



บริษัท วิจิตรภัณฑ์ปาล์มออยล์ จำกัด (มหาชน)

VICHITBHAN PALMOIL PUBLIC COMPANY LIMITED

2044 ถนนเพชรบุรีตัดใหม่ แขวงบางกะปิ เขตห้วยขวาง กรุงเทพฯ 10310

2044 PHETBURI EXTENSION ROAD, BANGKAPI HUAYKWANG BANGKOK 10310

Minutes of the 2020 Annual General Meeting of Shareholders

Held on Thursday, July 2, 2020 at 1.00 p.m.

At Royal Jasmine, L Floor, Jasmine City Hotel Bangkok,

No. 2 Sukhumvit 23 Road, Klongtoey-Nue, Sub-District, Wattana District,

Bangkok Metropolis

Mr. Bandhooon Supakavanich, Chairman of the Board of Directors, chaired the 2020 Annual General Meeting of Shareholders of Vichitbhan Palmoil Public Company Limited (the Company). Mrs. Vannapa Lamkam, the Secretary of Managing Director, was master of ceremony. The master of ceremony introduced to the meeting the following participating directors, the executives, Company Secretary as well as the auditor and legal advisor of the Company.

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| 1. | Mr. Bandhooon Supakavanich | Chairman of the Board of Directors, Independent Director who was appointed by minority shareholders as proxy, Chairman of Audit Committee and Chairman of Nomination and Remuneration Committee (<i>Chairman of the meeting</i>) |
| 2. | Mr. Voravith Chavananand | Vice President |
| 3. | Mr. Vithaya Chavananand | Vice President and Company Secretary |
| 4. | Mr. Krisada Chavananand | Managing Director |
| 5. | Mr. Vatchara Chavananand | Director |
| 6. | Mrs. Supaluck Tiasevanakul | Director and Deputy Managing Director of Accounting, Finance and Office |
| 7. | Mr. Jiraphant Asvatanakul | Independent Director who was appointed by the minority shareholders as proxy, Audit Committee and Nomination and Remuneration Committee |
| 8. | Mr. Rachada Singalavanija | Independent Director who was appointed by the minority shareholders as proxy and Audit Committee |
| 9. | Mrs. Apiradee Arunpitakgul | Accounting and Finance Manager |
| 10. | Miss Tithinun Vankeo | Auditor
(<i>PricewaterhouseCoopers ABAS Ltd.</i>) |
| 11. | Miss Tuangporn Sriprates | Senior Manager
(<i>PricewaterhouseCoopers ABAS Ltd.</i>) |
| 12. | Mr. Pornprom Karnchanachari | Legal Advisor
(<i>Legal Advisory Council Limited</i>) |

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| 13. | Miss Sanisri Chiravisuthikul | Legal Advisor
<i>(Legal Advisory Council Limited)</i> |
| 14. | Miss Sarocha Laosirirat | Legal Advisor
<i>(Legal Advisory Council Limited)</i> |

All directors of the Company have attended the meeting.

Mr. Bandhoon Supakavanich the Chairman, welcomed the attending shareholders and opened the 2020 Annual General Meeting of Shareholders. The Chairman informed the meeting that there were 33 shareholders attending the meeting in person and by proxy holding a total of 712,000,014 shares or representing 75.74468 percent of the total shares sold of the Company, thus, forming a quorum as required by the Articles of Association of the Company. (After the Chairman opened the meeting, more shareholders attended the meeting, therefore, there were total of 35 shareholders attending the meeting in person and by proxy holding a total of 712,000,214 shares or representing 75.74470 percent of the total shares sold of the Company.)

Then Mr. Bandhoon Supakavanich asked the Secretary of Managing Director who is the master of ceremony to explain to the meeting how to vote. The master of ceremony explained the voting procedures as follows:

1. One share shall be counted as: One Vote. The vote of each shareholder is in accordance with number of shares held by such shareholder or by proxy.
2. Shareholders with a conflict of interest on the matter in any specific agenda have no right to vote in that agenda. However, if voting to elect directors, it shall be deemed that there was no conflict of special interest for any shareholder (even acting as a director of the Company). However, for voting on the directors' remuneration agenda, the Chairman would ask any shareholder who acts as the Company's director who will be entitled to receive such remuneration to abstain from voting in order to comply with the principles of good corporate governance in accordance with the rules of the Stock Exchange of Thailand (SET).
3. For in vote counting in each agenda, the Chairman would ask the meeting in every agenda whether any shareholders would like to disagree or abstain from voting on such matter. If there was no objection or abstention, the Chairman would conclude that matter by declaring that every shareholder adopted an unanimous resolution to approve the matter as proposed by the Chairman. But if someone disagreed with it or abstained from voting, the Chairman would ask that shareholder to mark the box on the distributed ballot with a [✓] and raise his or her hand to signal to and wait for the Company's staff to collect the ballot for vote counting. Shareholders who made no objection or abstention would be considered as giving approval and would not need to submit a ballot. The Company would count disagreements and abstentions and subtract them from

total number of votes of shareholders attending or voting at the meeting in order to get the result in each agenda.

In order to have a transparency in vote counting and to be capable of being inspected later in accordance with the principles of good corporate governance of the rules of the Stock Exchange of Thailand (SET), under Agenda No. 5 regarding the election of directors whose term will expire by rotation, the Company would request shareholders who agree, disagree or abstain to mark the box on the distributed ballot and submit the same to the Company's staff who would collect the ballot for vote counting. In this regard, each shareholder may exercise all the votes he or she has to elect one or several persons as director(s). If several persons are to be elected as directors, the shareholder may not allot his or her votes to any person in any number. After the vote, the candidates shall be ranked in order descending from the highest number of votes received to the lowest, and shall be appointed as directors in that order, until all of the director positions are filled. Where there is an equality of votes cast for candidates in descending order causing the number of directors to be exceeded, the Chairman shall have a casting vote.

4. The result will be the combined votes of both shareholders attending the meeting in person and by proxy and the number of shares will be updated in each agenda.

In order to have transparency and good corporate governance, the Company would like to invite the attendee to be a witness for vote counting which volunteered by Miss Saowalak Ginupun, attending the meeting by proxy.

5. The resolution of the meeting will consist of the following votes:

Agenda 3 to Agenda 5 and Agenda 7

The matter must be passed by majority votes of the shareholders attending the meeting and exercising their votes. In case of an equality of votes, the Chairman shall have an additional vote as a casting vote.

Agenda 6

The matter must be passed by at least two-thirds (2/3) of the total number of votes of the shareholders attending the meeting.

Agenda 1 and Agenda 2

The matter was only for acknowledgement and no vote is required.

When the explanation on how to vote had been given, Mr. Bandhooon Supakavanich then proposed that the meeting consider the matters on the agenda as follows:

- Agenda 1 To acknowledge the Minutes of the 2019 Annual General Meeting of Shareholders which was held on April 22, 2019**

Mr. Bandhoon Supakavanich requested the meeting to acknowledge the Minutes of the 2019 Annual General Meeting of Shareholders which was held on April 22, 2019 according to the details shown in a copy of the Minutes of such meeting attached to the invitation letter of this meeting which was distributed to all shareholders (Enclosure No. 2)

Mr. Bandhoon Supakavanich asked the meeting if the meeting has any additional question to ask or not or wish to amend such Minutes or not. There was no question or request for amendment raised so he requested the meeting to acknowledge the Minutes of the 2019 Annual General Meeting of Shareholders.

Resolution: The meeting acknowledged the Minutes of the 2019 Annual General Meeting of Shareholders which was held on April 22, 2019.

Agenda 2 To acknowledge the Annual Report of the Board of Directors of the Company in relation to the Company's operating results for the year 2019

Mr. Bandhoon Supakavanich asked Mr.Krisada Chavananand, Managing Director, to inform the meeting of the matter.

Mr. Krisada Chavananand presented to the meeting the Annual Report of the Board of Directors of the Company in relation to the Company's operating results for the year 2019, for the period ended December 31, 2019 which could be summarized as follows: the Company had earnings totaling Baht 1,078.70 million and net loss of Baht 47.45 million. The details of the Company's operating results including the report of the Audit Committee are provided in the Annual Report attached to the invitation letter of this meeting which was distributed to all shareholders (Enclosure No. 3).

The Company's performance was a result of global market conditions, and domestic market as follow;

The world market's conditions in 2019

In 2019, the supply or production of oil palm was 72.27 million tons, a decrease from the year 2018 by the amount of 1.75 million tons while the consumption demand was 71.48 million tons, a decrease from the year 2018 by the amount of 1.58 million tons which was proportionately less than the decrease in supply. This resulted in a surplus stock at the end of the year 2019 at 10.48 million tons, a decrease of 0.34 million tons as compared to the previous year. At the beginning of the year 2019, Malaysia had a high level of stock from the end of the year 2018, and declined continuously until the end of the year 2019 where the level was relatively normal. Typically, the stock level of Malaysia was approximately 2 million tons thus the decreased stock pushed the price of crude palm oil upwardly adjusted. In addition, in the fourth quarter of 2019, Indonesia and Malaysia clearly announced the self-dependency

policy due to the Zero Palm Oil Policy of the European Union in 2018 which continued into the year 2019. Indonesia and Malaysia would use the alternative energy B30 and B20, respectively. This was a positive factor that pushed the price of crude palm oil upward.

The domestic market's conditions in 2019

In 2019, the volume of palm in Thailand amounted to 16.66 million tons which was the highest level breaking the record for Thailand. The production of crude palm oil increased continuously until May when palm came into the market around 2.07 million tons, producing 364,779 tons of palm oil while the country's demand for crude palm oil was approximately 190,000 tons, raising the stock level constantly. At the time, the government had a policy for the Electricity Generating Authority of Thailand (EGAT) to buy additional crude palm oil towards the end of June which resulted in an increase in the domestic price of crude palm oil. Consequently, the crude palm oil export was much less that left with a large amount of remaining stock of crude palm oil in the country generating different expectations such as whether the government would buy up crude palm oil since if the Electricity Generating Authority of Thailand (EGAT) bought up the crude palm oil, it would receive compensation from the government for the difference in the energy value of crude palm oil and fuel oil, for example. While the increased stock level of crude palm oil did not raise the price of crude palm oil as high as expected. By the end of the year 2019, the Electricity Generating Authority of Thailand (EGAT) bought 100,000 tons of crude palm oil, some of which was postponed delivery until the beginning of the year 2020. Moreover, a constant reduction in production caused a highly upward rise in the price towards the end of the year 2019 while the high price induced consumers to use alternative products such as soybean oil thus reducing the demand for palm oil.

On the supply side, in 2019 there were a lot of palm fruits coming out to the market thus the volume of extracted crude palm oil was large consequently. This was due to the increased plantation area resulted from the government policy that encouraged rubber farmers whose rubber prices declined significantly to grow other crops instead. Oil palm was a good alternative that expected a relatively high price in the long run while the effect of El Nino since 2016 caused drought in 2017. In 2019, palm fruits gave high yields, the produce per ria increased.

On the demand side, in 2019, the demand for crude oil palm was approximately 190,000 to 200,000 tons per month which was divided into the demand for consumption and for energy in slightly the same proportions. Towards the end of the year 2019, the two key government policies; firstly, to have the Electricity Generating Authority of Thailand (EGAT) help palm oil balance by buying crude palm oil for electricity generation when there was a surplus stock in the market; and secondly a clearer policy on bio-diesel by using bio-diesel to balance the palm oil situation in the year 2020. Previously, Thailand had B7 bio-diesel as base fuel but in the second half of the year 2019 the government announced to instead use B10 bio-diesel as the base fuel. However, the higher proportion of palm oil caused concern over the use with engines, bio-diesel manufacturers had to produce a new form of bio-diesel that was cleaner so that it could be used with engines equipped with fine nozzles. Simultaneously, in 2019 B20 and B100 bio-diesel fuels were promoted so as to absorb as much crude palm oil surplus as possible. So, that was the reason why the government would like to balance palm oil situation in the year 2020.

The performance of the Company for the year 2019

The Company needed to secure raw materials in terms of quantity, price and quality. In 2019, the Company could buy palm fruits more than that of the year 2018 by 18.48 per cent. This could be considered that the Company performed better but the main factor came from the higher volume of oil palm produce in 2019. With respect to the oil extraction rate (OER), in 2019 it averaged at 17.61 per cent, a decrease from that of 17.70 per cent for the year 2018. While Chumphon Province had the average OER in 2019 at 17.85 per cent declining from the year 2018 which was

at 18.18 per cent. This showed that the Company's efficiency improved as compared with Chumphon Province. Nonetheless, the Company had the OER less than the average of Chumphon Province since Chumphon Province considered the OER average from two types of plants, namely a combined processing plant which was a small plant where the OER was computed from outer and inner seeds which had the rate of approximately 27 to 31 per cent. While a separate processing plant where palm oil was extracted only from outer palm pulp which had the average rate of 17 to 18 per cent.

Regarding the production efficiency, the plants were well prepared for production reflecting from the volume of palm fruits feeding into the production process. In 2019, the volume of palm fruits used in the production was 42,462 tons in April and increased to 51,956 tons in May, which the Company had the capacity and readiness to produce on a continual basis when the volume of palm fruits increased. In 2019, there were more palm fruits feeding into the production process than that of the year 2018 by 18.21 per cent.

In 2019, the Company had a stock of crude palm oil in May by the amount of 11,688 tons which was a relatively high level. This was because the deferring of goods taking by customers and consequently the crude palm oil stock declined significantly in June with the remaining stock only 4,175 tons. The Company did not have a policy to stock crude palm oil for speculation but expediting or deferring delivery of goods might occur from external factors (not demand and supply) such as the government policy to have the Electricity Generating Authority of Thailand (EGAT) help balancing the palm oil by buying crude palm oil for electricity generation, the increased proportion of B20 use, etc.

The industrial trend in the year 2020

On the supply side, at the beginning of the year 2020 when Malaysia used the country shutdown policy, labor could not fully harvest produce in palm plots resulting in a decrease in supply of palm oil in the world for a short period. Moreover, Indonesia and Malaysia had a shortage of labor since most labor were Pakistan is once the country shutdown measure was activated to control the COVID-19 pandemic thus preventing movements of labor between countries.

On the demand side, the effect from the European Union's Zero Palm Oil policy still prevailed. In 2020, the pandemic of COVID-19 affected the palm oil industry in the short term since the country shutdown measure to control the pandemic caused a sharp significant drop in demand. India, the world's top importer of palm oil continued to face a rising number of infected so depleting their palm oil stock. However, once India opened the country again, the palm oil import increased resulting in the crude palm oil adjusted upward from 2,000 ringgit per ton to 2,400 ringgit per ton approximately. In addition, the slowdown of the alternative energy policy from the previous announcement Indonesia, Malaysia and Thailand to use B30, B20 and B10, respectively. Thailand delayed the use of B10 as base fuel from March to October 2020 however expecting the effect of COVID-19 pandemic would not affect in the long run to a great extent since there was still need to use palm oil for consumption. Nonetheless, the palm oil industry still had a positive factor from the continuously increasing number of the world population. It was expected that the world population would be 9 thousand million by the year 2050, thus the concern for the palm oil industry in the long run might not be significant.

Besides, external factors such as petroleum oil prices which were relatively the minimum price of crude palm oil adjusted downward considerably during March to April 2020 might cause the price of crude palm oil to decline as well. Since the crude palm oil could be used for consumption and energy, it expected that once the pandemic of COVID-19 was relieved all countries may want to buy crude palm oil to replace the stock depleted during the shutdown. However, for the year 2020, the price of crude palm oil was expected to be higher than that of the year 2019.

The industrial trend in Thailand for the year 2020

On the supply side, at the end of the year 2019 the Office of Agricultural Economics (OAE) expected the quantity of palm fruits for the production in the whole country in 2020 totaling of 17.80 million tons. If the OER was 18 percent, the volume of crude palm oil would be 3.20 million tons but in case the adjusted quantity of palm fruits reduced to 17.40 million tons in the year 2020 due to drought, the quantity of palm fruits for the production and the OER would be less than expected. During the beginning of the year 2020 from January until April, the oil palm production was below expected by the amount of 1.33 million tons, or 21.68 percent. Personally, Khun Krisada believed that the quantity of palm fruits for the year 2020 would be approximately 17 million tons and the OER was expected to be between 17 and 17.50 percent, thus the supply of crude palm oil would be below 3.20 million tons.

On the demand side, the energy sector was expected to use B10 as base fuel and B20 as alternative fuel. In 2020, the amount of 2.20 million tons of crude palm oil would be used and the consumption sector expected to use approximately 1.08 million tons per year of crude palm oil. Therefore, the demand and supply of palm oil would be relatively balanced. However, with the pandemic of COVID-19 in the year 2020, the domestic diesel consumption rate would continue to decline along with the decreased tourism and transportation. The new expectation was that in the year 2020 the domestic demand for crude palm oil for the energy sector was 1.70 million tons while the consumption sector expected the demand for crude palm oil below 1 million tons due to declining tourists and temporary closedowns of restaurants. Nonetheless, it was expected that the producers were still able to sell oil palm. At present, Thailand was in the phase-5 relief measure, restaurants started their business again thus the higher demand for palm oil. The demand for crude palm oil consumption in the domestic market would be back to normal (except for the reduced consumption of tourists) unless other factors came up.

In sum, on the supply side, if the quantity of palm fruits was as newly expected by the Office of Agricultural Economics, the crude palm oil produced in the year 2020 would be reduced from 3.2 million tons to 3 million tons. On the demand side, there was high uncertainty of the end of the COVID-19 pandemic and the state policy to postpone the determination of B10 as the base fuel. It was expected that the demand for crude palm oil in the domestic market for the year 2020 would be approximately 2.50 to 2.70 million tons which would generate an excess supply of crude palm oil by 0.30 to 0.50 million tons as well as the remaining stock from the year 2019 of 0.32 million tons. This showed that the government had to adjust the balance of domestic palm oil back to the normal state by increasing the use of bio-diesel via the purchase of crude palm oil by the Electricity Generating Authority of Thailand (EGAT) for more electricity generation. On the other hand, if the government was not ready to help the palm oil industry since a large amount of resources had already been used to assist the population and stimulate the economy under the COVID-19 pandemic. The government may have to adjust the balance of palm oil by promoting export thus the domestic palm oil industry would depend on the speed of government policy recognition so as to acknowledge the industrial trend and adjust accordingly.

Mr. Bandhoon Supakavanich asked the meeting if the meeting has any additional question to ask or not. Below were such a questions and comments

Mr. Anu Wongsarakit, Shareholder Attending in Person

Question: The Company's revenue comes from two channels, namely, the food and energy industries. What are the Company's ratios at the present and what are the trends?

Mr. Krisada Chavananand, Managing Director

Answer: It is difficult to clearly divide the ratios. This is because the Company is not a producer of biodiesel and does not have a distiller. In addition, customers who make purchases do not state their purchase intentions. They might purchase for energy or for cooking. As for which direction is greater, that depends on the prices. For example, in late 2019 the readiness for B10 led the biodiesel manufacturing factory to change its production process, which the government had already specified to be completed by 1 December 2019. At the time, crude palm oil purchases were very high, and B10 trial production was expected. Then on 1 January 2020, the government stated that the manufacturers of the old type of biodiesel (B100) would not have to stock crude palm oil anymore, and that all would have to switch to the new B10. Accordingly, it was learned that in late 2019, palm oil was for the most part used in the energy sector. Last year and the year before, the Company sold more to the consumer sector than the energy sector.

Mr. Anu Wongsarakit, Shareholder Attending in Person

Question: What is the Company's production or extraction capacity and is production occurring at full capacity?

Mr. Krisada Chavananand, Managing Director

Answer: At present, the Company has temporarily closed down Thung Kha Factory, so the production capacity is 120 tons per hour. If there is a large supply of palm kernels and other factories are unable to handle it, the Company is expected to be able to handle it. In 2019, increasing competition was experienced in Chumphon, where production capacity was 90 tons per hour. Consequently, there was greater price competition. Nevertheless, the Company's palm produce volume increased when compared to 2018, although production is not at full capacity.

Mr. Anu Wongsarakit, Shareholder Attending in Person

Question: I would like to ask about the court's order. How will the Company manage it?

Mr. Krisada Chavananand, Managing Director

Answer: The court's protection order is still in effect, and the Company is following the court's order.

Mr. Anu Wongsarakit, Shareholder Attending in Person

Question: Is it possible to increase the production capacity of the power plant, since part of the Company's revenue comes from electricity sales, and is it possible for the Company to use the electricity that it produces?

Mr. Krisada Chavananand, Managing Director

Answer: This depends on the factory's palm supply, because the Company is unable to use water as the raw material supply to the power plant. The Company is continuously trying to make improvements such as by increasing gas production effectiveness and maximizing the usage readiness of machinery. The company uses some electricity in the power plant, and the remainder is sold.

Miss Piyathida Sukchan, Shareholder Attending by Proxy

Question: Do you agree that the palm oil industry is a business without a future (sunset industry) within the next three to five years?

Mr. Krisada Chavananand, Managing Director

Answer: I still think the palm oil industry is a good industry. However, the business requires quite a bit of cooperation between different sectors. So far, there has been cooperation among factories, the agricultural sector, industrial sector and government sector. In addition,

changes have caused very rapid business disruption, and many businesses are experiencing rapid changes.

I believe it depends on the adjustments made by the industry and the Company and how the business is able to effectively adapt. I think that the palm oil industry might temporarily be a sunset industry. However, in the long-run, the industry should become a sunrise industry. This is because palm growing areas are expanding continuously in many places, and although these palms are still young, in the next two or three years, palm production will increase, and palm extraction factories will be able to increase their production.

Mr. Anu Wongsarakit, Shareholder Attending in Person

Question: Do you think it will be possible to increase the value of palm in addition to the energy and consumer sectors?

Mr. Krisada Chavananand, Managing Director

Answer: Increasing palm value is possible. However, Thailand still has many limitations in palm cultivation. Furthermore, in order to attract investors in destination industries, the Company needs to have raw ingredient costs that can compete with other countries. However, because agricultural prices are still high, palm oil prices will be high in line with the agricultural sector, making it impossible for destination industries to compete with other countries.

Mr. Anu Wongsarakit, Shareholder Attending in Person

Question: Do you think that there are too many distillers and extraction facilities at the present? In addition, what are the current ratio between purchased and home-grown supply?

Mr. Krisada Chavananand, Managing Director

Answer: It is too high. In terms of amounts, the Company buys more supply than it grows.

Mr. Somchai Suchatjaroenyng, Shareholder Attending in Person

Question: Concerning the fact that the European Union (EU) drafted a law prohibiting the use of palm oil for biofuel production, particularly for vehicle fuel, and use of palm oil in the production of other products such as foods, cosmetics and consumer products due to the reason that it causes cancer, does Thailand have academic information to refute that? In addition, has resistance to the use of palm oil caused a serious decline in palm oil demand?

Mr. Krisada Chavananand, Managing Director

Answer: All sorts of oils can cause cancer when misused. However, the palm oil ban by the European Union includes an exception. That is, the European Union will support if the farmers are small scale. As for demand, it is still normal. Whether it is high or low, it is possible to sell. It just depends on the sales price.

Mr. Somchai Suchatjaroenyng, Shareholder Attending in Person

Question: Recently research and development in Malaysia included efforts to use palm oil in organic products. Does Thailand promote or have projects in collaboration with the government for development on this issue?

Mr. Krisada Chavananand, Managing Director

Answer: Currently, technologies exist such as the production of biodegradable plastic. The only issue is that prices are still fairly high at the present.

When there was no additional question and comment raised, Chairman then requested the meeting to consider and acknowledge the Annual Report of the Board of Directors of the Company including the report of the Audit Committee included in the Annual Report.

Resolution: The meeting acknowledged the Annual Report of the Board of Directors of the Company in relation to the Company's operating results for the year 2019 including the report of the Audit Committee included in the Annual Report as presented by Mr. Krisada Chavananand.

Agenda 3 To approve the Statements of Financial Position and Statements of Comprehensive Income for the fiscal year ended December 31, 2019 and acknowledge the auditor's report

Mr. Bandhoo Supakavanich asked Mrs. Apiradee Arunpitakgul, Accounting and Finance Manager, to inform the meeting of the matter.

Mrs. Apiradee Arunpitakgul explained to the meeting that the consolidated financial statements and separate financial statements have already been audited by the auditor. The auditor gave unqualified opinion that the consolidated financial statements of Vichitbhan Palmoil Public Company Limited and its subsidiaries (Group Company), separate financial statements of the Company, expressing the consolidated financial position of the Group Company and separate financial position of the as of December 31, 2019 as well as consolidated and separate performance, consolidated and separate cash flows for the end of the same year, has been presented fairly in all material respects in accordance with the financial reporting standard. All of which can be summarized as follows:

Total assets	1,113	Million Baht
Total liabilities	544	Million Baht
Shareholders' equities	569	Million Baht
Total revenue	1,079	Million Baht
Cost of sales	957	Million Baht
Selling and administrative expenses	178	Million Baht
Net loss	47	Million Baht

The details are shown in the Annual Report of the Board of Directors of the Company, including the Statements of Financial Position and Statements of Comprehensive Income for the fiscal year ended December 31, 2019 and the auditor's report attached to the invitation letter of this meeting which was distributed to all the shareholders (Enclosure No. 3).

Operating results of the year 2019

Revenue

The total revenues significantly decreased from THB 1,266.09 million for the ended of 2018 to THB 1,078.70 million which decreased by 14.80 percent. Due to the volume sales of crude palm oil and selling price were decreased by 3.12 percent and 12.50 percent respectively. Although the volume sales of kernel were increased by 15.20 percent but selling price decreased by 38.36 percent.

Cost of Sales and Gross Profit (loss)

Cost of sales decreased from THB 1191.07 million to THB 956.58 million or 19.69 percent lower which greater than decreasing in revenue which made cost of sales per revenue decreased from 94.07 percent in 2018 to 88.68 percent in 2019. Therefore, in this year the Company generated gross profit margin was THB 122.12 million which increased by 62.79 percent while in 2018 gross profit margin was THB 75.02 million.

Selling Expense and Administrative Expense

The Company selling expense decreased from THB 31.86 million in 2018 to THB 29.23 million in 2019 or 8.27 percent lower. According to 3.12 percent reduction in CPO sale volume.

Administrative expense increased to THB 123.03 million from THB 116.48 million in 2018 or increased by 5.62 percent. In 2019 there were employee expenditure due to expanding the purchasing points.

Net Profit

The Company net loss in 2019 was THB 47.45 million which less loss than the last year with net loss of THB 92.70 million since a common size of cost of sale per revenue declined from last year due to average price of fresh palm fruit decreased by 18.35 percent.

Assets

Total assets of the Company were THB 1,112.90 million decreased from THB 1,234.57 million at the end of year 2019, or decreased by THB 121.67 million due to decline in non-current assets such as property, plant, and equipment declined by 13 percent million according to depreciation.

Liabilities

The Company had total liabilities of THB 543.64 million which decreased from THB 617.86 million in 2018 or dropped by 74.22 million or 12.01 percent. Repayment of long-term loans amount 88.15 million was the main factor.

Equity

The Company had THB 569.26 million of equity decreased from THB 617.71 million in 2018, according to performance of the company.

Cash flows of the business

In 2019, the company has the net cash flows from the operating total of 84.37 million baht. Despite of the loss before income tax of 43.94 million baht while adding back non-monetary expenses, the company has the net cash flows before changing in assets by the amount of 176.42 million baht. In addition, there were significant changes in assets as follow, an increase in trade accounts receivable of 16.81 million baht, an increase in inventory of 2.07 million baht and an increase in trade accounts payable of 2.33 million baht.

The net cash flows used in investment activities of 9.02 million baht due to investment in property, plant and equipment the amount of 10.75 million baht for the purchase of property for support palm fruit supply project.

The net cash flows were used in financing activities of 77.14 million baht which was used to repay loans from financial institutions.

As a result, the company's had balance at the end of the period decreases from the beginning of the year by the amount of 1.80 million baht.

This is the overall picture of the financial statements for the fiscal year ended on December 31, 2019. The Board of Directors of the Company opined that the financial statements and remarks in the financial statements are correct in accordance with the accounting principle generally accepted and that there is sufficient disclosure. The auditor of the Company has inspected and given an unqualified opinion, and inspection has been conducted by the Audit Committee and consideration by the Board of Directors of the Company.

Then, Mr. Bandhooon Supakavanich asked the meeting if the meeting has any additional question to ask or not. Below were such questions and comments

Mr. Anu Wongsarakit, Shareholder Attending in Person

Question: According to financial statement information for the year 2019, income increased more than expenses. As a result, the Company's suffered fewer losses in 2019. However, upon considering the financial statement for Quarter 1/2563, sales costs are higher, while revenues are declining, when compared to the same period in the previous year. Normally, the Company's financial statement will produce gross profit, but losses from activities occurred instead. Nevertheless, the Company's EBITDA is still positive. Why does the Company still have gross profits and positive EBITDA despite suffering losses?

Mrs. Apiradee Arunpitakgul, Accounting & Finance Manager

Answer: Despite the Company's losses from business activities, the Company's EBITDA is positive mainly due to the adding back of price depreciation amounting to 153 million baht per year, since more than 85% of the assets in the financial statement were fixed assets.

Mr. Anu Wongsarakit, Shareholder Attending in Person

Question: What are the Company's price depreciation deletion criteria?

Mrs. Apiradee Arunpitakgul, Accounting & Finance Manager

Answer: The Company deletes price depreciation according to the criteria set forth in the Company's accounting policy, which is consistent with the accounting standards and criteria set by the Revenue Department.

Mr. Anu Wongsarakit, Shareholder Attending in Person

Question: Are the Company's price depreciation deletion criteria too high? If the deletion criteria are too high, the Company will have a high amount of depreciation each year. As a result, the Company will suffer losses, and it can't be able to pay dividends. What is the Company's solution for this?

Mrs. Apiradee Arunpitakgul, Accounting & Finance Manager

Answer: In addition to following the standard criteria properly and appropriately, there are clear practice principles such as usage life appraisals done by experts and, importantly, changes in depreciation calculation criteria are matters requiring requests to be filed with the Revenue Department. At present there does not appear to be any permission granted for changes.

Mr. Anu Wongsarakit, Shareholder Attending in Person

Question: What are the Company's criteria in making considerations for sales or purchases of land and/or equipment? In addition, concerning the report that purchase locations have been increased, what are the Company's procedures?

Mrs. Apiradee Arunpitakgul, Accounting & Finance Manager

Answer: The Company has criteria for the purchase of fixed assets or assets in the category of land, buildings and equipment. The process starts with the selection of traders or selection of vendors, prices and quality to ensure maximum quality in terms of prices and appropriate usage life. As for the sales of fixed assets or assets in the category of land, buildings and equipment, normally this will not occur in business activities, except for items that are shown in financial statements as sales of equipment that are no longer usable or what are write-offs of dilapidated items or items whose usage lives have expired. As for construction or rent of fresh palm purchase sites, the Company has appointed a committee. The committee has the independence to negotiate gains and losses and is responsible for choosing wholesalers, comparing prices and inspecting and accepting work in the construction of purchase sites. In addition, work teams exist to evaluate locations with access to farmers.

Mr. Anu Wongsarakit, Shareholder Attending in Person

Question: For long-term debts, what are the Company's plans for managing long-term debts? In addition, the financial statement shows that the Company uses promissory notes. Because interests are presently rather high, what is the Company's solution?

Mrs. Apiradee Arunpitakgul, Accounting & Finance Manager

Answer: Concerning long-term debts, the Company monitors them continuously and has always allocated debt payments according to payment terms. Long-term debt obligations will expire by the end of this year for the parent company and by 2022 for subsidiaries. As for the use of promissory notes, the Company so far has managed the interests and continuously negotiates with banks to consider appropriate interest rates.

Mr. Anu Wongsarakit, Shareholder Attending in Person

Question: Considering the current situation with COVID-19, will loan repayments be impacted or not, and will payments still be made fully?

Mrs. Apiradee Arunpitakgul, Accounting & Finance Manager

Answer: The Company has to strictly comply with bank conditions, and executives and other persons involved are continually monitoring the impacts of COVID-19.

Mr. Anu Wongsarakit, Shareholder Attending in Person

Question: Considering the fact that many companies are asking for payment extensions, what is the current time for debt collection or debt repayment?

Mrs. Apiradee Arunpitakgul, Accounting & Finance Manager

Answer: The Company is able to collect debts according to schedule. There are no late payments, since our customers are excellent. Although sales might be slow, as already mentioned by Mr. Kritsada, there are still no debt collection problems with debtors.

Mr. Anu Wongsarakit, Shareholder Attending in Person

Question: Although the figure for the Company's liquidity in 2019 is 0.33 and is perhaps better than the previous year, the number is still not high. Will the Company suffer from liquidity problems or not?

Mrs. Apiradee Arunpitakgul, Accounting & Finance Manager

Answer: Concerning liquidity, a work team is monitoring it to study financial structure. Although the liquidity figure is not high, in view of the liquidity rates for the past three years, the rate has been experiencing continuous growth.

Mr. Anu Wongsarakit, Shareholder Attending in Person

Question: The cash flow figure for performance in 2019 is significantly smaller. Why is that?

Mrs. Apiradee Arunpitakgul, Accounting & Finance Manager

Answer: For 2019, cash flow from activities was smaller due to reduction in the circulation of goods for sale in 2019 when compared to the previous year. In addition, the Company also invested funds in inventory, as can be seen from the 2 percent increase in inventory.

Mr. Anu Wongsarakit, Shareholder Attending in Person

Question: How come employee expenses increased from the previous year?

Mrs. Apiradee Arunpitakgul, Accounting & Finance Manager

Answer: Compared with the financial statement in 2018, employee expenses increased in 2019. This occurred due to the fact that the Company increased purchase sites and, therefore, had more employees in line with the increase in purchase sites. In the third and fourth quarters of 2018, the Company had eight more purchase sites. As a result, in 2019, the Company's employee expenses in this part were perceived for the entire year, whereas the Company perceived that for only about six months in 2018. Comparatively, expenses in purchase sites increased, and most of the employee expenses that increased were from this part. For employees in other work areas, expenses for both the main office and factories have remained constant.

Mr. Anu Wongsarakit, Shareholder Attending in Person

Question: What is Accounting Standard No. 16 (IFRS 16) and its impacts?

Mrs. Apiradee Arunpitakgul, Accounting & Finance Manager

Answer: At present, the Company has adopted the standard and made improvements in financial statements. The Company currently has 25 purchase sites. Of these, two belong to the factories, while six resulted from land purchases and construction, and the remaining 17 are purchase sites under rent contracts. All of these 17 sites meet Standard No. 16 for rent agreements, which specify that the Company has to record rent rights and debts pending deletion, which the Company has already done. Accordingly, about 12 million baht of impacts will be felt in financial statements in terms of both assets and liabilities in line with rent agreement values.

Mr. Anu Wongsarakit, Shareholder Attending in Person

Question: What is Accounting Standard No. 9 (IFRS 9) and its impacts?

Mrs. Apiradee Arunpitakgul, Accounting & Finance Manager

Answer: Currently, the Company has adopted it and made improvements in financial statements. Financial Reporting Standard No. 9 (IFRS 9) is concerned with financial instruments. Accordingly, the Company has considered allocating a reserve for loans to subsidiaries, since the Company gives financial subsidies to subsidiaries.

Mr. Anu Wongsarakit, Shareholder Attending in Person

Question: Concerning loans given to subsidiaries, is it correct to say that there are no debts?

Mrs. Apiradee Arunpitakgul, Accounting & Finance Manager

Answer: Information review found that in the future the Company will be repaid. However, the decision to allocate the reserve is to remain cautious and comply with Financial Reporting Standard No. 9 on financial instruments (TFRS 9).

Mr. Somchai Suchatjaroenyng, Shareholder Attending in Person

Question: Considering the fact that shareholders received no dividend payments, I think the board of directors should dedicate time in management to create a profit. Are crude palm oil businesses in Indonesia and Malaysia suffering losses? If the Company's revenues do not significantly increase, is it possible to decrease expenses in order to produce positive figures next year and pay dividends?

Mr. Krisada Chavananand, Managing Director

Answer: The market condition and situation at the present have been significantly impacting global market prices for a while now. However, the Company has not been idle and will accept the recommendation to make improvements.

Mr. Bandhoon Supakavanich asked the meeting if the meeting has any additional question to ask or not. There was no any question raised so he requested the meeting to consider and approve the Statements of Financial Position and Statements of Comprehensive Income for the fiscal year ended December 31, 2019 and acknowledge the auditor's report as mentioned above.

Resolution: The meeting, after consideration, unanimously adopted the resolution approve the Statements of Financial Position and Statements of Comprehensive Income for the fiscal year ended December 31, 2019 and acknowledged the auditor's report in all respects as proposed. The votes comprise as follows:

Resolution	Number of votes(s)	Percentage of total votes of shareholders attending the meeting and exercising their votes
Approved	712,000,214	100.0000
Disapproved	0	0.0000
Abstained	0	-
Invalid Ballots	<u>0</u>	=
Total	<u>712,000,214</u>	<u>100.0000</u>

Note: Before voting in Agenda 3, there were 2 additional shareholders attending the meeting in person and by proxy, the total of shareholders and proxies attending the meeting and having the right to vote before agenda 3 equal to 35 shareholders, with total of 712,000,214 shares, representing 75.74470 percent of the total issued shares of the Company.

Agenda 4 To approve the non-distribution of dividend payment and non-appropriation of net profit as legal reserve from the operating results of the year 2019

Mr. Bandhooon Supakavanich asked Mrs. Apiradee Arunpitakgul, Accounting and Finance Manager, to inform the meeting of the matter.

Mrs. Apiradee Arunpitakgul informed the meeting that due to the overall performance of the business operations for the year 2019, the Company has net loss of Baht 23.06 million according to the Separate Financial Statements. The Board of Directors' Meeting No. 1/2019 then has resolved to propose to the shareholders' meeting for the shareholders to approve the non-distribution of dividend and non-appropriation of net profit as legal reserve from the operating results of the year 2019. This is in line with Section 115 of the Public Limited Company Act B.E. 2535 (1992) (as amended) and Article 46 of the Articles of Association of the Company which state that no dividend shall be paid otherwise than out of profits. If the Company still suffers a deficit, no dividend may be paid. As the Company has annual net loss, the Company does not need to appropriate to the reserve fund under Section 116 of the Public Limited Company Act B.E. 2535 (1992) (as amended) and Article 48 of the Articles of Association of the Company which state that the Company must appropriate to reserve fund at least 5% (Five Percent) of the annual net profit less the total accumulated losses brought forward (if any) until the reserve fund reaches an amount not less than 10% (Ten Percent) of the registered capital. The relevant document was attached with the invitation letter of this meeting and distributed to all the shareholders (Enclosure No. 4).

Then, Mr. Bandhooon Supakavanich asked the meeting if the meeting has any additional question to ask or not. Below was such a questions and comments

Mr. Anu Wongsarakit, Shareholder Attending in Person

Question: According to the 2019 financial statement, what are the Company's accumulated losses, and does the Company have policy or plan to eliminate these accumulated losses or not?

Mrs. Apiradee Arunpitakgul, Accounting & Finance Manager

Answer: The accumulated losses as of the end of 2019 stand at 431 million baht. A current management plan is under the consideration of executives and work teams involved. Admittedly, the executives are highly conscious about this issue and are trying to examine it and figure out what to do. The executives will analyze the benefits and drawbacks, possibilities and impossibilities, and, if possible, whether or not there will be problems in the future. Currently, the issue is under consideration for decision-making.

Mr. Anu Wongsarakit, Shareholder Attending in Person

Question: For accumulated losses, in regards to taxes, has the Company made use of the fact that we have accumulated losses?

Mrs. Apiradee Arunpitakgul, Accounting & Finance Manager

Answer: The Company consistently makes use of it.

Mr. Anu Wongsarakit, Shareholder Attending in Person

Question: If the accumulated losses are eliminated, will it no longer be possible for company to use that fact for tax benefits?

Mrs. Apiradee Arunpitakgul, Accounting & Finance Manager

Answer: It will be possible.

Mr. Anu Wongsarakit, Shareholder Attending in Person

Question: Shareholders have not received their dividends for many years, and the Company has 500 million baht in accumulated losses. How many years will people have to wait before all losses are eliminated?

Mr. Krisada Chavananand, Managing Director

Answer: The Company is constantly trying to examine everything thoroughly and understands the shareholders' concerns. Accordingly, the Company will do its best to make improvements.

Then, Mr. Bandhoon Supakavanich asked the meeting if the meeting has any additional question to ask or not. There was no question raised so he requested the meeting to consider and approve the non-distribution of dividend and non-appropriation of the net profit as legal reserve from the operating results of the year 2019 as mentioned above.

Resolution: The meeting, after consideration, adopted the resolution by the majority of the votes to approve the non-distribution of dividend and non-appropriation of net profit as legal reserve from the operating results of the year 2019 in all respects as proposed. The votes comprise as follows:

Resolution	Number of votes(s)	Percentage of total votes of shareholders attending the meeting and exercising their votes
Approved	712,000,214	100.0000
Disapproved	0	0.0000
Abstained	0	-
Invalid Ballots	0	-
Total	<u>712,000,214</u>	<u>100.0000</u>

Agenda 5 To approve the election of directors to replace those who must retire by rotation

Mr. Voravith Chavananand, Vice president asked Mr.Jiraphant Asvatanakul, Nomination and Remuneration Committee, to inform the meeting of the matter.

Mr.Jiraphant Asvatanakul acting as the Board of Directors representative, announced the names of directors who must retire by rotation as follows: 1) Mr. Bandhoon Supakavanich acting as Chairman of the Board of Directors / Chairman of Audit Committee / Chairman of the Nomination and Remuneration and Independent Director; 2) Mr. Vithaya Chavananand acting as Vice President and Company Secretary; and 3) Mr. Vatchara Chavananand acting as Director / Risk Management Committee / Deputy Managing Director of Palm Plantation. The 3 directors were requested to absent themselves from the meeting room before the consideration began.

The meeting was then informed that under Section 71 of the Public Limited Company Act B.E. 2535 (1992) (as amended) and Article 18 of the Articles of Association of the Company, at every Annual General Meeting, at least one-third of the directors, or if their number is not multiple of three then the number nearest to one-third, must retire from office. The directors retiring on the first year and second year following the registration of the Company shall be drawn by lots. In every subsequent year, the directors who have been longest in office shall retire. A retiring director may be re-elected.

The process of electing the directors of the Company has been carefully filtered by the Nomination and Remuneration Committee which considered the qualifications, capability, experience and past performance. The Board of Directors' Meeting No. 1/2019 has resolved to propose to the shareholders' meeting to re-elect the above directors whose terms have expired by rotation to be the directors of the Company for another term by reasons that these 3 directors have suitable qualifications in capability, experience and expertise from various professionals for the benefit of the Company's operation which should be able to further develop Company progressively. They also have efficient performance in the position of directors in the past. The brief information and profile of each person nominated for re-election as a director for another term was attached to the invitation letter of this meeting and distributed to all the shareholders (Enclosure No. 5).

As for Independent Director, the Company has stipulated the meaning of Independent Director equal to the minimum requirements of the Office of the Securities and Exchange Commission (SEC) and the Capital Market Supervisory Board as follows:

- (a) holding shares not exceeding 1 percent of the total number of shares with voting rights of the Company, its parent company, subsidiary company, associate company, major shareholder or controlling person (including shares held by related persons of such independent director);
- (b) neither being nor used to be an executive director, employee, staff, advisor who receives salary, or controlling person of the Company, its parent company, subsidiary company, associate company, same-level subsidiary company, major shareholder or controlling person of the Company, unless the foregoing status has ended not less than 2 years ago (excluding the case where the independent director used to be a government official or an advisor of a government unit which is a major shareholder or controlling person of the Company);
- (c) not being a person related by blood or legal registration as father, mother, spouse, sibling, and child, including spouse of child of another director, executive, major shareholder, controlling person, or person to be nominated as director, executive or controlling person of the Company or its subsidiary company;
- (d) neither having nor used to have a business relationship with the Company, its parent company, subsidiary company, associate company, major shareholder or controlling person of the Company, in the manner which may interfere with his independent judgment, and neither being nor used to be a significant shareholder or controlling person of any person having a business relationship with the Company, its parent company, subsidiary company, associate company, major shareholder or controlling person of the Company, unless the foregoing relationship has ended not less than 2 years ago (the term of 'business relationship' shall include any normal business transaction, rental or lease of immovable property, transaction relating to assets or services or granting or receipt of financial assistance through receiving or extending loans, guarantee, providing assets as collateral, and any other similar actions, which result in the Company or its counter party being subject to indebtedness payable to the other party in the amount of 3 percent or more of the net tangible assets of the Company or Baht 20,000,000 or more, whichever is lower).
- (e) neither being nor used to be an auditor of the Company, its parent company, subsidiary company, associate company, major shareholder or controlling person of the Company, and not being a significant shareholder, controlling person, or partner of an audit firm which employs auditors of the Company, its parent company,

- subsidiary company, associate company, major shareholder or controlling person of the Company, unless the foregoing relationship has ended not less than 2 years ago;
- (f) neither being nor used to be a provider of any professional services including those as legal advisor or financial advisor who receives service fees exceeding Baht 2,000,000 per year from the Company, its parent company, subsidiary company, associate company, major shareholder or controlling person of the Company, and not being a significant shareholder, controlling person or partner of the provider of professional services, unless the foregoing relationship has ended not less than 2 years ago;
 - (g) not being a director appointed as representative of directors of the Company, major shareholder or shareholder who is related to major shareholder;
 - (h) not undertaking any business of the same nature and in competition to the business of the Company or its subsidiary company or not being a significant partner in a partnership or being an executive director, employee, staff, advisor who receives salary or holding shares exceeding 1 percent of the total number of shares with voting rights of the other company which undertakes business of the same nature and in competition to the business of the Company or its subsidiary company; and
 - (i) not having any other characteristics which cause or give rise to the inability to express independent opinions with regard to the Company's business operations.

Then, Mr. Jiraphant Asvatanakul asked the meeting if the meeting has any additional question to ask or not. Below was such a questions and comments

Mr. Anu Wongsarakit, Shareholder Attending in Person

Question: According to the details, Mr. Vatchara Chavananand is 55 years old and has been in his position for 33 years. Does that mean that he has been in his position ever since the founding of the Company?

Mr. Jiraphant Asvatanakul

Answer: Since he was 22. He worked at a palm plantation and eventually became a palm plantation manager. He has always managed palm plantations.

Mr. Jiraphant Asvatanakul then asked the meeting if the meeting has any additional question to ask or not. There was no question raised so he requested the meeting to consider and approve the election of directors to replace those who must retire by rotation each individually.

Resolution: The meeting, after consideration, unanimously resolved re-elect the above three directors whose terms have expired by rotation to be the directors of the Company for another term in all respects as proposed.

1) Mr. Bandhoon Supakavanich acting as Chairman of the Board of Directors / Chairman of Audit Committee / Chairman of the Nomination and Remuneration and Independent Director. The votes comprise as follows:

Resolution	Number of votes(s)	Percentage of total votes of shareholders attending the meeting and exercising their votes
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Approved	712,000,214	100.0000
Disapproved	0	0.0000
Abstained	0	-
Invalid Ballots	<u>0</u>	=
Total	<u>712,000,214</u>	<u>100.0000</u>

2) Mr. Vithaya Chavananand acting as Vice President and Company Secretary. The votes comprise as follows:

Resolution	Number of votes(s)	Percentage of total votes of shareholders attending the meeting and exercising their votes
Approved	712,000,214	100.0000
Disapproved	0	0.0000
Abstained	0	-
Invalid Ballots	<u>0</u>	=
Total	<u>712,000,214</u>	<u>100.0000</u>

3) Mr. Vatchara Chavananand acting as Director / Risk Management Committee / Deputy Managing Director of Palm Plantation. The votes comprise as follows:

Resolution	Number of votes(s)	Percentage of total votes of shareholders attending the meeting and exercising their votes
Approved	712,000,214	100.0000
Disapproved	0	0.0000
Abstained	0	-
Invalid Ballots	<u>0</u>	=
Total	<u>712,000,214</u>	<u>100.0000</u>

Mr. Voravith Chavananand then invited the 3 directors to come back to the meeting room to consider the next agenda.

Agenda 6 To approve the directors' remuneration for the year 2020

Mr. Bandhoo Supakavanich as the Chairman of Nomination and Remuneration Committee informed the meeting that the Nomination and Remuneration Committee had carefully considered the directors' remuneration by comparing to the same of other listed companies in this industry. After duly circumspect, the Board of Directors' Meeting No. 1/2020 has resolved to propose to the shareholders' meeting to consider and approve the directors' remuneration for the year 2020 at the amount not exceeding Baht 2,500,000 which is the same amount as approved in the year 2019. The amount is excluding the remuneration of directors who are executive with details as follows:

Directors' remuneration (Baht per Quarter)			
Position	Year 2020 (For consideration)	Year 2019	Year 2018
President	55,000	55,000	52,500
Audit Committee Chairman	55,000	55,000	52,500
Independent Director	45,000	45,000	42,500
Non-Executive Director	45,000	45,000	42,500
Attendance fee (Baht per Time)			
Position	Year 2020 (For consideration)	Year 2019	Year 2018
President	25,000	25,000	25,000
Audit Committee Chairman	25,000	25,000	25,000
Independent Director and Audit Committee	20,000	20,000	20,000
Non-Executive Director	20,000	20,000	20,000
Nomination and Remuneration Committee Chairman	20,000	20,000	20,000
Nomination and Remuneration Committee	15,000	15,000	15,000
Risk Management Committee	15,000	-	-

The details are as shown in the document for consideration and approval of the directors' remuneration for the year 2020 which was attached to the invitation letter of this meeting and distributed to all the shareholders (Enclosure No. 6).

Then, Mr. Bandhoo Supakavanich asked the meeting if the meeting has any additional question to ask or not. Below was such a question and comments

Mr. Anu Wongsarakit, Shareholder Attending in Person

Question: Concerning the new risk management directors, are they new or the same people who hold many positions? If there are people holding many positions, how are their payments made? Do they receive pensions or not?

Mr. Vithaya Chavanand, Vice President and Company Secretary

Answer: Their remunerations are quarterly and for their position as company directors. As for meeting attendance fees, they receive according to each committee meeting and there are no pensions.

Mr. Anu Wongsarakit, Shareholder Attending in Person

Question: Are risk management directors holding many positions, considering the fact that new directors are being appointed this year? In addition, are there three independent directors as required?

Mr. Vithaya Chavanand, Vice President and Company Secretary

Answer: The risk management committee is composed of 1 independent director and company executives, and there are three independent directors as required.

Mr. Bandhooon Supakavanich then asked the meeting if the meeting has any additional question to ask or not and requested the meeting to consider and approve the directors' remuneration for the year 2020 as mentioned above by asking any shareholder who acts as the Company's director and will be entitled to receive such remuneration to abstain from voting in this agenda in order to comply with the principles of good corporate governance of the Stock Exchange of Thailand (SET).

Resolution: The meeting, after consideration, with majority votes of more than two-thirds of the total votes of shareholders attending the meeting adopted the resolution to approve the directors' remuneration for the year 2019 at the amount not exceeding Baht 2,500,000 excluding the remuneration of directors who are executives according to the details as mentioned in the above table. The votes comprise as follows:

Resolution	Number of votes(s)	Percentage of total votes of shareholders attending the meeting
Approved	709,000,214	99.5758
Disapproved	0	0.0000
Abstained	3,000,000	0.4213
Invalid Ballots	<u>0</u>	=
Total	<u>712,000,214</u>	<u>100.0000</u>

Agenda 7 To consider and appoint auditors and determine the auditors' remuneration for the year 2020

Mr. Bandhooon Supakavanich as Chairman of Audit Committee proposed to the meeting that under Section 120 of the Public Limited Company Act B.E. 2535 (1992) (as amended) and Article 40 of the Articles of Association of the Company, the Audit Committee has selected and proposed to the Board of Directors for consideration and the Board of Directors' Meeting No. 1/2020 has resolved to propose that the shareholders' meeting should consider and appoint Mr. Pisit Thangtanagul, CPA No. 4095 and/or Miss Tithinun Vankeo, CPA No. 9432 and/or Miss. Nuntika Limviriyalers, CPA No. 7358 of PricewaterhouseCoopers ABAS Ltd. as the auditors of the Company for the year 2020 whereby any one of the auditors shall have the authority to conduct the audit and express an opinion on the financial statements of the Company (including the consolidated financial statements). In this regard, the above mentioned auditors do not have any relationship or any interests with the Company, its subsidiary company, executive, major shareholders or their related person. Thus, they are independent to examine and express opinion on the financial statements of the Company.

In the case that the auditors whose names appeared above are not available to carry out their duty, PricewaterhouseCoopers ABAS Ltd. is authorized to appoint another licensed auditor of PricewaterhouseCoopers ABAS Ltd. to perform the work instead. The auditing fee for the year 2020 will amount to Baht 2,450,000. The details are as shown in the document

for consideration and appointment of auditors and determination of the auditors' remuneration for the year 2019 which was attached to the invitation letter of this meeting and distributed to all shareholders (Enclosure No. 7).

Mr. Bandhoon Supakavanich asked the meeting if the meeting has any additional question to ask or not. Below were such questions and comments

Mr. Anu Wongsarakit, Shareholder Attending in Person

Question: I would like to know the benefits of choosing PricewaterhouseCoopers ABAS Ltd continuously for the sixth year. What are the selection criteria?

Mr. Bandhoon Supakavanich, Chairman of Audit Committee

Answer: For the consideration criteria, they begin with the hiring of an auditing company to oversee this matter. As for the standards the Company use to select our auditor, the Company have planned our principles from the beginning. Importantly, auditors are nominated for different monetary amounts. If a company is reputable, Mrs. Apiradee is asked to compile reasons and determine whether or not the newly nominated company has anything else to consider, including its requirements and performance.

Mrs. Apiradee Arunpitakgul, Accounting & Finance Manager

Answer: Concerning the criteria for considering auditors each year, the Company compare many different local and big firms. However, the Company are interested in PricewaterhouseCoopers ABAS Ltd because 1) they meet international standards and are accepted for their expertise and precision in standards; 2) price considerations; 3) job considerations and work results through the Company's continuous service. For example, the auditor presents, teaches and provides fairly accurate accounting knowledge.

Mr. Anu Wongsarakit, Shareholder Attending in Person

Question: Does the Company specify whether or not the audit company has to be one of the Big 4?

Mrs. Apiradee Arunpitakgul, Accounting & Finance Manager

Answer: The Company does not require that the auditor be a Big 4 company. Instead, the Company uses the selection criteria just mentioned. In addition, auditors to sign up with public companies have to be companies licensed by the stock exchange, so if the auditing company is one of the Big 4, then the auditing company will likely have several auditors licensed by the stock exchange, making convenient to rotate them.

Mr. Anu Wongsarakit, Shareholder Attending in Person

Question: Are audit fee proposals different between local and Big 4 firms?

Mrs. Apiradee Arunpitakgul, Accounting & Finance Manager

Answer: Due to quality, audit fees are different.

Mr. Anu Wongsarakit, Shareholder Attending in Person

Question: Will there be problems arising from the Company's extended use of PricewaterhouseCoopers ABAS Ltd? I learned that some companies are required to change their auditors after a certain number of years in order to ensure transparency in many areas, since companies that rely on the same auditors for too long might develop such familiarity that independence is lost.

Mrs. Apiradee Arunpitakgul, Accounting & Finance Manager

Answer: The SEC revised the requirements on rotating auditors in line with international standards. Listed companies are required to change their auditing companies after seven years and avoid the same auditors for five years from the previous requirements of changing auditing companies after five years and avoiding the same auditors for two years in order to

promote independence and build confidence in investors on using financial reports to make investment decisions. The requirements became effective on 1 January 2019. As for whether or not relying on the same auditor will hinder independence or involve benefits or not, in line with the standards, the auditor is required to maintain ethics and protect the confidentiality of the Company's information and not disclose it or publish it in any manner.

Mr. Anu Wongsarakit, Shareholder Attending in Person

Question: In 2020, the audit fees are equal to those of the previous year. I would like to know whether the auditor asked for an increase in audit fees or whether the Company negotiated prices down to equal those of how many years in the past.

Mrs. Apiradee Arunpitakgul, Accounting & Finance Manager

Answer: For 2020, the auditor did not ask for an increase in audit fees, due to the fact that the Company planned work together since the third quarter of 2019 between the auditor and accounting department in order to support the new standard and reduce the amount of increasing workload. Negotiations, agreements and work preparations resulted in the audit fees for 2020 remaining the same as before.

Mr. Anu Wongsarakit, Shareholder Attending in Person

Question: I would like to make a recommendation for the sixth agenda on directors' remunerations in order to ensure transparency. Directors with vested interest should not be allowed to cast votes. Please also provide details to confirm that they actually refrain from voting. This is because, in many companies, directors with vested interest can vote in this agenda. For this company, there is an announcement stating that they need to refrain from voting, so details should be presented to prove it.

Mrs. Apiradee Arunpitakgul, Accounting & Finance Manager

Answer: For this agenda, specifications require that votes are proportionate not less than two-thirds of all meeting attendees eligible to cast votes. One of the eight directors is a director receiving director remunerations, and that director holds three million shares or the equivalent of three million votes. That director refrained from voting. For this agenda, three million votes were abstained.

Mr. Anu Wongsarakit, Shareholder Attending in Person

Question: I would like a brief annotation to be included to state that the director with vested interest had already refrained from voting. This is to allow every shareholder to know that the director had followed specifications.

Mrs. Apiradee Arunpitakgul, Accounting & Finance Manager

Answer: The recommendation is accepted for future improvements.

There were no additional questions so Mr. Bandhooon Supakavanich then requested the meeting to consider and appoint the auditors and determine the auditors' remuneration for the year 2020 as mentioned above.

Resolution: The meeting, after consideration, unanimously adopted the resolution to appoint the auditors and determine the auditors' remuneration for the year 2020 in all respects as proposed. The votes comprise as follows:

Resolution	Number of votes(s)	Percentage of total votes of shareholders attending the meeting and exercising their votes
Approved	712,000,214	100.0000

Disapproved	0	0.0000
Abstained	0	-
Invalid Ballots	<u>0</u>	=
Total	<u>712,000,214</u>	<u>100.0000</u>

Agenda 8 To consider other matters (if any)

Mr. Bandhoo Supakavanich gave the opportunity to the shareholders to ask questions and express their opinions without any votes.

Mr. Anu Wongsarakit, Shareholder Attending in Person

Question: With the COVID-19 pandemic in 2020, measures have been put in place to control the spread of the disease such as working from home and minimizing travel and shipping. What are the expected impacts, and what is the potential growth for the policy for renewable energies such as B10 or B100? In addition, perhaps other materials can be used in place of palm oil, so is the Company concerned about the future, and what are the Company's thoughts on the future trends?

Mr. Krisada Chavananand, Managing Director

Answer: The Company is not dependent on B10, because the Company does not produce biodiesel. Rather, the Company wants to know the direction of the government's policies, and the Company expects balancing in palm oil through two methods. The first method is concerned with balancing palm oil domestically or within the country, that is, by having the Electricity Generating Authority of Thailand (EGAT) buy crude palm oil to absorb excess supply or by increasing utilization of biodiesel fuel. The second method is concerned with exports. On the question of whether or not the palm oil industry will be a sunset industry, what the industrial agriculture has to be careful about is insufficient consumer demand. However, there will be periods when demand increases, leading to increased supply. Eventually the supply exceeds demand, and the manufacturer has to wait until the demand balances out the supply. Because the agriculture society is continuously regressing, there is no opportunity for demand to increase endlessly, especially for palm oil. As for the question of whether or not the palm oil industry will be able to compete with the soy bean industry, the cultivation of soy beans has significantly destroyed forests as well, just like palm oil cultivation. Consequently, soy bean demand will reach a limit just like for palm oil. Even though there is an imbalance between the supply and demand in the palm oil industry, the projection that the population will continuously grow will be able to absorb excess supply in the future (if no other factors impact it). In conclusion, the Company has to adapt to survive while at this important junction in order to achieve long-term growth.

Mr. Anu Wongsarakit, Shareholder Attending in Person

Question: What are the opportunities for exporting crude palm oil, considering the fact that international prices for crude palm oil (Malaysia) are much lower than Thailand's? Moreover, Thailand has a high level of competition in the palm oil industry, especially now with the baht gaining strength. Because international crude palm oil prices are lower than domestic prices, will crude palm oil be imported or not? What are the Company's perspectives?

Mr. Krisada Chavananand, Managing Director

Answer: We believe many people probably wonder why the Company is still not turning a profit even though crude palm oil prices are high. Because the Company operates business

in the extraction of crude palm oil, profits are high when product prices are low. In other words, when large palm products enter the market, the Company is able to utilize its production capacity effectively and will receive margin profit. As for export, currently, domestic crude palm oil prices are dropping, but international prices (export prices) are increasing. Consequently, domestic and international prices are becoming more similar. Nevertheless, the domestic stock of crude palm oil determines when it will be appropriate to export. As the stock of crude palm oil increases to the point that sales prices decline and are no longer suitable for domestic sales, the purchase price of palm fruits will decrease, and it will be possible to export.

Mr. Anu Wongsarakit, Shareholder Attending in Person

Question: As we know, when palm prices are low there sometimes are demands for price guarantees and income compensation. What are the Company's views on this, and does the Company support price guarantees?

Mr. Krisada Chavananand, Managing Director

Answer: We believe that the government has two options. That is, the government can let trade occur freely. What may happen is exports, although palm prices might drop. Otherwise, if the government does not allow for exports, it might be necessary to increase utilization of B10 and purchases for electricity generation. As for price guarantees, so far the Ministry of Commerce has not guaranteed prices and only guaranteed income through directly paid budgetary spending. As a result, overall prices increase. However, they must not increase so high that demands in other areas decrease.

Mr. Anu Wongsarakit, Shareholder Attending in Person

Question: Is the Company interested in exploring solar energy, solar farms and solar fuel as a way to decrease expenses and increase revenue?

Mr. Krisada Chavananand, Managing Director

Answer: The renewable energy sector consists of community enterprises. The private sector and local people have to collaborate, which might not easily happen.


Mr. Anu Wongsarakit, Shareholder Attending in Person

Question: What are the goals for this year?

Mr. Krisada Chavananand, Managing Director

Answer: Probably to monitor the situation in the third and fourth quarters and find out whether or not COVID-19 will make a resurgence. In any case, the Company will endeavor to do its best.

There were no additional questions raised from the shareholders and the meeting is adjourned at 3.35 p.m.

Signed  Chairman of the Meeting
(Mr. Bandhoon Supakavanich)



Signed  Secretary of the Meeting
(Mr. Vithaya Chavananand)