

United Palm Oil Industry Public Company Limited
and its subsidiaries
Review report and consolidated and separate
financial information
For the three-month period ended 31 March 2025



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Independent Auditor's Report on Review of Interim Financial Information

To the Shareholders of United Palm Oil Industry Public Company Limited

I have reviewed the accompanying consolidated financial information of United Palm Oil Industry Public Company Limited and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 March 2025, the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the three-month period then ended, as well as the condensed notes to the interim consolidated financial statements. I have also reviewed the separate financial information of United Palm Oil Industry Public Company Limited for the same period (collectively "the 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.

Natteera Pongpinitpinyo

Certified Public Accountant (Thailand) No. 7362

EY Office Limited

Bangkok: 8 May 2025

United Palm Oil Industry Public Company Limited and its subsidiaries

Statement of financial position

As at 31 March 2025

(Unit: Thousand Baht)

		<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>Note</u>	<u>31 March 2025</u>	<u>31 December 2024</u>	<u>31 March 2025</u>	<u>31 December 2024</u>
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Current assets					
Cash and cash equivalents		63,428	126,689	18,247	79,313
Trade and other current receivables	3	100,424	33,798	100,424	33,798
Current portion of finance lease receivables		56	55	56	55
Advance to employees		91	79	91	79
Inventories		237,621	239,273	237,621	239,273
Current biological assets	16	253,553	184,072	253,553	184,072
Other current assets		8,920	6,600	4,775	4,458
Total current assets		664,093	590,566	614,767	541,048
Non-current assets					
Finance lease receivables - net of current portion		129	143	129	143
Investment in subsidiary		-	-	307,895	307,895
Investment in joint venture		46,165	46,895	25,000	25,000
Property, plant and equipment	4	980,517	942,277	980,517	942,277
Right-of-use assets	5	30,382	30,771	48,117	48,733
Bearer plants	6	161,737	162,758	161,737	162,758
Intangible assets		449	492	449	492
Other non-current assets		1,024	657	1,024	657
Total non-current assets		1,220,403	1,183,993	1,524,868	1,487,955
Total assets		1,884,496	1,774,559	2,139,635	2,029,003

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

United Palm Oil Industry Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 March 2025

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		31 March 2025	31 December 2024	31 March 2025	31 December 2024
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from financial institution	7	50,000	-	50,000	-
Trade and other current payables	8	47,901	34,283	318,151	301,704
Current portion of lease liabilities		826	817	1,132	1,119
Income tax payable		18,479	11,937	17,089	10,945
Other current liabilities		6,146	3,512	6,146	3,512
Total current liabilities		123,352	50,549	392,518	317,280
Non-current liabilities					
Lease liabilities, net of current portion		41,471	41,682	60,987	61,274
Deferred tax liabilities		21,120	19,172	20,703	18,786
Non-current provision for employee benefits		11,627	12,022	11,627	12,022
Total non-current liabilities		74,218	72,876	93,317	92,082
Total liabilities		197,570	123,425	485,835	409,362
Shareholders' equity					
Share capital					
Registered					
324,050,000 ordinary shares of Baht 1 each		324,050	324,050	324,050	324,050
Issued and fully paid up					
324,050,000 ordinary shares of Baht 1 each		324,050	324,050	324,050	324,050
Share premium		321,545	321,545	321,545	321,545
Retained earnings					
Appropriated - statutory reserve		60,805	60,805	32,405	32,405
Unappropriated		980,526	944,734	975,800	941,641
Total shareholders' equity		1,686,926	1,651,134	1,653,800	1,619,641
Total liabilities and shareholders' equity		1,884,496	1,774,559	2,139,635	2,029,003

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

Directors

(Unaudited but reviewed)

United Palm Oil Industry Public Company Limited and its subsidiaries

Statement of comprehensive income

For the three-month period ended 31 March 2025

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

	Note	Consolidated financial statement		Separate financial statements	
		2025	2024	2025	2024
Revenues					
Revenue		350,489	424,677	350,489	424,677
Gain arising from change in fair value of current biological assets		66,979	29,935	66,979	29,935
Other income		15,875	12,790	15,875	12,790
Total revenues		433,343	467,402	433,343	467,402
Expenses					
Cost of sales		362,957	373,788	363,440	374,271
Selling and distribution expenses		7,210	10,751	7,210	10,751
Administrative expenses		17,320	17,306	17,273	17,259
Total expenses		387,487	401,845	387,923	402,281
Operating profit		45,856	65,557	45,420	65,121
Share of profit (loss) from a joint venture		(730)	2,030	-	-
Finance income		16	147	16	9
Finance cost		(719)	(1,262)	(3,172)	(3,879)
Profit before income tax expenses		44,423	66,472	42,264	61,251
Income tax expenses	9	(8,631)	(12,781)	(8,105)	(12,187)
Profit for the period		35,792	53,691	34,159	49,064
Other comprehensive income for the period		-	-	-	-
Total comprehensive income for the period		35,792	53,691	34,159	49,064
Basic earnings per share	10				
Profit per share		0.11	0.17	0.11	0.15
Weighted average number of ordinary share (Thousand shares)		324,050	324,050	324,050	324,050

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

(Unaudited but reviewed)

United Palm Oil Industry Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the three-month period ended 31 March 2025

(Unit: Thousand Baht)

Consolidated financial statements				
	Issued and paid-up share capital	Share premium	Retained earnings Appropriated	Unappropriated
				Total
Balance as at 1 January 2024	324,050	321,545	60,805	879,108
Profit for the period	-	-	-	53,691
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	-	-	-	53,691
Balance as at 31 March 2024	324,050	321,545	60,805	932,799
Balance as at 1 January 2025	324,050	321,545	60,805	944,734
Profit for the period	-	-	-	35,792
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	-	-	-	35,792
Balance as at 31 March 2025	324,050	321,545	60,805	980,526

(Unit: Thousand Baht)

Separate financial statements				
	Issued and paid-up share capital	Share premium	Retained earnings Appropriated	Unappropriated
				Total
Balance as at 1 January 2024	324,050	321,545	32,405	827,385
Profit for the period	-	-	-	49,064
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	-	-	-	49,064
Balance as at 31 March 2024	324,050	321,545	32,405	876,449
Balance as at 1 January 2025	324,050	321,545	32,405	941,641
Profit for the period	-	-	-	34,159
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	-	-	-	34,159
Balance as at 31 March 2025	324,050	321,545	32,405	975,800

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

(Unaudited but reviewed)

United Palm Oil Industry Public Company Limited and its subsidiaries

Cash flow statement

For the three-month period ended 31 March 2025

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2025	2024	2025	2024
Cash flows from operating activities				
Profit before tax	44,423	66,472	42,264	61,251
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	13,625	12,385	13,853	12,612
Share of loss (profit) from a joint venture	730	(2,030)	-	-
Gain arising from change in fair value of current biological assets	(66,979)	(29,935)	(66,979)	(29,935)
Loss on write-off of bearer plants	-	395	-	395
Reduction of inventory cost to net realisable value	53,141	-	53,141	-
Loss on disposal/write-off of equipment and vehicles	1,001	1	1,001	1
Provision for employee benefits	676	(263)	676	(263)
Interest expenses	719	1,262	3,172	3,879
Profit from operating activities before changes in operating assets and liabilities	47,336	48,287	47,128	47,940
Operating assets (increase) decrease				
Trade and other current receivables	(66,626)	(83,584)	(66,626)	(83,590)
Cash received from finance lease receivables	13	39	13	39
Advance to employees	(12)	(15)	(12)	(15)
Inventories and current biological assets	(53,991)	22,293	(53,991)	22,293
Other current assets	(2,261)	(4,897)	(317)	(3,042)
Other non-current assets	(367)	15	(367)	15
Operating liabilities increase (decrease)				
Trade and other current payables	10,591	23,175	11,237	23,824
Other current liabilities	2,634	3,023	2,634	3,023
Cash paid for employee benefits	(1,071)	(3,115)	(1,071)	(3,115)
Cash flows from (used in) operating activities	(63,754)	5,221	(61,372)	7,372
Cash paid for interest expenses	(719)	(1,286)	(989)	(1,559)
Cash paid for income tax	(199)	(194)	(44)	(41)
Net cash flows from (used in) operating activities	(64,672)	3,741	(62,405)	5,772

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

(Unaudited but reviewed)

United Palm Oil Industry Public Company Limited and its subsidiaries

Cash flow statement (continued)

For the three-month period ended 31 March 2025

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Cash flows from investing activities				
Decrease in long-term loan to other company	-	460	-	-
Cash paid for acquisition of machinery, equipment and vehicles	(46,720)	(5,582)	(46,720)	(5,582)
Increase in cost of bearer plants	(1,667)	(2,456)	(1,667)	(2,456)
Net cash flows used in investing activities	<u>(48,387)</u>	<u>(7,578)</u>	<u>(48,387)</u>	<u>(8,038)</u>
Cash flows from financing activities				
Increase (decrease) in short-term loans from financial institution	50,000	(60,000)	50,000	(60,000)
Cash paid for lease liabilities	(202)	(105)	(274)	(131)
Net cash flows from (used in) financing activities	<u>49,798</u>	<u>(60,105)</u>	<u>49,726</u>	<u>(60,131)</u>
Net decrease in cash and cash equivalents	<u>(63,261)</u>	<u>(63,942)</u>	<u>(61,066)</u>	<u>(62,397)</u>
Cash and cash equivalents at beginning of period	<u>126,689</u>	<u>118,932</u>	<u>79,313</u>	<u>83,280</u>
Cash and cash equivalents at end of period	<u><u>63,428</u></u>	<u><u>54,990</u></u>	<u><u>18,247</u></u>	<u><u>20,883</u></u>
Supplemental cash flows information				
Non-cash related transactions				
Purchase of equipment for which no cash has been paid	5,276	513	5,276	513

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

United Palm Oil Industry Public Company Limited and its subsidiaries
Condensed notes to interim financial statements
For the three-month period ended 31 March 2025

1. General information

1.1 Corporate information

United Palm Oil Industry Public Company Limited is a public company incorporated and domiciled in Thailand. Its parent company is Lam Soon (Thailand) Public Company Limited, which was incorporated in Thailand. The Company is principally engaged in the manufacture of crude palm oil and crude palm kernel oil. The registered office of the Company is at No. 64, Soi Bangna-Trad 25, Bangna Nuea Sub-district, Bangna District, Bangkok. Branch office and factory are located at No. 98 Moo 6, Nueaklong-Khao Phanom Road, Huayyoong Sub-district, Nueaklong District, Krabi.

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 presenting condensed interim financial statements. 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 and has presented notes to the interim financial statements on a condensed basis.

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

These interim consolidated financial statements include the financial statements of United Palm Oil Industry Public Company Limited (hereinafter called as "the Company") and its subsidiary companies ("the subsidiaries") (collectively as "the Group") and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2024. During the current period, there were no changes in the composition of the Group.

1.4 Accounting policies

The interim financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2024.

The revised financial reporting standards which are effective for fiscal years beginning on or after 1 January 2025, 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, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Group and those related parties. There were no significant changes in the transfer pricing policy of transactions with related parties during the current period.

(Unit: Million Baht)

	Consolidated		Separate		
	financial statements		financial statements		
	For the three-month periods ended 31 March				
	2025	2024	2025	2024	Transfer pricing policies
Transactions with parent company					
Sales of crude palm oil and crude palm kernel oil	203	184	203	184	Market price on contract's date
Transactions with subsidiaries (eliminated from the consolidated financial statements)					
Palm plantation rental expenses	-	-	2	2	Contract price
Interest expenses	-	-	2	2	BIBOR + 1% per annum
Transactions with joint venture					
Purchases of oil palm seeds and fresh fruit bunch	1	1	1	1	Market price

The balances of the accounts between the Company and those related parties as at 31 March 2025 and 31 December 2024.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	31 March	31 December	31 March	31 December
	2025	2024	2025	2024
Trade and other current receivables - related party (Note 3)				
Parent company	77,735	8,519	77,735	8,519
Total	77,735	8,519	77,735	8,519

(Unaudited but reviewed)

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	31 March 2025	31 December 2024	31 March 2025	31 December 2024
Trade and other current payables - related parties				
(Note 8)				
Subsidiaries	-	-	270,452	267,584
Total	-	-	270,452	267,584
Lease liabilities - related party				
Subsidiary	-	-	62,119	62,393
Total	-	-	62,119	62,393

Directors and management's benefits

During the three-month period ended 31 March 2025, the Company had short-term employee benefits expenses and post-employment benefits expenses payable to its directors and management totaling Baht 8 million (31 March 2024: Baht 10 million).

3. Trade and other current receivables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	31 March 2025	31 December 2024	31 March 2025	31 December 2024
Trade receivables - related party				
Aged on the basis of due dates				
Not yet due	77,735	8,519	77,735	8,519
Total trade receivables - related party (Note 2)	77,735	8,519	77,735	8,519
Trade receivables - unrelated parties				
Aged on the basis of due dates				
Not yet due	20,616	25,181	20,616	25,181
Total trade receivables - unrelated parties	20,616	25,181	20,616	25,181
Total trade receivables	98,351	33,700	98,351	33,700

(Unaudited but reviewed)

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2025	2024	2025	2024
Other current receivables				
Accrued income	2,073	98	2,073	98
Total other current receivables	2,073	98	2,073	98
Total trade and other current receivables	100,424	33,798	100,424	33,798

4. Property, plant and equipment

Movements in the property, plant and equipment account during the three-month period ended 31 March 2025 are summarised below.

	(Unit: Thousand Baht)
	Consolidated/Separate financial statements
Net book value as at 1 January 2025	942,277
Acquisitions during the period - at cost	49,747
Disposal/write-off during the period - net book value at disposal/write-off date	(1,001)
Depreciation for the period	(10,506)
Net book value as at 31 March 2025	980,517

5. Right-of-use assets

Movements in the right-of-use assets account during the three-month period ended 31 March 2025 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
Net book value as at 1 January 2025	30,771	48,733
Depreciation for the period	(389)	(616)
Net book value as at 31 March 2025	30,382	48,117

The subsidiary entered into a lease contract with the Treasury Department for an area of 4,294 rai, 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.

6. Bearer plants

Movements in the bearer plants account during the three-month period ended 31 March 2025 are summarised below.

	(Unit: Thousand Baht)
	Consolidated/Separate
	financial statements
Net book value as at 1 January 2025	162,758
Increase during the period - at cost	1,667
Amortisation for the period	(2,688)
Net book value as at 31 March 2025	161,737

A permit from the Royal Forest Department granted to a subsidiary for the exploitation and inhabitation in the National Reserved Forests. The subsidiary has leased the land of 13,030 rai to the Company for utilisation, with a duration of 30 years, which expired in January 2015. Subsequently, the subsidiary received a permit to exploit or inhabit in such land of 6,515 rai for harvesting the oil palm crops planted. The permit is valid for one year per time. the current permit issued on 9 May 2024, and expiring on 9 May 2025. The subsidiary is requesting an extension of the permit to harvest forest products and the request is under consideration of the government unit. The 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.

7. Short-term loans from financial institution

	Interest rate		(Unit: Thousand Baht)	
	(% per annum)		Consolidated/Separate	
	31 March	31 December	31 March	31 December
	2025	2024	2025	2024
Short-term loans from financial institution	2.80	-	50,000	-
Total			50,000	-

8. Trade and other current payables

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	31 March	31 December	31 March	31 December
	2025	2024	2025	2024
Trade payables - unrelated parties	24,545	9,741	24,545	9,741
Other current payables - related parties (Note 2)	-	-	270,452	267,584
Other current payables - unrelated parties	4,847	3,697	4,847	3,697
Payables for purchase of assets - unrelated parties	5,276	2,248	5,276	2,248
Accrued expenses	13,233	18,597	13,031	18,434
Total trade and other current payables	47,901	34,283	318,151	301,704

9. Income tax

Income tax expenses for the three-month period ended 31 March 2025 and 2024 are made up as follows:

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	For the three-month periods ended 31 March		financial statements	
	2025	2024	2025	2024
Current income tax:				
Interim corporate income tax charge	6,683	8,221	6,188	7,666
Deferred tax:				
Relating to origination and reversal of temporary differences	1,948	4,560	1,917	4,521
Income tax expenses reported in profit or loss	8,631	12,781	8,105	12,187

10. Earnings per share

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

11. Segment information

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

The Group's business operations involve 2 principal segments (1) oil palm plantation, crude palm oil and crude palm kernel oil processing (2) generation of electricity from biogases and biomasses. These activities are carried on exclusively in the single geographic area of Thailand. During the periods, there were no material activities pertaining to the generation of electricity from biogases and biomasses segment for the Group. Accordingly, most of the revenues, operating profit and assets as reflected in these financial statements pertain to the industry segment (1) and geographic area as mentioned above.

For the three-month period ended 31 March 2025, the Group had revenue from two major customers in amount of Baht 275 million (31 March 2024: two major customers in amount of Baht 363 million), arising from oil palm plantation, crude palm oil and crude palm kernel oil processing segment.

12. Commitments and contingent liabilities

12.1 Capital commitments

As at 31 March 2025, the Company had capital commitments of Baht 81.3 million, USD 1.1 million, MYR 0.2 million and EUR 0.1 million totaling Baht 123.2 million (31 December 2024: Baht 13.6 million and USD 0.2 million, totaling Baht 20.9 million) relating to the improvement of buildings and acquisition of machine and equipment.

12.2 Guarantees

As at 31 March 2025 and 31 December 2024, there were outstanding bank guarantees of Baht 4 million issued by banks on behalf of the Group in respect of certain performance bonds as required in the normal course of business.

13. Right to utilise land

During the current period, there have been no events or significant change with respect to the right to utilise land as disclosed in the notes to consolidated financial statements for the year ended 31 December 2024.

14. Litigation

During the current period, there have been no events or significant change with respect to the litigation as disclosed in the notes to consolidated financial statements for the year ended 31 December 2024.

15. Fair value of financial instruments

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

16. Fair value hierarchy

As of 31 March 2025 and 31 December 2024, the Group had the assets that were measured at fair value using different levels of inputs as follows:

	(Unit: Thousand Baht)			
	Consolidated/Separate financial statements			
	As at 31 March 2025			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Current biological assets	-	57,074	196,479	253,553

	(Unit: Thousand Baht)			
	Consolidated/Separate financial statements			
	As at 31 December 2024			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Current biological assets	-	34,581	149,491	184,072

During the current period, there were no changes in the methods and the assumptions used to estimate the fair value and there were no transfers between the levels of the fair value hierarchy.

17. Event after the reporting period

On 11 April 2025, the Annual General Meeting of the Company's shareholders passed a resolution to approve the payment of a dividend of Baht 0.33 per share, totaling Baht 107 million, to be paid in May 2025.

18. Approval of interim financial statements

These interim consolidated financial statements were authorised for issue by the Company's Board of Directors on 8 May 2025.