

SHAREHOLDING STRUCTURE AND MANAGEMENT

Board of Directors and Management

The Company's Board of Directors	No of Shares 31 December 2005	No of Shares 31 December 2006	Change
1. Mr Apirag Vanich	17,591,042	17,591,042	0
2. Mrs Phortchana Manoch	1,475,214	1,475,214	0
3. Mr Vichai Dhepchalerm	355,436	355,436	0
4. Mrs Kanchana Chitrudi-amphai	0	0	0
5. Ms Aungkhana Vanich	1,475,214	1,475,214	0
6. Dr Prote Sosothikul	200,000	200,000	0
7. Mr John Clendon	800,000	800,000	0
8. Mr Suchad Chiaranussati	0	0	0
9. Mr Tanate Phutrakul	0	0	0
10. Ms Supapang Chanlongbutra	0	0	0

Senior Management	No of Shares 31 December 2005	No of Shares 31 December 2006	Change
1. Mr John Clendon	800,000	800,000	0
2. Dr Palat Tittinutchanon	9,500	7,500	-2,000
3. Mr Suchart Terdkiatkhachorn	105,500	55,500	-50,000
4. Mr Narong Suvannarerg	5,500	5,500	0
5. Mr Anucha Supakorn	4,500	4,500	0
6. Mr Nattapong Dachanabhirom	3,000	3,000	0
7. Mr Sompon Tantitham	45,500	45,500	0
8. Ms Khanang Buranavisetkul	3,500	5,500	+2,000

The first 10 major shareholders as at 31 Dec 2006

Shareholders	Number Of Shares	Percent
1. Mr Apirag Vanich	17,591,042	18.71
2. Thailand Securities Depository Co.,Ltd. for Depositors (Local)	16,967,309	18.05
3. Thailand Securities Depository Co.,Ltd. for Depositors (Foreign)	15,929,400	16.95
4. Mrs Chantip Vanich	9,024,430	9.60
5. Chean Vanich Co., Ltd.	5,596,662	5.95
6. Mrs Boonrod Vanich	4,171,706	4.44
7. Duke Technology Limited	1,830,000	1.95
8. Ms Rojana Vanich	1,614,198	1.72
9. Mrs Anchalee Tepabutra	1,515,214	1.61
10. Mr Kobchai Sosothikul	1,479,678	1.57

Dividend Policy

The Company has a policy to pay cash dividend of not less than 50% of its net profit after taxation. However, whether the Company will pay a dividend and the amount thereof will depend, amongst other things, on the Company's financial conditions and future plans.

Management Structure

Board of Directors

As at 31 December 2006, the Company has ten Directors, including an Audit Committee which comprises three independent directors.

The Company's Board of Directors

Name	Position
1. Mr Apirag Vanich	Chairman
2. Mrs Phortchana Manoch	Director
3. Mr Vichai Dhepchalerm	Director
4. Mrs Kanchana Chitrudi-amphai	Director
5. Ms Aungkhana Vanich	Director
6. Dr Prote Sosothikul	Director
7. Mr John Clendon	Managing Director
8. Mr Suchad Chiaranussati	Independent Director
9. Mr Tanate Phutrakul	Independent Director
10. Ms Supapang Chanlongbutra	Independent Director

Mr Anucha Supakorn and Ms Khanang Buranavisetkul are responsible for investor relation activities.

Scope of duties and responsibilities of the Board of Directors

1. The Board of Directors is responsible for managing the public company to be in compliance with the Public Companies Act and in accordance with the Company's Memorandum and Articles of Association.
2. The Board of Directors is responsible for managing the Company to be in line with the objectives and resolutions of the shareholders' meetings.
3. In a transaction in which a director has a personal interest or may have some other conflict of interest with the Company, that director will not have the right to vote on the matter.
4. Authorized directors must comprise two directors co-signing together with the Company's seal in order to bind the Company to its obligations.
5. The Board of directors can assign power of attorney to any one or more persons or juristic persons to act jointly or severally on behalf of the Company according to the Memorandum and Articles of Association of the Company, including appointment or removal of Company employees. The Board of Directors has the right to change or withdraw such power of attorney already assigned to such persons. The assignment of the power of attorney must not be in such a way that it will cause the Managing Director or management, or potentially conflicting persons, to have a conflict of interest with the Company. Such approval is granted in a case of normal business and when the Board of Directors has already defined the scope of approval clearly.

6. The following activities can be done with the majority approval from the Board of Directors in which one director possesses one vote:
 - 6.1 Budget approval and the annual business plan
 - 6.2 Borrowing or lending the amount of more than Baht 70 million including borrowing at one time or several times from the same lender
 - 6.3 Provision of guarantee of an amount over Baht 70 million, whether at one time or several times for the same borrower
7. The director must inform the Company immediately if:
 - 7.1 He or she has an interest in a contract whether directly or indirectly involving the Company, or
 - 7.2 He or she increases or decreases his/her holding in both shares or debentures of the Company or group companies
8. The Board of Directors is responsible for monitoring the Company in compliance with the rules and regulations of both the SET and SEC regarding connected transactions as well as acquisition and disposal of assets of listed companies.

Independent Directors

As at 31 December 2006 the company has three Independent Directors whose personal profiles are included with the Board of Directors in this Annual Report.

All three Independent Directors fulfill the following criteria ;

- They are not shareholders of the company or of any related, affiliated or associated company, either directly or indirectly.
- They are not involved in the management of the company or of any related, or associated company, and do not receive a regular salary from any such company.
- They have no direct or indirect beneficial interest in the finance or management of the company or of any related, or associated company.
- They are not related in any way to a member of management or to the majority shareholders of the company or of a related or associated company.
- They have not been appointed as a representative to safeguard interests of the company's directors, majority shareholders or shareholders who are related to the company's majority shareholders.
- They are skilled and highly capable of performing the duties of Independent Directors, including giving opinions and reporting on the financial performance of the company, and to carry out other duties delegated to them by the Board of Directors, free of the control of management, major shareholders or the close relatives of such connected persons.

Audit Committee

As of 31 December 2006, the Company's Audit Committee comprises three Independent Directors, as follows:

Name	Position
1. Mr Suchad Chiaranussati	Chairman of the Audit Committee
2. Mr Tanate Phutrakul	Audit Committee member
3. Ms Supapang Chanlongbutra	Audit Committee member

Scope of Duties and Responsibilities of the Audit Committee

1. Review to ensure that the Company has a complete, correct and adequate financial statement.
2. Review to ensure that the Company has suitable and effective internal control and internal audit.
3. Review to ensure that the Company complies with the SEC Act, SET regulations and laws governing the business of the Company.
4. Consider selecting and nominating the Company's auditor, including recommendation of the auditor's compensation.
5. Consider the Company's disclosure on connected transactions or transactions that give rise to a conflict of interest to ensure accuracy and completeness.
6. Prepare a report on good corporate governance and publish it in the Company's annual report and to be signed by the Chairman of the Audit Committee.
7. Execute other responsibilities as assigned by the Board of Directors and agreed by the Audit Committee

Strategic Planning Subcommittee

The Strategic Planning Subcommittee was established by the Board in 2004 comprising seven Directors, as follows:

Name	Position
1. Mr Apirag Vanich	Chairman
2. Mrs Phortchana Manoch	Director
3. Dr Prote Sosothikul	Director
4. Mr John Clendon	Managing Director
5. Mr Suchad Chiaranussati	Independent Director
6. Mr Tanate Phutrakul	Independent Director
7. Ms Supapang Chanlongbutra	Independent Director

The Strategic Planning Subcommittee meets as required and at least once each year, to review the Company strategy for long-term growth, the Company's Long Term Plan, and other long-term strategic issues including the succession of senior management.

Nominating and Remuneration Subcommittee

The Nominating and Remuneration Subcommittee, whose members comprise Non-Executive Directors was established by the Board on 11 August 2005. The Subcommittee comprises four Directors, as follows:

Name	Position
1. Mr Apirag Vanich	Chairman
2. Dr Prote Sosothikul	Director
3. Mr Tanate Phutrakul	Independent Director
4. Ms Supapang Chanlongbutra	Independent Director

The Nominating and Remuneration Subcommittee meets as required and at least once each year, to review and recommend to the Board the framework of senior management appointment and remuneration, and to ensure that there is a succession plan. As the Executive Directors are not members of the Subcommittee, they do not play any part in the decisions of their own remuneration.

Management

As of 31 December 2006, the Company's Management Committee of senior managers comprises eight members as follows:

Name	Position
1. Mr John Clendon	Managing Director
2. Dr Palat Tittinutchanon	Plantations Controller
3. Mr Suchart Terdkiatkhachorn	Group Engineer
4. Mr Narong Suvannarerg	Purchased Fruit Controller
5. Mr Anucha Supakorn	Commercial Manager
6. Mr Nattapong Dachanabhirom	Accounting Manager
7. Mr Sompon Tantitham	Factories Manager
8. Ms Khanang Buranavisetkul	Management Accountant/Internal Audit

Scope of Duties and Responsibilities of the Managing Director

The Managing Director has the authority to manage and monitor the Company's normal business and approve the Company's regular transactions including procurement of raw materials, equipment and appliances as well as general expenses under the scope and responsibility given by the Board of Directors.

The Managing Director's approval authority does not include any transaction that may involve both the Managing Director as well as other persons which may cause any conflict of interest with the Company. In compliance with SET regulations, such transactions include connected transactions or acquisition or disposal of the Company's assets which require shareholders' approval, unless such transaction are in the normal course of business and the Board of Directors has already defined the scope of approval clearly.

Scope of Duties and Responsibilities of the Management

1. Collectively decide on the Company's critical issues including establishing duties, objectives, guidelines, the Company's policies, corporate governance, production, customer relations as well as being responsible to the Board of Directors.
2. Authority to approve general expenses, project expenses or investments according to the scope of duties and responsibilities assigned by the Board of Directors.
3. Authorities to hire, appoint, dismiss, define the salary, offer reward, raise the salary and compensate bonus for employees in the various departments of the company.
4. Authority to act for and on behalf of the Company in any business that is relevant and beneficial to the Company.
5. Act on the Company's general management affairs.

The Management's approval authority does not include any transactions that may involve Management interest that may cause any conflict of interest with the Company, including connected transactions or acquisition or disposal of the Company's assets according to SET regulations, unless such transactions are in the normal course of business and the Board of Directors has already defined the scope of approval clearly.

Appointment of Directors and Management

Appointment of Directors

- The Board of Directors comprises at least five directors appointed by the shareholders.
- The Board of Directors shall elect the directors to be Chairman, Vice-Chairman, Managing Director and any other positions as deem appropriate.
- At each annual general meeting, at least one-third of the total number of directors must resign. If the number of directors cannot be divided evenly into threes, the number of directors to resign must be close to one-third.
- Since the Company's Articles of Association do not specify the method for electing the Board of Directors, therefore, the election of the Board of Director will be done according to the Public Companies Act which sets out an election method known as a "cumulative voting" that has the following principles:
 1. One shareholder has a total number of votes equal to the number of shares held multiplied by the number of directors to be elected.
 2. Each shareholder can cast the total number of votes according to clause (1) above to elect one or more candidate to become directors. In case of voting for many candidates, the shareholder can divide votes in proportion among the candidates.
 3. Candidates will be ranked in descending number of votes, and those with highest number of votes will be elected to become directors according to the number of vacant positions. In the event of a tie, the decision will be made by drawing lots.

Appointment of the Managing Director and Management

The Board's Nominating and Remuneration Subcommittee has responsibility to review and recommend senior management appointment and succession planning.

Remuneration

Remuneration in terms of money

Remuneration for ten directors

Remuneration Type	2006 (Baht million)
Fees and compensation	5.32

At the Annual General Meeting of Shareholders No 37 on 28th April 2006, shareholders voted to maintain Director's remuneration without change. The current fee for individual directors is Baht 270,564.80 per annum, with the Chairman's fee set at Baht 405,847.20 per annum. In addition the Chairman receives expenses totaling Baht 2,196,150 per annum.

Only the Audit Committee receives meeting expenses amounting to Baht 20,000 per meeting in the case of Audit Committee members, and Baht 25,000 per meeting in the case of Audit Committee Chairman.

Remuneration for Auditors

Remuneration Type	2006 (Baht)
Audit Fees	952,000

Remuneration for eight senior managers

Remuneration Type	2006 (Baht million)
Salary, awards and compensation	27.59

Other compensation

The Company has established a retirement fund for its employees. Retiring employees will receive the retirement compensation according to the labour law and other benefits upon retirement according to the Company's retirement regulations.

Corporate Governance

Before becoming a listed company in 2003, Univanich followed the Unilever Code of Corporate Governance. Since listing, the company has adopted the SET guidelines on Good Corporate Governance.

Disclosure of the company's Code of Corporate Governance is included in the Annual Filings (Form 56-1), Annual Report (Form 56-2) as well as in the SET listing documents.

The 15 principles of Corporate Governance adopted by Univanich are as follows;

1. Policy on corporate governance

- Treat all shareholders and other stakeholders equally.
- The Board of Directors must manage the Company with diligence and care and be fully responsible for their duties.
- Support the management and employees to work with ethical conduct.
- Set up an efficient organization structure with the delegation of decision-making authority to different levels to allow the correct planning, quick delegation and efficient supervision of the work.
- Arrange for risk assessment from both internal and external sources through regular meetings between management and internal auditors to consider various risk factors that could affect the Company's operation and projections.

2. Right and equality of shareholders

In 2006, the Company organized an Annual General Meeting of shareholders at a venue in central Bangkok for shareholders convenience. The Company sent out the invitation letters to the shareholders at least seven days prior to the meeting date in accordance with the Company's Articles of Association, and also prepared the minutes of the meeting within 14 days after the meeting date. The minutes are filed and can be reviewed by shareholders upon demand.

3. Right of other stakeholders

The Company places great importance on the rights of various groups of stakeholders as follows:

- **Employees:** The Company treats all its employees equally.
- **Trading partners:** The Company establishes fair policy and operational procedures with its trading partners.
- **Creditors:** The Company conforms with the terms and conditions of any loan.
- **Clients:** The Company sells quality products to its clients at fair prices.
- **Competitors:** The Company does not conduct business in a way that damages its competitors.
- **Society:** The Company conducts business that does not negatively affect society and environment.

4. Shareholders' Meeting

The Company emphasises the importance of selecting a convenient central location for shareholders' meetings and circulating the notice and agenda to all shareholders not less than seven days before the meeting. Every director and Independent Director will normally attend such meetings and the Chairman will allocate appropriate time and opportunity for shareholders to ask questions and express their view.

5. Leadership and Vision

The Board of Directors participates in establishing and approving the Company's policies including the business plan, and budgets. The Board constantly monitors the Company's progress according such business plan and budgets. This also involves assigning responsibility to Management to implement such policies efficiently in order to increase the enterprise's value and to generate expected returns to the shareholders, as well as to disclose accurate information to shareholders in a transparent and timely manner.

Although the Board of Directors has delegated management authority to the Managing Director, the Board of Directors still retains the highest approval authority according to the Company's Articles of Association.

6. Conflicts of Interest

The Company has implemented measures to prevent potential conflicts of interest. The Company will strictly comply with the SEC Act and SET rules and regulations. In any transactions in which directors, management or shareholders are persons whose personal interest may conflict with the Company's interest, such persons will not be eligible to vote approval of such transactions. Any such transactions will be conducted according to the Company's normal practice under which the market price will be regarded as a key benchmark and to be comparable to prices in transactions conducted with unrelated third parties.

The Company publicly discloses its connected party transactions in order to safeguard investors' interests. Details can be found in the notes to the audited financial statements. These connected transactions also have to have Audit Committee approval regarding the necessity and reasonableness of the transactions.

In order to prevent exploitation of inside information, the Company strictly prohibits its directors, management and employees from using any undisclosed inside information that can affect the share price. The Company shall seek litigation against any person who is found to use such inside information for personal benefit.

7. Code of Best Practice

The Company's directors comply with the code of best practice as set out by SET guidelines.

8. Directors' Roles

Currently, nine directors of the Company are not members of the management team. Three of these nine directors are Independent Directors who make up the Audit Committee.

9. Separation of Responsibilities

Currently, the Chairman of the Board of Directors, Mr. Apirag Vanich, does not hold a management position in the Company. Although Mr. Apirag Vanich is a representative of the Vanich Group, the major shareholder, he is not the Managing Director. Therefore, there is added assurance that management along with its policies are independent.

10. Director and Management Remuneration

Compensations and incentives provided to directors and management are comparable to other companies in the same industry and therefore, are justifiable.

The Company agrees to disclose information concerning director and management remuneration according to the requirement from the SEC.

11. The Board of Directors' Meeting

The Company organises Board of Directors' meeting at least once every three months. Invitations are sent out to all directors not less than seven days prior to the meeting, according to the Company's Articles of Association. During 2006, the Company organized four Board of Directors' meetings with directors' participation as follows:

Name	Position	2006 Meeting Attended
1. Mr Apirag Vanich	Chairman	4
2. Mrs Phortchana Manoch	Director	3
3. Mr Vichai Dhepchalerm	Director	2
4. Mrs Kanchana Chitrudi-amphai	Director	3
5. Ms Aungkhana Vanich	Director	3
6. Dr Prote Sosothikul	Director	4
7. Mr John Clendon	Director	4
8. Mr Suchad Chiaranussati	Chairman of Audit Committee	2
9. Mr Tanate Phutrakul	Audit Committee	3
10. Ms Supapang Chanlongbutra	Audit Committee	4

12. Subcommittees of the Board

In 2006 there were three Board Subcommittees

Audit Committee:

The Company appointed the Audit Committee on 29 July 2003. Members of the Audit Committee have tenure of three years. During 2006, the Audit Committee has conducted four meetings to consider the implementation of the Company's Internal Audit system.

Strategic Planning Subcommittee:

On 13 November 2004 the Company appointed the Strategic Planning Subcommittee to consider the Company's long-term growth options, the Company's Long Term Plan, and other long-term strategic issues including the succession of senior management.

Nominating and Remuneration Subcommittee:

On 11 August 2005 the Company appointed the Nominating and Remuneration Subcommittee to review and recommend to the Board the framework of senior management appointment and remuneration, and to ensure that there is a succession plan.

13. Internal Control System and Internal Audit

The Company set up an internal audit system on 29 July 2003 to be supervised by the Audit Committee. This team includes an internal audit firm employed by the company to help set up and monitor the internal control system.

14. Report of the Board of Directors

The Board of Directors appointed the Audit Committee for the purpose of seeking opinions regarding the necessity and reasonableness of connected transactions, which were certified and documented in the notes of the financial statement. In the case where the Audit Committee cannot or does not have the capability to assess transactions in a reasonable manner, the Company will be responsible for finding an independent specialist to provide opinions on the transaction on the Audit Committee's behalf in order to provide the Board of Directors and shareholders with the best information for their consideration.



15. Investor Relations

In compliance with SEC requirements, the Company has provided sufficient information in the filing report and prospectus. The Company will continue to disclose relevant information to the public in a timely and correct manner with respect to the SEC and SET regulations. The Company has appointed the Managing Director, the Commercial Manager and the Management Accountant as the persons responsible for investor relations affairs.

Internal Controls

Under the management of Unilever PLC, during the years 1983 - 1998, the company established systems of internal controls which were periodically reviewed by Unilever's Internal Audit Department. In 2003 the company established its own Internal Audit function, reporting to the Audit Committee which comprises three Independent Directors. During 2004 - 2005, in order to further develop the Company's internal audit skills the Audit Committee appointed BDO Richfield Ltd, of Bangkok, to carry out risk assessments and audits of key business activities. Details of current internal audit activities are recorded in the Report of the Audit Committee Chairman.