers	<u>1,237,908</u>	<u>834,836</u>	<u>1,268,718</u>	<u>812,456</u>

## 17. Income tax

Interim corporate income tax was calculated on profit before income tax for the period, using the estimated effective tax rate for the year.

Income tax expenses for the three-month periods 31 March 2021 and 2020 are made up as follows:

	(Unit: Thousand Baht)			
	For the three-month periods ended 31 March			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
<b>Current income tax:</b>				
Interim corporate income tax charge	-	-	-	-
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	6,508	3,353	5,791	3,170
<b>Income tax expenses reported in profit or loss</b>	<u>6,508</u>	<u>3,353</u>	<u>5,791</u>	<u>3,170</u>



(Unaudited but reviewed)

The amounts of income tax relating to each component of other comprehensive income for the three-month periods ended 31 March 2021 and 2020 are as follows:

(Unit: Thousand Baht)

	For the three-month periods ended 31 March			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Deferred tax on loss on cash flow hedges	901	-	901	-

## 18. Earnings per share

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

Basic earnings per share for the three-month periods ended 31 March 2021 and 2020 sets forth the computation below:

	Consolidated financial statements					
	For the three-month periods ended 31 March					
	Profit (loss) for the period		Weighted average number of ordinary shares		Earnings (loss) per share	
	2021 (Thousand Baht)	2020 (Thousand Baht)	2021 (Thousand shares)	2020 (Thousand shares)	2021 (Baht)	2020 (Baht)
<b>Basic earnings per share</b>						
Profit (loss) attributable to equity holders of the Company	61,107	(40,812)	632,753	632,753	0.097	(0.064)
	Separate financial statements					
	For the three-month periods ended 31 March					
	Profit (loss) for the period		Weighted average number of ordinary shares		Earnings (loss) per share	
	2021 (Thousand Baht)	2020 (Thousand Baht)	2021 (Thousand shares)	2020 (Thousand shares)	2021 (Baht)	2020 (Baht)
<b>Basic earnings per share</b>						
Profit (loss) attributable to equity holders of the Company	56,795	(24,096)	632,753	632,753	0.090	(0.038)

## 19. Segment information

The Group is organised into business units based on its products and services. During the current period, the Group has not changed the organisation of their reportable segments.

The following tables present revenue and profit (loss) information regarding the Group's operating segments for the three-month periods ended 31 March 2021 and 2020, respectively.

(Unit: Million Baht)

For the three-month period ended 31 March 2021

	Palm oil products segment	Palm seeds, palm sprouts and other segment	Electricity segment	Total reportable segments	Adjustments and eliminations	Consolidated
Revenue from external customers	1,201	4	33	1,238	-	1,238
Inter-segment revenue	181	-	-	181	(181)	-
Finance income	4	-	-	4	(4)	-
Finance cost	9	-	6	15	(3)	12
Depreciation and amortisation	32	-	13	45	-	45
Income tax expenses	6	-	-	6	1	7
<b>Segment profit (loss)</b>	<b>43</b>	<b>(1)</b>	<b>12</b>	<b>54</b>	<b>7</b>	<b>61</b>

(Unit: Million Baht)

For the three-month period ended 31 March 2020

	Palm oil products segment	Palm seeds, palm sprouts and other segment	Electricity segment	Total reportable segments	Adjustments and eliminations	Consolidated
Revenue from external customers	800	2	33	835	-	835
Inter-segment revenue	52	-	-	52	(52)	-
Finance income	4	-	-	4	(4)	-
Finance cost	9	1	8	18	(4)	14
Depreciation and amortisation	34	3	12	49	-	49
Income tax expenses	3	-	-	3	-	3
<b>Segment profit (loss)</b>	<b>(27)</b>	<b>(2)</b>	<b>(23)</b>	<b>(52)</b>	<b>11</b>	<b>(41)</b>

During the three-month period ended 31 March 2021, the Company had export sales amounted to Baht 40 million (2020: Baht 9 million).

During the three-month period ended 31 March 2021, the Company had revenue from one major customer in amount of Baht 378 million (2020: one major customer in amount of Baht 145 million), arising from sales by the palm oil products segment.

## 20. Commitments and contingent liabilities

### 20.1 Capital commitments

As at 31 December 2020, the Group had capital commitments of Baht 2 million (the Company only: Baht 1 million) relating to the acquisitions of machinery and equipment (31 March 2021: None).

### 20.2 Service commitments

As at 31 March 2021 and 31 December 2020, the Group had future minimum payments required these non-cancellable service contracts as follows.

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	31 March 2021	31 December 2020	31 March 2021	31 December 2020
Payable:				
In up to 1 year	2	2	2	2
In over 1 year and up to 5 years	1	1	-	1

### 20.3 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

### 20.4 Guarantees

- As at 31 March 2021 and 31 December 2020, the Company had guaranteed bank credit facilities of its subsidiaries amounting to Baht 1,026 million and USD 27 million.
- As at 31 March 2021 and 31 December 2020, 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:

(Unaudited but reviewed)

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2021	2020	2021	2020
Letters of guarantee for electricity usage	7	7	3	3
Letters of guarantee for sell/ purchase electricity	1	1	1	1
Letters of guarantee for area management	1	1	-	-
Total	9	9	4	4

## 20.5 Commitments related to sale agreements

As at 31 March 2021, the Company had commitments relating to sale agreements which specified quantity and selling price with local customers amounting to Baht 169 million which the goods will be delivered during April to December 2021 (31 December 2020: Baht 188 million which the goods would be delivered during January to March 2021).

## 20.6 Commitment in respect of uncalled investment

As at 31 March 2021 and 31 December 2020, the Company is committed to pay the uncalled portion of its investment in CPI Power Co., Ltd. amounting to Baht 15 million.

## 21. Financial instruments

### 21.1 Derivatives and hedge accounting

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2021	2020	2021	2020
<b>Derivative assets</b>				
Derivative assets not designated as hedging instruments				
Foreign exchange forward contracts	-	48	-	48
<b>Total derivative assets</b>	-	48	-	48
<b>Derivative liabilities</b>				
Derivatives liabilities not designated as hedging instruments				
Foreign exchange forward contracts	874	-	874	-
Interest rate swap agreements	3,832	5,296	851	1,226
Derivative liabilities designated as hedging instruments				
Palm oil forward contracts	4,503	-	4,503	-
<b>Total derivative liabilities</b>	9,209	5,296	6,228	1,226

**Derivatives not designated as hedging instruments**

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

**Foreign exchange forward contracts**

As at 31 March 2021 and 31 December 2020, the Group had foreign exchange forward contracts as follows:

Consolidated and separate financial statements as at 31 March 2021			
Foreign currency	Sold amount	Contractual exchange rate - sold	Contractual maturity date
	(Thousand)	(Baht per 1 foreign currency unit)	
US Dollar	1,300	30.00 - 30.94	5 April 2021 - 10 September 2021

Consolidated and separate financial statements as at 31 December 2020			
Foreign currency	Sold amount	Contractual exchange rate - sold	Contractual maturity date
	(Thousand)	(Baht per 1 foreign currency unit)	
US Dollar	723	30.10	19 April 2021

**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 March 2021 and 31 December 2020 are summarised below.

Consolidated financial statements as at 31 March 2021 and 31 December 2020				
	Principal amount	Interest revenue rate swap agreements	Interest expense rate swap agreements	Termination date
1	Baht 250 million	Floating rate 6-month THBFX plus 2.2% per annum	Fixed rate as stipulated in swap agreement.	July 2022
2	Baht 800 million	Floating rate AMLR minus 2.9% per annum	Fixed rate as stipulated in swap agreement.	August 2022

Separate financial statements as at 31 March 2021 and 31 December 2020				
	Principal amount	Interest revenue rate swap agreements	Interest expense rate swap agreements	Termination date
1	Baht 250 million	Floating rate 6-month THBFX plus 2.2% per annum	Fixed rate as stipulated in swap agreement.	July 2022

## **Derivatives designated as hedging instruments**

### ***Cash flow hedges***

#### **Commodity price risk**

The Group sells crude palm oil on an ongoing basis in the palm oil products segment. The increased volatility in palm oil price over the past has led to the decision to enter into palm oil forward contracts. These contracts are expected to reduce the volatility attributable to price fluctuations of palm oil. Hedging the price volatility of forecast palm oil sales is in accordance with the risk management strategy outlined by the Board of Directors.

There is an economic relationship between the hedged items and the hedging instruments as the terms of palm oil forward contracts match those of the expected highly probable forecast transactions. To test the hedge effectiveness, the Group uses the hypothetical derivative method and compares the changes in the fair value of the hedging instruments against the changes in fair value of the hedged items attributable to the hedged risks.

Hedge ineffectiveness can arise from:

- Differences in the timing of the cash flows of the hedged items and the hedging instruments
- Different indexes (and accordingly different curves) linked to the hedged risk of the hedged items and hedging instruments
- The counterparties' credit risk differently impacting the fair value movements of the hedging instruments and hedged items
- Changes to the forecasted amount of cash flows of hedged items and hedging instruments

## **21.2 Fair value of financial instruments**

Most of the Group's financial instruments are classified as short-term or have interest rates that are close to market rate. Therefore, the carrying amounts of these financial instruments are estimated to approximate their fair value.

**21.3 Fair value hierarchy**

As at 31 March 2021, the Group had the financial liabilities that were measured at fair value using different levels of inputs as follows:

(Unit: Thousand Baht)

Consolidated financial statements				
As at 31 March 2021				
	Level 1	Level 2	Level 3	Total
<b>Liabilities measured at fair value</b>				
<b>Financial liabilities measured at FVTPL</b>				
Derivatives				
Foreign exchange forward contracts	-	874	-	<b>874</b>
Interest rate swap agreements	-	3,832	-	<b>3,832</b>
<b>Financial liabilities measured at FVOCI</b>				
Derivatives				
Palm oil forward contracts	-	4,503	-	<b>4,503</b>

(Unit: Thousand Baht)

Separate financial statements				
As at 31 March 2021				
	Level 1	Level 2	Level 3	Total
<b>Liabilities measured at fair value</b>				
<b>Financial liabilities measured at FVTPL</b>				
Derivatives				
Foreign exchange forward contracts	-	874	-	<b>874</b>
Interest rate swap agreements	-	851	-	<b>851</b>
<b>Financial liabilities measured at FVOCI</b>				
Derivatives				
Palm oil forward contracts	-	4,503	-	<b>4,503</b>

During the current period, the methods and assumptions used by the Group in estimating the fair value of financial instruments are not changed and there were no transfers within the fair value hierarchy.

**21.4 Financial assets and liabilities denominated in foreign currencies**

As at 31 March 2021 and 31 December 2020, 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	
	31 March	31 December	31 March	31 December	31 March	31 December
	2021	2020	2021	2020	2021	2020
	(Thousand)	(Thousand)	(Thousand)	(Thousand)	(Baht per 1 foreign currency unit)	
<b>US Dollar</b>	1,640	530	51	-	31.3394	30.0371
<b>Euro</b>	-	-	1	-	36.7091	36.8764

**22. Events after the reporting period**

On 29 April 2021, the Annual General Meeting of the Company's shareholders passed a resolution to pay a dividend from operating results for the year 2020 of Baht 0.11 per share, totaling Baht 69.60 million. The record date for receiving the dividends is on 12 March 2021 and the dividends payment is scheduled on 14 May 2021. The Company also set aside a statutory reserve of Baht 5.71 million.

**23. Approval of interim financial information**

This interim financial information was authorised for issue by the Company's Board of Directors on 13 May 2021.