

Lam Soon (Thailand) Public Company Limited  
and its subsidiaries  
Review report and interim financial information  
For the three-month and six-month periods ended  
30 June 2022

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

To the Shareholders of Lam Soon (Thailand) Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of Lam Soon (Thailand) Public Company Limited and its subsidiaries as at 30 June 2022, the related consolidated statements of comprehensive income for the three-month and six-month periods then ended, the related consolidated statements of changes in shareholders' equity and cash flows for the six-month period then ended, as well as the condensed notes to the interim consolidated financial statements. I have also reviewed the separate financial information of Lam Soon (Thailand) 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.



Satida Ratananurak  
Certified Public Accountant (Thailand) No. 4753

EY Office Limited  
Bangkok: 11 August 2022

**Lam Soon (Thailand) Public Company Limited and its subsidiaries**

**Statement of financial position**

**As at 30 June 2022**

(Unit: Thousand Baht)

|   | Consolidated financial statements                                 |                                      | Separate financial statements                      |                                      |
|---|---|--------------------------------------|--|--------------------------------------|
|   | As at   | As at                                | As at  | As at                                |
|   | <u>Note</u><br><u>30 June 2022</u><br>(Unaudited<br>but reviewed) | <u>31 December 2021</u><br>(Audited) | <u>30 June 2022</u><br>(Unaudited<br>but reviewed) | <u>31 December 2021</u><br>(Audited) |
| <b>Assets</b>                                   |   |                                      |  |                                      |
| <b>Current assets</b>                           |   |                                      |  |                                      |
| Cash and cash equivalents                       | 272,216   | 178,193                              | 79,696   | 21,348                               |
| Trade and other receivables                     | 2, 3 1,693,617  | 1,584,137                            | 1,492,704  | 1,362,400                            |
| Current portion of finance lease receivables    | 1,380   | 1,545                                | -  | -                                    |
| Inventories                                     | 4 2,481,906   | 1,505,253                            | 1,788,658  | 948,808                              |
| Biological assets                               | 139,496   | 112,273                              | -  | -                                    |
| Value added tax refundable                      | 15,388  | 12,268                               | -  | -                                    |
| Other current assets                            | 40,631  | 34,053                               | 12,020   | 12,730                               |
| <b>Total current assets</b>                     | <b>4,644,634</b>  | <b>3,427,722</b>                     | <b>3,373,078</b>                                   | <b>2,345,286</b>                     |
| <b>Non-current assets</b>                       |   |                                      |  |                                      |
| Financial lease receivables - long-term portion | 264   | 896                                  | -  | -                                    |
| Investments in subsidiaries                     | 5 -   | -                                    | 1,334,158  | 1,334,158                            |
| Investment in joint venture                     | 40,433  | 26,571                               | -  | -                                    |
| Investment in associated company                | 6 -   | -                                    | -  | -                                    |
| Long-term loan to other company                 | 7 17,020  | 17,480                               | -  | -                                    |
| Investment properties                           | 60,781  | 61,020                               | 5,615  | 5,615                                |
| Property, plant and equipment                   | 8 2,431,488   | 2,413,490                            | 874,756  | 863,247                              |
| Right-of-use assets                             | 9 34,721  | 34,982                               | -  | -                                    |
| Bearer plants                                   | 10 174,286  | 176,606                              | 148  | 154                                  |
| Goodwill  | 196,376   | 196,376                              | -  | -                                    |
| Intangible assets                               | 6,023   | 6,214                                | 5,650  | 5,173                                |
| Deferred tax assets                             | 52,067  | 47,733                               | 23,719   | 22,793                               |
| Other non-current financial assets              | 23  | 23                                   | 23   | 23                                   |
| Other non-current assets                        | 9,729   | 8,631                                | 735  | 537                                  |
| <b>Total non-current assets</b>                 | <b>3,023,211</b>  | <b>2,990,022</b>                     | <b>2,244,804</b>                                   | <b>2,231,700</b>                     |
| <b>Total assets</b>                             | <b>7,667,845</b>  | <b>6,417,744</b>                     | <b>5,617,882</b>                                   | <b>4,576,986</b>                     |

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

**Lam Soon (Thailand) Public Company Limited and its subsidiaries**

**Statement of financial position (continued)**

**As at 30 June 2022**

(Unit: Thousand Baht)

|   | Note  | Consolidated financial statements |                  | Separate financial statements |                  |
|---|-------|-----------------------------------|------------------|-------------------------------|------------------|
|   |       | As at                             | As at            | As at                         | As at            |
|   |       | 30 June 2022                      | 31 December 2021 | 30 June 2022                  | 31 December 2021 |
|   |       | (Unaudited<br>but reviewed)       | (Audited)        | (Unaudited<br>but reviewed)   | (Audited)        |
| <b>Liabilities and shareholders' equity</b> |       |                                   |                  |                               |                  |
| <b>Current liabilities</b>                  |       |                                   |                  |                               |                  |
| Short-term loans from banks                 | 11    | 1,437,000                         | 526,000          | 1,287,000                     | 231,000          |
| Trade and other payables                    | 2, 12 | 994,267                           | 609,770          | 733,973                       | 643,254          |
| Current portion of long-term loans          | 13    | 36,667                            | 87,067           | -                             | -                |
| Current portion of leases liabilities       |       | 201                               | 345              | -                             | -                |
| Income tax payable                          |       | 81,288                            | 49,872           | -                             | 34,964           |
| Advance received from customers             |       | 28,170                            | 26,417           | 4,462                         | 228              |
| Other current financial liabilities         |       | 7,474                             | 7,001            | 3,298                         | 3,148            |
| Other current liabilities                   |       | 937                               | 6,231            | 158                           | 965              |
| <b>Total current liabilities</b>            |       | <b>2,586,004</b>                  | <b>1,312,703</b> | <b>2,028,891</b>              | <b>913,559</b>   |
| <b>Non-current liabilities</b>              |       |                                   |                  |                               |                  |
| Long-term loans - net of current portion    | 13    | 45,000                            | 95,733           | -                             | -                |
| Lease liabilities - net of current portion  |       | 43,311                            | 42,647           | -                             | -                |
| Deferred tax liabilities                    |       | 17,969                            | 31,752           | -                             | -                |
| Provision for long-term employee benefits   |       | 210,152                           | 201,452          | 107,935                       | 103,308          |
| <b>Total non-current liabilities</b>        |       | <b>316,432</b>                    | <b>371,584</b>   | <b>107,935</b>                | <b>103,308</b>   |
| <b>Total liabilities</b>                    |       | <b>2,902,436</b>                  | <b>1,684,287</b> | <b>2,136,826</b>              | <b>1,016,867</b> |

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

**Lam Soon (Thailand) Public Company Limited and its subsidiaries**

**Statement of financial position (continued)**

**As at 30 June 2022**

(Unit: Thousand Baht)

|   | Consolidated financial statements                    |  | Separate financial statements                        |  |
|---|--|--|--|--|
|   | As at<br>30 June 2022<br>(Unaudited<br>but reviewed) | As at<br>31 December 2021<br>(Audited) | As at<br>30 June 2022<br>(Unaudited<br>but reviewed) | As at<br>31 December 2021<br>(Audited) |
| <b>Shareholders' equity</b>                       |  |  |  |  |
| Share capital                                     |  |  |  |  |
| Registered  |  |  |  |  |
| 820,000,000 ordinary shares of Baht 1 each        | 820,000  | 820,000                                | 820,000  | 820,000                                |
| Issued and fully paid-up                          |  |  |  |  |
| 820,000,000 ordinary shares of Baht 1 each        | 820,000  | 820,000                                | 820,000  | 820,000                                |
| Share premium                                     | 241,970  | 241,970                                | 241,970  | 241,970                                |
| Other surpluses (deficits)                        |  |  |  |  |
| Premium on treasury stock                         | 5,269  | 5,269                                  | 5,269  | 5,269                                  |
| Deficit on changes in shareholding in subsidiary  | (6,593)  | (6,593)                                | -  | -                                      |
| Retained earnings                                 |  |  |  |  |
| Appropriated - statutory reserve                  | 130,377  | 130,377                                | 82,000   | 82,000                                 |
| Unappropriated                                    | 3,128,097  | 3,116,907                              | 2,331,817  | 2,410,880                              |
| Equity attributable to owners of the Company      | 4,319,120  | 4,307,930                              | 3,481,056  | 3,560,119                              |
| Non-controlling interests of the subsidiaries     | 446,289  | 425,527                                | -  | -                                      |
| <b>Total shareholders' equity</b>                 | <b>4,765,409</b>                                     | <b>4,733,457</b>                       | <b>3,481,056</b>                                     | <b>3,560,119</b>                       |
| <b>Total liabilities and shareholders' equity</b> | <b>7,667,845</b>                                     | <b>6,417,744</b>                       | <b>5,617,882</b>                                     | <b>4,576,986</b>                       |
|   | -  | -                                      | -  | -                                      |

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

Directors

(Unaudited but reviewed)

Lam Soon (Thailand) Public Company Limited and its subsidiaries

Statement of comprehensive income

For the three-month period ended 30 June 2022

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

|   |      | Consolidated financial statements |                  | Separate financial statements |                  |
|---|------|-----------------------------------|------------------|-------------------------------|------------------|
|   | Note | 2022                              | 2021             | 2022                          | 2021             |
| <b>Profit or loss:</b>                                |      |                                   |                  |                               |                  |
| <b>Revenues</b>                                       |      |                                   |                  |                               |                  |
| Revenue from contracts with customers                 |      | 3,214,752                         | 2,148,815        | 2,595,402                     | 1,704,867        |
| Dividend income                                       |      | -                                 | -                | 134,115                       | 66,097           |
| Other income  |      | 50,685                            | 30,956           | 16,578                        | 11,531           |
| <b>Total revenues</b>                                 |      | <b>3,265,437</b>                  | <b>2,179,771</b> | <b>2,746,095</b>              | <b>1,782,495</b> |
| <b>Expenses</b>                                       |      |                                   |                  |                               |                  |
| Cost of sales   |      | 2,933,061                         | 1,757,653        | 2,533,587                     | 1,516,577        |
| Selling and distribution expenses                     |      | 139,399                           | 134,416          | 85,641                        | 82,518           |
| Administrative expenses                               |      | 60,675                            | 56,054           | 33,991                        | 29,017           |
| Loss from change in fair value of biological assets   |      | 11,800                            | 44,042           | -                             | -                |
| <b>Total expenses</b>                                 |      | <b>3,144,935</b>                  | <b>1,992,165</b> | <b>2,653,219</b>              | <b>1,628,112</b> |
| <b>Operating profit</b>                               |      | <b>120,502</b>                    | <b>187,606</b>   | <b>92,876</b>                 | <b>154,383</b>   |
| Share of gain (loss) from investment in joint venture |      | 13,559                            | (965)            | -                             | -                |
| Finance income  |      | 180                               | 161              | 31                            | 40               |
| Finance cost  |      | (3,591)                           | (3,062)          | (2,661)                       | (1,067)          |
| <b>Profit before income tax</b>                       |      | <b>130,650</b>                    | <b>183,740</b>   | <b>90,246</b>                 | <b>153,356</b>   |
| Income tax  | 14   | (25,312)                          | (20,917)         | 7,952                         | (17,507)         |
| <b>Profit for the period</b>                          |      | <b>105,338</b>                    | <b>162,823</b>   | <b>98,198</b>                 | <b>135,849</b>   |
| <b>Other comprehensive income:</b>                    |      |                                   |                  |                               |                  |
| <b>Other comprehensive income for the period</b>      |      | <b>-</b>                          | <b>-</b>         | <b>-</b>                      | <b>-</b>         |
| <b>Total comprehensive income for the period</b>      |      | <b>105,338</b>                    | <b>162,823</b>   | <b>98,198</b>                 | <b>135,849</b>   |

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

(Unaudited but reviewed)

**Lam Soon (Thailand) Public Company Limited and its subsidiaries**

**Statement of comprehensive income (continued)**

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

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

|   | <u>Consolidated financial statements</u> |                | <u>Separate financial statements</u> |                |
|---|--|----------------|--------------------------------------|----------------|
|   | <u>2022</u>                              | <u>2021</u>    | <u>2022</u>                          | <u>2021</u>    |
| <b>Profit or loss attributable to:</b>                  |  |                |                                      |                |
| Equity holders of the Company                           | 76,410                                   | 141,650        | <u>98,198</u>                        | <u>135,849</u> |
| Non-controlling interests of the subsidiaries           | <u>28,928</u>                            | <u>21,173</u>  |                                      |                |
|   | <u>105,338</u>                           | <u>162,823</u> |                                      |                |
| <b>Total comprehensive income attributable to:</b>      |  |                |                                      |                |
| Equity holders of the Company                           | 76,410                                   | 141,650        | <u>98,198</u>                        | <u>135,849</u> |
| Non-controlling interests of the subsidiaries           | <u>28,928</u>                            | <u>21,173</u>  |                                      |                |
|   | <u>105,338</u>                           | <u>162,823</u> |                                      |                |
| <b>Basic earnings per share</b>                         |  |                |                                      |                |
| Profit attributable to equity holders<br>of the Company | <u>0.09</u>                              | <u>0.17</u>    | <u>0.12</u>                          | <u>0.17</u>    |

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

(Unaudited but reviewed)

**Lam Soon (Thailand) Public Company Limited and its subsidiaries**

**Statement of comprehensive income**

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

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

|   | <u>Consolidated financial statements</u> |                  | <u>Separate financial statements</u> |                  |
|---|--|------------------|--------------------------------------|------------------|
| Note  | <u>2022</u>                              | <u>2021</u>      | <u>2022</u>                          | <u>2021</u>      |
| <b>Profit or loss:</b>                                      |  |                  |                                      |                  |
| <b>Revenues</b>   |  |                  |                                      |                  |
| Revenue from contracts with customers                       | 6,017,755                                | 4,548,138        | 4,901,430                            | 3,689,026        |
| Gain arising from change in fair value of biological assets | 26,782                                   | -                | -                                    | -                |
| Compensation from insurance                                 | -  | 7,642            | -                                    | -                |
| Dividend income   | -  | -                | 134,115                              | 66,097           |
| Other income  | 90,965                                   | 61,211           | 32,464                               | 25,841           |
| <b>Total revenues</b>                                       | <u>6,135,502</u>                         | <u>4,616,991</u> | <u>5,068,009</u>                     | <u>3,780,964</u> |
| <b>Expenses</b>   |  |                  |                                      |                  |
| Cost of sales   | 5,381,774                                | 3,857,684        | 4,698,774                            | 3,289,746        |
| Selling and distribution expenses                           | 291,373                                  | 277,009          | 172,131                              | 174,839          |
| Administrative expenses                                     | 119,925                                  | 110,211          | 68,314                               | 58,555           |
| Loss from change in fair value of biological assets         | -  | 36,975           | -                                    | -                |
| <b>Total expenses</b>                                       | <u>5,793,072</u>                         | <u>4,281,879</u> | <u>4,939,219</u>                     | <u>3,523,140</u> |
| <b>Operating profit</b>                                     | 342,430                                  | 335,112          | 128,790                              | 257,824          |
| Share of gain (loss) from investment in joint venture       | 13,862                                   | (1,923)          | -                                    | -                |
| Finance income  | 360                                      | 377              | 63                                   | 81               |
| Finance cost  | (6,311)                                  | (5,566)          | (3,893)                              | (1,620)          |
| <b>Profit before income tax</b>                             | 350,341                                  | 328,000          | 124,960                              | 256,285          |
| Income tax  | 14 (64,531)                              | (48,333)         | 926                                  | (38,651)         |
| <b>Profit for the period</b>                                | <u>285,810</u>                           | <u>279,667</u>   | <u>125,886</u>                       | <u>217,634</u>   |
| <b>Other comprehensive income:</b>                          |  |                  |                                      |                  |
| <b>Other comprehensive income for the period</b>            | <u>-</u>                                 | <u>-</u>         | <u>-</u>                             | <u>-</u>         |
| <b>Total comprehensive income for the period</b>            | <u>285,810</u>                           | <u>279,667</u>   | <u>125,886</u>                       | <u>217,634</u>   |

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



(Unaudited but reviewed)

**Lam Soon (Thailand) Public Company Limited and its subsidiaries**

**Statement of comprehensive income (continued)**

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

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

|   | <u>Consolidated financial statements</u> |                | <u>Separate financial statements</u> |                |
|---|--|----------------|--------------------------------------|----------------|
|   | <u>2022</u>                              | <u>2021</u>    | <u>2022</u>                          | <u>2021</u>    |
| <b>Profit or loss attributable to:</b>                  |  |                |                                      |                |
| Equity holders of the Company                           | 216,139                                  | 249,894        | <u>125,886</u>                       | <u>217,634</u> |
| Non-controlling interests of the subsidiaries           | <u>69,671</u>                            | <u>29,773</u>  |                                      |                |
|   | <u>285,810</u>                           | <u>279,667</u> |                                      |                |
| <b>Total comprehensive income attributable to:</b>      |  |                |                                      |                |
| Equity holders of the Company                           | 216,139                                  | 249,894        | <u>125,886</u>                       | <u>217,634</u> |
| Non-controlling interests of the subsidiaries           | <u>69,671</u>                            | <u>29,773</u>  |                                      |                |
|   | <u>285,810</u>                           | <u>279,667</u> |                                      |                |
| <b>Basic earnings per share</b>                         |  |                |                                      |                |
| Profit attributable to equity holders<br>of the Company | <u>0.26</u>                              | <u>0.30</u>    | <u>0.15</u>                          | <u>0.27</u>    |

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

(Unaudited but reviewed)

**Lam Soon (Thailand) Public Company Limited and its subsidiaries**

**Statement of changes in shareholders' equity**

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

(Unit: Thousand Baht)

| Consolidated financial statements  |                |                |               |                   |                |                  |                  |                  |
|--|----------------|----------------|---------------|-------------------|----------------|------------------|------------------|------------------|
| Equity attributable to the owners of the Company                             |                |                |               |                   |                |                  | Equity           |                  |
| Issued and   | Share          | Premium on     | Deficit       | Retained earnings |                | Total equity     | Equity           | Total            |
| paid up  | premium        | treasury stock | on change in  | Appropriated -    | Unappropriated | attributable to  | attributable to  | shareholders'    |
| share capital  | premium        | treasury stock | in subsidiary | statutory reserve | Unappropriated | shareholders of  | non-controlling  | shareholders'    |
|  |                |                |               |                   |                | the Company      | interests of     | equity           |
|  |                |                |               |                   |                |                  | the subsidiaries |                  |
| <b>Balance as at 1 January 2021</b>  | 820,000        | 241,970        | 5,269         | (6,578)           | 127,688        | 2,744,369        | 3,932,718        | 4,288,603        |
| Profit for the period  | -              | -              | -             | -                 | -              | 249,894          | 249,894          | 279,667          |
| Other comprehensive income for the period                                    | -              | -              | -             | -                 | -              | -                | -                | -                |
| Total comprehensive income for the period                                    | -              | -              | -             | -                 | -              | 249,894          | 249,894          | 279,667          |
| Reversal of prior year dividend  | -              | -              | -             | -                 | -              | 44               | 44               | 44               |
| Dividend paid (Note 16)  | -              | -              | -             | -                 | -              | (180,400)        | (180,400)        | (180,400)        |
| Decrease in non-controlling interests from<br>dividend payment of subsidiary | -              | -              | -             | -                 | -              | -                | (19,713)         | (19,713)         |
| <b>Balance as at 30 June 2021</b>  | <b>820,000</b> | <b>241,970</b> | <b>5,269</b>  | <b>(6,578)</b>    | <b>127,688</b> | <b>2,813,907</b> | <b>4,002,256</b> | <b>4,368,201</b> |

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

(Unaudited but reviewed)

Lam Soon (Thailand) Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the six-month period ended 30 June 2022

(Unit: Thousand Baht)

| Consolidated financial statements  |                |                |               |                   |                |                  |                  |                  |
|--|----------------|----------------|---------------|-------------------|----------------|------------------|------------------|------------------|
| Equity attributable to the owners of the Company                             |                |                |               |                   |                | Equity           |                  |                  |
| Issued and   | Share          | Premium on     | Deficit       | Retained earnings |                | Total equity     | Equity           | Total            |
| paid up  | premium        | treasury stock | on change in  | Appropriated -    | Unappropriated | attributable to  | attributable to  | shareholders'    |
| share capital  |                |                | shareholding  | statutory reserve |                | shareholders of  | non-controlling  | shareholders'    |
|  |                |                | in subsidiary |                   |                | the Company      | interests of     | equity           |
|  |                |                |               |                   |                |                  | the subsidiaries |                  |
| <b>Balance as at 1 January 2022</b>  | 820,000        | 241,970        | 5,269         | (6,593)           | 130,377        | 3,116,907        | 4,307,930        | 4,733,457        |
| Profit for the period  | -              | -              | -             | -                 | -              | 216,139          | 216,139          | 285,810          |
| Other comprehensive income for the period                                    | -              | -              | -             | -                 | -              | -                | -                | -                |
| Total comprehensive income for the period                                    | -              | -              | -             | -                 | -              | 216,139          | 216,139          | 285,810          |
| Reversal of prior year dividend  | -              | -              | -             | -                 | -              | 50               | 50               | 50               |
| Dividend paid (Note 16)  | -              | -              | -             | -                 | -              | (204,999)        | (204,999)        | (204,999)        |
| Decrease in non-controlling interests from<br>dividend payment of subsidiary | -              | -              | -             | -                 | -              | -                | (48,909)         | (48,909)         |
| <b>Balance as at 30 June 2022</b>  | <b>820,000</b> | <b>241,970</b> | <b>5,269</b>  | <b>(6,593)</b>    | <b>130,377</b> | <b>3,128,097</b> | <b>4,319,120</b> | <b>4,765,409</b> |

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

(Unaudited but reviewed)

Lam Soon (Thailand) Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the six-month period ended 30 June 2022

(Unit: Thousand Baht)

|   | Separate financial statements    |                |                           |                                  |                  | Total shareholders' equity |
|---|----------------------------------|----------------|---------------------------|----------------------------------|------------------|----------------------------|
|   | Issued and paid up share capital | Share premium  | Premium on treasury stock | Retained earnings                |                  |                            |
|   |                                  |                |                           | Appropriated - statutory reserve | Unappropriated   |                            |
| <b>Balance as at 1 January 2021</b>       | 820,000                          | 241,970        | 5,269                     | 82,000                           | 2,234,456        | 3,383,695                  |
| Profit for the period                     | -                                | -              | -                         | -                                | 217,634          | 217,634                    |
| Other comprehensive income for the period | -                                | -              | -                         | -                                | -                | -                          |
| Total comprehensive income for the period | -                                | -              | -                         | -                                | 217,634          | 217,634                    |
| Reversal of prior year dividend           | -                                | -              | -                         | -                                | 44               | 44                         |
| Dividend paid (Note 16)                   | -                                | -              | -                         | -                                | (180,400)        | (180,400)                  |
| <b>Balance as at 30 June 2021</b>         | <u>820,000</u>                   | <u>241,970</u> | <u>5,269</u>              | <u>82,000</u>                    | <u>2,271,734</u> | <u>3,420,973</u>           |
| <b>Balance as at 1 January 2022</b>       | 820,000                          | 241,970        | 5,269                     | 82,000                           | 2,410,880        | 3,560,119                  |
| Profit for the period                     | -                                | -              | -                         | -                                | 125,886          | 125,886                    |
| Other comprehensive income for the period | -                                | -              | -                         | -                                | -                | -                          |
| Total comprehensive income for the period | -                                | -              | -                         | -                                | 125,886          | 125,886                    |
| Reversal of prior year dividend           | -                                | -              | -                         | -                                | 50               | 50                         |
| Dividend paid (Note 16)                   | -                                | -              | -                         | -                                | (204,999)        | (204,999)                  |
| <b>Balance as at 30 June 2022</b>         | <u>820,000</u>                   | <u>241,970</u> | <u>5,269</u>              | <u>82,000</u>                    | <u>2,331,817</u> | <u>3,481,056</u>           |

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

(Unaudited but reviewed)

**Lam Soon (Thailand) Public Company Limited and its subsidiaries****Cash flow statement****For the six-month period ended 30 June 2022**

(Unit: Thousand Baht)

|  | Consolidated financial statements |                | Separate financial statements |               |
|--|-----------------------------------|----------------|-------------------------------|---------------|
|  | <u>2022</u>                       | <u>2021</u>    | <u>2022</u>                   | <u>2021</u>   |
| <b>Cash flows from operating activities</b>  |                                   |                |                               |               |
| Profit before tax  | 350,341                           | 328,000        | 124,960                       | 256,285       |
| Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities: |                                   |                |                               |               |
| Depreciation and amortisation  | 120,011                           | 125,533        | 57,373                        | 54,517        |
| Loss (gain) from change in fair value of biological assets   | (26,782)                          | 36,975         | -                             | -             |
| Share of loss (gain) from investment in joint venture  | (13,862)                          | 1,923          | -                             | -             |
| Adjustment of last year corporate income tax   | (59)                              | -              | (59)                          | -             |
| Bad debt   | -                                 | 66,391         | -                             | -             |
| Increase in allowance for expected credit losses   | 1                                 | (65,985)       | 1                             | -             |
| Increase in allowance for diminution in inventory value  | 30,421                            | 18,677         | -                             | -             |
| Loss on write-off bearers plants   | 14                                | 94             | -                             | -             |
| Loss (gain) on write-off/disposals of property, plant and equipment                                  | (1,981)                           | 2,945          | (654)                         | 691           |
| Loss on impairment of assets   | -                                 | 4,963          | -                             | -             |
| Unrealised gain on exchange  | (2,336)                           | (2,047)        | (281)                         | (406)         |
| Unrealised loss on fair value of derivatives   | 887                               | 1,673          | 194                           | 128           |
| Provision for termination benefits and long-term employee benefits                                   | 9,045                             | 9,787          | 4,627                         | 4,281         |
| Dividend income from subsidiaries  | -                                 | -              | (134,115)                     | (66,097)      |
| Finance income   | (360)                             | (377)          | (63)                          | (81)          |
| Finance cost   | 5,603                             | 4,735          | 3,185                         | 789           |
| Profit from operating activities before changes in operating assets and liabilities                  | 470,943                           | 533,287        | 55,168                        | 250,107       |
| Decrease (increase) in operating assets  |                                   |                |                               |               |
| Trade and other receivables  | (107,141)                         | (285,961)      | (130,020)                     | (210,292)     |
| Cash received from financial lease receivables   | 797                               | 779            | -                             | -             |
| Inventories  | (1,007,074)                       | (210,248)      | (839,850)                     | (44,855)      |
| Biological assets  | (441)                             | 8,605          | -                             | -             |
| Other current assets   | (9,234)                           | (5,241)        | 1,299                         | 2,935         |
| Other non-current assets   | 3,096                             | 274            | (198)                         | (55)          |
| Increase (decrease) in operating liabilities   |                                   |                |                               |               |
| Trade and other payables   | 385,555                           | 140,672        | 91,694                        | 101,767       |
| Other current financial liabilities  | (500)                             | (464)          | (130)                         | (330)         |
| Other current liabilities  | (3,541)                           | (7,616)        | 3,427                         | (4,356)       |
| Provision for termination benefits and long-term employee benefits                                   | (345)                             | (2,708)        | -                             | (267)         |
| Cash from (used in) operating activities   | (267,885)                         | 171,379        | (818,610)                     | 94,654        |
| Cash received from interest income   | 360                               | 377            | 63                            | 81            |
| Cash paid for interest expenses  | (5,678)                           | (4,440)        | (3,187)                       | (794)         |
| Income tax refund  | 202                               | 3,939          | -                             | -             |
| Cash paid for corporate income tax   | (51,839)                          | (70,998)       | (35,494)                      | (50,608)      |
| <b>Net cash from (used in) operating activities</b>  | <b>(324,840)</b>                  | <b>100,257</b> | <b>(857,228)</b>              | <b>43,333</b> |

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

(Unaudited but reviewed)

**Lam Soon (Thailand) Public Company Limited and its subsidiaries****Cash flow statement (continued)****For the six-month period ended 30 June 2022**

(Unit: Thousand Baht)

|   | <u>Consolidated financial statements</u> |                  | <u>Separate financial statements</u> |                 |
|---|--|------------------|--------------------------------------|-----------------|
|   | <u>2022</u>                              | <u>2021</u>      | <u>2022</u>                          | <u>2021</u>     |
| <b>Cash flows from investing activities</b>                 |  |                  |                                      |                 |
| Dividend received from subsidiaries                         | -  | -                | 134,115                              | 66,097          |
| Decrease in long-term loan to other company                 | 460                                      | 460              | -                                    | -               |
| Acquisitions of property, plant and equipment               | (131,622)                                | (127,608)        | (69,312)                             | (91,177)        |
| Advance payments for equipment                              | (4,194)                                  | (1,400)          | -                                    | -               |
| Proceeds from disposals of property, plant and equipment    | 1,989                                    | 1,606            | 662                                  | 825             |
| Increase in bearer plants                                   | (2,839)                                  | (2,335)          | -                                    | -               |
| Acquisitions of intangible assets                           | (1,026)                                  | (298)            | (1,026)                              | (250)           |
| <b>Net cash from (used in) investing activities</b>         | <b>(137,232)</b>                         | <b>(129,575)</b> | <b>64,439</b>                        | <b>(24,505)</b> |
| <b>Cash flows from financing activities</b>                 |  |                  |                                      |                 |
| Increase in short-term loans from banks                     | 911,000                                  | 180,000          | 1,056,000                            | 175,000         |
| Cash received from long-term loans                          | -  | 60,000           | -                                    | -               |
| Repayment of long-term loans                                | (101,133)                                | (25,200)         | -                                    | -               |
| Payment of lease liabilities                                | -  | (2,929)          | -                                    | -               |
| Dividend paid   | (253,772)                                | (199,982)        | (204,863)                            | (180,282)       |
| <b>Net cash from (used in) financing activities</b>         | <b>556,095</b>                           | <b>11,889</b>    | <b>851,137</b>                       | <b>(5,282)</b>  |
| <b>Net increase (decrease) in cash and cash equivalents</b> | <b>94,023</b>                            | <b>(17,429)</b>  | <b>58,348</b>                        | <b>13,546</b>   |
| Cash and cash equivalents at beginning of the period        | 178,193                                  | 238,286          | 21,348                               | 84,605          |
| <b>Cash and cash equivalents at end of the period</b>       | <b>272,216</b>                           | <b>220,857</b>   | <b>79,696</b>                        | <b>98,151</b>   |

**Supplementary disclosures of cash flows information**

## Non-cash transactions

## Acquisitions of plant and equipment

|                         |        |        |       |        |
|-------------------------|--------|--------|-------|--------|
| that have not been paid | 10,754 | 25,882 | 7,305 | 20,262 |
|-------------------------|--------|--------|-------|--------|

## Increase in right-of-use assets and lease liabilities

|                            |     |     |   |   |
|----------------------------|-----|-----|---|---|
| from contract modification | 520 | 138 | - | - |
|----------------------------|-----|-----|---|---|

## Transfer of deposits for equipment to equipment

|  |   |     |   |   |
|--|---|-----|---|---|
|  | - | 200 | - | - |
|--|---|-----|---|---|

## Dividend payable

|  |     |     |     |     |
|--|-----|-----|-----|-----|
|  | 820 | 756 | 820 | 756 |
|--|-----|-----|-----|-----|

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

## **Lam Soon (Thailand) Public Company Limited and its subsidiaries**

### **Notes to interim financial statements**

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

## **1. General information**

### **1.1 Corporate information**

Lam Soon (Thailand) Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. Its major shareholder is Lam Soon Holding Company Limited, which was incorporated in Thailand. The Company is principally engaged in the manufacture and distribution of palm oil. The registered office of the Company is at 64, Soi Bangna-Trad 25, Khwaeng Bangna Nuea, Khet Bangna, Bangkok.

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

These interim financial statements are 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.

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

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

### **1.3 Basis of consolidation**

The interim consolidated financial statements include the financial statements of Lam Soon (Thailand) Public Company Limited (herein after called “the Company”) and its subsidiaries (herein after called “the subsidiaries”), which were incorporated in Thailand, and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2021. There have been no changes in the composition of the group during the current period.

## 1.4 Significant accounting policies

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

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

## 2. Related party transactions

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

(Unit: Million Baht)

|   | For the three-month period ended 30 June |                      |                      |                      | Pricing policy                    |
|---|--|----------------------|----------------------|----------------------|-----------------------------------|
|   | Consolidated                             |                      | Separate             |                      |                                   |
|   | financial statements                     | financial statements | financial statements | financial statements |                                   |
|   | <u>2022</u>                              | <u>2021</u>          | <u>2022</u>          | <u>2021</u>          |                                   |
| <u>Transactions with subsidiaries</u>                   |  |                      |                      |                      |                                   |
| (eliminated from the consolidated financial statements) |  |                      |                      |                      |                                   |
| Purchase of raw material                                | -  | -                    | 566                  | 456                  | Market price on the contract date |
| Purchase of goods                                       | -  | -                    | 102                  | 106                  | Market price less fixed margin    |
| Dividend income   | -  | -                    | 134                  | 66                   | At the declared rate              |
| Rental income   | -  | -                    | 1                    | 1                    | Contract price                    |
| Administrative service income                           | -  | -                    | 1                    | 1                    | Actual charge                     |
| <u>Transactions with related companies</u>              |  |                      |                      |                      |                                   |
| Sales of goods  | 83                                       | 61                   | -                    | -                    | Price approximates market price   |
| Selling expenses  | 9  | 7                    | -                    | -                    | Actual charge                     |
| <u>Transactions with joint venture of subsidiary</u>    |  |                      |                      |                      |                                   |
| Purchase of oil palm seeds and fresh fruit bunch        | 3  | 2                    | -                    | -                    | Market price                      |



(Unaudited but reviewed)

(Unit: Million Baht)

|   | For the six-month period ended 30 June |                      |                      |                      | Pricing policy   |
|---|--|----------------------|----------------------|----------------------|--|
|   | Consolidated                           |                      | Separate             |                      |  |
|   | financial statements                   | financial statements | financial statements | financial statements |  |
|   | 2022                                   | 2021                 | 2022                 | 2021                 |  |
| <u>Transactions with subsidiaries</u>                   |  |                      |                      |                      |  |
| (eliminated from the consolidated financial statements) |  |                      |                      |                      |  |
| Purchase of raw material                                | -                                      | -                    | 1,310                | 890                  | Market price on the contract date                      |
| Purchase of goods                                       | -                                      | -                    | 205                  | 213                  | Market price less fixed margin                         |
| Dividend income   | -                                      | -                    | 134                  | 66                   | At the declared rate                                   |
| Rental income   | -                                      | -                    | 1                    | 1                    | Contract price   |
| Administrative service income                           | -                                      | -                    | 2                    | 2                    | Actual charge  |
| <u>Transactions with related companies</u>              |  |                      |                      |                      |  |
| Sales of goods  | 139                                    | 98                   | -                    | -                    | Price approximates market price                        |
| Purchase of goods                                       | 4                                      | 1                    | 4                    | 1                    | Selling price less marketing expenses and gross margin |
| Selling expenses  | 15                                     | 11                   | -                    | -                    | Actual charge  |
| <u>Transactions with joint venture of subsidiary</u>    |  |                      |                      |                      |  |
| Land rental income                                      | 1                                      | 1                    | -                    | -                    | Agreed between the parties                             |
| Purchase of oil palm seeds and fresh fruit bunch        | 4                                      | 3                    | -                    | -                    | Market price   |

The balances of accounts as at 30 June 2022 and 31 December 2021 between the Company and the related parties are detailed as follows:

|   | (Unit: Thousand Baht) |                      |                      |                      |
|---|-----------------------|----------------------|----------------------|----------------------|
|   | Consolidated          |                      | Separate             |                      |
|   | financial statements  | financial statements | financial statements | financial statements |
|   | 30 June               | 31 December          | 30 June              | 31 December          |
|   | 2022                  | 2021                 | 2022                 | 2021                 |
| <u>Trade and other receivables - related parties</u> (Note 3) |                       |                      |                      |                      |
| Subsidiaries  | -                     | -                    | 27,869               | 26,121               |
| Related companies (related by common shareholders)            | 57,760                | 68,252               | -                    | -                    |
| <b>Total trade and other receivables - related parties</b>    | <b>57,760</b>         | <b>68,252</b>        | <b>27,869</b>        | <b>26,121</b>        |
| <u>Trade and other payables - related parties</u> (Note 12)   |                       |                      |                      |                      |
| Subsidiaries  | -                     | -                    | 86,107               | 238,388              |
| Related companies (related by common shareholders)            | 16,675                | 16,679               | -                    | -                    |
| <b>Total trade and other payables - related parties</b>       | <b>16,675</b>         | <b>16,679</b>        | <b>86,107</b>        | <b>238,388</b>       |

Selling and administrative service income

On 7 November 2011, the Company and Universal Food Public Company Limited (“UFC”), a subsidiary, entered into a memorandum related to the agency agreement (previous agreement was dated 27 February 2006) whereby both parties agreed to change the terms and conditions on dealer compensation to comply with the general practice in the industry. The contract expired on 31 December 2021. The Company and UFC agreed to extend the agreement for another 1 year, starting from 1 January 2022 and expiring on 31 December 2022.

Directors and management’s benefits

During the three-month and six-month periods ended 30 June 2022 and 2021, the Group had short-term employee benefits, post-employment benefits and other long-term benefits payable to their directors and management totaling Baht 37 million and Baht 75 million, respectively (2021: Baht 38 million and Baht 75 million, respectively) and the Company only totaling Baht 23 million and Baht 47 million, respectively (2021: Baht 22 million and Baht 44 million, respectively).

**3. Trade and other receivables**

|  | (Unit: Thousand Baht) |                     |                      |                     |
|--|-----------------------|---------------------|----------------------|---------------------|
|  | Consolidated          |                     | Separate             |                     |
|  | financial statements  |                     | financial statements |                     |
|  | 30 June<br>2022       | 31 December<br>2021 | 30 June<br>2022      | 31 December<br>2021 |
| <u>Trade receivables - related parties</u> |                       |                     |                      |                     |
| Aged on the basis of due dates             |                       |                     |                      |                     |
| Not yet due                                | 57,317                | 65,047              | -                    | 128                 |
| Past due                                   |                       |                     |                      |                     |
| Up to 3 months                             | 443                   | 3,205               | -                    | -                   |
| Total trade receivables - related parties  | 57,760                | 68,252              | -                    | 128                 |

(Unaudited but reviewed)

(Unit: Thousand Baht)

|   | Consolidated         |                     | Separate             |                     |
|---|----------------------|---------------------|----------------------|---------------------|
|   | financial statements |                     | financial statements |                     |
|   | 30 June<br>2022      | 31 December<br>2021 | 30 June<br>2022      | 31 December<br>2021 |
| <u>Trade receivables - unrelated parties</u>      |                      |                     |                      |                     |
| Aged on the basis of due dates                    |                      |                     |                      |                     |
| Post dated cheques receivable                     | 18,338               | 26,045              | 18,338               | 26,045              |
| Cheque returned                                   | 7,446                | 7,668               | 7,446                | 7,668               |
| Not yet due                                       | 1,249,825            | 1,234,012           | 1,110,662            | 1,091,619           |
| Past due  |                      |                     |                      |                     |
| Up to 3 months                                    | 332,715              | 241,343             | 306,424              | 205,761             |
| 3 - 6 months                                      | 6,071                | 4,259               | 4,863                | 4,257               |
| 6 - 12 months                                     | 224                  | 2,625               | 224                  | 2,610               |
| Over 12 months                                    | 3,985                | 3,356               | 3,985                | 3,356               |
| Total   | 1,618,604            | 1,519,308           | 1,451,942            | 1,341,316           |
| Less: Allowance for expected credit losses        | (9,737)              | (9,736)             | (9,737)              | (9,736)             |
| Total trade receivables - unrelated parties - net | 1,608,867            | 1,509,572           | 1,442,205            | 1,331,580           |
| Total trade receivables - net                     | 1,666,627            | 1,577,824           | 1,442,205            | 1,331,708           |
| <u>Other receivables</u>                          |                      |                     |                      |                     |
| Other receivables - related parties               | -                    | -                   | 2,920                | 2,673               |
| Other receivables - unrelated parties             | 25,489               | 6,233               | 23,339               | 5,408               |
| Accrued income - related parties                  | -                    | -                   | 24,949               | 23,320              |
| Accrued income - unrelated parties                | 1,668                | 55                  | -                    | -                   |
| Advances - unrelated parties                      | 607                  | 799                 | -                    | -                   |
| Total   | 27,764               | 7,087               | 51,208               | 31,401              |
| Less: Allowance for expected credit losses        | (774)                | (774)               | (709)                | (709)               |
| Total other receivables - net                     | 26,990               | 6,313               | 50,499               | 30,692              |
| <b>Total trade and other receivables - net</b>    | <b>1,693,617</b>     | <b>1,584,137</b>    | <b>1,492,704</b>     | <b>1,362,400</b>    |

#### 4. Reduction of inventory to net realisable value

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

|   | (Unit: Thousand Baht)                   |
|---|---|
|   | Consolidated<br>financial<br>statements |
| <b>Balance as at 31 December 2021</b>                       | 20,229                                  |
| The reduction of inventory value recorded during the period | 30,421                                  |
| <b>Balance as at 30 June 2022</b>                           | <b>50,650</b>                           |

#### 5. Investments in subsidiaries

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

| Company's name                                     | Paid-up capital |             | Shareholding percentage |             | Cost             |                  |
|--|-----------------|-------------|-------------------------|-------------|------------------|------------------|
|  | 30 June         | 31 December | 30 June                 | 31 December | 30 June          | 31 December      |
|  | 2022            | 2021        | 2022                    | 2021        | 2022             | 2021             |
|  |                 |             | Percent                 | Percent     |                  |                  |
| United Palm Oil Industry Public<br>Company Limited | 324,050         | 324,050     | 69.96                   | 69.96       | 748,344          | 748,344          |
| Universal Food Public Company<br>Limited           | 525,000         | 525,000     | 98.85                   | 98.85       | 585,814          | 585,814          |
| Total  |                 |             |                         |             | <b>1,334,158</b> | <b>1,334,158</b> |

As at 30 June 2022, the fair value of the investment in United Palm Oil Industry Public Company Limited, calculated based on the latest bid price of the shares on the last trading day of the period as quoted on the Stock Exchange of Thailand and in proportion to the Company's shareholding, was approximately Baht 1,564 million (31 December 2021: Baht 1,474 million).

**6. Investment in associated company**

| Company's name        | Nature of business | Country of incorporation | Consolidated financial statements |                |                         |             |           |
|-----------------------|--------------------|--------------------------|-----------------------------------|----------------|-------------------------|-------------|-----------|
|                       |                    |                          | Paid-up capital                   |                | Shareholding percentage |             |           |
|                       |                    |                          | 30 June                           | 31 December    | 30 June                 | 31 December |           |
|                       |                    |                          | 2022                              | 2021           | 2022                    | 2021        |           |
|                       |                    |                          |                                   | (Million Baht) | (Million Baht)          | (Percent)   | (Percent) |
| Union Fresh Co., Ltd. | Dormant            | Thailand                 | 30                                | 30             | 40                      | 40          |           |

(Unit: Thousand Baht)

| Company's name        | Consolidated financial statements |             |   |             |   |             |   |             |
|-----------------------|-----------------------------------|-------------|---|-------------|---|-------------|---|-------------|
|                       | Cost                              |             | Allowance for diminution in value of investment |             | Carrying amounts based on cost method - net |             | Carrying amounts based on equity method |             |
|                       | 30 June                           | 31 December | 30 June   | 31 December | 30 June                                     | 31 December | 30 June                                 | 31 December |
|                       | 2022                              | 2021        | 2022  | 2021        | 2022  | 2021        | 2022                                    | 2021        |
|                       |                                   |             |   |             |   |             |   |             |
| Union Fresh Co., Ltd. | 12,000                            | 12,000      | (12,000)  | (12,000)    | -   | -           | -                                       | -           |

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

As at 30 June 2022, a subsidiary of subsidiary had unsecured loan to other company, amounting to approximately Baht 17.0 million (31 December 2021: Baht 17.5 million). The loan carries interest at a rate of THBFIX plus 1% per annum and is due for repayment end of June and December of every year with the last payment in June 2040.

**8. Property, plant and equipment**

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

(Unit: Thousand Baht)

|  | Consolidated financial statements | Separate financial statements |
|--|-----------------------------------|-------------------------------|
| <b>Net book value as at 31 December 2021</b>                   | 2,413,490                         | 863,247                       |
| Acquisitions during the period - at cost                       | 130,612                           | 68,335                        |
| Write-off during the period - net book value at write-off date | (8)                               | (8)                           |
| Depreciation for the period                                    | (112,629)                         | (56,818)                      |
| Interest capitalised to assets                                 | 23                                | -                             |
| <b>Net book value as at 30 June 2022</b>                       | <b>2,431,488</b>                  | <b>874,756</b>                |

**9. Right-of-use assets**

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

|  | (Unit: Thousand Baht)                   |
|--|---|
|  | Consolidated<br>financial<br>statements |
|  | <hr/>                                   |
| <b>Net book value as at 31 December 2021</b> | 34,982                                  |
| Increase from contract modification          | 520                                     |
| Depreciation for the period                  | (781)                                   |
| <b>Net book value as at 30 June 2022</b>     | <hr/> <b>34,721</b> <hr/>               |

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

**10. Bearer plants**

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

|   | (Unit: Thousand Baht)                   |                                     |
|---|---|-------------------------------------|
|   | Consolidated<br>financial<br>statements | Separate<br>financial<br>statements |
|   | <hr/>                                   | <hr/>                               |
| <b>Net book value as at 31 December 2021</b>                      | 176,606                                 | 154                                 |
| Acquisitions during the period - at cost                          | 2,839                                   | -                                   |
| Write-off during the period - net book value at<br>write-off date | (14)                                    | -                                   |
| Amortisation for the period                                       | (5,145)                                 | (6)                                 |
| <b>Net book value as at 30 June 2022</b>                          | <hr/> <b>174,286</b> <hr/>              | <hr/> <b>148</b> <hr/>              |

(Unaudited but reviewed)

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

#### 11. Short-term loans from banks

|                             | (Unit: Thousand Baht) |             |                      |         |                      |         |
|-----------------------------|-----------------------|-------------|----------------------|---------|----------------------|---------|
|                             | Interest rate         |             | Consolidated         |         | Separate             |         |
|                             | (percent per annum)   |             | financial statements |         | financial statements |         |
|                             | 30                    | 31          | 30                   | 31      | 30                   | 31      |
| June                        | December              | June        | December             | June    | December             |         |
| 2022                        | 2021                  | 2022        | 2021                 | 2022    | 2021                 |         |
| Short-term loans from banks | 0.85 - 1.25           | 0.85 - 1.10 | 1,437,000            | 526,000 | 1,287,000            | 231,000 |
| Total                       |                       |             | 1,437,000            | 526,000 | 1,287,000            | 231,000 |

Movement in short-term loans from banks during the six-month period ended 30 June 2022 are summarised below.

|                                       | (Unit: Thousand Baht) |                  |
|---------------------------------------|-----------------------|------------------|
|                                       | Consolidated          | Separate         |
|                                       | financial             | financial        |
|                                       | statements            | statements       |
| <b>Balance as at 31 December 2021</b> | 526,000               | 231,000          |
| Additions during the period           | 2,052,000             | 1,652,000        |
| Repayments during the period          | (1,141,000)           | (596,000)        |
| <b>Balance as at 30 June 2022</b>     | <b>1,437,000</b>      | <b>1,287,000</b> |

There is no collateral on short-term loans from banks of the Group.

**12. Trade and other payables**

|   | (Unit: Thousand Baht) |                |                      |                |
|---|-----------------------|----------------|----------------------|----------------|
|   | Consolidated          |                | Separate             |                |
|   | financial statements  |                | financial statements |                |
|   | 30 June               | 31 December    | 30 June              | 31 December    |
|   | 2022                  | 2021           | 2022                 | 2021           |
| Trade payables - related parties          | -                     | 179            | 86,103               | 238,265        |
| Trade payables - unrelated parties        | 662,002               | 287,041        | 467,258              | 202,323        |
| Other payables - related parties          | 15,290                | 16,500         | -                    | -              |
| Other payables - unrelated parties        | 104,259               | 116,460        | 71,117               | 82,633         |
| Advance received from related parties     | 1,385                 | -              | 4                    | 123            |
| Other payables for purchases of machinery | 10,754                | 11,741         | 7,305                | 8,282          |
| Accrued expenses                          | 200,577               | 177,849        | 102,186              | 111,628        |
| <b>Total trade and other payables</b>     | <b>994,267</b>        | <b>609,770</b> | <b>733,973</b>       | <b>643,254</b> |

**13. Long-term loans**

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

|   | (Unit: Thousand Baht)                   |
|---|---|
|   | Consolidated<br>financial<br>statements |
| <b>Balance as at 1 January 2022</b>             | 182,800                                 |
| Repayments during the period                    | (101,133)                               |
| <b>Balance as at 30 June 2022</b>               | 81,667                                  |
| Less: Portion due within one year               | (36,667)                                |
| <b>Long-term loans - net of current portion</b> | <b>45,000</b>                           |

The long-term loans of Universal Food Public Company Limited are unsecured.

Long-term loan of United Palm Oil Industry Public Company Limited no.1 remaining amount of Baht 40 million is long-term loan under a joint loan agreement between the Company and United Palm Oil Industry Public Company Limited and the bank. The Company and the subsidiary agree that the subsidiary, as the party that draws down the loan, is to be primarily responsible for the principal and interest thereon. Under covenants of the agreement, the Company and the subsidiary are restricted from creating encumbrances over their assets (negative pledge). Loan no.2 remaining amount of Baht 41.7 million is unsecured.



(Unaudited but reviewed)

The loan agreements contain several covenants which, among other things, require each company to maintain debt to equity ratio and debt service coverage ratio at the rate prescribed in the agreements.

#### 14. 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 and six-month periods ended 30 June 2022 and 2021 are made up as follows:

(Unit: Thousand Baht)

|   | For the three-month periods ended 30 June |               |                      |               |
|---|---|---------------|----------------------|---------------|
|   | Consolidated                              |               | Separate             |               |
|   | financial statements                      |               | financial statements |               |
|   | <u>2022</u>                               | <u>2021</u>   | <u>2022</u>          | <u>2021</u>   |
| <b>Current income tax:</b>                                    |   |               |                      |               |
| Interim corporate income tax charge                           | 35,422                                    | 32,489        | (7,727)              | 17,932        |
|   | 631                                       | -             | -                    | -             |
| <b>Deferred tax:</b>  |   |               |                      |               |
| Relating to origination and reversal of temporary differences | (10,741)                                  | (11,572)      | (225)                | (425)         |
| <b>Income tax reported in the profit or loss</b>              | <u>25,312</u>                             | <u>20,917</u> | <u>(7,952)</u>       | <u>17,507</u> |

(Unit: Thousand Baht)

|   | For the six-month periods ended 30 June |               |                      |               |
|---|---|---------------|----------------------|---------------|
|   | Consolidated                            |               | Separate             |               |
|   | financial statements                    |               | financial statements |               |
|   | <u>2022</u>                             | <u>2021</u>   | <u>2022</u>          | <u>2021</u>   |
| <b>Current income tax:</b>                                    |   |               |                      |               |
| Interim corporate income tax charge                           | 82,017                                  | 59,797        | -                    | 39,454        |
| Adjustment in respect of current income tax of previous year  | 631                                     | -             | -                    | -             |
| <b>Deferred tax:</b>  |   |               |                      |               |
| Relating to origination and reversal of temporary differences | (18,117)                                | (11,464)      | (926)                | (803)         |
| <b>Income tax reported in the profit or loss</b>              | <u>64,531</u>                           | <u>48,333</u> | <u>(926)</u>         | <u>38,651</u> |

## 15. Operating 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 its reportable segments.

The following tables present revenue and profit information regarding the Group's operating segments for the three-month and six-month periods ended 30 June 2022 and 2021.

(Unit: Million Baht)

|   | Consolidated for the three-month periods ended 30 June |              |             |             |                |              |                  |              |              |              |
|---|--|--------------|-------------|-------------|----------------|--------------|------------------|--------------|--------------|--------------|
|   | Manufacture and distribution                           |              |             |             |                |              |                  |              |              |              |
|   | Palm oil   |              | Processed   |             | Total segments |              | Adjustments      |              | Consolidated |              |
|   | products   |              | fruits and  | vegetables  |                |              | and eliminations |              |              |              |
|   | <u>2022</u>  | <u>2021</u>  | <u>2022</u> | <u>2021</u> | <u>2022</u>    | <u>2021</u>  | <u>2022</u>      | <u>2021</u>  | <u>2022</u>  | <u>2021</u>  |
| <b>Revenue</b>  |  |              |             |             |                |              |                  |              |              |              |
| External customers                                      | 2,576  | 1,614        | 639         | 535         | 3,215          | 2,149        | -                | -            | 3,215        | 2,149        |
| Inter-segment   | 566  | 456          | -           | -           | 566            | 456          | (566)            | (456)        | -            | -            |
| Total revenue   | <u>3,142</u>   | <u>2,070</u> | <u>639</u>  | <u>535</u>  | <u>3,781</u>   | <u>2,605</u> | <u>(566)</u>     | <u>(456)</u> | <u>3,125</u> | <u>2,149</u> |
| <b>Operating results</b>                                |  |              |             |             |                |              |                  |              |              |              |
| Segment profit  | 165  | 325          | 118         | 92          | 283            | 417          | (1)              | (26)         | 282          | 391          |
| Unallocated income and expenses:                        |  |              |             |             |                |              |                  |              |              |              |
| Other income  |  |              |             |             |                |              |                  |              | 51           | 31           |
| Loss from change in fair value of biological assets     |  |              |             |             |                |              |                  |              | (12)         | (44)         |
| Selling and distribution expenses                       |  |              |             |             |                |              |                  |              | (139)        | (134)        |
| Administrative expenses                                 |  |              |             |             |                |              |                  |              | (61)         | (56)         |
| Share of profit (loss) from investment in joint venture |  |              |             |             |                |              |                  |              | 14           | (1)          |
| Finance cost  |  |              |             |             |                |              |                  |              | (4)          | (3)          |
| Profit before income tax expenses                       |  |              |             |             |                |              |                  |              | 131          | 184          |
| Income tax expenses                                     |  |              |             |             |                |              |                  |              | (26)         | (21)         |
| Profit for the period                                   |  |              |             |             |                |              |                  |              | <u>105</u>   | <u>163</u>   |

(Unaudited but reviewed)

(Unit: Million Baht)

| Consolidated for the six-month periods ended 30 June       |              |                       |              |                |              |                              |                |              |              |              |
|--|--------------|-----------------------|--------------|----------------|--------------|------------------------------|----------------|--------------|--------------|--------------|
| Manufacture and distribution                               |              |                       |              |                |              |                              |                |              |              |              |
| Processed  |              |                       |              |                |              |                              |                |              |              |              |
| Palm oil products  |              | fruits and vegetables |              | Total segments |              | Adjustments and eliminations |                | Consolidated |              |              |
| 2022   | 2021         | 2022                  | 2021         | 2022           | 2021         | 2022                         | 2021           | 2022         | 2021         |              |
| <b>Revenue</b>   |              |                       |              |                |              |                              |                |              |              |              |
| External customers   | 4,808        | 3,505                 | 1,210        | 1,043          | 6,018        | 4,548                        | -              | -            | 6,018        | 4,548        |
| Inter-segment  | 1,310        | 890                   | -            | -              | 1,310        | 890                          | (1,310)        | (890)        | -            | -            |
| Total revenue  | <u>6,118</u> | <u>4,395</u>          | <u>1,210</u> | <u>1,043</u>   | <u>7,328</u> | <u>5,438</u>                 | <u>(1,310)</u> | <u>(890)</u> | <u>6,018</u> | <u>4,548</u> |
| <b>Operating results</b>                                   |              |                       |              |                |              |                              |                |              |              |              |
| Segment profit   | 424          | 556                   | 214          | 160            | 638          | 716                          | (2)            | (26)         | 636          | 690          |
| Unallocated income and expenses:                           |              |                       |              |                |              |                              |                |              |              |              |
| Compensation from insurance                                |              |                       |              |                |              |                              |                |              | -            | 8            |
| Other income   |              |                       |              |                |              |                              |                |              | 91           | 61           |
| Gain (loss) from change in fair value of biological assets |              |                       |              |                |              |                              |                |              | 27           | (37)         |
| Selling and distribution expenses                          |              |                       |              |                |              |                              |                |              | (291)        | (277)        |
| Administrative expenses                                    |              |                       |              |                |              |                              |                |              | (120)        | (110)        |
| Share of profit (loss) from investment in joint venture    |              |                       |              |                |              |                              |                |              | 14           | (2)          |
| Finance cost   |              |                       |              |                |              |                              |                |              | (6)          | (5)          |
| Profit before income tax expenses                          |              |                       |              |                |              |                              |                |              | 351          | 328          |
| Income tax expenses  |              |                       |              |                |              |                              |                |              | (65)         | (48)         |
| Profit for the period                                      |              |                       |              |                |              |                              |                |              | <u>286</u>   | <u>280</u>   |

## 16. Dividend paid

During the six-month periods ended 30 June 2022 and 2021, the Company and its subsidiaries had dividend payments as follows:

|  | Approved by   | Total dividends<br>(Million Baht) | Dividend per share<br>(Baht) |
|--|---|-----------------------------------|------------------------------|
| <b><u>The Company</u></b>                |   |                                   |                              |
| <b><u>For the year 2022</u></b>          |   |                                   |                              |
| Dividend on 2021 profit                  | Annual General Meeting of the shareholders on 8 April 2022  | 205.00                            | 0.25                         |
| <b>Total dividends for the year 2022</b> |   | <u>205.00</u>                     | <u>0.25</u>                  |
| <b><u>For the year 2021</u></b>          |   |                                   |                              |
| Dividend on 2020 profit                  | Annual General Meeting of the shareholders on 23 April 2021 | 180.40                            | 0.22                         |
| <b>Total dividends for the year 2021</b> |   | <u>180.40</u>                     | <u>0.22</u>                  |

(Unaudited but reviewed)

|  | Approved by  | Total dividends | Dividend per share |
|--|--|-----------------|--------------------|
|  |  | (Million Baht)  | (Baht)             |
| <b><u>Subsidiaries</u></b>               |  |                 |                    |
| <b><u>For the year 2022</u></b>          |  |                 |                    |
| Dividend on 2021 profit                  | Annual General Meeting of the shareholders of United Palm Oil Industry Public Company Limited on 8 April 2022  | 162.00          | 0.50               |
| <b>Total dividends for the year 2022</b> |  | 162.00          | 0.50               |
| Dividend on 2021 profit                  | Annual General Meeting of the shareholders of Universal Food Public Company Limited on 7 April 2022            | 21.00           | 0.40               |
| <b>Total dividends for the year 2022</b> |  | 21.00           | 0.40               |
| <b><u>For the year 2021</u></b>          |  |                 |                    |
| Dividend on 2020 profit                  | Annual General Meeting of the shareholders of United Palm Oil Industry Public Company Limited on 23 April 2021 | 65.00           | 0.20               |
| <b>Total dividends for the year 2021</b> |  | 65.00           | 0.20               |
| Dividend on 2020 profit                  | Annual General Meeting of the shareholders of Universal Food Public Company Limited on 22 April 2021           | 21.00           | 0.40               |
| <b>Total dividends for the year 2021</b> |  | 21.00           | 0.40               |

## 17. Commitments and contingent liabilities

### 17.1 Capital commitments

As at 30 June 2022, the Group had capital commitments relating to purchase of machineries and equipment and building improvement amounting to Baht 38.8 million (31 December 2021: Baht 112.6 million), the Company only: Baht 4.3 million (31 December 2021: Baht 56.6 million).

### 17.2 Lease and service commitments

The Group has entered into several leases of the low-value assets and service agreements which are non-cancellable. The terms of the contract are generally between 1 year and 5 years.

Future minimum lease payments required under these non-cancellable contracts were as follows:

|                                  | (Unit: Million Baht) |                      |
|----------------------------------|----------------------|----------------------|
|                                  | As at 30 June 2022   |                      |
|                                  | Consolidated         | Separate             |
|                                  | financial statements | financial statements |
| Payable:                         |                      |                      |
| Within 1 year                    | 12.0                 | 5.6                  |
| In over 1 year and up to 5 years | 0.4                  | 0.4                  |
| Total                            | 12.4                 | 6.0                  |

### 17.3 Long-term commitments

In 2020, the subsidiary entered into a power purchase and sale agreement with a private company for contractual terms of 15 years from the commencement date. The private company invested in construction and installation of electricity generation systems and retains ownership of all related properties. The electricity charges are calculated based on rates as specified in the agreement. However, the subsidiary has the right to purchase the electricity generation systems from the 7th year onwards at rates specified in the agreement, or at Baht 1 when the subsidiary has fulfilled the contractual terms of 15 years. Since then, the ownership of all electricity generation systems will be automatically transferred to the subsidiary.

### 17.4 Guarantees

As at 30 June 2022, there were outstanding bank guarantees issued by the banks in respect of certain performances bonds as required in the normal course of their businesses. These included letters of guarantee amounting to Baht 11.3 million to electricity use, among others (31 December 2021: Baht 14.2 million) and for the Company: Baht 4.3 million to guarantee electricity use, among others (31 December 2021: Baht 7.2 million).

### 17.5 Contingent liabilities

In 2020, the Company was notified of import duty and VAT assessment by the Customs Department requiring the Company to pay import duty, VAT, penalties and surcharges totalling Baht 186.9 million regarding the import of refined, bleached, and deodorized soybean oil exercising duty exemption and customs tariff reduction privileges for goods originated in ASEAN. The decision on such matter is currently under consideration of the Customs Department. There were no additional events as disclosed from the financial statements for the year ended 31 December 2021.

**18. Rights to utilise land**

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

| Location          | Additional event   |
|-------------------|--|
| Land plot No. 602 | On 10 March 2022, the ALRO in Krabi filed an objection to United Palm Oil Industry Public Company Limited's ("the subsidiary") statement. On 29 June 2022, the Supreme Administrative Court issued an order concurring with the Administrative Court of First Instance in refusing to accept a lawsuit, clarifying that the subsidiary filed the lawsuit after the filing period. The case is therefore finalised.   |
| Land plot No. 603 | On 10 March 2022, the ALRO in Krabi filed an objection to United Palm Oil Industry Public Company Limited's ("the subsidiary") statement. On 29 June 2022, the Supreme Administrative Court issued an order concurring with the Administrative Court of First Instance in refusing to accept a lawsuit on a notice designating a targeted area for land reform because the subsidiary filed the lawsuit after the filing period. However, the Supreme Administrative Court accepted a lawsuit on a notice seeking a revocation informing them of vacating the land plots and demolishing all constructions. The Supreme Administrative Court is currently reviewing this case. |

**19. Litigation**

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

**20. Fair value hierarchy**

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

(Unit: Million Baht)

|   | Consolidated financial statements |         |         |       |
|---|-----------------------------------|---------|---------|-------|
|   | As at 30 June 2022                |         |         |       |
|   | Level 1                           | Level 2 | Level 3 | Total |
| <b>Assets measured at fair value</b>      |                                   |         |         |       |
| Biological assets                         | -                                 | 37      | 102     | 139   |
| <b>Liabilities measured at fair value</b> |                                   |         |         |       |
| Derivatives                               |                                   |         |         |       |
| Foreign currency forward contracts        | -                                 | 1       | -       | 1     |

(Unit: Million Baht)

|   | Consolidated financial statements |         |         |       |
|---|-----------------------------------|---------|---------|-------|
|   | As at 31 December 2021            |         |         |       |
|   | Level 1                           | Level 2 | Level 3 | Total |
| <b>Assets measured at fair value</b>      |                                   |         |         |       |
| Biological assets                         | -                                 | 13      | 99      | 112   |
| <b>Liabilities measured at fair value</b> |                                   |         |         |       |
| Derivatives                               |                                   |         |         |       |
| Foreign currency forward contracts        | -                                 | 1       | -       | 1     |

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

**21. Financial instruments****21.1 Fair value of financial instrument**

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 is estimated to approximate their fair value.

## 21.2 Foreign currency assets and liabilities

As at 30 June 2022 and 31 December 2021, the Group had outstanding financial assets and liabilities denominated in foreign currencies as summarised below.

| Consolidated financial statements |                  |                     |                       |                     |                                       |                     |
|-----------------------------------|------------------|---------------------|-----------------------|---------------------|---------------------------------------|---------------------|
| Foreign currency                  | Financial assets |                     | Financial liabilities |                     | Average exchange rate as at           |                     |
|                                   | 30 June<br>2022  | 31 December<br>2021 | 30 June<br>2022       | 31 December<br>2021 | 30 June<br>2022                       | 31 December<br>2021 |
|                                   | (Million)        | (Million)           | (Million)             | (Million)           | (Baht per 1 foreign<br>currency unit) |                     |
| US dollars                        | 0.2              | 3.1                 | 0.1                   | 0.1                 | 35.2970                               | 33.4199             |
| Euro                              | -                | 0.1                 | -                     | -                   | -                                     | 37.5083             |

| Separate financial statements |                  |                     |                       |                     |                                       |                     |
|-------------------------------|------------------|---------------------|-----------------------|---------------------|---------------------------------------|---------------------|
| Foreign currency              | Financial assets |                     | Financial liabilities |                     | Average exchange rate as at           |                     |
|                               | 30 June<br>2022  | 31 December<br>2021 | 30 June<br>2022       | 31 December<br>2021 | 30 June<br>2022                       | 31 December<br>2021 |
|                               | (Million)        | (Million)           | (Million)             | (Million)           | (Baht per 1 foreign<br>currency unit) |                     |
| US dollars                    | 0.2              | 0.1                 | 0.1                   | -                   | 35.2970                               | 33.4199             |

## 22. Approval of interim financial statements

These interim financial statements were authorised for issue on 11 August 2022 by the Company's Audit and Corporate Governance Committee under authority delegated by the Board of Directors of the Company.