



**KHON KAEN SUGAR INDUSTRY  
PUBLIC COMPANY LIMITED**



**ANNUAL REPORT 2565  
56-1 ONE REPORT**

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**VISION**

We are Natural Energy Innovation for all

**MISSION**

1. Create income for farmers on basis of sustainable agricultural development
2. Develop high value products and services
3. Develop personnel’s potential as well as information technology to increase competitive edge and growth
4. Develop manufacturing process and technology to achieve highest efficiency and effectiveness as well as compatibility with environment and community
5. Promote innovation and research and development to expand and extend to new business potentials

**The Leading Producer of Environment-Friendly Renewable Energy**



**SUGAR**

Energy of Human



**BIO-FERTILIZER**

Energy for Plants



**ELECTRICITY**

Energy for Equipment

And Machinery



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## Message from the Board of Directors

The overall operating results for year 2022 of Khon Kaen Sugar Industry Public Company Limited and its subsidiaries had a total sales from operation of THB 16,329 million comparing to THB 10,470 million of last year a increase of THB 5,860 million or 56 percent. These were a result of 3 main reasons which are 1) the increase in number of sugarcanes crunched 2) the increase in world sugar price and 3) the dramatically Thai Baht weakening against US dollars. Therefore, the Company's earnings before interest tax depreciation and amortization (EBITDA) in 2022 was THB 3,329 million increasing THB 1,106 million or 49.75 percent from that of the previous year. Net profit minus minority interest was THB 1,321 million, which is an increase of THB 705 million from THB 616 million in 2021.

Not only the sugar business in Thailand had the positive impacts from many aspects, but also the Company sugar business in Savannakhetakhet in Laos has a continuously improve in operation as a result of increasing in world sugar price and positive impact from a currency exchange rate.

In the year of 2022/2023 Thailand sugar business estimates that the number of domestic sugarcanes available will increase around 15-20 percent from 92.07 million tons in the year of 2021/2022. The forecasted amount of 105-110 million tons is because of the proper weather condition for growing sugarcanes. Moreover, the increase in world sugar price forces the farmers to choose sugarcanes rather than other plants.

KSL's group has completed the 77 years of its businesses, adhering the target of being one of the leaders in sugar manufacturing and by-product businesses, emphasizing value added products, and targeting a leading position in term of cost management and production efficiency. The technology was continuously integrated to use with the production system and management process along with business expansion. Consequently, the Company has gradually invested in its business along the way. After the Company started to expand white sugar and refined sugar distribution to end customers through modern trade channel in 2021, the Company currently distributes sugar products to Makro store and other hypermarkets in the future. In 2022 the Company developed a special product, low GI (low glycemic index) sugar, which will be launched to the retail market in 2023. This expansion will support marketing plan in premium sugar products, provided that the Company has been certified Bonsucro standard for the fourth consecutive year and the Company has also expanded the sugar cane area as certified by Bonsucro for farmers as well. In the future, the Company has also prepared other products such as natural brown sugar, organic sugar, and other special packaged sugar.

The Company continuously promotes innovation through the KSL Innovation Award project, which is a project that will help to develop and improve the efficiency of production processes. Many employees are interested in this project and submit their work to the contest.

For the sustainability activities, the Company ensures that the Company complies with all corporate governance policies and codes of conduct in business operations, the company has continuously complied with the social responsibility policy that has been announced. In addition, the Company focuss on development and sustainability together with the communities surrounding the factory through activities in accordance with the sufficiency economy principle. The Company focuses on the environment through energy management, emission control, environmental impact and industrial waste management and cost-effective recycling of water and materials. For year 2022, the Company received Sustainability Disclosure Recognition Award from Thaipat Institute for the second year, in recognition of the company's excellent public disclosure of sustainability information to all stakeholders and respond to the Sustainable Development Goals (SDGs). This award is one of the cornerstones of KSL Group's drive to drive and strive towards a sustainable organization.

On behalf of the Board of Directors and the management, the Company would like to thank all personnel who had joined hands to make a continuing progress and stability for the Company. Heartfelt thanks are also conveyed to all shareholders and business alliances who kept giving their impressive support. The Company still commits to continual development and sustainable growth along with the good care for society, community and environment.



Mr. Manu Leoparote  
Chairman of the Board of Directors



Mr. Chamroon Chinthammit  
Chief Executive Officer (CEO)

## Income Statement Highlight

Income Statement Highlight (Million THB)	2022	2021	% Change	2020
Sales and Services	16,329	10,470	56%	11,853
Cost of Sales and Service	(13,540)	(9,230)	47%	(10,082)
Gross Profit	2,789	1,240	125%	1,771
Other Incomes	325	286	14%	248
Selling Expense	(434)	(294)	48%	(451)
Administration Expense	(735)	(730)	1%	(914)
Profits before other gain (loss) and other expenses	1,945	502	287%	654
Other gain (loss) and other expense - net	128	119	8%	(644)
Share of profit of associated companies	76	511	-85%	323
Profits before financial cost and tax	2,149	1,132	90%	333
Financial cost	(429)	(425)	1%	(497)
Corporate Income Tax	(391)	(92)	325%	66
Minority interest	(8)	1	-900%	15
Net Profit (loss)	1,321	616	114%	(83)
Earnings (loss) per Share (EPS)	0.30	0.14	114%	(0.02)
Gross Profit Margin	17.1%	11.8%		14.9%
Net Profit Margin	8.1%	5.9%		-0.7%

Statement of Financial Position Highlight (Million THB)	2022	2021	% Change	2020
Cash and cash equivalents	255	224	14%	138
Trade and other current receivables	1,058	1,064	-1%	1,203
Short-term loans	624	588	6%	786
Inventories	2,740	2,707	1%	2,049
Other current financial assets	655	91	620%	-
Other current assets	481	105	358%	98
Investments in associates	4,803	4,650	3%	4,273
Other non-current financial assets	229	173	32%	-
Other long-term investments	-	-	0%	157
Finance lease receivable - net of current portion	-	361	-100%	361
Long-term loans	113	137	-18%	144
Investment property	6,297	6,112	3%	5,775
Property, plant and equipment	24,139	25,007	-3%	25,891
Other non-current assets	256	302	-15%	247
<b>Total Asset</b>	<b>41,650</b>	<b>41,521</b>	<b>0%</b>	<b>41,122</b>
Current Liabilities	8,985	12,012	-25%	11,388
Non-Current Liabilities	11,302	9,398	20%	10,188
<b>Total Liabilities</b>	<b>20,287</b>	<b>21,410</b>	<b>-5%</b>	<b>21,576</b>
Total Shareholder's Equity	21,363	20,111	6%	19,546
Total Equity Attributable to Owners of the Parent	20,890	19,581		19,027
D/E Ratio	0.95	1.06		1.10
IBD/E Ratio	0.78	0.92		0.96

Cash Flow Highlight (Million THB)	2022	2021	% Change	2020
Net Profit + Depreciation + Non Cash	2,976	1,572	89%	1,028
Change in Working Capital	(548)	(1,177)	-53%	507
<b>Cash flow from Operating Activities</b>	<b>2,428</b>	<b>395</b>	<b>515%</b>	<b>1,535</b>
Invest in investment in an associate	(284)	-	100%	-
Cash received from dividends	265	57	365%	24
Net Invest in PP&E	(179)	(191)	-6%	(435)
<b>Cash flow from Investing Activities</b>	<b>(44)</b>	<b>31</b>	<b>-242%</b>	<b>(228)</b>
<b>Cash flow from Financing Activities</b>	<b>(2,334)</b>	<b>(339)</b>	<b>588%</b>	<b>(3,591)</b>
Change in Cash Flow	31	86		(2,292)
Beginning Cash	224	138		2,430
Ending Cash	255	224		138
EBIT	2,149	1,132	90%	333
Depreciation and Amortization	1,180	1,092	8%	1,080
EBITDA	3,329	2,224	50%	1,413



## Business Operation and Operating Results

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## 1. Overview of Business Operation and Policy

Organizational structure and operation of the group of companies

### 1.1 Policy and business overview

#### Overview of the vision

Khon Kaen Sugar Industry Public Company Limited has the policy to operate its business ethically and responsibly towards society and the environment. It gives emphasis on conducting transparent operations, respecting human rights standards, and safeguarding the interests of all stakeholders through the following vision, mission, and quality policy:

#### Vision

We are natural energy innovation for all.

#### Mission

1. Create income for farmers on basis of sustainable agricultural development
2. Develop high value products and services
3. Develop personnel's potential as well as information technology to increase competitive edge and growth
4. Develop manufacturing process and technology to achieve highest efficiency and effectiveness as well as compatibility with environment and community
5. Promote innovation and research and development to expand and extend to new business potentials.

#### Quality Policy

To produce high quality sugar, achieve efficient operation, make on-time delivery, ensure customer's satisfaction and consumer's safety.

Long-term goal of the Company is to be one of the leaders in sugar, by-products, and value added productions which can be shown in company's sugar policy: "production of high quality sugar with high efficiency, prompt delivery, winning customers' trust, consumption safety". This policy has encouraged company's 5 sugar factories to be widely accepted as one of the highest efficiency and highest quality sugar production groups in Thailand. In addition, with the goal of being one of leading companies in by-product and value added production and with the vision on the potential growth in related – sugar businesses, such as ethanol business and power business. The Company has continuously made direct and indirect investments in these sectors via subsidiaries and associated companies.

The Company's short term goal is to be one of the leaders in the industry who excels in cost management and productivity. The goal can be achieved by applying modern technology to the corporate production and management systems. Furthermore, the Company is aware that its primary risk is the amount of cane it is able to procure for crushing. The sugar factories and other integrated businesses cannot sustain without adequate cane

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crushed. The Company, hence, aims to reduce the farmers' cane cultivation cost as well as to improve their productivity yields and efficiency. Its objective is to help the farmers sustain their living and receive higher return on their investment as well as to remain productive farmers to our businesses.

### 1.1.2 Material changes and developments

#### Sugar business

The company has developed machinery to be more efficient, including continuous investment in the growth of sugar production to meet the needs of industrial customers and exports. In the past 2-3 years, the company has invested in machinery for liquid sugar production. The target group of liquid sugar is both domestic and oversea foods and beverage industrial customers and other distribution channels are planned to be expanded for liquid sugar and other high quality sugar in the future.

In addition, since the year 2020, the Company has made branding well known to retailed customers and through modern trade channel starting at Marko Department store in order to introduce and sale products to retailed customers for distribution of white sugar, refined sugar and natural sugar including refined sugar in other special packages to support the marketing plan of special products or others distribution in the future.

#### Related Businesses

BBGI Public Company Limited ("BBGI"), an associated of the KSL, the business objective of BBGI is to invest in bio-based products manufacturing and trading business as a holding company. As a result of BBGI group's business and capacity expansion, BBGI is consider as the largest biofuel business and distribution in Thailand. As present, BBGI is the second largest ethanol producer in Thailand including being a biodiesel producer with market share ranked third in Thailand.

BBGI has determined the business growth direction of the BBGI Group in the future by expanding the investment in manufacturing high-value bio-based products, or HVP for health and well-being products.

In March 2022, BBGI's ordinary shares began trading on the Stock Exchange of Thailand. This causes the proportion of investments by companies in the BCP Group and KSL Group to change to a 45% ratio and 29.88% ratio, respectively. Currently, BBGI remains KSL's affiliate.

Last year, the BBGI Group expanded its major businesses. It can be summarized as follows:

- The BBGI Group has had three ethanol manufacturing factories. They currently have a total production capacity of 600,000 liters per day. The Group has invested in the expansion of the production capacity of the subsidiary's factory at Nam Phong District in Khon Kaen Province for another 200,000 liters per day. The Group started some commercial production operations in 2022, and it is expected to be able to produce at full capacity within the first quarter of 2023, which will increase the overall production capacity to 800,000 liters per day. In addition, the BBGI group constructed a biogas manufacturing plant in Bo Phloi District, Kanchanaburi Province. It was completed in the second quarter of 2022,

and the ongoing utility system in Nam Phong District, Khon Kaen Province, is expected to be completed in the first quarter of 2023.

- The BBGI Group is a leading biodiesel manufacturer and trader in Thailand, with a production capacity of 1.0 million liters per day.
- The BBGI Group has established a new subsidiary named WIN Ingredients Singapore Pte. Ltd. It operates the bioproduct development business and provides technical and trade support. Win Ingriadians Company Limited (a BBGI subsidiary) is the shareholder with 100% ownership.
- BBGI has a joint investment with Biom Company Limited to develop synthetic biology technology, or SynBio, to create value and bring research to commercial growth. BBGI has 20% of the shareholding proportion.
- BBGI has established BSGF Company Limited, a joint venture with Bangchak Corporation Public Company Limited and Thanachok Oil Light Company Limited, to operate the business to supply raw materials, manufacture, and distribute sustainable aircraft fuel from used oil. It is expected to have a production capacity of 1,000,000 liters per day. It has a 20% stake in the company.
- BBGI offers high-value bio-based products (HVP) to the market under the brand “B nature+” (B nature plus), including dietary supplement products “Calcium-LT plus UC-II” and four probiotic products, namely Fit, Balance, Smile, and Immu, including Asta-Immu, ASTA-VIS, and hand cleaning products (alcohol), which meet pharmaceutical standards according to production standards from GMP HACCP. Such products are distributed through online channels, including Facebook: Bnatureplus, Line Official: @BNaturePlus, Shopee: B nature+, Lazada: B nature+, and KONVY: B nature+, and are sold through other leading stores, such as Inthanin, Bangkok Pharmacy, and on television through True Shopping, etc. These high-value bio-based products are also marketed as business-to-business (B2B), including soy milk mixed with oat milk beverage under the brand “More Day” and calorie-free sweeteners (Reb-M).

### Company’s Business Overview

Khon Kaen Sugar Industry Public Company Limited and its subsidiaries, under KSL, are the fourth largest sugar producer group in Thailand. The group consists of 5 sugar factories located in three different regions, as follows:

1. Northeastern Region (2 factories) : Khon Kaen Sugar Industry Public Company Limited; Nampong branch in Khon Kaen province and Wangsapung branch in Loei province.
2. Western Region (2 factories) : New Krung Thai Sugar Factory Co., Ltd and Tamaka Sugar Industry Co., Ltd. in Kanchanaburi province
3. Eastern Region (1 factory) : New Kwang Soon Lee Sugar Factory Co., Ltd in Chonburi province

In addition, the Company has an operated factory located in Savannakhet Province, Lao.

The core product which the Company produces is sugar which can be categorized to be 6 types: (a) raw sugar, (b) high pol sugar, (c) white sugar, (d) refined sugar, (e) brown sugar and (f) liquid sugar. The Company also has other

products related to sugar production process, such as molasses, bagasses and filter cake. According to these kinds of products, the Company has a plan to invest in value added projects, as followings: (shown on Figure 1)

- (1) The ethanol plant : Ethanol is mixed with gasoline, and the mixture is used as fuel for vehicles. Raw materials used in the Group’s ethanol production include molasses and sugarcane juice (it is currently managed by BBGI Pcl.)
- (2) The biogas plant uses waste water from ethanol production process as a raw material. Biogas produced through fermentation is used as a supplementary fuel for the corporate power plant. (It is currently managed by BBGI Pcl.)
- (3) The organic fertilizer plant uses waste from the sugar production process (filter cake) and waste water from biogas and ethanol production as raw materials.
- (4) The power plant uses waste from the sugar production process (bagasse) and biogas from the biogas plant as fuel sources for producing electricity and steam sold to plants in the Group and Grid.

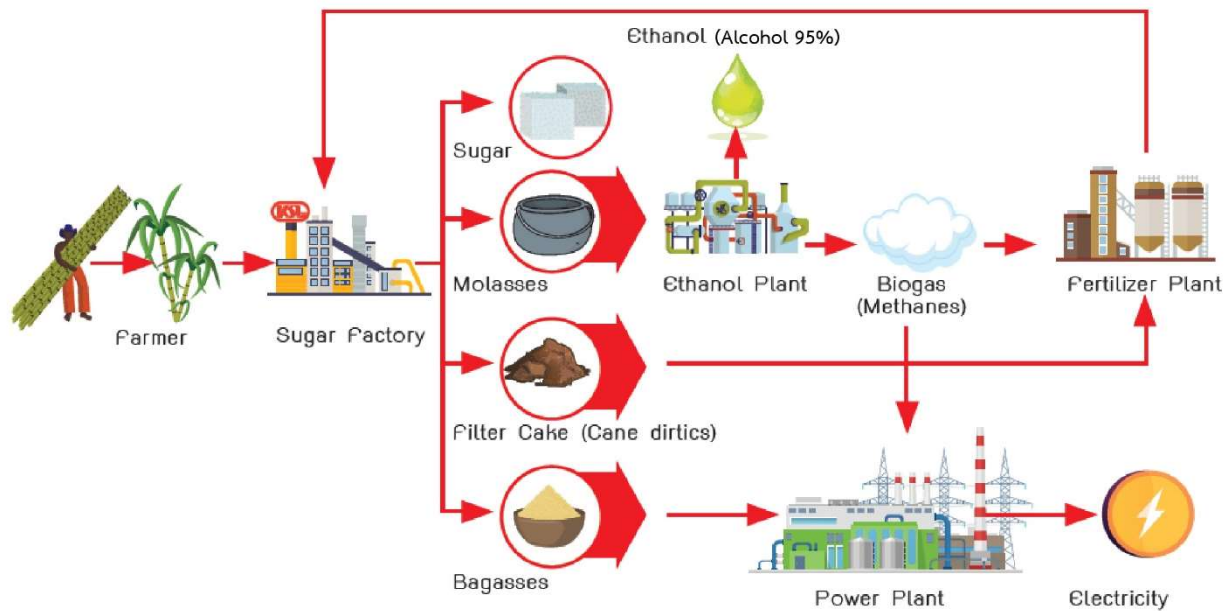


Figure 1 : The Relationship between KSL's existing Sugar Production and KSL's Value Added Project

Figure 1 : The Relationship between KSL's existing Sugar Production and KSL's Value Added Project

1.1.3 Specify whether or not The Company

N/A

1.1.4 Clarify the obligations to which the Company has committed

N/A

**1.1.5 General Information**

Company Name	:	Khon Kaen Sugar Industry Public Company Limited
Type of business	:	Manufacturer of Sugar & Sugar-related products
Major Product	:	Raw sugar, High pol Raw sugar, Brown Sugar, White sugar, Refined sugar and Liquid sugar
Company Registration Number	:	PCL 0107547000214
Registered & Head Office	:	503 KSL TOWER 9 <sup>th</sup> Floor, Sriyudhya Road, Thanon Phaya Thai Sub-District, Rajathevi, Bangkok, 10400 Thailand
Registration Phone number Telephone	:	+662-642-6191-9
Facsimile	:	+662-642-6097
Factory Locations (Branch 1)	:	43 Moo 10, Namphong- Kranuan Road, Namphong, Khonkaen Province, 40140, Thailand Telephone number +6643-432-902-6 Facsimile +6643-441-056
Factory Locations (Branch 2)	:	255 Moo 4, Nong Ya Plong Sub-district, Wangsaphung District, Loei Province, 42130, Thailand Telephone number +6642-810-931 Facsimile +6642-810-931
Website	:	<a href="http://www.kslgroup.com">http://www.kslgroup.com</a>
Authorized share capital	:	2,205,121,824 Baht
Paid-up share capital	:	2,205,116,309.50 Baht divided into 4,410,243,648 ordinary shares paid-up share capital 4,410,232,619 ordinary shares of Baht 0.50 each

**1.2 Nature of Business**
**1.2.1) Income structure**

Company	% of Shareholding in 2022	2022		2021		2020	
		Revenue (Million THB)	%	Revenue (Million THB)	%	Revenue (Million THB)	%
1. Khon Kaen Sugar Industry PCL.	Parent Company	9,323	42%	5,345	34%	6,267	35%
2. Tamaka Sugar Industry Co., Ltd.	90.21%	2,258	10%	1,598	10%	1,664	9%

3. New Krung Thai Sugar Factory Co., Ltd.	95.78%	3,874	17%	2,504	16%	3,029	17%
4. New Kwang Soon Lee Sugar Factory Co., Ltd.	99.21%	720	3%	464	3%	492	3%
5. K.S.L. Export Trading Co., Ltd.	79.55%	12	0%	8	0%	16	0%
6. Khon Kaen Sugar Power Plant Co., Ltd.	100.00%	2,524	11%	2,082	13%	2,579	15%
7. KSL Material Supplies Co., Ltd.	100.00%	337	2%	186	1%	149	1%
8. KSL Real Estate Co., Ltd.	91.02%	122	1%	136	1%	164	1%
9. KSL. Agro and Trading Co., Ltd.	100.00%	2,525	11%	2,847	18%	2,901	16%
10. Koh Kong Plantation Co., Ltd.*	100.00%	-	0%	-	0%	-	0%
11. Koh Kong Sugar Industry Co., Ltd.	100.00%	-	0%	-	0%	1	0%
12. Savannakhet Sugar Corporation	98.00%	613	3%	452	3%	498	3%
13. Wynn In Trading Co., Ltd.	100.00%	-	0%	-	0%	-	0%
14. WSP Logistics Co., Ltd.	100.00%	-	0%	-	0%	-	0%
15. KHUN CHUAN Company Limited	99.97%	-	0%	-	0%	-	0%
<b>Total</b>		22,308	100%	15,622	100%	17,760	100%
<b>Minus Interrelated items</b>		-5,979		-5,152		-5,907	
<b>Total Revenues</b>		16,329		10,470		11,853	

\*Indirect shareholding through Wynn In Trading Co., Ltd. and KSL. Agro and Trading Co., Ltd.

(Description of the income shifts and business operations results, please refer to financial status and operation results.)

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## 1.2.2 Business operations of each product line

### Main Product: Sugar

#### Sugar: Product Characteristics

The Company is a group of sugar manufacturers whose quality management system is certified by SQF 2000, ISO 9001: 2000, and Hazardous Analysis and Critical Control Point (HACCP) accreditations. KSL's has variety of sugar produced which can be divided into six categories of sugar according to its type and level of purity as follows:

**Raw sugar** – Raw sugar has a color index higher than 1,500 ICUMSA. It is dark brown with a high impurity index and a low purity index. The shipment is usually loose-loaded in bulk. Raw Sugar cannot be direct consumption. It is required to refine to white sugar or refined sugar.

**Raw Sugar with High-Polarization** – Hi-pol Raw sugar contains color between 1,000 - 1,500 ICUMSA. It is not fit for direct human consumption. Normally, the sugar is transported loose-loaded in Bulk to the vessel. The price is usually lower than that of white sugar and refined sugar.

**Korean-Specs Raw Sugar (K-Specs)** - Raw sugar with a Polarization value not exceeding 99.49 Dry Basis and color not exceeding 3,000 ICUMZA. It cannot be consumed directly and required a bulk shipment.

**Brown Sugar** – Brown Sugar is in the same grade as white sugar; however, it has a light brown color and contains lower moisture than raw sugar.

**White sugar** – White sugar contains its color between 46 - 200 ICUMSA with minimum polarization 99.50. It is fit for direct human consumption. It is being used for home used and/or raw material/ main ingredient in food industries.

**Refined sugar** – Refined sugar contains its color not more than 45 ICUMSA. The sugar is being used for home used and some industries which required the better quality and higher in purity, such as pharmaceutical sector, beverage sector, and energy drink.

**Syrup (Liquid sugar)** – liquid sugar contains color below 35 ICUMSA with 66.5-67.5% brix. This product has higher in purity and preferably be used in the industries whereas required to melt the sugar crystal into liquid form, therefore this product is the most suitable for beverage and energy drink sectors as it can generate the saving for its process of sugar crystal melting.

All KSL products have been certified for quality management systems according to "SQF 2000 Standard", "ISO 9001 Version 2000 Standard", including "Hazard Analysis and Critical Control Point Standard" or HACCP sugar. The Khon Kaen Sugar group of companies have a proportion of domestic sales accountable for 20% of its distribution volume and the remaining 80% for export, separated by various channels such as export to neighboring countries, export to the Export Processing Zone (EPZ), deliver to TCSC to make a benchmark cane price and export to the consumer countries, mainly in Asia.

In sugar production process, there's leftover liquid that cannot be granulated into sugar or it is below the break-even point to make sugar, called molasses, which molasses is a by-product of sugar production that still has



value. Generally, there are various substances that are 20% water, 30% sucrose and inverted sugar, 32% organic matter, 12% non-sugar and 6% ash, and in the quantity of 1 ton of sugar cane, the sugar factory will produce about 45 - 50 kilograms of molasses. Therefore, the amount of molasses produced each year depends on the amount of sugar cane crush each year. Molasses can be widely used in the biochemical industry (Biochemistry Industry), including the alcohol industry and distillery. yeast production industry, Monosodium Glutamate Industry, Feed industry (Mixed with cassava and bagasse), vinegar production industry, soy sauce and seasoning industry which is regarded as the downstream industry of sugar production. Traditionally, these by-products were not included in the sugarcane benefit-sharing system price calculation. By-products that do not have market price or reference price that is widely accepted. It often causes debate and difficult negotiations. It does not yet have an agreement with the factory representatives and the farmer organization for a no clear conclusion in this section. In the production year of 2022/23, the farmer's organization representatives have proposed to adjust the benefit-sharing system by adding those by products return to alleviate the problem of falling sugarcane prices in the past 3-4 years since Thailand Sugar Industry use the old system which shows that both farmers and mills. They are aware of the conflict of interests in the sugarcane benefit-sharing system of Thai sugar industry. Thailand, in this regard, the importance of the restructuring of the industry should be considered benefits sharing system which is still a particularly important problem nowadays

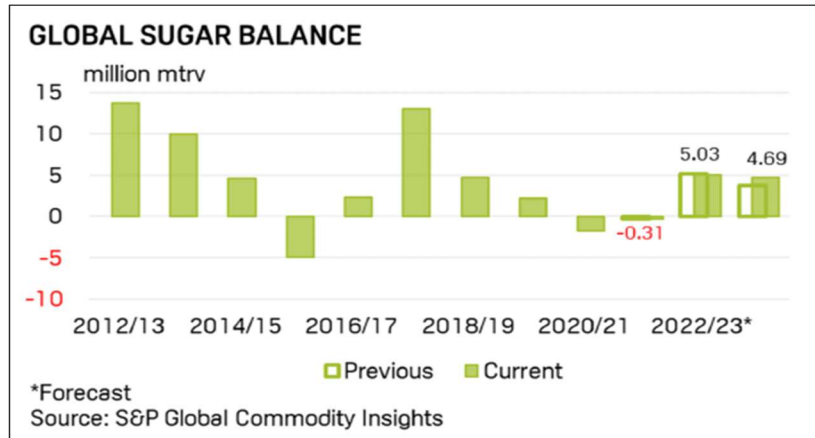
## **2. Marketing and Competition Status**

### **Sugar: Market and Competition**

#### **International Market Overview**

According to Platts Analysis, as of November 21, 2022, the sugar balance is expected to continue to exceed the balance in the years 2022 and 2023. It is mainly the climate that contributes to the growth of sugarcane. Sugarcane is a plant that needs water, so it is necessary to have enough water to produce good yields. The yield in 2021 and 2022 exceeded 5 million tons of sugar. The weather conditions in major producing countries, such as Brazil, Thailand and India, have brought about better yields. In the early part of the production season, sugarcane in Brazil, one of the main sugar producers, has decreased sweetness, which may result in a decrease in the sugar yield. Now the harvest is almost finished and the sweetness value has begun to adjust to be close to the previous year.

Figure 2.1: Global Sugar Balance (1,000 tons, centrifugal sugar, raw value, OCT/SEP)



Source: Platts as of December 21, 2022

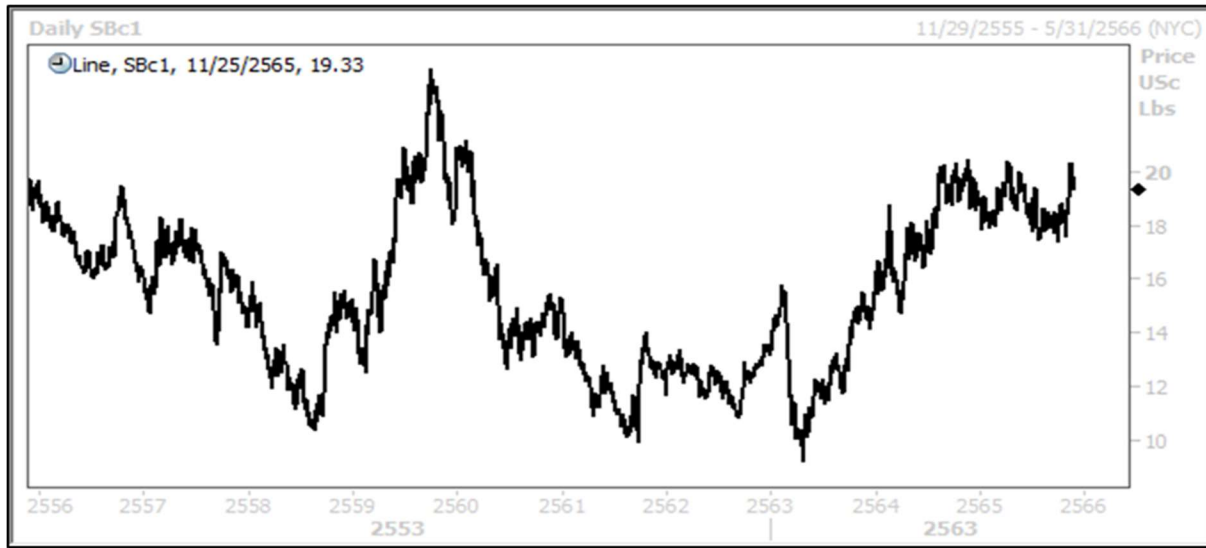
Thailand is considered a major producer and exporter of sugar. In 2021/2022, Thailand has a total sugarcane plantation area of 11.02 million rai, an increase of 159,738 rai from the previous year, accounting for 1.47%. The central region has the most increase in area at 1.77%, owing to sugar prices in the global market remaining stable and showing a positive trend as a result of higher sugarcane prices. Although production costs, such as fertilizer, oil and labor, have increased, this is considered an incentive for sugarcane farmers to return to sugarcane planting. There are a total of 57 sugar mills with a total of 152 days of cane crushing, with sugar cane crushing nationwide at 92.07 million tons, an increase of 25.41 million tons from the previous year or 38.12%. The sugarcane supply is at 10.12% and the average sweetness is 12.71 CCS, slightly down from the previous year. Among them, the total amount of fresh sugarcane is about 66.95 million tons, accounting for 72.72% of the total sugarcane on average and the burning sugarcane is 25.12 million tons, or 25.12%. The government has set a clear policy not to promote burning sugarcane to reduce PM 2.5 dust and the sugar factories have encouraged farmers to cut more fresh sugarcane. It is expected that during next year’s production season, the quantity of fresh sugarcane will continue to increase. This will result in higher sugarcane yields per ton.

In 2022, the average sugar yield was 110.08 kilograms per ton of sugarcane, down from the previous year. However, it is likely that in the harvesting season of 2022/2023, the amount of sugarcane will increase by over 100 million tons. This is because the global sugar price is still high and the amount of rainfall is increasing. The sugar production in Thailand is considered high quality, as it comes from sugarcane that can be used for a variety of purposes. In addition to sugar production, it can be an important source of renewable energy, namely ethanol. Moreover, the rest of the sugarcane can be used to make other products, such as packaging from bagasse or can be used in the production of organic fertilizers. Nevertheless, such production has a relatively high production cost.

The sugar price in 2022 improved, with a price level of 18.00-20.00 cents per pound. It is quite a good price. The main factor is the holdings of the fund’s status and speculators. The energy prices also fluctuated but were in the positive realm. From the Russian and Ukrainian war, in addition to the good level of sugar prices in the global market, the

exchange rate is another factor that improves returns in the baht because the US dollar continued to depreciate throughout the year.

Figure 2.2: Showing world sugar prices (NYBOT#11) past 10 years.



### Key Export Sales Channels

There are main Sales Channel sorted by the proportion of sales as follows

(1) Sales through traders to Export Processing Zone (EPZ) Buyer sell in advance or pay before delivery. This is a good way to minimize payment risk for the companies.

(2) Sales to International traders/ Foreign trader companies, they will sell Thai sugar to buyers to end user in overseas destination country. This channel is considered a risk management on the part of the counterparty in matter of not being able to collect money and simplify the shipment handling transportation to the destination country. The terms of export sales will be Free on Board at Bangkok Port, Sriracha Port. or Laem Chabang Port The sugar factory in Thailand will be responsible for the transportation. to the port of export in the country only

(3) Border export sales to neighboring countries buyer such as Cambodia, Laos, and Myanmar by selling with adjacent border In this channel, sales are often delivered ex-factory. This is a way that the company can reduce export expenses and reduce the hassle of preparing transportation for export.

(4) Direct Sales to Manufacturers who produce export products that use sugar as raw material to be able to compete with other manufacturers in the global market and also to promote investment in the food industry and increase competitiveness The government therefore provides an opportunity for exporters to obtain permission to purchase sugar at world sugar prices. under the conditions set by the government.

### Overview of Marketing and Competitions in Domestic Market

In 2022, there are 57 operating sugar factories in Thailand, divided into 6 groups of sugar factories, which are Thailand's major sugar producers, and the rest are individual single mill producers. The number of sugar mills are currently regulated by the government, the sugar mills require to obtain a permission granted from the Cane and Sugar Board and Department of Industrial Works, Ministry of Industry. Then, being able to expand their production capacity or move the production base or build a new sugar factory.

Thailand cane crushing season usually starts harvesting in December of each year until about April or May for the 2022/23 production year, sugarcane is estimated to be crushed in Thailand. More than 100 million tons of cane is estimated by the Khon Kaen Sugar Factory Group. Aim to hold 7-8% of the group sugarcane share.

**Table 1: Sales Volume and Ratio of Domestic Sugar Sales in the Past 3 Years**

Sale Volume & Price	2022			2021			2020		
	Quantity (Ton)	Avg. Price (THB/ton)	Amount (Million THB)	Quantity (Ton)	Avg. Price (THB/ton)	Amount (Million THB)	Quantity (Ton)	Avg. Price (THB/ton)	Amount (Million THB)
<b>Total Sugar Sale</b>	725,345	17,735	12,864	505,188	15,553	7,857	693,830	12,717	8,823
<b>Domestic sale</b>	145,506	17,861	2,599	172,044	17,630	3,033	164,067	17,535	2,877
<b>Export sale</b>	579,839	17,704	10,265	333,144	14,481	4,824	529,762	11,225	5,946
<b>% Domestic Sale/Total Sale</b>	20%			34%			24%		

### Electricity and Steam: Market and Competition

The electricity and steam generated is first sold to the KSL Group's plants so that it can be used to produce sugar and ethanol. The excess electricity produced is then mostly sold to Electricity Generating Authority of Thailand (EGAT) and Provincial Electricity Authority (PEA) through long-term contract and therefore has limited number of competitor and reliable customer. A 100% of electricity and steam produce is sold domestically.

**Table 2: Sales Volume and Average Selling Price of Electricity in the Past 3 Years**

	2022	2021	2020
<b>Sale volume (MW-hour)</b>	357,526	315,225	330,882
<b>Avg. selling price (THB/MW-hour)</b>	3,335	3,202	3,191

### 3. Product and Service Provision

#### 3.1) Sugar: Product and Service Provision

##### Raw Material Provision Policy

Providing raw materials for manufacturing is a vital process for sugar producers. As the total capacity of the Thai sugar industry exceeds domestic sugarcane produce, all the sugar factories need to ensure that the maximum amount of cane is provided for their production in order to reduce their fixed cost per unit. The main solution employed by most sugar manufacturers is providing financial support to farmers, which is known as the “Geaw” system. Agreements of the sugar producers’ advance purchase of sugarcanes from the supported farmers are made, allowing the farmers to apply for loans from the sugar manufacturers. The loans are used for sugarcane cultivation. Harvested sugarcanes, then, are delivered to the factories and the sugarcane costs are deducted from the loans.

The Company’s strategy is giving long-term benefits as incentives to the sugarcane farmers providing their crops to the corporate factories. This promotes both the growth of the farmers’ incomes and The Company. The main policy “Prosperity of farmers is prosperity of the factory and brought to the community happiness”, especially employed in the northeast, emphasizes creating and promoting a sustainable way to make a living for sugarcane farmers, as well as eliminating middlemen known as “Quota Heads”. This effort allows The Company to learn about problems experienced by the farmers and provide them suitable assistance. Also, The Company provides the farmers equipment, knowledge and production support, such as providing loans for purchasing trucks; giving them filter cakes for making fertilizers free of charge; and providing experts in sugarcane cultivation, and prevention and elimination of crop pests. The support enhances good relationships between the farmers and The Company, as well as systematic growth.

##### Company Marketing Policy

The Group focuses on direct sales to the industrial sector. The company pays attention to the quality of the product to meet the needs and delivery on time. Most customers are the operators mainly in the beverage and sweets industries.

In addition to the strategy of focusing on sales to the industry. In the year of production 2021/22, the group of companies focuses on Sales to producers in the economic zones that produce products for the Export Processing Zone because sugar sales to such producers will receive good returns. And faster than general export sales because of cheaper transportation costs and still important to sell sugar to entrepreneurs who produce food products for export. (re-exporter).

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### Environmental effects

The sugar manufacturing process causes wastewater and dust from ash in the steamer's burning process. The Company is well aware of such effects and has employed appropriate measures to prevent environmental problems, in compliance with standards issued by Ministry of Industry.

#### **Sugar: Works Not Submitted**

- None -

### **3.2 Electricity and Steam: Product and Service Provision**

#### Raw material provision policy

Raw material procurement is crucial in operating the electricity generating business. The corporate power plant is mainly fueled by bagasse. Costs of electricity and steam depend on the amount of crushed sugarcane and other alternative biomass fuels' cost (in case of insufficient bagasse volume). In each year, Khon Kaen Sugar Power Plant has prepared purchasing biomass fuel source, such as purchases of bagasse from nearby plants, wood chips or sugarcane leaves or coconut shells or other biomass fuels etc.

#### Production policies

##### 1. Cost Management

Khon Kaen Sugar Power Plant committed to minimize its production cost. Costs of electricity generating and steam energy production include fuel and depreciation. Fuel efficiency is, hence, crucial. The Company also ensures economy of scale to reduce its unit cost.

##### 2. Improving and Developing of Production Effectiveness

The quality of fuel is effectively controlled, as The Company uses its own bagasse. Fuel efficiency is ensured by management of dehumidification of raw material using such methods as bagasse dryer system and construction of rain shield roofs including development or modification of machineries used for sugarcane leaves or other biomass, etc.

#### Marketing policy

The long-term agreement between The Company and EGAT allows the electricity produced to be priced based on fixed formula of calculation. The sale unit price increases at the time when EGAT's demand for electricity is high. Electricity sold to the companies in the KSL Group is priced at an equivalent rate as that sold to EGAT.

### Environmental effects

Extensive Environmental Impact Assessment (EIA) has been carried out. The facilities in Khon Kaen province has been registered with CDM Executive Board as a CDM (Clean Development Mechanism project under the Kyoto Protocol) which helps carbon reduction.

### Electricity & Steam: Works Not Submitted

- None -

## 4. Operating Assets

### 4.1) Core Operating Fixed Assets

As of October 31, 2022, the company and its subsidiaries have core operating assets as follows:

Items	Approximate Area	Ownership	Net Book Value (Million THB)	Encumbrance
1. Land & Land Development (Rai)				
Land for factory location				
- Khon Kaen Sugar Industry	1,408.10	Owner	938.95	
- Tamaka Sugar Industry	244.76	Owner	720.92	
- New Krung Thai Sugar Factory	1,139.90	Owner	293.80	
- New Kwang Soon Lee Sugar	251.53	Owner	103.62	
- KSL. Agro & Trading Co., Ltd.	90.86	Owner	58.16	
- Khon Kaen Sugar Power Plant Co., Ltd.	420.15	Owner	202.75	
- KSL Material Supplies Co., Ltd.	226.52	Owner	26.07	
Cane Plantation Area	9,635.07	Owner	1,568.34	
Office Area	376.88	Owner	246.31	
Other Lands	104,889.54	Owner	1,691.99	
Total Land & Land Development	118,683.31		5,850.91	
2. Factory Building and Construction		Owner	4,774.77	
3. Machinery and Equipment		Owner	12,972.28	
4. Motor Vehicle and Labors-saving device		Owner	345.35	
5. Furniture and Office Equipment		Owner	17.08	
6. Assets under Construction		Owner	162.54	
Grand total			24,122.93	

The Company has listed the land with the revalued amount (fair value). Revaluation is carried out by independent appraisers, which the Company has a policy to have independent appraisers appraise the said land every 3 - 5 years in order to the book value at the statement of financial position date shall not differ materially from the fair value. The company's latest appraisal of the land's fair value was conducted in year 2020. In addition, the above assets are owned by the Company and are free from collateral.

#### 4.2 Significant Intangible Assets

##### Trademarks

Key trademarks of Khon Kaen Sugar Industry Public Company and subsidiaries are registered with the Department of Intellectual Property, as follows:



##### Privileges of Benefits from Promoted Investment

A domestic subsidiary received 3 investment promotion certificates from the Board of Investment of Thailand (BOI) under the Investment Promotion Act B.E. 2520. The benefits include the exemption from income tax for profit for the year derived from operations of promoted businesses for the period of 8 years, commencing from the date of first receiving operation revenue of promoted businesses. The details are as follows:

<u>Certificate No.</u>	<u>Sections Privilege</u>	<u>Date</u>	<u>Promoted activity types</u>	<u>Commenced date of revenues generated</u>	<u>Expire date</u>
1432(2)/2552	25, 26, 28, 31(1), 31(2), 31(3), 31(4), 34, 35(1), 35(2) and 35(3)	June 24, 2009	- Production of electricity, power steams and water for manufacture	November 30, 2010	November 29, 2018
1349(2)/2556	25, 26, 28, 31(1), 31(2), 31(3), 31(4), 34, 35(1), 35(2) and 35(3)	Mach 15, 2013	- Production of electricity, power steams and water for manufacture	January 21, 2014	January 20, 2022
61-0170-1-00-1-0	25, 26, 28, 31(1), 31(2), 31(3), 31(4) and 34	February 12, 2018	- Production of electricity, power steams and water for manufacture	Income not yet derived	



Furthermore, in accordance with the Promotion Certificate No. 1432(2)/2552 and 1349(2)/2556, the subsidiary receives the privilege in 50% income tax reduction of the regular rate for the period of 5 years commencing from the expiration date of income tax exemption and under all Promotion Certificates, the subsidiary is granted privilege for exemption of import duties for approved machinery and exemption from income tax on dividend on profit from promoted businesses during the period in which The Company is granted exemption from corporate income tax.

#### 4.3 Investment and Management Policy for subsidiaries and affiliates

As of October 31, 2022, The Company invests in both direct and indirect 14 subsidiaries and 2 associate companies, as followings:

##### Subsidiaries (The Company holds the shares directly)

- 1) Tamaka Sugar Industry Co., Ltd
- 2) New Krung Thai Sugar Factory Co., Ltd
- 3) New Kwang Soon Lee Sugar Factory Co., Ltd
- 4) KSL Real Estate Co., Ltd
- 5) K.S.L. Export Trading Co., Ltd
- 6) Khon Kaen Sugar Power Plant Co., Ltd
- 7) KSL Material Supplies Co., Ltd.
- 8) KSL. Agro and Trading Co., Ltd.
- 9) Savannakhet Sugar Co., Ltd
- 10) Koh Kong Sugar Industry Co., Ltd
- 11) Wynn In Trading Co., Ltd
- 12) WSP Logistics Co., Ltd.
- 13) Khun Chuan Co., Ltd.

##### Subsidiaries (The Company holds the shares indirectly through Wynn In Trading Co., Ltd. and KSL. Agro and Trading Co., Ltd.)

- 14) Koh Kong Plantation Co., Ltd.

##### Associate Companies

- 1) Thai Sugar Terminal PCL
- 2) BBGI PCL

For the subsidiaries that The Company holds its shares directly, The Company has controlling power through both of direct and indirect holding more than 50 % of registered shares.

The Company has the investment and management policy to invest in the business related to sugar business, sweetener business or other business that gives the benefit and reasonable return to the core business. The criteria for the investment will be based on competitive advantage, reasonable rate of return and the investing amount of each business type. In addition, considering the proportionate of investment will be depended on various factors, especially The Company's expertise. If the business requires special experiences significantly and The Company has no or less experience, The Company will let other strategic partners holding the share in higher proportion. However; if The Company has the investment in high proportion, The Company will assign its own representatives to participate in a position of company directors or a position of top management. In addition, all of company investments must be approved by the board of director and there should not be the conflict of interest with the parent company in the future.

#### **Non-financial performance indicators, such as Market share, Customer satisfaction**

KSL Group companies and its subsidiaries have been certified ISO 9001:2000, which required the companies' survey Customer satisfaction, both domestic and international selling channel, covering variety of Quality, Services and others to assess and improve satisfaction. The Company has set their target to achieve a score of at least 94 out of 100. The results in the last 3 years are as follows:

Satisfaction Survey	Year 2022	Year 2021	Year 2020
Domestic	97.85	98.74	97.77
International	98.24	98.20	96.55

Sugar production and market share of the group companies for the last 3 years are as follows:

Production/Market share	Year 2022	Year 2021	Year 2020
Production (Metric Ton)	0.697 Million	0.534 Million	0.585 Million
Market Share (%)	7.00%	7.51%	7.02%

1.3 Shareholding Structure of the group of companies as at October 31, 2022 as follows:

1.3.1 Shareholding structure of the group of companies



**Summary of Subsidiaries and Associated Companies as at October 31, 2022**
**1. Tamaka Sugar Industry Co., Ltd.**

Office location:	503 KSL TOWER 21st Floor, Sriayudhya Road, Thanon Phayathai, Rajathevi District, Bangkok, 10400 Telephone: +662-642-6229-39 Facsimile: +662-642-6228
Business type:	Manufacture and distribution of sugar and molasses
Registered Capital (Baht):	600,000,000 (six hundred million baht)
Stock Type:	common stock
Number of shares held (%):	90.21
Total number of shares:	60,000,000 (sixty million shares)

**2. New Krung Thai Sugar Factory Co., Ltd.**

Office location:	503 KSL TOWER 21st Floor, Sriayudhya Road, Thanon Phayathai, Rajathevi District, Bangkok, 10400 Telephone: +662-642-6229-39 Facsimile: +662-642-6228
Business type:	Manufacture and distribution of sugar and molasses
Registered Capital (Baht):	1,000,000,000 (one billion baht)
Stock Type:	common stock
Number of shares held (%):	95.78
Total number of shares:	100,000,000 (one hundred million shares)

**3. New Kwang Soon Lee Sugar Factory Co., Ltd.**

Office location:	503 KSL TOWER 21st Floor, Sriayudhya Road, Thanon Phayathai, Rajathevi District, Bangkok, 10400 Telephone: +662-642-6229-39 Facsimile: +662-642-6228
Business type:	Manufacture and distribution of sugar and molasses
Registered Capital (Baht):	2,025,000,000 (two thousand twenty-five million baht)
Stock Type:	common stock
Number of shares held (%):	99.21
Total number of shares:	202,500,000 (two hundred two million five hundred thousand shares)

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**4. KSL Real Estate Co., Ltd.**

Office location:	503 KSL TOWER 21st Floor, Sriyudhya Road, Thanon Phayathai, Rajathevi District, Bangkok, 10400 Telephone: +662-642-6229-39 Facsimile: +662-642-6228
Business type:	Development and investment in real estate for rent and as a training center for the group
Registered Capital (Baht):	840,000,000 (eight hundred and forty million baht)
Stock Type:	common stock
Number of shares held (%):	91.02
Total number of shares:	8,400,000 (eight million four hundred thousand shares)

**5. K.S.L. Export Trading Co., Ltd.**

Office location:	503 KSL TOWER 16th Floor, Sriyudhya Road, Thanon Phayathai, Rajathevi District, Bangkok, 10400 Telephone: +662-642-6203-6 Facsimile: +662-642-6207
Business type:	Certified company as export agent of sugar export
Registered Capital (Baht):	20,000,000 (twenty million baht)
Stock Type:	common stock
Number of shares held (%):	79.55
Total number of shares:	200,000 (two hundred thousand shares)

**6. Khon Kaen Sugar Power Plant Co., Ltd.**

Office location:	503 KSL TOWER 17th Floor, Sriyudhya Road, Thanon Phayathai, Rajathevi District, Bangkok, 10400 Telephone: +662-642-6230-9 Facsimile: +662-642-6294
Business type:	Production and distribution of electricity
Registered Capital (Baht):	800,000,000 (eight hundred million baht)
Stock Type:	common stock
Number of shares held (%):	100
Total number of shares:	80,000,000 (eighty million shares)

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**7. KSL Material Supply Co., Ltd.**

Office location:	503 KSL TOWER 9th Floor, Sriyudhya Road, Thanon Phayathai, Rajathevi District, Bangkok, 10400 Telephone: +662-642-6191-9 Facsimile: +662-642-6294
Business type:	Procurement and distribution of raw materials for cultivation
Registered Capital (Baht):	480,000,000 (four hundred and eighty million baht)
Stock Type:	common stock
Number of shares held (%):	100
Total number of shares:	48,000,000 (forty-eight million shares)

**8. KSL. Agro and Trading Co., Ltd.**

Office location:	503 KSL TOWER 9th Floor, Sriyudhya Road, Thanon Phayathai, Rajathevi District, Bangkok, 10400 Telephone: +662-642-6191-9 Facsimile: +662-642-6097
Business type:	Trading domestic sugar and operating agricultural businesses
Registered Capital (Baht):	300,000,000 (three hundred million baht)
Stock Type:	common stock
Number of shares held (%):	100
Total number of shares:	30,000,000 (thirty million shares)

**9. Savannakhet Sugar Corporation**

Office location:	Road No. 9, KM. 81 Lianxay Village Atsapangthong District Savannakhet Province, Lao P.D.R Telephone: +856-41-666-002-3 Facsimile: +856-41-666-001
Business type:	Sugar cane plantation and manufacture and distribution of sugar and molasses, in Laos
Registered Capital (Baht):	687,730,000 (six hundred eighty seven million seven hundred and thirty thousand baht)
Stock Type:	common stock
Number of shares held (%):	98
Total number of shares:	20,000,000 (twenty million shares)

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**10. Koh Kong Sugar Industry Co., Ltd.**

Office location:	Cham yeam Village, Paklong Commune, Mondulseyma District, Koh Kong Province, Kingdom of Cambodia Telephone: +(855)-35-399-888
Business type:	Manufacture and distribution of sugar and molasses, in Cambodia
Registered Capital (Baht):	1,946,690,000 (one thousand nine hundred forty six million six hundred ninety thousand baht)
Stock Type:	common stock
Number of shares held (%):	100
Total number of shares:	167 (one hundred and sixty-seven shares)

**11. Wynn In Trading Co. Ltd.**

Office location:	10th Floor, Raffles Tower, 19 Cyber City, Ebene, Republic of Mauritius
Business type:	International trading and consulting service
Registered Capital (Baht):	487,500,000 (four hundred eighty seven million five hundred thousand baht)
Stock Type:	common stock
Number of shares held (%):	100
Total number of shares:	16,000,000 (sixteen million shares)

**12. WSP Logistics Co., Ltd.**

Office location:	No. 88 Moo 2, Huai Haeng Subdistrict, Kaeng Khoi District, Saraburi Province, 18110 Telephone: +6636-358-309 Facsimile: +6636-358-307
Business type:	Service transport and shipping goods
Registered Capital (Baht):	1,000,000 (one million baht only)
Stock Type:	common stock
Number of shares held (%):	100
Total number of shares:	100,000 (one hundred thousand shares) call up 25%

**13. KHUN CHUAN Co., Ltd.**

Office location:	503 KSL TOWER 16th Floor, Sriyudhya Road, Thanon Phayathai, Rajathevi District, Bangkok, 10400 Telephone: +662-642-6230-9 Facsimile: +662-642-6294
Business type:	Social enterprise
Registered Capital (Baht):	1,000,000 (one million baht only)
Stock Type:	common stock
Number of shares held (%):	99.97
Total number of shares:	100,000 (one hundred thousand shares)

**14. Koh Kong Plantation Co., Ltd.\***

Office location:	Cham yeam Village, Paklong Commune, Mondulseyma District, Koh Kong Province, Kingdom of Cambodia Telephone: +(855)-35-399-333
Business type:	Agricultural operation in Cambodia
Registered Capital (Baht):	468,490,000
Stock Type:	common stock
Number of shares held (%):	100
Total number of shares:	100 (one hundred shares)

\* The Company holds the shares indirectly through Wynn In Trading Co., Ltd. And KSL Agro and Trading Co., Ltd.

**15. Thai Sugar Terminal Public Company Limited**

Office location:	90 Moo 1, Soi Siamsilo, Poochaosamingprai Road, Samrong Klang, Phra Pradaeng District, Samut Prakarn, 10130 Telephone: +662-183-4567 Facsimile: +662-183-4561, +662-183-4562
Business type:	Warehousing and loading of goods, Warehouse and real estate rental, produce and distribute wheat flour and palm oil and polypropylene bag
Registered Capital (Baht):	191,663,805 (one hundred ninety-one million six hundred sixty-six three thousand eight hundred and five million baht)
Stock Type:	common stock
Number of shares held (%):	23.82
Total number of shares:	383,327,181 (three hundred eighty-three million three hundred twenty- seven thousand one hundred and eighty-one shares)



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## 16. BBGI Public Company Limited

Office location:	No. 2098, M Tower, 5th Floor, Sukhumvit Road, Phra Khanong Tai, Phra Khanong District, Bangkok 10260 Telephone: +662-335-8899 Facsimile: +662-335-8800
Business type:	The holding company which invests in the business of manufacturing and distributing biofuel product and relating products
Registered Capital (Baht):	3,615,000,000 (three thousand six hundred and fifteen million baht)
Stock Type:	common stock
Number of shares held (%):	29.88
Total number of shares:	1,446,000,000 (one thousand four hundred and forty six million shares)

### Sugar Business

#### Khon Kaen Sugar Industry Public Company Limited

The nature of business is to produce and distribute sugar and other by-products. The first branch is located in Nampong district of Khon Kaen province with the maximum crushing capacity of 40,000 tons of cane per day and the second branch is located in Wangsapung district of Loei province with the maximum crushing capacity of 36,000 tons of cane per day. Both branches have the capability to produce raw sugar, high pol sugar, brown sugar, white sugar, refined sugar and liquid sugar.

#### Tamaka Sugar Industry Co., Ltd

The nature of business is to produce and distribute sugar and other by-products. The factory is located in Tamaka district of Kanchanaburi province with the maximum crushing capacity of 20,000 tons of cane per day and capable to produce raw sugar, white sugar and refined sugar.

#### New Krung Thai Sugar Factory Co., Ltd

The nature of business is to produce and distribute sugar and other by-products. The factory is located in Bo-Ploy district of Kanchanaburi province, (originally located in Tamaka district, Kanchanaburi province) with the maximum crushing capacity of 32,000 tons of cane per day. The factory is capable to produce raw sugar, white sugar, refined sugar and liquid sugar.

#### New Kwang Soon Lee Sugar Factory Co., Ltd

The nature of business is to produce and distribute sugar and other by-products. The factory located in Panusnikom district of Chonburi province, has the maximum crushing capacity of 3,500 tons of cane per day. The factory is capable of producing raw sugar, high pol sugar.

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Savannakhet Sugar Corporation

The Company received sugarcane plantation concession that covers approximately 10,000 hectares (62,500 rai) from the Lao government. Sugarcane cultivation is undertaken by The Company itself. The sugar factory in Savannakhet has the maximum crushing capacity of 3,000 tons of cane per day. The factory is capable of producing raw sugar and brown sugar.

Koh Kong Plantation Co., Ltd and Koh Kong Sugar Industry Co., Ltd

As at October 31, 2022, The Company received sugarcane plantation concession that covers approximately 18,057 hectares (112,856 rai) from the Cambodian government. Sugarcane cultivation is undertaken by The Company itself. The sugar factory in Koh Kong has the maximum crushing capacity of 6,000 tons of cane per day. The factory is capable of producing raw sugar and white sugar.

**Energy and Biofuel Business**BBGI Public Company Limited

BBGI Public Company Limited (“BBGI”) was established in October 2017 and consequence of merger between bio-based product business of Khon Kaen Sugar Industry Public Company Limited and bio-based product business of Bangchak Corporation Public Company Limited. This company invests in following entities;

- BBGI Bio Ethanol Public Company Limited: Producing and distributing molasses-based ethanol with 450,000 liters per day, in which BBGI Public Company Limited holds 100% shares.
- BBGI Utility and Power Company Limited: Producing and distributing biogas steam and electricity, in which BBGI Public Company Limited holds 100% shares.
- BBGI Bio Ethanol (Chachoengsao) Company Limited: Producing and distributing cassava-based ethanol with 150,000 liters per day, in which BBGI Public Company Limited holds 85% shares.
- BBGI Bio Fuel Company Limited: Producing and distributing bio-diesel with 1,000,000 liters per day, in which BBGI Public Company Limited holds 70% shares.
- Win Ingredients Company Limited: Producing, selling, importing and exporting biological products and chemicals in various categories, in which BBGI Public Company Limited holds 51% shares.
- BIOM Company Limited: Research, development, producing and distributing of bio-based products using Synthetic Biology technology, in which BBGI Public Company Limited holds 20% shares.
- BSGF Company Limited: Procuring raw materials, producing and distributing Sustainable Aviation Fuel (SAF) from used fuel. Initial production capacity 1,000,000 liters per day, in which BBGI Public Company Limited holds 20% shares.

- Ubon Bio Ethanol Public Company Limited: Producing and distributing cassava-based ethanol with 400,000 liters per day, in which BBGI Public Company Limited holds 12.4% shares.

BBGI Public Company Limited is the group of companies which are considered Thailand's largest manufacturer and distributor of biofuels which is currently regarded as a producer of biofuel products both ethanol and biodiesel are the third largest in Thailand. In addition, an agreement was entered into to purchase convertible preferred shares of Manus Bio Inc., registered in the United States of America and its business is in advanced biotechnology. BBGI Public Company Limited had shareholding proportion in the case of conversion to ordinary shares at 5.6%.

#### **Khon Kaen Sugar Power Plant Co., Ltd.**

The Company was established in late 2003 and has operated renewable power plants that can produce electricity and steam by using bagasses as the main fuel. The sold electricity and steam to sugar factories and other factories in the group, including sold to EGAT and PEA.

#### **Supporting Business**

##### **Thai Sugar Terminal Public Company Limited (TSTE) and subsidiaries**

The Company is a listed company in the Stock Exchange of Thailand. Its businesses involve warehouse leasing, loading and discharging sea freight, port operations, and freight forwarding. The terminal and warehouse are located in Prapadang, Samutprakarn, on the Chopraya River. Its customers are primarily sugar companies in the KSL Group, other sugar factories owned by strategic partners, and general customers. In addition, Thai Sugar Terminal Public Company Limited (TSTE) is the mother company of 5 subsidiaries, which mainly deal with real estate trading and leasing, wheat flour production, plastic sack manufacturing, and palm oil refinery plant operations. (For details, refer to listed company profiles section: Thai Sugar Terminal Public Company Limited (TSTE) and T S Flour Mill Public Company Limited (TMILL)).

##### **KSL Export Trading Co., Ltd**

Established in 1992, The Company performs as a licensed exporting company, according to Cane and Sugar Act 1984, which provides services of exporting activities to the sugar companies in KSL Group and also other sugar factories.

##### **KSL Agro and Trading Co., Ltd.**

Established in 2006, The Company trades sugar and related products for domestic customers. It also grows sugar cane on The Company's land.

*KSL Material Supply Co., Ltd*

The company was established with the objective of procuring and distributing raw materials related to agriculture, such as selling organic fertilizers. and includes various commercial services.

*WSP Logistics Co., Ltd.*

The Company was incorporated in 2016 with the business objective of transporting sugar and other products. The Company has been dormant.

*Wynn In Trading Co., Ltd*

The nature of business is international trading and international investment consulting. Khon Kaen Sugar Industry Public Company holds 100% share of Wynn In Trading Co., Ltd.

**Other Businesses***KSL Real Estate Co., Ltd.*

The Company is involved in the business of property rental and resort ownership in Kanchanaburi, near the River Kwai, under the name of “River Kwai Park and Resort” This company provides the accommodation and facilities for holiday vacation and training center for employees of the KSL group and other general customers. Additionally, The Company has acquired a commercial rental property, the Liberty Square Building that is located in the heart of Silom Road that is one of the busiest business area of Bangkok with approximately 19,151 sqm of rental space consisting of 22 floors and 6 levels of underground parking. The Company also invested in other properties for future profit generated from rent business or trading.

*KHUN CHUAN Company Limited*

The Company was established in 2021 to be KSL Sustainability Enterprise in the future. Business operations is run by supporting products from various community enterprises, from groups with disabilities and from the unemployed elderly. The Company’s major customers would be KSL’s affiliates and other local customers. All profits from business operations are 100% returned to the entire society in various forms such as donations and contributions to communities or schools.

**Membership of associations**

Khon Kaen Sugar Industry Plc. holds membership in several associations. Representatives of The Company are directors in the following associations that are directly related to its business, namely, The Federation of Thai Industries, Thai Sugar and Bio-Energy Producers Association and Thai Sugar Millers Association.

Regarding the policy to regulate and monitor the operation of subsidiaries and affiliates, The Company has categorized its subsidiaries and affiliates which have the similar nature of business to be a group together under the same management team, for instance, four sugar companies are under the same board of executive directors. For supporting business, energy and chemical business and other business, Khon Kaen Sugar Industry Plc. will assign its own representatives to join as a position of company directors for involvement of policy establishment or as a position of top management for operation directing in subsidiaries to ensure that policy of the subsidiaries is complied with the parent company's policy.

### **1.3.2 In the case where a person with a potential conflict of interest**

Thai Sugar Terminal Public Company Limited (TSTE) The individuals having potential conflict of interest own 16.65% of the TSTE's shares. The Company owns 23.82% of the TSTE's shares and has no policy to increase its capital proportion. Moreover, the shareholders and directors have no intention to transfer their benefits to one of these two companies. In addition, Thai Sugar Terminal Public Company Limited has many directors from other sugar companies; thus, power balancing in TSTE is reasonable for both companies. To conclude, the related transactions between the Company and TSTE are in line with the characteristics of normal trading in the market which will maximize highest value to both companies.

In conclusion, the shareholding structure of the Company and the subsidiaries, which is owned by the individuals having potential conflict of interest over 10% in some companies, is the result from the past. Currently, the Company has an intention changing its structure in order to minimize those conflicts. In addition, the Company has the policy to directly invest in subsidiaries and associates in the future. Also, there will be the limitations in shareholding proportion for the individuals having potential conflict of interest except it will be done to maximize the Company's value. Furthermore, the persons having potential conflict of interest will not make any investments in business that may constitute the conflicts of interest to the Company or in competitive business to the Company.

### **1.3.3 Relationship with major shareholders' business**

N/A

### 1.3.4 Shareholders

#### (1) major Shareholders

On October 31, 2022, the top 10 major shareholders of The Company are as follows:

As of 31 October 2022			
Rank	Name	No.of Share	% of total
1	KSL Sugar Holding Co., Ltd.	1,468,242,728	33.29
2	Thai NVDR Co., Ltd.	179,595,131	4.07
3	Mr.Chanachai Chutimavoraphand	115,355,499	2.62
4	Mr.Chamroon Chinthammit	113,075,331	2.56
5	Mr.Kamondanai Chinthammit	100,758,048	2.28
6	Ms.Duangdao Chinthammit	99,799,954	2.26
7	Ms.Duangkae Chinthammit	99,733,643	2.26
8	Mr.Somchai Chinthammit	96,475,726	2.19
9	Mr.Piripon Chinthammit	93,847,124	2.13
10	CREDIT SUISSE AG, SINGAPORE BRANCH	89,705,336	2.03
	Total for top ten major shareholders	2,456,588,520	55.70
11	Other shareholders	1,953,644,099	44.30
	<b>Total</b>	<b>4,410,232,619</b>	<b>100.00</b>

**Note:**

A major shareholder of KSL Sugar Holding Co., Ltd., which holds 33 % of shares, is the Chinthammit family. However, the proportion of shareholding does not indicate that members of the Chinthammit family are voting in the same way.

The registered capital of KSL Sugar Holding Company Limited of THB 1,000 million consists of 100 million shares at par value of THB 10 per share or THB 1,000 million.

*(2) Information of subsidiary shareholders of the central company (only in case of companies that operate by holding shares in other companies)*

On October 31, 2022, the top 10 major shareholders of KSL Sugar Holding Co., Ltd. are as follows:

<b>As of 31 October 2022</b>			
<b>Rank</b>	<b>Name</b>	<b>No.of Share</b>	<b>% of total</b>
1	Ms.Nareerat Chinthammit	12,105,268	12.11
2	Ms.Duangdao Chinthammit	7,847,944	7.85
3	Ms.Duangkae Chinthammit	7,764,650	7.76
4	Mr.Chanachai Chutimavoraphand	6,971,788	6.97
5	Mr.Chamroon Chinthammit	5,370,580	5.37
6	Mr.Somchai Chinthammit	5,169,890	5.17
7	Mr.Sarun Chinthammit	4,246,828	4.25
8	Mr.Kamondanai Chinthammit	2,906,000	2.91
9	Mr.Piripon Chinthammit	2,906,000	2.91
10	Ms.Yaovanuth Dejvitak	2,900,000	2.90
	Ms.Yaovaluck Chutimavoraphand	2,900,000	2.90
	<b>Total for top ten major shareholders</b>	<b>61,088,948</b>	<b>61.09</b>
11	Other shareholders	38,911,052	38.91
	<b>Total</b>	<b>100,000,000</b>	<b>100.00</b>

**Note:**

The 10th major shareholders are Ms. Yaovanuth Dejvitak and Ms.Yaovaluck Chutimavoraphand who both hold equal number of shares.

**(3) Shareholders' Agreement**

-NONE-

## 1.4 Amounts of registered capital and paid-up capital

### 1.4.1 Ordinary shares

As of October 31, 2022, The Company's registered capital is THB 2,205,121,824 and the paid-up capital is THB 2,205,116,309.50. It is comprised of 4,410,243,648 ordinary shares and 4,410,232,619 paid-up shares, at par value of THB 0.50 per share.

### 1.4.2 Supplementary Shares

-None-

**1.4.3** As of 31 October 2022, Thai VNDR Company Limited holds 179,595,131 of the Company's common stocks or 4.07 (%) of total shares that were traded. Investors that carry VNDR shares will receive the financial benefit as if they invested in the shares of The Company, whether as dividends, the privilege to subscribe and increase share values, or warrant to purchase ordinary shares but they will be not granted the power to vote in the shareholders' meetings. However, Thai VNDR Company Limited will not intervene with such meetings with the voting power, unless it concerns delisting estates out of the Stock Exchange of Thailand.

## 1.5 Issuance of other securities

### Debentures

As of October 31, 2022, the non-subordinated and unsecured debentures are detailed as follows:

Name	Tenor	Expiry Date	Total Value (million THB)
KSL27DA	10 years	7-Dec-27	2,000
KSL285A	10 years	3-May-28	650
<b>Total Long Term Debentures</b>			<b>2,650</b>

### 1.5.1 Convertible Securities

-NONE-

### 1.5.2 Other Debt Securities

-NONE-

## 1.6 Dividend policy

The Company has a policy to pay dividends at a rate of not less than 50 % of net income after corporate income tax and legal reserves of separate financial statement, if there is no necessity for the use of the money, and if the dividend payment does not have an adverse effect on corporate operations significantly. Factors that are considered include corporate operation results, financial position, liquidity, and business expansion plans, etc. The dividend payment requires approval from corporate shareholders and/or the Board of Directors.



Dividend payment of the subsidiaries and associates to Khon Kaen Sugar Industry Public Company Limited depends on their cash flow, liquidity, suitability, and necessity for the use of the money. No minimum rate is specified.

**Dividend payment in the past 3 years**

Year	2021	2020	2019
Net profit (loss) per share	0.14	(0.02)	0.19
Dividend per share	0.03	-	0.05
Dividend payout ratio	28.71%	-	Dividend payment from retained earnings

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## RISK MANAGEMENT

### 2. RISK MANAGEMENT

#### 2.1 Policy and Plan for Risk Management

Khon Kaen Sugar Industry Public Company Limited recognizes the significance of risk management with the shifts from internal and external factors that possibly impact the business. International standards of risk management (COSO Enterprise Risk Management Framework: COSO ERM Framework) have been applied to the whole organization to support and reduce impacts from risks that might obstruct the objective. Also, in order to build trust among stakeholders, performing in an environment that rapidly change is a crucial matter for us. The board of directors, executives, and employees of all levels participate in implementing a standardized risk management system in conjunction with the strategic planning process and developing sustainable business that focuses on benefiting the Environment, Social, and Governance (ESG). Furthermore, the tracking system and monitoring have been implemented according to the risk management plan, as well as awareness for additional risks that could occur in the future and minimizing the potential losses at the accepted criteria.

Besides, we had prepared for critical circumstances that may lead to business interruption by establishing business continuity management together with requiring companies under the direction of KSL to set up the same system. The strategy also involves analyzing meaningful activities, and the impact of business interruption, including evaluating and designing risk management plans. Moreover, crisis management and emergency response guidelines are also involved. Executives and employees are also responsible for regularly practicing, maintaining, and reviewing procedures to properly manage circumstances during a crisis.

#### **Risks Management Culture of KSL Group**

We are committed to create a culture of risk management in all aspects of operations to create profound understanding of their roles and responsibilities that could contribute to overall management of risk in the Company. The Company implemented these cultural values through consistent activities as follow:

1. Review the risk management principles and communicate to all employees.
2. Establish a risk management framework and utilize it to adapt to different fields within the Company to build a learning environment with the realization of possible uncertainty and encourage risk management to be part of their planning steps.
3. Mark the acceptable risk appetite of the Company and communicate to all employees.
4. Organize training about risk management in an organization for management, risk-holder teams, and all employees to learn, understand, and able to evaluate the risk that could affect their objectives or planned strategies in working.
5. Determine Key Risk Indicators (KRI) to be a pre-cautious variable and warn of the risk events that could occur.
6. Set up a risk management process and constantly monitor the progress of risk management measures.

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## 2.2 Risk Factors for the Company's Business Operations

### 2.2.1 Risks towards Operations of the Company Businesses, Groups, and the Emerging Risks

In 2022, the company has identified and Assessed the organization's key risks that are compatible with sustainable development, which cover environmental, social, and corporate governance risks as follows:

#### Environmental Risk

##### (1) Risk from Climate Change

The change in climate exacerbates natural disasters in numerous regions globally, such as droughts, flash floods, storms, or extreme weather events. These risks might heavily impact the firm's business operation due to the requirement of rain in the sugar cane plantation. The company, therefore, assigns projects and determines various control measures. To promote environmental conservation and reduce the consequence of greenhouse gas emissions as follows:

- Power plants use bagasse to generate electricity for usefulness within the factory.
- Use molasses to produce alcohol.
- Increase production process efficiency and energy conservation projects.
- Producing of organic fertilizer from filter cake for use in sugarcane cultivation.
- Reduce water usage management, wastewater treatment, and water reuse in production.
- Collaboration between institutes for research in Sustainable Energy, along with finding methods beneficial from the product of the agro-based sector, which help lessen the impact of climate change on the agriculture segment.
- Cooperation with people in the community and state in planting a tree together with preserving forests that support carbon dioxide absorbent.

#### Social Impact Risk

##### (2) Safety and Health Risks

Businesses of the KSL group are mostly related to the Sugar industry by operating sugar production and selling products domestically and internationally. The company is concerned that this particular reason might affect the health and safety of the employees, partners, stakeholders, and community members, leading to reviews and awareness of the workplace's health and safety management system.

By focusing on implementation with understanding and developing a safety culture, including stipulating safety performance assessments in the workplace as follows:

- Review the occupational health, safety, and working environment management strategy, including methods for evaluating the effectiveness of safety operations.

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- Review work manuals on occupational health, safety, and working environment to control risky assignments. Also, lead domestic and international manufacturers on the same path by enhancing their operations.
  - Promote partners, communities, and surrounding societies to participate in the health and safety workplace system pass through many activities such as Kiken Yoshi Training (KYT) and SHE Day.
  - Assign methods and operational measures to deal with the COVID-19 epidemic in work areas, travel, and transportation to ensure the safety of operators and those involved. And to build customer confidence, such as by encouraging employees to regularly test Antigen Test Kit (ATK) detection and preparedness measurement to prevent outbreaks during the harvesting season by embracing the Bubble and Seal prevention method.
  - Although the situation of Covid-19 has been chiefly resolved, our corporate still values and takes responsibility for the health and safety of employees.

### **(3) Human Right Risk**

Value human rights and compliance law is one of the main focuses of our company, by conducting a comprehensive human rights risk assessment according to the guidelines of the human resource management policy. The assessment results indicate that in 2022, the significant risks are human rights, namely: workplace safeness, the COVID-19 pandemic, and the security of personal data according to the Personal Data Protection Act B.E. 2562, which the company has delivered guidelines for risk prevention as follows:

- Review guideline and work instructions manual that concerned human rights.
- Review occupation health safety and environment management system.
- Set up personal data protection system and policy.
- Identified in the contract that suppliers must be treat labor with respect for human right and comply with law or others concerned completely.

### **(4) Risks Associated with Human Resource Management for Business Growth and Change**

The operation of KSL Group's business is primarily dependent on personnel. The rapid changes from internal and external factors could lead to risks in employees' skills and knowledge, which conform with business development. The company foresees enhancing employee competency development processes and provides guidelines for human resource management as follows:

- Review human resource development system and succession plan related to business direction plan.
- Develops workforce planning for future in term of quantity, skills and capabilities by job analyzed that related to reasonable compensation.
- Review performance evaluation system and shift up payment system that could be comparable to market.
- Continuous develops employees 's skill pass through reskill, upskill that focus on future capability solutions and evolving needs of customers. Including use the employees' s database to planning and decision for top management develops their under command both of hard skill and soft skill.

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- Review knowledge and innovation management system by collecting, sharing and cross function training form built up synergy and innovation culture pass through KSL innovation award contest.

### Governance Risk

#### **(5) Compliance Risk from Changes in laws and regulations**

Another risk the company is concerned about is Corporate governance, which comes from changes in rules, laws, and related regulations. Also, risks arise from non-compliance or incomplete compliance due to changes that conceivably influence a business's reputation. Additionally, penalties and fines or loss of business opportunities are also what the company value with the strategies as follows:

- Regularly reviews KSL code of conduct, business ethic and involved guidelines to align with update laws and regulations.
- Closely monitors and reports changes in government policies, laws, rules and regulations in the countries where KSL operates.
- Communicates effective risk management and control practices to employees at all level to prevent the noncompliance with law and regulations.
- Engage employee's awareness pass through many activities; CG & Anti-Corruption Week, Ethics & Anti-Corruption e-Testing, etc.

### Business Risks

#### **(6) Risks from Raw Material Supply (Sugarcane)**

Khon Kaen Sugar Industry Public Company Limited is an industry that manufactures granulated sugar by using sugar cane as its main ingredient. Furthermore, the Company invests in other additional projects on top that use by-products and waste from the process of sugar production, for raw materials that could create added value. Therefore, the Company's profits involve risks concerning the amount of sugar cane that we could find in the manufacturing process. The causing factors include (1) The sugar cane plantation area (in Rai) that changes, probably, due to the fact that farmers shift their cultivation plan to plant other crops with higher yields, including government promotion policies. (2) Yield of sugarcane per planting area (Tons of sugarcane per Rai) that alters according to the changing environmental factors such as drought and flood from global warming, as well as the increasing price of production factors.

Therefore, to minimize the impact of the given risks, the Company helps sugarcane farmers whether in the issue of loans for cultivation investment, supporting raw materials for cultivation, particularly providing other substitutes for the production such as soil amendments and organic fertilizers, improving irrigation system, using agricultural machinery with new technologies to help increase the productivity and efficiency, and reducing the role of the sugar cane middlemen.

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## (7) Risks from Fluctuation of Global Sugar Price

Thai sugar industry has a form of management that is unique from any other industries, that is, there is a benefit-sharing system clearly between the sugarcane farmers and the sugar factories by allocating income from sugar sales in each season to sugarcane farmers. Representing 70% (Return into sugarcane price) and another 30% (processing cost) to sugar mills. The benefit-sharing system so-called 70:30 system is a fair mechanism. Dividing based on the investment proportions, which is a universal ratio and depending on Economic conditions in the country, Production techniques and investment of each country.

Therefore, Sugarcane price represents the most important cost of production. Sugarcane price is the most fundamental return for sugarcane farmers and sugar factories. The difference of production relations has to compete with each other in determining the price of sugarcane invested in the sugarcane plantation each year. Thus, each party sought a way to occupy and keep their benefits right on the table of negotiations by forming their own organizations in form of associations and a clear group of interests. The negotiation is to negotiation between two groups and to call on the government to formulate policies that will benefit their group the most. When both groups agree on their mutual benefits, then both groups will use a common strategy to push the government to formulate policies so that both parties benefit according to the agreed proportion. On the contrary If the two groups cannot agree on the mutual benefits that will be shared, then it will result in deadlocks in operations and may affect the sugarcane harvest in the next production season.

The price of sugarcane each season means the main cost, then the world sugar price, therefore, considered to be an important parameter of all the sugar factories. In addition, demand in consumers and supply of all producing countries, sugar export number, importers, as well as climate conditions favorable to cultivation in each country, government promotion policy or intervention policy in both producer and consumer countries, including the energy price which is considered a factor that affects the direction of sugar prices in the world market, too. Moreover, there is also a wide-ranging presence of funds, investors, and speculators in the commodity market. Hence, the company has set up a committee to supervise the work of hedging sugar price in the world market. To hedge the risk from the volatility of sugar prices in the global sugar market. There is a meeting of the executives every week to closely monitor and supervise the company policy so that the company can operate and able to adapt just in time to various situations that arise. This hedging executives committee allow the company to maintain its profitability and minimize the exposure of sugar prices fluctuations.

In the sugarcane production season of 2021/2022, the total amount of sugarcane in Thailand by the Office of the Sugarcane Board, was reported that the sugarcanes have been crushed in this season totaled of 92 million tons, an increase of more than 20 percent from the previous production year, mainly from the amount of rain in the sugarcane plantations area in Thailand, which rain almost all year round from the influence of the monsoon trough that runs through Thailand In addition to the amount of sugarcane in the production year 2021/22 that increased from the previous season.

The New York Raw sugar price in year 2022, which used to trade below 18 cents per pound at the beginning of the year. It has been continuing to improve. It has been trading in a relatively good price with the range of 18.00-20.00 cents per pound continuously throughout the year along with the Thai baht exchange rate against the US dollar, has been the weakest in more than ten years. In addition, US interest rates are likely to increase while Thailand's interest rates are still low. In addition, Thailand has more expenditure out of the country than that of income brought back into the country. The demand for foreign money to be exchanged for baht has decreased causing the Thai baht to depreciate as well. The export business sector like sugar factories when their earning income in foreign currency (USD) will come back to exchange for more baht. Throughout the year 2022, the Thai baht exchange rate per US dollar is in a state of constant depreciation. Also, the status of the funds, investors and speculators holding a net buy position in sugar given a push up to the world sugar prices continuously. All these factors have given a positive effect on the company's performance.

The figure of domestic sugar consumption at the end of September 2022 was 2.2 million tons of sugar, which increased from the previous year. The consumption outside country, many of sugar importing countries are importing more sugar because of tourism that has just opened after the COVID epidemic crisis sugar business has been recovering. Thanks to the increase in the sugar selling price of export portion to the world market and the amount of sugar sold has also increased. In addition, the company has other source of income from other businesses such as the ethanol industry, biomass power plants, organic fertilizer plants by using by-product and waste materials as raw materials. Therefore, even the company's performance depends on the world sugar prices but they can also mitigate the impact of sugar prices fluctuation from income from other businesses as well.

#### **(8) Risks from Government Policies**

Since 2018, Sugar industry system in Thailand has been some changes in controlling domestic sugar prices. It was used to determine the average reference price from the price by Office of Cane and Sugar surveyed, later changed to determine the cost of production using the cane cost of production calculation formula by using the domestic selling price for each production season, VAT is not included as follow:

1. White Sugar is 17.25 baht (Seventeen baht and twenty-five satang) per kilogram
2. White Refined Sugar is 18.25 baht (Eighteen baht and twenty-five satang) per kilogram, these prices shall be effective from since October 1, 2019, onwards.

Although the cost of production in other products including products that contain Sugar as raw material has been increasing. The Cost-Plus calculation module required to be presented to the Sugar cane Board and Committee to consider before announcing further cost determination due to the resignation of factory's representative, therefore, there is no conclusion of cost of production determination.

As for the allocation of revenue sharing system between sugar factories and sugar cane farmers under the benefit-sharing system 70/30 remain unchanged, required the approval of the sugar cane Board and Committee for cost plus adjustment. The cost of sugar production of season of 2021/22 has recently announced at 1,185.84 baht per

ton of cane and the Sugar Board approved the cost of sugar production in the production season of 2021/22 at 712.98 baht per ton of cane, but the average of sugar production calculated from 57 mill is 801.96 baht per ton of cane can clearly be seen that the policy regulations issued by the Cane and Sugar Board be an impact on production costs and the company performance.

In the 2022/23 production season, the farmers' organizations and cane farmers has proposed to amend or add the definition of "Sugar" shall include "Sugarcane Juice" and define the word "By-product" to include "Bagasse" and "Ethanol". These by-products shall be included in the calculation of the price of sugarcane as well. Since the by-products have no specific market price or a reference price that is widely accepted in the market therefore it often causes debate and difficult negotiations which does not yet have an agreement with the factory representatives. There is no clear conclusion in this part. Overall, what the sugarcane farmers organizations have proposed reflect efforts to adjust the benefit-sharing system to alleviate the problem of declining of sugarcane prices in the past 3-4 years from Thailand's previous benefit-sharing system. Cane Farmer's representatives are aware of the problems facing the sugarcane and sugar benefit-sharing system of Thailand. In this regard, the importance of the restructuring of the sugar industry should be considered and benefits sharing system. It is becoming a very important problem at present caused by Thailand Sugar Industry having to adjust the system to be more in line with WTO rules in the futures.

In terms of measures to solve the burnt cane to reduce the problem of small dust particles (PM2.5) in the 2021/22 sugar cane crushing season, the number of actual burnt cane is 27.28% and the amount of fresh cane is 72.72%. This is still a challenge again for sugar cane farmers and sugar factories in the 2022/23 production season that is about to start, that burnt cane will be deducted at 30 baht per ton of cane, long top cane with leaf sheath and contaminants will be deducted 20 baht per ton of cane, sending burnt cane and the long top with leaf will be deducted 50 baht per ton of cane. Clearly that the traditional way of cutting sugarcane has been affected to comply with the government policy aim on reducing the amount of small dust particles (PM 2.5).

The company has closely monitored and coped with these government policies to have properly determine or adjust the operational guidelines of relevant parties to be able to perform their duties in accordance with government policies correctly.

#### **(9) Risks of Bad Debts from Credit System Provided to Farmers (Advanced Credit)**

In the operation of a sugar factory, the factories provide loans or other kinds of financial support to sugarcane farmers as working capital to plant sugarcane crop, or what is called "advanced credit", thereby reserving the sugarcane for crushing. After the sugarcane crop is ready for harvesting and the sugar factories are ready to start crushing the cane, the farmers harvest the cane and send it to the sugar factories and receive payment for the value of the cane supplied after the loans and other financial support given is deducted. The risks that are generated from such credit can come from reduced volume of sugarcane in any year due to drought conditions, losses from crop disease and pestilence, farmers refusing to send the cane to the sugar factories, etc. Such liabilities, arising from sugarcane credit, can adversely affect the company's operations requiring higher amounts of provisioning for bad debts.



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**(10) Risks from Exchange Rate**

The disruptive rates of foreign currency exchange still affect the Company's operation significantly. This is because the Company has approximately 70 – 80 percent profit from exporting sugar, including importing machines, tools, and doing business abroad. Anywise, our conglomerate has managed the risk by following the trend of currency exchange rates and considered creating a derivative contract for foreign currency hedging like forwarding contract and options contract, for example. This also includes managing currency in the natural hedge by bringing sales profit of sugar products that are in foreign currency to pay for expenses of that foreign country under the same currency.

Setting up the price of sugarcane through the value-sharing system of 70: 30 makes the Company's capital cost of sugarcane price, which is the most capital and income of The Company, follow the same direction of the exchange rate. Moreover, we monitor changes in exchange rates very strictly to ensure that the Company could function timely under altered situations.

Apart from that, in 2022, our company has contracted both short-term and long-term loans in a foreign currency (USD) with a floating rate. So, we followed it with a policy to create a hedging contract by contracting all cross-currency swaps with an equal duration with a loan contract for payment of principal and interest. The net payment will be equivalent to the Thai baht received from the loan and use a fixed interest rate. Therefore, the Company is clear of risks from changes of foreign currency exchange and interest of the loan and interest on the loan of the given contract.

**(11) Risks from Investment Project in Laos and Cambodia**

Projects in these two countries are ones that pioneered our company's sugar business internationally. We received concession areas from the government for sugarcane cultivation and permission to build sugar mills. Our company has managed significant risks as follow:

1) Insufficient amount of sugarcane for production due to climate change, natural disaster, pest infestation, and deteriorated condition of the soil received by the concession. These factors cause fluctuation in the amount of sugarcane available for crushing each year, causing deficiency in yield per area which is not enough to cover the production expenses.

2) Issues in management such as a lack of technology to cultivate sugarcane in a large area, lack of standard infrastructures including roads, transportation systems, as well as a shortage of cultivation laborers and skilled personnel. Solving these issues has taken more time to develop than we have initially planned.

3) Regulations of the government agencies, especially investment projects in Cambodia that encountered issues in the policy of the concession area. There were ambiguities of the concession area and the working locals, tax policy, and also unclear rules and regulations from the officials of each country that constantly changes. These factors could lead to disputes with the community. However, the aforementioned issue is still a matter of the Company. We prioritize such matters as important and are always ready to manage or make corrections properly and appropriately.

Therefore, Company still has seen and solved various problems continuously. KSL still review our methods and plan to learn of the remaining concession area for cultivation. It causes Laos project has profit, this process illustrates the direction of our company that intends to still build returns and profits from international investments.

### Emerging Risk

#### **(12) Risks from Cybersecurity**

In the current days, cyber threats and crimes can rapidly damage both agency and individual databases. Preventing or dealing with cyber threats requires quick coordination with all relevant departments and continual maintenance of cybersecurity. The information technology system is the infrastructure that increases the efficiency of business operations, production efficiency control, and operational cost Management. Therefore, information technology plays an increasingly important role in business operations, especially according to The Personal Data Protection Act B.E. 2562, which will come into effect on June 1, 2022. Hence, the Company has taken various actions to activate protection and deal with risks promptly by assigning KSL IT Center, a subsidiary of KSL to prepare plans and implement protection against cyber threats as follows.

1. Control security in terms of accessing user resources. and promulgated the information security policy of KSL Group
2. Carry out maintenance of equipment (Hardware) and programs (Software) regularly, which are sorted into:
  - a. Maintenance of equipment according to the annual maintenance plan.
  - b. Organize program testing and evaluate patches/ updates to study the impact before deploying to different parts involved in the system.
3. Install an Anti-Virus system at the End-Point level to detect cyber threats and be Real-Time Protection and activate a Firewall to prevent external attacks, including a Network Access Control (NAC) system to control or monitor various types of cyber-attacks by creating decoys as a damage limiter and attack defender.
4. Prepare backup data for the critical working system under the D/R operation that can recover the system from the second site within 3 hours and backup up to 30 cycles to restore each system.

#### **2.2.2 Risks from Shareholders' Investments**

##### **Risks that may arise in shareholders' meetings, from disapproval of the proposed agenda.**

Chinthammit family and companies of Chinthammit family hold up and more than 60 percent of the total paid-up capital. Such proportion enabled the Chinthammit family to control the voting agenda that require a majority of the shareholders' votes, Except for matters required by law or the Company's Articles of Association requiring three-fourths of the vote of the shareholders' meeting. Therefore, the Company can manage the risk from the shareholders' meeting disapproval of the agenda proposed by the Board of Directors for consideration as appropriate. Therefore, the Company can now manage risks when shareholders' meeting would disapprove agenda of the Board of Directors, by considering appropriateness.

For such circumstances, the Company appointed directors to treat shareholders equally and show transparency of the systematic and verifiable management. It consists of 6 independent directors who are fully qualified under the law and 4 members of the Audit Committee who perform their duties as required by law and the Audit Committee's charter. The Company also has an internal audit department that operates independently and appropriately. They report directly to the Audit Committee, which is primarily responsible for overseeing the internal control system and internal auditing.

### **2.2.3 Risk of investing in Foreign Estates**

- None -

**Business Sustainability Development**

**3. Business Sustainability Development**

**3.1 Policies and Goals of Sustainability Management**

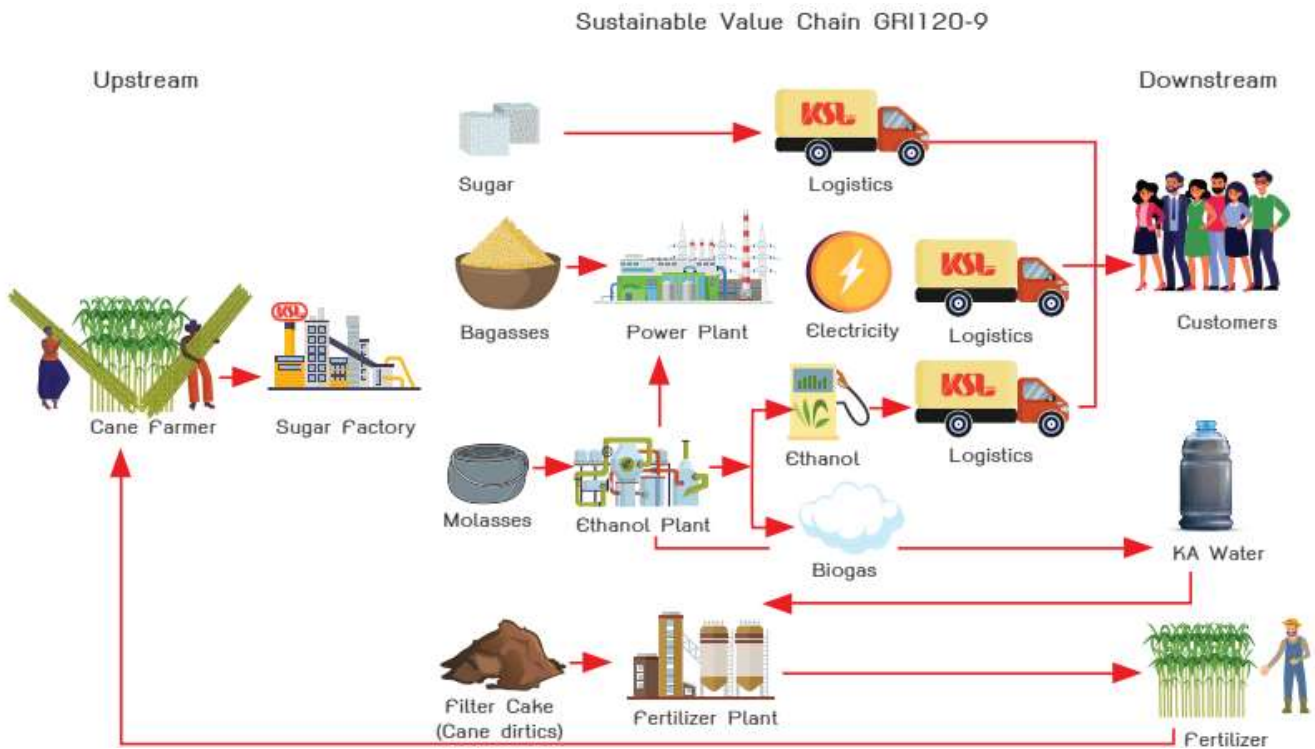
Khon Kaen Sugar Industry Public Company Limited has been in business since the year 1945 with registered capital of 2,205 million baht with the status of being a public company listed on the Stock Exchange of Thailand. From March 7, 2005, using the symbol "KSL."

Throughout the years, the Company is determined to be a good role model for sugar factories in Thailand by creating credibility for investors and stakeholders in the business, adding value, and promoting sustainable growth of the organization. This also includes managing with good principles that are internationally accepted while also being beneficial to Thai society. This is to achieve goals and maintain excellence in morality, which are fundamental values of leading organizations.

In 2021, Khun Chuan Company Limited was established under the supervision of Khun Chuan Company Limited. It is considered a non-profit organization established to help support communities and society to generate income and bring the local wisdom to develop for maximum benefits.

Furthermore, the Company has also studied sustainability issues that are important to stakeholders. so that the Company's business operations can have true positive impacts on the economy, society, and environment.

**3.2 Managing Impact of Stakeholders in the Business Value Chain**



### 3.2.1 Business Chain

The chain management figure illustrates that the primary source of the business is sugarcane which is the main ingredient that our company recognizes its importance. Therefore, we need efficient management for high-quality raw materials which will also increase the quality of the products, respectively.

### 3.2.2 Analysis of Stakeholders in Business Value Chain

The conglomerate has identified the group of stakeholders by beginning by defining key sustainability issues (between the company's financial year which was 1 November 2021 – 31 October 2022) with both internal and external stakeholders. This process is essential in helping create confidence and stability for the Company. The Company has a process to assess important issues, collecting and processing data of stakeholders, participating in social operations, safety, and environment to ensure accurate, complete information, and ultimately for equal and appropriate treatment for each group.

Significant Groups of Internal and External Stakeholders are as follow:

#### 1. Sugarcane Farmers

Expectations of the Stakeholders	<ol style="list-style-type: none"> <li>1. To receive more support, including technology and management of working capital</li> <li>2. To encourage and support innovations related to agricultural tools and devices</li> <li>3. Reasonable sugarcane price</li> <li>4. Rightful return and income</li> <li>5. Environment and pollution around the factories</li> </ol>
Responding to Expectations of Stakeholders	<ol style="list-style-type: none"> <li>1. Develop a suitable modern technology for agriculture</li> <li>2. Support farmers with high-quality agricultural tools and devices</li> <li>3. The increasing price of sugar in the global market affects the initial and final price of sugarcanes</li> <li>4. Sort out farmers that meet the criteria and could pay compensation up to their ability to cultivate quality sugarcanes</li> <li>5. Supervise the environment around the factories to prevent pollution</li> </ol>

#### 2. Shareholders

Expectations of the Stakeholders	<ol style="list-style-type: none"> <li>1. Equal and rightful treatment for every shareholder</li> <li>2. Disclosure of accurate and timely data through different means that are easily accessible</li> <li>3. Possesses growing operating results that could generate profits for shareholders</li> </ol>
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Responding to Expectations of Stakeholders	<ol style="list-style-type: none"> <li>1. Comply with the guidelines and rules of the Stock Exchange of Thailand, and the Securities and Exchange Commission</li> <li>2. Various means to disclose information and communicate with shareholders and investors</li> <li>3. Possesses investments for growth</li> </ol>
<b>3. Partnerships/Contractors</b>	
Expectations of the Stakeholders	<ol style="list-style-type: none"> <li>1. Rightful and transparent procurement</li> <li>2. On-time payment of goods and wages</li> <li>3. Reasonable price</li> </ol>
Responding to Expectations of Stakeholders	<ol style="list-style-type: none"> <li>1. Compliance with the written procurement policy that is intelligible and under the same standard</li> <li>2. Rightful and transparent work inspection process and payment of goods or wages in a timely manner</li> <li>3. Qualifications of partners who are eligible to bid are determined and publicly announced that information and procurement conditions are accurate and complete to partners who are eligible to bid openly and equitably.</li> </ol>
<b>4. Employees</b>	
Expectations of the Stakeholders	<ol style="list-style-type: none"> <li>1. Receive appropriate pay and welfare both in short and long terms</li> <li>2. Development of essential skills required for profession and career advancement</li> <li>3. Have a rightful and effective performance assessment system</li> </ol>
Responding to Expectations of Stakeholders	<ol style="list-style-type: none"> <li>1. Convey the Company's performance to employees of all levels</li> <li>2. Promote career advancement for employees by developing effective performance assessment</li> <li>3. Promote the development of potential, skills, knowledge for employees by having learning channels that are suitable for the behavior of employees with a wide variety of learning topics</li> </ol>
<b>5. Customers</b>	
Expectations of the Stakeholders	<ol style="list-style-type: none"> <li>1. Products meet the quality and standards and on-time delivery</li> <li>2. Development of service through various channels continuously to be efficient, fast, and meet the problems and needs to be efficient, fast, and meet the issues and needs.</li> </ol>

Responding to Expectations of Stakeholders	<ol style="list-style-type: none"> <li>3. The security measures of the customer's personal data are in place and there shall be no infringement of the customer's personal information</li> </ol>
Responding to Expectations of Stakeholders	<ol style="list-style-type: none"> <li>1. Develop the production of products, containers, and deliveries that meet the needs of customers</li> <li>2. Continuously develop and improve systems and service channels for customers for effective service that can promptly respond to their issues by using the satisfaction data and suggestions from the customers.</li> <li>3. Compliance to corporation's policies concerning protection of customers' personal data strictly by implementing cautious attention and rightful according to set protocol for operations that require involvement with personal information of customers. Such processing of personal data is limited to necessary professional and operational purposes only.</li> </ol>

**6. Creditors**

Expectations of the Stakeholders	<ol style="list-style-type: none"> <li>1. Pay off debts on time</li> <li>2. Work plan for debt settlement</li> </ol>
Responding to Expectations of Stakeholders	<ol style="list-style-type: none"> <li>1. To strictly comply with the agreement and conditions as agreed by both parties.</li> </ol>

**7. Community/Social and Environment**

Expectations of the Stakeholders	<ol style="list-style-type: none"> <li>1. Participation and support to help alleviate the situation of the COVID-19 virus epidemic</li> <li>2. Reducing conditions and impacts from factory production</li> <li>3. Participation and support activities in the economic and social development of the community</li> </ol>
Responding to Expectations of Stakeholders	<ol style="list-style-type: none"> <li>1. Participation and support activities in the economic and social development of the surrounding community</li> <li>2. Assess the impact of business operations affecting the environment</li> <li>3. Continue to build relationships and networks with external agencies perpetually to open opportunities for the community to participate in different projects of the Company</li> </ol>

## 8. Government Sectors

Expectations of the Stakeholders	<ol style="list-style-type: none"> <li>1. Operate rightfully and according to the law</li> <li>2. Participate in activities or support activities held by the government agencies</li> </ol>
Responding to Expectations of Stakeholders	<ol style="list-style-type: none"> <li>1. Cooperate with government agencies in local development as deemed fit</li> <li>2. Strengthen relationships and maintain relationships at all levels equally and transparently to support the work in various fields of the government to be more efficient</li> </ol>

### 3.3 Sustainability Management in Environmental Dimensions

#### 3.3.1 Policy and Practice Regarding Environment

The Company has a corporate governance policy and guidelines regarding the environment. Encouraging executives and employees to use natural resources and energy economically. The Company supports the reuse of materials and prioritizes great importance to making the most of raw materials and waste by recirculating them in various production processes. Anywise, additional information can be found in the Company's sustainability report on the website.

From assessing environmental risk, the Company has identified issues that may have a negative impact on the environment caused by the company's business operations. Namely, utilizing energy efficiently in order to reduce climate change, managing water usage, and managing industrial residue and general waste, up until management for reducing greenhouse gas emissions.

#### 3.3.2 Environmental Performance

##### **Utilizing Energy Efficiently**

The conglomerate also prioritizes utmost importance in managing energy and climate change to prevent harming the community and environment. In the process, it helps to reduce the expenses of energy. Stakeholders also focus on the issue of climate change and global warming caused by greenhouse gas emissions.

##### **Utilizing Water Efficiently**

The process of pumping water from raw water sources for utilizing sugar production is divided into two main parts. The first is for water used in the production process and the second is for the water used in the office. Most of the sugar production effluent is from the cooling system used for temperature exchange. Sewerage will be sent to the treatment system by sedimentation and decreasing temperature to be similar to the natural condition before releasing out of the factory. This process ensures that water quality released to the reservoir meets the specified standards, which includes irrigation standards and Ministry of Industry standards, for example, to prevent impacts on biodiversity



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of reservoirs. As for the water used in the office that has been treated until it reaches the standard, it will be used in the watering system, to agricultural demonstration plots, and further wetlands.

### **Management of Industrial Residues**

In order to minimize the amount of debris from production and disposal maintenance of the Company, the conglomerate, therefore, prioritizes the effective control of raw materials usage, equipment for maintenance, and the selection of waste disposal methods to create the least negative impacts towards the environment. Every factory places importance on the selection of disposal recipients and methods of disposal that must be carried out strictly and in accordance with the law. In addition, the disposal of the disposal recipient is also monitored to ensure that the unused materials from the group will be handled properly, appropriately, and meet the standards of the Ministry of Industry.

In the sugar production process, there will be filtered pot residue, which is a mixture of sandy soil and organic matter from sugar cane. Sugar mills will use the waste from the filter pots to produce fertilizers and soil conditioners or put them in the sugar cane fields to improve the quality of the farmlands.

<b>Types of Waste</b>	<b>Elimination Method</b>
<b>Hazardous Waste</b>	Eliminate 100 percent
<b>Non-Hazardous Waste</b>	Recycle 100 percent

## Greenhouse Gas Management

The conglomerate has implemented measures to reduce direct and indirect greenhouse gas emissions. That is by reducing energy consumption in the production process and in the office to promote lesser energy consumption in the community, along with supporting the increase of greenhouse sources by building more green space in the factory such as reforestation and promotion of community forest activities throughout the country. This is also a way to cooperate with both the government and various organizations as well.



Over the past 7 decades, the conglomerate remains committed to implementing sustainable development in the environmental dimension, by integrating goals to reduce the use of natural resources, reduce greenhouse gas emissions, reduce environmental impact, and promote a circular economy throughout the value chain of product and service development to enhance the quality of life and environment for all.

### 3.4 Sustainability Management in Social Dimensions

#### 3.4.1 Policy and Practice Regarding Society

The conglomerate emphasizes committing to creating values in operating business and benefits for all stakeholders in all sectors of society. We aim to create sustainability according to goals and sustainable development issues, whether it is to cope with climate change, circulating economy, health, or safety. Anywise, more information can be found in the Company's Sustainable Development Report.

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### 3.4.2 Social operating results

#### Human Rights

The conglomerate respects human rights and rightfully complies with the law. Therefore, the rights of stakeholders have been determined under the corporate governance policy of KSL Group. This covers both the treatment of shareholders and other stakeholders, including employees, customers, business partners, creditors, and up until the society.

The Company has guidelines on the rights of employees and business ethics was determined in accordance with fundamental rights related to health care, including occupational health and safety standards. Moreover, employees can send suggestions or additional comments to the management sector, or report complaints or clues to the commission of an offense to the chairman of the audit committee, or the internal audit office. Employees who disclose any information to the Company will be protected from penalties and kept anonymous to provide adequate assurance that employees will not be harassed by the abuse of power.

#### Staff and Labor

Employees are considered an essential resource for the Company and also the business operation. Improving the quality of the labor skills will affect both employees and the Company in the way to develop to success together. Therefore, the Company has always treated our employees with fairness in accordance with the principles of rightful governance and managing with total transparency.

#### Respect and Rightful Treatment towards Workers

##### This significant principal covers up to:

1. Respect the privacy of the employees and will not disclose personal information to outsiders or unrelated parties unless it is information that must be disclosed in accordance with the provisions of the law.
2. Equal treatment towards all and refrain from discriminating against other people to lose any rights or benefits despite being selfsame or different in any way that does not affect work performance, whether it is physical or mental condition, race, nationality, religion, gender, age, education, status, and henceforth.
3. People should honor and respect each other's dignity, status, or opinions.

The conglomerate has internal and external recruiting channels, through testing and interviewing in order to obtain qualified personnel for the position join the organization mainly on the basis of competence and suitable qualifications and do not discriminate on the basis of race, nationality, race, color, religion, social status, gender and gender, age, disability, political views, and marital status. Additionally, we also encourage the employment of disabled individuals which opens opportunities for people with disabilities to have a job. All new employees must be jointly informed the agency in writing regarding the details, goals, and main indicators of the work performed by the Company's system. We promote and support the employees of the organization who have the knowledge and abilities to have career advancement and become the main force for the organization's further development.

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Regarding care of employees and labor, the Company has important operations as follow:

**(1) Safety, Occupational Health, and Work Environment**

In 2021, the Company focuses on working from home with an emphasis on online work and surveyed feedback from employees to promote a good quality of life along the way.

**(2) Employees training**

The Company has developed online learning materials for KSL employees under the name "KSL Knowledge Hub" by combining interesting courses and good knowledge from leading trusted websites to be integrated into the KSL Knowledge Hub, as well as the development of new employee orientation materials that suit the smaller groups through online websites that the resource developer team has developed for better convenience to be accessed via computer and smartphones under the name "KSL FRESHY GUIDE." In addition, the human resource development team has cooperated in creating the "KSL Explorers" project, which is an online studying project with SEAC Training Institute on the YourNextU website platform. The selected 30 interested participants have joined virtual-class/ online-class for 3 months which is considered as the significant first step towards shifting into a new way of learning.

**(3) Taking Care of Employees during the Spread of COVID-19**

Apart from focusing on working from home for employees to promote the social distancing measure, the Company also cares for employees in several ways as follow:

1. Provide additional COVID-19 health insurance for all employees, both full-time and contract employees.
2. Procure external agencies to perform SWAB checks
3. Contact and coordinate with departments to prepare vaccines for directors, executives, and all employees.

**Customers**

Customers are considered as a group of stakeholders that are very important to The Company, specifically serving them with satisfaction. All opinions, satisfaction, problems, needs, and behavior of customers, are all key ingredients in determining the direction of the Company's management.

The Company uses international quality management systems such as ISO 9001:2015, FSSC 22000, GMP, HACCP, HALAL, KOSHER Bonsucro environmental governance, and henceforth. In order to create the highest satisfaction for customers, the Company focuses and prioritizes the quality and standards of the products, on time delivery, world-class services, as well as strictly maintain the confidentiality of customers from getting disclosed or misused without permission. Also, we provide contact channels for customers to suggest feedback or report a complaint. Averagely, the Company receives about 40-50 complaints or suggestions per year for the operation of 5 sugar factories to ensure that standards are met without conflict when doing business with the Company. The Company has hired external agencies to assess its operations and certify that the labor standards is also in accordance with the customer's standards.

**Community and Society**

The Company uses international quality management systems such as ISO 9001:2015, FSSC 22000, GMP, HACCP, HALAL, KOSHER Bonsucro environmental governance, and henceforth. To create the highest satisfaction for customers,

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the Company focuses and prioritizes the quality and standards of the products, on-time delivery, world-class services, as well as strictly maintaining the confidentiality of customers from getting disclosed or misused without permission. Also, we provide contact channels for customers to suggest feedback or report a complaint. Averagely, the Company receives about 40-50 complaints or suggestions per year for the operation of 5 sugar factories to ensure that standards are met without conflict when doing business with the Company. The Company has hired external agencies to assess its operations and certify that the labor standards are also under the customer's standards.

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## Management Discussion and Analysis (MD&A)

### 4. Management Discussion and Analysis (MD&A)

#### 4.1 Analyze Operation and financial position

##### Summary

Khon Kaen Sugar Industry Public Company Limited and its subsidiaries (“KSL”) would like to report our financial performance for the fiscal year 2022 (from November 1, 2021 to October 31, 2022). The company had a net profit attributed to owners of the parent of THB 1,321 million which increased in the amount of THB 705 million in comparison with the net loss for the fiscal year 2021 of THB 616 million.

The company’s earnings before finance costs, taxes, depreciation and amortization (EBITDA) for FY2022 of THB 3,329 million was increased in the amount of THB 1,105 million from the previous year (FY2021: THB 2,224 million).

The operating performance and major changes are summarized as follows:

##### Overview of sugar business and significant business information

In overview of sugar business in Thailand, it had been affected from Thailand drought during the past two consecutive production years, The decrease in sugar cane volume had affected to the favorable climate for cultivation In addition, the government has measures to help farmers by promoting the cutting of fresh sugarcane to reduce the problem of dust pollution as a result, in the crop year 2021/2022, there is 92 million tons of sugar cane production nationwide, an increase of 37% from the previous year. However, an assessment by the sugar business group in Thailand predicts that the sugar business for the crop year 2022/2023, sugar cane production will increase by 15% - 20% due to favorable weather conditions for cultivation and the world sugar price that has been rising since the middle of 2021 will cause farmers to return to plant more sugarcane.

For the crop year 2021/2022, the company was the fourth-largest market share in Thailand in term of sugar production with 7% of sugar production volume proportion. The sugar output of 0.70 million tons in FY2022 was increased by approximate 32% comparison with the sugar output of 0.53 million tons in FY2021 that affected increase in revenues from sugar sale in the amount of THB 5,468 million or 63% increase. The increase in sale volume of 220,157 tons or 44% from the previous year’ volume. That caused from inclining in volume of sugarcane output in the production year 2021/2022 and the average sugar sale price increased by 14% due to inclining of world sugar price compared with the previous year’s price.

##### The Operating Performance and Significant Changes

For the year 2022, the company had a profit on operation of THB 1,321 million whereas profit on operation for the year 2021 of THB 616 million. The operating performance and significant changes are detailed as follows:

## Summary of financial results

### Revenues from Sales and Rendering of Services

For the year 2022, the company's total revenues from sale and service of THB 16,329 was increased in the amount of THB 5,859 or 56% increase and summarized as follows:

(Unit : Million THB)

Structure of Revenues	FY2022	FY2021	Increase (decrease)
<b>Revenues from sales</b>	<b>16,178</b>	<b>10,326</b>	<b>5,852</b>
Sugar and molasses	14,188	8,720	5,468
Electricity	1,348	1,178	170
Fertilizer, fuels and others (supporting business)	642	428	214
<b>Revenues from services</b>	<b>151</b>	<b>144</b>	<b>7</b>
<b>Total revenues from sales and services</b>	<b>16,329</b>	<b>10,470</b>	<b>5,859</b>

1. For FY2022, total revenues from sugar and molasses for FY2022 in the amount of THB 14,188 million that increased by THB 5,468 million or 63% compared with FY2021, was mainly due to significant increase in volume of sugar sale and inclining of export sale price. The total sugar sales volume for FY2022 was increases amount 220,157 tons or 44%, and the average sugar sale price of all distribution channels was increased by 14% comparison with the previous year's due to inclining of world sugar price. The proportion of export sale per total sale in FY2022 was 80% which higher than 67% of FY2021 export sale proportion.

2. Revenue from sale of electricity was increased from THB 1,178 million to THB 1,348 million, 14% increase, due to increase in electricity volume and the average electric sale price from FT price.

3. Increase in revenues from other sugar-related businesses of THB 214 million or 50% increase was mainly due to enhancing farmer activities to support sugar cane output improvement in the upcoming crop harvests.

### Gross Profit

For the year 2022, the company had a gross profit increased from THB 1,240 million to THB 2,789 million, 125% increase, was derived from significant increase in sugar sale volume and inclining of export sale price. Gross profit margin increased from 12% in FY2021 to 17% in FY2022 was mainly due to inclining increase in average sale price at the higher rate than cost of raw material (sugar cane) increases and the average electric sale price from FT price.

### Other Incomes

In 2022, the Company recognized a gain from the change in the proportion of investment in an associated company in the amount of THB 58 million as resulted that an associate, BBGI Public Company Limited ("BBGI"), started trading its common stock on the Stock Exchange of Thailand in March 2022.

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## Distribution Costs

The distribution costs increase from THB 294 million to THB 434 million or 48% increase was mainly from higher transportation and exportation expense relating to increase in sugar export sale volume.

## Administrative expense and other expenses

Significant changes in administrative expenses and other expenses are as follows:

- Employee and director costs increased by THB 108 million or 30%.
- The contributions to the Cane and Sugar Fund was decreased in the amount of THB 38 million, was a stabilization cost paid to the Fund that charged for the production year 2019/2020.
- Foreign exchange gain increase by THB 57 million in FY2022, whereas losses on foreign exchange rate of THB 15 million was recognized in FY2021.
- Gain from changes in fair value of investment properties decreased by THB 87 million.
- Bad debts and provision for bad debts decreased in the amount of THB 154 million from farmer
- Impairment of asset was increased by THB 42 million.

## Financial Costs

Financial costs increased from THB 425 million to THB 429 million, 1% increase, was mainly due to repayment of long-term loans and debenture, but inclining in average interest rate of short term loans.

## Share of gains of associates

Share of gains of associates decreased from THB 511 million to THB 76 million, 85% decrease, was mainly due to the decrease in the operating results of the associated companies.

For the year 2022 financial status overview, the company had total assets of THB 41,650 million, total liabilities of THB 20,287 million and total shareholders' equity of THB 21,363 million. Interest bearing debt to equity ratio (IBD/E ratio) as at October 31, 2022 represented at 0.78.

## 4.2 Give a forward looking description of potential

The major factors that affect the sugar business are the volume of sugar cane output and world sugar price. For the crop year 2022/2023, sugar business group in Thailand forecasts increase in the domestic sugarcane supply in approximate 15% to 20% compared with the previous year's. The sugarcane is forecasted to increase from 92.07 million tons in 2021/2022 to the range of 105 - 110 million tons in the crop year 2022/2023 due to favorable weather conditions for cultivation and the rising world sugar prices since the middle of 2021. As a result, farmers would expand cultivation area. The company expected that the revenue and performance of sugar business and related businesses (electricity business and fertilizer and other agricultural raw materials business) will be improved from the previous year, if the target of sugar cane crushing is reached as well as the market share can be maintained. Other factors related to exports are still positive sentiment such as inclining of world sugar prices and strength trend of US dollar against Thai Baht currency. Those are positive factors for export business.



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#### 4.3 Disclose information from the financial statements and significant

The corporate accounting period begins on November 1 and ends on October 31 of every year.

##### Report of Independent Auditor

1) Auditor

Year 2020 Ms. Juntira Juntrachaichoat, Certified Public Accountant, Registration No. 6326, Deloitte Touche Tohmatsu Jaiyos Audit Co., Ltd.

Year 2021 Ms. Wimolporn Boonyusthian, Certified Public Accountant, Registration No. 4067, Deloitte Touche Tohmatsu Jaiyos Audit Co., Ltd.

Year 2022 Ms. Wimolporn Boonyusthian, Certified Public Accountant, Registration No. 4067, Deloitte Touche Tohmatsu Jaiyos Audit Co., Ltd.

2) Summary of the audit reports over the past three years

Year 2020 The Auditor audited corporate financial statements and issued unqualified opinions.

Year 2021 The Auditor audited corporate financial statements and issued unqualified opinions.

Year 2022 The Auditor audited corporate financial statements and issued unqualified opinions.

## Percentage of Shareholding in the Subsidiaries and Basis for Preparation of Consolidated Financial Statements

The financial statements for the fiscal year of 2020 - 2022 include a total of 14 subsidiaries. The shareholding percentage as of October 31 is as follows:

**Table 1: Percentage of Direct and Indirect Corporate Shareholding**

	<u>Percentage of Shareholding</u>		
	<u>2022</u>	<u>2021</u>	<u>2020</u>
Tamaka Sugar Industry Company Limited	90.21	90.21	90.21
New Krung Thai Sugar Factory Company Limited	95.78	95.78	95.78
New Kwang Soon Lee Sugar Factory Company Limited	99.21	98.61	98.61
KSL Real Estate Company Limited*	91.02	91.02	91.02
K.S.L. Export Trading Company Limited**	79.55	79.55	79.55
KSL Material Supplies Company Limited	100.00	100.00	100.00
Khon Kaen Sugar Power Plant Company Limited	100.00	100.00	100.00
KSL. Agro and Trading Company Limited	100.00	100.00	100.00
WSP Logistic Company Limited	100.00	100.00	100.00
KHUN CHUAN Company Limited	99.97	99.97	-
Savannakhet Sugar Corporation	98.00	98.00	98.00
Koh Kong Plantation Company Limited***	100.00	80.00	80.00
Koh Kong Sugar Industry Company Limited	100.00	88.02	88.02
Wynn In Trading Company Limited	100.00	100.00	100.00

### NOTE:

\* The Company holds shares indirectly through Tamaka Sugar Industry Company Limited

\*\* The Company holds shares indirectly through New Krung Thai Sugar Factory Company Limited, Tamaka Sugar Industry Company Limited and New Kwang Soon Lee Sugar Factory Company Limited.

\*\*\* The Company holds shares indirectly through Wynn In Trading Company Limited and KSL. Agro and Trading Company Limited because of in 2022, KSL. Agro and Trading Company Limited acquired shares in Koh Kong Plantation Company Limited in the proportion of 20%.

## Consolidated Profit and Loss Statement

### Revenue from sale and services

In FY2022, the Company's operating revenue in the total amount of THB 16,329 million was increased from the previous year by THB 5,859 million or 56% as detailed below:

Structure of Revenues	(Unit : Million THB)		
	2022	2021	Increase (decrease)
Revenues from sales	16,178	10,326	5,852
Sugar and molasses	14,188	8,720	5,468
Electricity	1,348	1,178	170
Fertilizer, fuels and others (supporting business)	642	428	214
Revenues from services	151	144	7
Total revenues from sales and services	16,329	10,470	5,859

For FY2022, (1) the increase in revenues from sugar business was resulted from higher sugar sale volume of 220,157 tons or 44% increase compared with the previous year's. It was resulted from rising in volume of sugarcane output in the production year 2021/2022 and the average sugar sale price of all distribution channels was increased by 14% comparison with the previous year's due to inclining of world sugar price. The proportion of export sale per total sale in FY2022 was 80% which higher than 67% of FY2021 export sale proportion, (2) revenue from sale of electricity was increased from THB 1,178 million to THB 1,348 million, 14% increase, due to increase in electricity volume and the average electric sale price from FT price and (3) increase in revenues from other sugar-related businesses of THB 214 million or 50% increase was mainly due to enhancing farmer activities to support sugar cane output improvement in the upcoming crop harvests. As a result, the overall operating revenue was significantly grew comparison with previous year.

The company's costs of goods sold and service in the total amount of THB 13,540 million that was increased from the previous year in the amount of THB 4,310 million or 47%, mainly due to a rise in material costs (sugar cane) (sugar cane prices for 10 c.c.s. in FY2022 was in the range of THB 1,057.06 - THB 1130.54 per ton, whereas FY2021 price range was THB 975.43 - THB 1,019.62 per ton) or 11% increase.

#### Selling and administrative expenses

Selling and administrative expenses in the total amount of THB 1,169 million was increased by 14% with the following major reasons:

- (1) Distribution costs in the amount of THB 434 million was increased by 48% in line with the high in sale volume, especially increase in export sale, that caused a significant increment of transportation costs, sugar storage and other related shipping costs.

- (2) Employee and director costs increased by 30% or in the amount of THB 108 million.
- (3) Bad debts and provision for bad debts decreased by 80% or in the amount of THB 154 million from farmer.

#### Other incomes and other losses:

Unit: Million THB

Type of income/expenses	2022	2021
(1) Other incomes consist of:		
(1.1) Other incomes	220	191
(1.2) Finance income	105	95
Total other incomes	325	286
(2) Other gain (loss) and other expense-net consist of:		
(2.1) Gain (loss) from exchange rate	42	(16)
(2.2) Loss on fair value adjustments of biological asset	(7)	(5)
(2.3) Gain on fair value adjustments of investment property	121	209
(2.4) Gain (loss) on sales and disposal of assets	31	(14)
(2.5) Loss on impairment of property, plant and equipment	(59)	(17)
(2.6) The contributions to the Cane and Sugar Fund *	-	(38)
Total other gain (loss) and other expense-net	128	119

Note: \* The contributions to the Cane and Sugar Fund of the production year 2019/2020 in the amount THB 38 million was recognized in FY2021 financial statements.

#### Share of gain on investment in associated companies

Share of gains on investment in associates in the total amount of THB 76 million was decreased by 85% (FY2021: THB 511 million), mainly from a decrease in the operating results of associated companies.

As a result, the company's earnings before interest and income tax (EBIT) was THB 2,149 million that was increased by 90% comparison with the previous year (FY2021: THB 1,132 million).

#### Finance cost and income tax expenses

In FY2022, the company's financial cost of THB 429 million was increased by 1% due to loans repayment during the year but increase in the average interest rate of short-term loans and the corporate income tax of THB 391 million.

As a result, the company had a net profit in the amount of THB 1,329 million for FY2022 (FY2021: net profit of THB 614 million) which consisted of profit of minority interest amounted to THB 8 million and net profit of the owner of the parent amounted to THB 1,321 million.

Table 2 : Consolidated Profit and Loss in the past 3 years

Income Statement Highlight (Million THB)	2022	2021	% Change	2020
Sales and Services	16,329	10,470	56%	11,853
Cost of Sales and Service	(13,540)	(9,230)	47%	(10,082)
Gross Profit	2,789	1,240	125%	1,771
Other Incomes	325	286	14%	248
Selling Expense	(434)	(294)	48%	(451)
Administration Expense	(735)	(730)	1%	(914)
Profits before other gain (loss) and other expenses	1,945	502	287%	654
Other gain (loss) and other expense - net	128	119	8%	(644)
Share of profit of associated companies	76	511	-85%	323
Profits before financial cost and tax	2,149	1,132	90%	333
Financial cost	(429)	(425)	1%	(497)
Corporate Income Tax	(391)	(92)	325%	66
Minority interest	(8)	1	-900%	15
Net Profit (loss)	1,321	616	114%	(83)
Earnings (loss) per Share (EPS)	0.30	0.14	114%	(0.02)
Gross Profit Margin	17.1%	11.8%		14.9%
Net Profit Margin	8.1%	5.9%		-0.7%

Based on the company's operating revenue structure for FY2022, the total revenue was THB 16,329 million consisted of (1) revenues from sales of sugar and molasses in the total amount of THB 14,188 million, representing 87% of the total operating revenue, (2) revenue from electricity and steam sales in the total amount of THB 1,348 million, representing 8% of the total operating revenue and (3) revenues from other services amounted to THB 151 million and revenues from trading business amounted to THB 635 million. The rest was other incomes amounted to THB 7 million.

Table 3 : Consolidated Revenue Structure in the past 3 years

Revenue Structure (Million THB)	2022		2021		% Change	2020	
Sales and Services							
Sugar and Molasses Sales	14,188	86.9%	8,720	83.3%	63%	10,043	84.7%
Electric and Steam Sales	1,348	8.3%	1,178	11.3%	14%	1,253	10.6%
Services	151	0.9%	144	1.4%	5%	181	1.5%
Others	7	0.0%	9	0.1%	-22%	23	0.2%
Total	<u>15,694</u>	<u>96.1%</u>	<u>10,051</u>	<u>96.0%</u>	<u>56%</u>	<u>11,500</u>	<u>97.0%</u>
Trading Activities							
Sales of fuels	231	1.4%	151	1.4%	53%	182	1.5%
Sales of fertilizer	380	2.3%	240	2.3%	58%	155	1.3%
Sales of Supplies	24	0.1%	28	0.3%	-14%	16	0.1%
Total	<u>635</u>	<u>3.9%</u>	<u>419</u>	<u>4.0%</u>	<u>52%</u>	<u>353</u>	<u>3.0%</u>
<b>Total Sales and Services</b>	<b><u>16,329</u></b>	<b><u>100.0%</u></b>	<b><u>10,470</u></b>	<b><u>100.0%</u></b>	<b><u>56%</u></b>	<b><u>11,853</u></b>	<b><u>100.0%</u></b>

Table 4 : A Summary of the Consolidated Statement of Financial Position in the past 3 years

Statement of Financial Position Highlight (Million THB)	2022	2021	% Change	2020
Cash and cash equivalents	255	224	14%	138
Trade and other current receivables	1,058	1,064	-1%	1,203
Short-term loans	624	588	6%	786
Inventories	2,740	2,707	1%	2,049
Other current financial assets	655	91	620%	-
Other current assets	481	105	358%	98
Investments in associates	4,803	4,650	3%	4,273
Other non-current financial assets	229	173	32%	-
Other long-term investments	-	-	0%	157
Finance lease receivable - net of current portion	-	361	-100%	361
Long-term loans	113	137	-18%	144
Investment property	6,297	6,112	3%	5,775
Property, plant and equipment	24,139	25,007	-3%	25,891
Other non-current assets	256	302	-15%	247
<b>Total Asset</b>	<b><u>41,650</u></b>	<b><u>41,521</u></b>	<b><u>0%</u></b>	<b><u>41,122</u></b>
Current Liabilities	8,985	12,012	-25%	11,388
Non-Current Liabilities	11,302	9,398	20%	10,188
<b>Total Liabilities</b>	<b><u>20,287</u></b>	<b><u>21,410</u></b>	<b><u>-5%</u></b>	<b><u>21,576</u></b>
<b>Total Shareholder's Equity</b>	<b><u>21,363</u></b>	<b><u>20,111</u></b>	<b><u>6%</u></b>	<b><u>19,546</u></b>
<b>Total Equity Attributable to Owners of the Parent</b>	<b><u>20,890</u></b>	<b><u>19,581</u></b>		<b><u>19,027</u></b>
D/E Ratio	0.95	1.06		1.10
IBD/E Ratio	0.78	0.92		0.96

At the end of FY2022, the company had the total assets of THB 41,650 million, 0.3% increase, and the shareholders' equity of THB 21,363 million was from 6% increase. Whereas the total liabilities of THB 20,287 million,

5% decrease. As a result, debt to equity ratio reduced from 1.06 to 0.95 and interest-bearing debt to equity ratio also reduced from 0.92 to 0.78 due to a large amount of repayment of short-term borrowings and long-term borrowings from financial institutions.

The significant changes in statement of financial position are as follows;

- An increase in other current financial assets of THB 564 million or 620% from hedging the sugar future contracts and cross currency and interest rate swap contracts, which was profitable in FY2022.

- Other current assets increased by THB 376 million or 358% was mainly from increase current portion of finance lease receivable since the related party has notified their intention to request the transfer of all assets within November 2022.

- Property, plant and equipment decreased THB 868 million or 3% was mainly from depreciation expenses for the year and net increase in asset under construction for the year.

- Net decrease in interest-bearing debts in the amount of THB 1,861 million mainly consisted of net decrease in short-term borrowings in the amount of Baht 1,251 million, repayment of debenture in the amount of THB 3,000 million and repayments of long-term borrowings from financial institutions in total approximate amount of THB 2,053 million during the year 2022. Whereas the company had additional long-term borrowings from financial institutions in the total amount of THB 4,250 million.

*Table 5 : Consolidated Statement of Cash Flow in the past 3 years*

Cash Flow Highlight (Million THB)	2022	2021	% Change	2020
Net Profit + Depreciation + Non Cash	2,976	1,572	89%	1,028
Change in Working Capital	(548)	(1,177)	-53%	507
<b><i>Cash flow from Operating Activities</i></b>	<b>2,428</b>	<b>395</b>	<b>515%</b>	<b>1,535</b>
Invest in investment in an associate	(284)	-	100%	-
Cash received from dividends	265	57	365%	24
Net Invest in PP&E	(179)	(191)	-6%	(435)
<b><i>Cash flow from Investing Activities</i></b>	<b>(44)</b>	<b>31</b>	<b>-242%</b>	<b>(228)</b>
<b><i>Cash flow from Financing Activities</i></b>	<b>(2,334)</b>	<b>(339)</b>	<b>588%</b>	<b>(3,591)</b>
Change in Cash Flow	31	86		(2,292)
Beginning Cash	224	138		2,430
Ending Cash	255	224		138
EBIT	2,149	1,132	90%	333
Depreciation and Amortization	1,180	1,092	8%	1,080
EBITDA	3,329	2,224	50%	1,413

In overall of the year 2022, the Company received net cash inflows from operations of THB 2,428 million, 515 increased from FY2021, that mainly from increases of operating profit.

Regarding the cash flows from investing activities, the company had net cash inflows from investing activities in the total amount of THB 44 million. The net cash outflow was mainly from invest in investment in an associate of THB 284 million and net investment in fixed assets of THB 179 million, whereas net cash inflows was derived from cash received from dividend and interest incomes in the total amount of THB 348 million and cash collection from short-term loans and long-term loans in the total amount of THB 27 million.

Regarding financing activities, the company had net cash outflows in the amount of THB 2,334 million. It was mainly from repayment of debenture of THB 3,000 million and net repayment in short-term borrowings in the amount of THB 1,251 million and repayment of long-term borrowings from financial institutions in the total amount of THB 2,053 million. During the year 2022, the company had payment for dividends to shareholders of the parent in the amount of THB 265 million. Whereas cash received from long-term borrowing from financial institutions of THB 4,250 million.

### Financial Ratios

*Table 6 : Financial Ratios in the past 3 years*

<b>Financial Ratios</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
<b>Short-term liquidity ratios</b>			
Current Ratio	0.65	0.40	0.38
Acid Test Ratio	0.26	0.16	0.19
Collection period - trade receivables (days)	13	18	16
Days of inventory	73	94	88
<b>Capital Structure and Solvency ratios</b>			
D/E Ratio	0.95	1.06	1.10
IBD/E Ratio	0.78	0.92	0.96
LTD to equity	0.44	0.39	0.44
<b>Return on Investment ratios</b>			
ROA	3%	1%	0%
ROE	6.2%	3.1%	-0.4%
<b>Operating performance ratios</b>			
Gross Profit Margin	17%	12%	15%
Operating Profits Margin	12%	5%	0%
Pre-tax Profit Margin	11%	7%	-1%
Net Profit Margin	8%	6%	-1%
<b>Market Measures</b>			
Book Value per Share	4.84	4.56	4.43
Earning Per Share	0.30	0.14	(0.02)



According to the year 2022 financial ratios above, all related return on investment ratios and operating performance ratios were increased from previous year's due to operating profit in the amount of THB 1,321 million that improved from profit of THB 616 million in the year 2021. The increase in gross profit ratio is mainly from the increase in average sugar and molasses sale price at a higher rate than cost of raw material (sugar cane) increase and the average electric sale price from FT price.

The capital structure and solvency ratios such as D/E ratio and IBD/E ratios slightly decreased or improved from previous year's due to improvement of operating performance and repayments of interest-bearing loans during the year.

The liquidity ratios represented current ratio and acid-test ratio were similar to previous year's. The acid-test ratio was derived from increase in sale volume by maintaining credit term offered to clients. The 2022 sale volume was selling of both current year's stocks and previous year's outstanding stocks. As a result, the liquid assets inclined at the end of the year.

## 5. General information and other material facts

### 5.1 General information

Company Name	:	Khon Kaen Sugar Industry Public Company Limited
Head Office Location	:	503 KSL TOWER 9 <sup>th</sup> Floor, Sriyudhya Road, Rajathevi, Bangkok, 10400 Thailand
Telephone	:	+662-642-6191-9
Website	:	<a href="http://www.kslgroup.com">http://www.kslgroup.com</a>
Securities Registrar	:	Thailand Securities Depository Co., Ltd. 93 Ratchadaphisek Road, Din Daeng, Din Daeng, Bangkok 10400 Thailand Telephone: (66 2) 009 9000 Facsimile: (66 2) 009 9991 SET Contact Center: (66 2) 009 9999 Website: <a href="http://www.set.or.th/tsd">www.set.or.th/tsd</a>
Auditor	:	Ms. Wimolporn Boonyusthian Certified Public Accountant No. 4067 Deloitte Touche Tohmatsu Jaiyos Audit Co., Ltd. AIA Sathorn Tower, 23rd - 27th Floor, 11/1 South Sathorn Road, Yannawa, Sathorn, Bangkok, 10120 Telephone: +66 (0) 2034 0000 Facsimile: +66 (0) 2034 0100

**5.2 Other material facts**

-NONE-

**5.2.1 Specify other information that may**

-NONE-

**5.3 Legal disputes**

As of 31 October 2022, the Company had no dispute which might have a potential negative impact in excess of 5% of the shareholders' equity per its consolidated financial statements.

**5.4 Secondary market**

-NONE-

**5.5 Financial institution with regular contact**

-NONE-

## Corporate Governance Policy

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## Part 2 Corporate Governance Policy

### 6. Corporate Governance Policy

#### 6.1 Overview of the Policy and Guidelines

The Board of Directors, as leader of the organization, performs its duties with responsibility, transparency, and fairness with determination to operate and develop the Company's sustainability by adhering to the principles of corporate governance and business ethics.

In the year 2022, the Company has carried out various activities as follows:

1. The Company held the 2021 Annual General Meeting of Shareholders, No. 1/2022, on February 23, 2022, through Electronic Annual General Meeting (E-AGM), using the system of Digital Access Platform Company Limited ("DAP") system has been prepared to access meeting of the provider that it is under the Announcement of the Ministry of Information and Communication Technology under the rules and regulations in the epidemic situation of COVID-19 that is related to be used with shareholders meeting, including registration of shareholders, vote counting, and displaying results. For conferences to be conducted quickly, accurately, and adhere to the principles of virtuous corporate governance.

Since 2021, KSL has started holding paperless meetings, from the meeting of the Board of Directors and sub-committees to internal meetings with the use of information technology to be cover all dimensions beneficially, including the presentation of the meeting documents, voting, and note-taking of the participants, and henceforth.

2. The Board of Directors has complied with the principles of virtuous corporate governance of the Securities and Exchange Commission (CG Code), the Thai Institute of Directors Association (IOD), corporate governance policy, code of conduct, as well as international standards to comply with various criteria of the ASEAN CG Scorecard, and et cetera. In this regard, the Company received an assessment from the Corporate Governance Report of Thai Listed Companies (CGR) to be 'Excellent' as of 2020 by the Thai Institute of Directors Association (IOD), which is the third consecutive year.

3. Received 100 full scores in the quality assessment of shareholders' Annual General Meeting (AGM Checklist) from the Thai Investors Association.

4. Publicized the Corporate Governance Policy Code of Conduct Anti-Corruption Measures Manual on the Company's website and internal website (Intranet) for the Company's directors, executives, and employees of all groups to be informed and take it as an operation guideline.

5. Revised the Code of Business Conduct and the Anti-Corruption Manual.

The Corporate Governance Policy consists of 7 Chapters as follows: 1) Rights of shareholders 2) Equitable treatment of shareholders 3) Role of stakeholders 4) Disclosure and transparency 5) Role and Responsibilities of the Board of Directors 6) Anti-Corruption and 7) Reporting Information on Misconduct and Fraudulent Activities.

During the year, the Company duly governs the business by adhering to the Policy.

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## Chapter 1: Rights of Shareholders

1. Shareholders may propose a meeting agenda and put forward their questions concerning the Annual General Meeting of Shareholders in advance during 1<sup>st</sup> October to 30<sup>th</sup> November for the Annual General Meeting in the following February. The company notifies such process such to the shareholders via the information system of the Stock Exchange of Thailand, and the criteria and steps were clearly posted on the website of the Company at [www.kslgroup.com](http://www.kslgroup.com) at the menu “Information for Investors”.

2. Inform the method to vote for questioning or sharing opinions during the meetings for all participants to acknowledge before beginning.

3. Remuneration and criteria on providing remuneration for directors of each position, namely fixed remuneration, meeting allowances, annual remuneration, were proposed to the shareholders for consideration and approval every year.

4. The Company allowed the shareholders to cast their votes on an election of individual director, by nominating a director for voting by the shareholders one by one.

5. The Company’s website where corporate shareholders and those interested may download corporate financial information, corporate profiles, and meeting information is [www.kslgroup.com](http://www.kslgroup.com). Inquiries and requests for further information may be e-mailed to [ir@kslgroup.com](mailto:ir@kslgroup.com) and [secretary@kslgroup.com](mailto:secretary@kslgroup.com)

6. The Company facilitates and encourages its shareholders to exercise their rights and votes. There is a record date for a right to a meeting and a record date for a right to receive the shareholders to choose whether they will hold the stocks for the dividends or not. Shareholders meetings are organized at convenient venues which is easily accessible by public transportation.

7. Agenda of the 2021 Annual Shareholders’ Meeting No.1/2022 notice covered statement of financial position, profit and loss statement, dividend payment, election of replacement directors whose terms have ended, consideration of remuneration for directors, and appoint of auditor and audit fee.

8. In 2021 Annual Shareholders’ Meeting, No.1/2022, the Company informed its shareholders about rules and procedure of attending the shareholders’ meeting. Shareholders were given opportunities to directly inquire the corporate directors and committees. The meeting was recorded by video recorder. The Company does not deprive its shareholders of access to corporate information. All important information is included in distributed notices without any last-minute addition of agendas or changes in important matters. Shareholders who arrive late are always allowed to attend meetings.

9. Minutes of the AGM 2021, No.1/2022 is precise and accurate. Names of all the directors physically present/absent were shown. Summaries of clarifications, questions, answers, opinions, the voting procedure, and the vote count procedure were provided. The minutes were posted on the Company’s website within 14 days after the AGM date.

10. The Board of Directors shall not hold aggregately the shares more than 25 percent of the issued shares.

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## Chapter 2: Equitable Treatments of Shareholders

1. A shareholder has a voting right by one share/one vote. The Company has only one type of share, namely, ordinary shares.

2. Shareholders are entitled to nominate a person of their choice for appointment as a director in advance as from 1<sup>st</sup> October until 30<sup>th</sup> November, by notifying such to the shareholders via the information system of the Stock Exchange of Thailand, and the criteria and steps are clearly posted on the website of the Company at [www.kslgroup.com](http://www.kslgroup.com) at the menu “Information for Investors” After that, the Board of Directors shall hold a meeting to proceed with the screening process. However, in the past there has been no nomination by the shareholders.

3. The Company attached a Letter of Proxy, per Form B with the Notice Calling Meeting, which enabled the shareholders to set their own voting direction in each agenda, so as to afford convenience to a shareholder who is unable to attend the meeting to authorize an independent director or another person to attend the meeting and cast votes on his/her behalf. The Notice Calling Meeting of both in Thai and English languages are published on the Company’s website 30 days before the date of meeting to allow shareholders to study the information beforehand.

4. The Company sets a guideline about the use of inside information in the CG Policy and disseminates to directors, executives and employees who access to significant information which would affect the price of securities to refrain from trading the securities for one month prior to the disclosure of operating result or the disclosure of such information to public (Chapter 2: Equitable treatment of shareholders). Besides, the Company by Company Secretary regularly warns the directors and executives in writing in advance of each disclosure of financial reports to refrain from the disposal of the Company’s securities as from and until the specific dates and, for transparency, informs the Meeting of Executive Board and the Board of Directors regarding the changes of the Company’s securities of each director or executive (if any) as well as informs the directors and executives of any illegal act regarding using inside information so that the directors and executives shall exercise good care in respect of the use or alleged use of any inside information before disclosure to public.

5. Regarding the use and protection of inside information, the Company has established measures to prevent the use of inside information by directors, management, and employees for abusive self-dealing (Details in “Use of Inside Information”).

6. The Company requires that a director shall not operate or have any position in any ordinary partnership, or be a general partner in limited partnership, or be a director in any other limited company or public company limited that operates businesses of the same nature and that is the Company’s direct and indirect competition, unless the information about their position(s) is disclosed to the shareholders’ meeting before the appointment. Directors shall inform the Company immediately about their direct and indirect conflicts of interest arising in any corporate contracts done between fiscal years, or due to change in their acquisition of shares or debentures of the Company or its subsidiaries between fiscal years.

The Company encourages its directors, Management and those related to the Board to disclose information about their interests as part of the Board’s meeting agendas. Directors who have interests in any issues being considered are not allowed to vote on those particular issues.

7. In the past year, neither directors nor executives used insider trading and the Company did not violate or defy the connected transaction rules.

8. During the year, there was no related-party transaction which requires approval from the Shareholders' Meeting.

### **Chapter 3: Role of Stakeholders**

Besides protecting the benefits and rights of its shareholders, the Company realizes the significance of other stakeholders contributing to its financial stability and sustainability. These stakeholders include customers, employees, suppliers, creditors, and the surrounding community. The Company has always ensured integrity and fair treatment for each stakeholder through its established business ethics, such as:

#### **Rights of Shareholders**

The Company abides by the Corporate Governance Policy and guidelines regarding shareholders and equal treatment to shareholders and prescribes consistent Business Ethics.

#### **Rights of Employees**

The Company commits to the importance of employees at all levels without discrimination on race, religion and gender. All employees are equal and are treated equally. The Company provides fair hiring conditions for the employees and undertakes appropriate policy and guidelines in respect of remuneration and welfare. Employees receive short term and long term remuneration such as salary and bonus pursuant to the employee's performance evaluation and the Company's operational result. The Company establishes a provident fund for employees' living stability. Besides, the Company supports the development of knowledge and potential so as to make them ready for their work and organizational development and discloses average training hours, accident statistics, work stoppage time and sickness from work information (Details in the Sustainability Report).

#### **Rights of Customers**

The Company applies international quality control system, e.g., ISO 9001:2015, FSSC 22000, GMP, HACCP, HALAL, KOSHER, Bonsucro and good governance in environment etc. so as to create the utmost satisfaction to the customers in terms of quality and product standard, timely delivery and international standard service and strict confidentiality keeping. Besides, the Company provides customers with channels for complaints and recommendations as deemed appropriate by the customers. By average, the Company receives approximately 40-50 complaints and recommendations per year regarding the operation of 5 sugar factories.

#### **Rights of Suppliers**

The Suppliers hereby include, apart from contracting parties in sales and service of work, joint investors in some specific business. The Company acknowledges the legal rights and contractual rights pursuant to the joint investment by adhering to principles of honesty, equality and right to return of investment. The Company has the Corporate Governance Policy and guidelines regarding customers in the Chapter on Roles of Stakeholders saying that it supports fair and free competition, equality in doing business and mutual benefits, transparent and fair procurement. The Company prescribes the qualifications of the customers who are entitled to offer bidding as well as announces openly and equally to the rightful bidders of the complete information and conditions regarding

the procurement. The Company keeps confidential the bidding prices from the suppliers and does not disclose to other bidders. The Company shall not demand any benefit from the suppliers in exchange of executing contracts with the Company as well as prescribes in the Business Ethics of such practices. As for the service of work in the Company's sites, the Company provides safe working conditions for the contractors and emphasizes that the contractors must strictly abide by the Company's rules of safety. Upon completion of the work, the Company has a process of transparent and fair acceptance of work and shall pay the contractors in due time. The Company through the procurement department communicates with the suppliers through various channels of important matters and provides channels for the suppliers to send their complaints or information. In 2019, sent letters to suppliers by informing them of the CG policies together with Anti-corruption policy. The central procurement unit requested all factories to extend anti-corruption policy to local suppliers so that acknowledgement of the information shall be as much as possible.

**Rights of Creditors**

The Company has the Corporate Governance Policy that shall abide by the agreement made with the creditors regarding the timely payment, appropriate use of financial service, providing and keeping collateral and other conditions such as correct financial reports for the use of credit analysis, debt-equity ratio. The Company has gained trust from the creditors through ethical operation and facilitates information for the understanding of the Company's business through the Annual Report and the Annual Statement (Form 56-1) and the financial status through financial reports which are made and audited in accordance with the generally accepted standard. The Company prescribes these practices in the Business Ethics consistently.

**Right of Competitors**

The Company supports free and fair competition and also the Business Ethics that the personnel shall not do business by destroying or restraining the competitors with unlawful ways or apply any unlawful way to obtain the competitor's information, In practice, the competitors are members in the same associations and regularly exchange information; therefore, there has been of unfair practice among them.

**Rights of Community and Society**

The Company adheres to sustainable development under the framework of the Global Reporting Initiative (GRI) and keeps complying with relevant laws and regulations. The Company encourages the stakeholders to attend activities or participate in community and social development and supports activities that develop quality of life and benefits of communities where the Company operates its business as well as builds up the employees' conscience for community and social benefits. The Company also creates opportunities for communities and stakeholders to participate in the Company's projects or events, including the sharing of opinions and suggestions or even complaints regarding the Company's operation.

**Human Rights**

The Company has the policy not to involve in human right violation by providing in the Corporate Governance Policy. The Company promotes and respects human rights as well as operates its business in line with the principles and intent of the United Nations Declaration on Human rights and other international agreements that Thailand is a party and shall not participate in any act that is against the human right principles. Each site of



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the Company's group has express clear intent that the Company shall not use child labour and forced labour and shall make announcement through various channels to the communities.

**Environment**

The Company has the Corporate Governance Policy and guidelines regarding environment in the Chapter on Roles of Stakeholders saying that the Company uses natural resources and energy as necessary and supports the reuse and recycling of raw materials and waste in production process. The factory uses modern dust collector to prevent emission. The water treatment system is developed to ensure that the used water shall be clean enough for reuse or for discharge to natural source. The Company has made a prototype of the so-call Submerged Aerated Fixed Film (SAF) to treat condensate water from ethanol production process at Boploy district, Kanchanaburi province. The policy and guidelines regarding safety and occupational health in workplace and policy regarding business operation under environmental standards are made know to the employees. The Company encourages the employees to utilize resource in an efficient and worthwhile manner and to always work with good care of safety and environment. The relevant employees undertake training in respect of environment. (Details described in the Sustainability Report).

**Intellectual Property**

The Company shall respect intellectual property rights and exercise due care not to cause accusation of risk of being accused of infringing intellectual property rights. Unfamiliarity of the relevant laws is a legal risk; therefore, the Company sets more details in the Business Ethics that the personnel have to respect intellectual property rights of others by not using any work or intellectual property of others without permission. In case of doubt of infringement, a unit must consult the legal department. If it appears that there might be an infringement, a concerned party should consult the legal department. The Business Ethics define the meaning of intellectual property in a broad sense including copyright, patent, trademark, supplier information, customer information, formulae or any matter which is regarded trade secret. So far, there were in-house consultancy that could prevent several unintentional infringements.

**Local administration / government agencies**

The Company abides by the laws which regulate the business and other relevant laws as enforced by local administration and central government agencies and cooperates with government units to develop the locality. The group of companies coordinates with the local government agencies to ensure that the companies correctly comply with the laws and regulations, e.g., coordination with municipality, provincial industry office, natural resources and environment office, underground water office, water resource office, irrigation office, regional revenue office, welfare and labour protection office, social security office, skill labour development office, etc. The group of companies regards as highly important the cooperation with local administration /government units that ask for support to help develop community around the operating areas of the companies, e.g. municipality, sub-district administration, hospital, district public health, school, police, etc. as shown in the topic "Activities on Corporate Social Responsibilities".

The Company always realizes the importance of all groups of stakeholders as mentioned. It also values all suggestions, opinions, and comments that enable development, improvement and correction of the corporate

operations. All stakeholders can contact the Company's management, the head of internal audit committee, the head of human resource department, or the chairman of audit committee to report improper incidents, complain, request for clarifications or correction, or make any suggestions via email. In the previous year, there was no wrongdoing reported to the Company. Detail information regarding procedure to report wrongdoing is provided in the Company's Corporate Governance Manual, under the heading Reporting misconduct, fraud, and non-compliance to Code of Business Ethics.

#### **Chapter 4: Disclosure of Information and Transparency**

The Company ensures that information is provided correctly, accurately, on time, and transparently through channels that are trustworthy and equally easy to access for the public. The followings are corporate practices:

1. Financial statement, other related information, and business operation are disclosed within prescribed period after audited and certified by the auditor.

1.1 The financial statements of the Company are approved unconditionally by the auditor.

1.2 There is no related transaction with affiliated companies that would cause significant conflict of interest.

2. Annual Statement (Form 56-1) is disclosed within 3 months after accounting period end and Annual Report (Form 56-2) is disclosed within 4 months after accounting period end through the SET channels and corporate website, [www.kslgroup.com](http://www.kslgroup.com). There are also updates related to the Company and the industry posted on the website to facilitate decision-making of those involved.

3. In the previous year, the Company's disclosure of information and transparency were approved by the Securities and Exchange Commission and the Stock Exchange of Thailand, as its practice was in accordance with disclosure requirements. Effectiveness of the corporate information disclosure procedure was evaluated by outsiders.

4. The Company disclosed additional information including duties of the Board of Directors and committees, the director and executive remuneration policy, summarized corporate governance policy, environmental and social policies, the Company's compliance with established policies, summarized business ethics, and directors' training background were disclosed in Form 56-1 and 56-2. Directors' training archives have been recorded in the annual registration statement (Form 56-1, One Report).

5. A Report on the Board of Directors' Responsibilities for Financial Statements is provided along with the auditor's report in annual report. The contents include the certification that the Company's financial statements are fairly presented in accordance with generally accepted accounting principles and regulations, and the financial statements are accurate, complete, and true according to accounting standards. The statement is signed by the Chairman and CEO/ President.

6. Contents of the Company's website consist of directors and executives' information consisting of name, age, gender, position, education, shareholding, experience, picture organizational information, shareholding structure, the Board structure, vision/missions, businesses and products, corporate governance policies and compliance results, business ethics, information for investors, environmental and social policies, annual reports, financial statements, news and updates in both Thai and English.

7. The Company specifies that directors and executives need to prepare a report of interests of directors, executives and related persons according to Article 89/14 of Securities and Exchange Act B.E. 2535 (1992) as amended and review a report within October every year or when information has been changed by submitting to the Office of Company Secretary within 7 days.

8. The Company is well aware of the importance of disclosing information to investors with accuracy, transparency, and accessibility. A team set up to coordinate communications between the Company, investors, and shareholders can be reached by email at [ir@kslgroup.com](mailto:ir@kslgroup.com) or the following contacts:

- |                              |  |
|------------------------------|--|
| 1. Mr. Isares Janyawannasiri | Telephone: 02-642-6230<br>Email: <a href="mailto:isares@kslgroup.com">isares@kslgroup.com</a><br>*Joining the Company since November 1, 2022 |
| 2. Ms. Nopparat Buraprachon  | Telephone: 02-642-6230<br>Email: <a href="mailto:nopparat@kslgroup.com">nopparat@kslgroup.com</a>  |

To promote better understanding of the Company’s businesses and facilitates the distribution of the information to interested investors, the Company has produced an annual investor relations plan; held quarterly analyst meetings at corporate conference room.

In 2022 the Company has activities as follows:

Activities 2022	Times / Year
1. Analyst Meeting	4 times
2. Disclosure of Business performance through SET	4 times
3. Opportunity Day	3 time
4. Disclosure of Information and answer queries by Investor relations.	19 times

**Chapter 5: Responsibilities of the Board of Directors**

The Board of Directors emphasizes utmost importance in the responsibility of the Board of Directors to maintain the interests of shareholders and stakeholders.

1. The structure of the Board of Directors consists of 21 directors, 7 of which are independent directors who are not attached to the business or other relationships. This status may influence independent discretion.

*The company is in the process of considering appointing a qualified replacement for one vacant independent director.*

2. The Chairman of the Board of Directors is an independent director who is not the same person as the Managing Director.

2.1 Board Diversity Policy

The Company has a policy of acquiring diversified directors and would consider the persons who have knowledge and experience that are essential for the Company, including professionalism and specialization without discrimination of gender, age or education of the would-be directors so that the Board of Directors shall be more efficient and supportive to the Company’s strategies. Also, there is at least one non-executive director who has good experience in the major business or industry of the Company. (Details of biography, knowledge, experience

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and shareholding are shown in the topic “Details regarding directors, executives, controlling persons and company secretary).

#### 2.2 Directors’ Term of Service

Each office term of directors is three years; directors may be re-elected for another consecutive term.

#### 2.3 Consecutive Terms of an Independent Director

The number of Independent directors are not less than one-third of the whole directors and at least three independent directors are required. An independent director may be in the position for three consecutive terms or nine years, whatever is longer. However, the Board of Directors may extend the directorship as it deems appropriate.

#### 2.4 Limitation of the Number of Listed Companies in Which a Director May Hold Directorship

The Charter of the Board of Directors stipulates that a director must not be director in not more than five other listed companies so that a director shall have enough time to perform the directorship and being a director in other companies must not hinder the performance of duties as a director in the Company. At the moment, apparently, there is no director who is a director in more than five listed companies at the same time.

#### 2.5 Separation of the Roles of the Board of Directors and the Management

Duties of the directors as prescribed in the Charter of Board of Directors conform the principles of the CG Policy, Chapter 5 namely to govern the Company to have good management and to create value to the Company in a sustainable manner. The duties, therefore, do not cross over normal operation of the management. Even though the Charter prescribes the duties and authorities to approve, such authorities are within the scope as stipulated in the Authority Manual as approved by the Board of Directors. Besides, the CG Policy clearly stipulates the status and authorities of the Chairman and the Chief Executive Officer and the Chairman must not be the same person as the Chief Executive Officer.

#### 2.6 Directorship in other companies by Managing Director and Executives

The undertaking of directorship by the Managing Director or an executive in another company or entity in which the Company invests or as the Company’s representative must be approved by the Board of Directors; provided that the Board of Directors, if it deems appropriate, may authorize the Managing Director to approve an executive in the same matter.

3. The Articles of Association provides that one-third (1/3) or close to one-third of corporate directors shall be rotated out each year. Each director’s term is three years. In case that the Board serves until the end of its term and the new Board has not yet been appointed, the former Board still continues to work until the new Board has been appointed. The Company has not determined the total terms the Board can consecutively serve. The Nomination and Remuneration Committee is considering this matter in relation to feasibility of selecting personnel with experience specific to the Company’s business to serve in the Board.

4. The Board of Directors has established the following committees:

4.1 The Executive Board

4.2 The Audit Committee

4.3 The Nomination and Remuneration Committee

#### 4.4 The Risk Management Committee

#### 4.5 The Corporate Governance Committee, as well as defined their functions and responsibilities.

In this regard, the Company has assigned the Risk Management Division and working team to assess and monitor the risks of corruption under the self-assessment criteria previously assessed by coordinating with the practitioners of all departments and the Internal Audit Division. This also includes carrying out various activities to communicate and create an understanding of the implementation of the policy and virtuous practices against corruption, continuously. The company has a result - expansion guidelines for stakeholders, for them to respectively join the practice of Thai private sector in anti-corruption.

As for the implementation of related systems, the company assigns the Risk Management Office to assess the risk of corruption using the COSO-ERM criteria and prepare a fraud risk management manual. To provide clear guidelines on supervision, control, prevention and monitoring of corruption risks. Moreover, to ensure that the Company's employees have complied with the anti-corruption policies and guidelines effectively, the company therefore assigned the Risk Management Office to regularly track and summarize the results of the follow-up assignments. The Internal Audit Office is responsible for reviewing the effectiveness and efficiency of the internal control system and additional control measures specified in the Internal Audit Office's annual review plan.

In 2022, the Company has carried out important anti-corruption activities as follows:

1. Organize activities to educate and promote understandings of the anti-corruption policy through KSL CG & Anti-Corruption Week under the theme "KSL & The Journey for Sustainability" in an online and onsite format.

2. Provided PR announcement signs regarding anti-corruption to every factory of the Company to convey the anti-corruption policy to visitors.

3. Organized the corruption risk assessment for operators to analyze their risks and use the results of the assessment to plan to improve the performance to be more efficient.

4. Publicized the Anti-Corruption Policy and Anti-Corruption Measures Manual on the company's website and an internal website (Intranet) for the directors, executives, and employees at all levels to acknowledge and take it as a guideline for work.

5. Scheduling an annual meeting with trading partners of the corporate procurement department. For transmitting procurement policy, anti-corruption policy, and the company's operations, such as Personal Data Protection Act (PDPA)

6. For transparency and independence in performing duties, most of the committee members of the sub-committees are independent committee members, and the chairmen of the sub-committees are also independent committee members. In addition, to perform the duties of the sub-committees with true independence, the chairmen or committee members of the sub-committees will not be the chairmen or committee members of the sub-committees. The subcommittee's term expires in three years. In the event that the sub-committee has completed its term but a new sub-committee has not yet been appointed, the original committee shall continue to perform duties until a new sub-committee is appointed in its place. In the event that a director of the Board of Directors retires due to a rotation and is not re-elected to be a director of the Company,

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it will cause the term of the members of the sub-committee to expire accordingly. However, if there are new committee members added during the year to the sub-committees, the term of office of that committee member is equal to the term of the original sub-committee.

7. The Board of Directors has established a policy for holding directorships in other companies according to the Company's regulations, which states that a director of a company may not operate a business, become a partner in an ordinary partnership or a partner with unlimited liability in a limited partnership, or be a director of a limited company or a public limited company carrying out the same business and in competition with the business of the Company, unless notified to the shareholders' meeting before the resolution of the appointment. The Board of Directors has determined that such a policy is applicable to the Company's top executives as well.

8. The Company has set its vision, mission, strategy, goals, business plan, and budget by reviewing the vision and mission every year before starting to formulate the strategy and operational plan and supervising the management to operate in accordance with the business plan and budget set. The Company also has an internal control system, an internal audit, and efficient and effective risk management. The Company has established short- and long-term strategic plans for project development and has continued to invest, along with the promotion and development of society, by being an entrepreneur with ethics according to the vision set so that the Board of Directors will be informed and follow up on strategic performance in each quarter when the management presents quarterly results and financial reports.

9. The Board of Directors has prepared a corporate governance policy and business ethics handbook after realizing the responsibilities that should be owed to all stakeholders under the framework of the business ethics to be used as guidelines for managing the organization and taking any action with fairness and taking into account the best interests of the shareholders, including adhering to business principles with sincerity and honesty. In addition, the Company has policies, plans, strategies, operations, and evaluations, as well as a system for conducting and supervising risk management with transparency and accountability.

10. The Board of Directors has prepared a manual on the misconduct and fraud information disclosure policy to be used as a guideline for investigating misconduct and corruption, providing information on misconduct and corruption, punishing of offenders, and protecting information providers.

11. The Board of Directors has assigned the Risk Management Committee to prepare a risk management policy, which has been approved by the Board. The current risk management policy was published on September 1, 2017. The Company has established an internal control system and a risk management system for both key risks and other risks, which it has disclosed in its annual report and reviewed at least once a year.

12. According to the Board of Directors Charter, one of the Board of Directors' responsibilities is to supervise and prevent conflicts of interest between directors, shareholders, and other stakeholders with the

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Company. The Board of Directors has carefully overseen any transactions that may have conflicts of interest by assigning the Audit Committee to scrutinize the items of connected transactions according to the regulations and procedures of the Stock Exchange of Thailand on connected transactions. The consideration of the Board of Directors will be in line with the size of the transaction, following the regulations of the Stock Exchange of Thailand. In this regard, stakeholders involved in the transaction shall not participate in the decision-making. Moreover, accurate and complete information is disclosed in the annual report and Form 56-1 (One Report). The aforementioned duties and practices are in accordance with the Corporate Governance Policy, Chapter 4 on Information Disclosure and Transparency, and guidelines following the specified policies.

13. Good and efficient management and an internal control system are established to ensure the efficiency of the Company's operations, complete and reliable information, and accurate compliance with the regulations, including the use of the company's resources economically and efficiently and the care and protection of the company's assets. The Company has an internal audit unit to analyze, inspect, and evaluate the provision of advice and suggestions to support the Company's operations and has an audit committee to perform a review of the Company. There is a suitable and effective internal control system and internal audit as well. Such units are independent in performing their duties and are directly accountable to the Audit Committee. The appropriateness and sufficiency of the system are reviewed once a year, and the Audit Committee has commented on the sufficiency of the internal control system in the annual report.

14. Risk management is the responsibility of the Risk Management Committee, which establishes a risk management system covering the entire organization. There is a review of the sufficiency of the system and the effectiveness of the management at least once a year, including the provision of early warning signs and abnormal transactions.

#### **Chapter 6 : Giving Information of Wrongdoing and Dishonest Act**

According to Corporate Governance Policy, The Company has a channel for reporting lead or information on any commission of wrongdoing and dishonest act, or whistle-blower hotline, so that the stakeholders may provide information which is beneficial to the examination, elimination, and prevention of wrongdoing or dishonest act, or lodging of complaints, and so that such be rectified accordingly.

##### **Channels for Giving Information**

1. When a staff finds, or there is reason to believe in good faith, that there has been committed a wrongdoing or a dishonest act concerning the Company or its subsidiary companies, he/she shall inform his/her superior from the level of Manager forthwith, either verbally or in writing. If such report is ignored, he/she shall notify the higher superior according to the Form of Giving Information of Wrongdoing or Dishonest Act. However, the staff should not self-conduct further inquiry or questioning any suspicious acts.

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2. If a staff is in a difficult situation or he/she is not comfortable to notify the said superior, or he/she suspects that his/her superior or any executive of the Company is connected with a wrongdoing, he/she may choose to file a report through the following channels:

2.1 Manager, Internal Audit Office, Tel. 02-642-6092, Ext. 127,

or email: [ia@kslgroup.com](mailto:ia@kslgroup.com) or [chartchai@kslgroup.com](mailto:chartchai@kslgroup.com).

2.2 Manager, Human Resources Department, Tel. 02-642-6092, Ext. 969,

or email: [hr@kslgroup.com](mailto:hr@kslgroup.com).

2.3 Send email to [ia@kslgroup.com](mailto:ia@kslgroup.com) on the intranet of the Company.

2.4 The Chairman of the Audit Committee or the Board of Directors of the Company,  
at the following address: Khon Kaen Sugar Industry PCL. 503 KSL Tower, 22<sup>nd</sup>

Floor, Sri Ayudhya Road, Thanon Phayathai Sub-District,

Rajathevi District, Bangkok 10400,

or email: [secretary@kslgroup.com](mailto:secretary@kslgroup.com)

3. When the persons or above departments have been notified of a commission of wrongdoing or dishonest act, they must report such to the Internal Audit Office at once.

4. The Internal Audit Office shall have the duty to prepare a register of complaints and shall prepare a report summarizing the receipt of information of wrongdoing to the Audit Committee at its next meeting.

5. The Internal Audit Office shall consider initially that at which department the act of wrongdoing occurred, and shall then send the complaint to the said department for investigation, and shall also monitor the proceeding of said department from time to time.

6. The fact-finding, the investigation, the disciplinary action, and the legal action shall be in accordance with the regulations governing such.

7. Upon completion of the complaint, the work unit concerned shall report the result to the Internal Audit Office for forwarding the matter to the Audit Committee at its next meeting.

#### **Protection Informant**

1. The Company shall not terminate employment, suspend, inflict disciplinary action, or threaten to take any action against any staff who provided information of wrongdoing. Whoever violates this clause shall be subjected to disciplinary action.

2. The Company shall protect the informant including the person rendering cooperation or assistance in the investigation in good faith from any threat and harassment.

3. The Company shall provide protection additionally and specially according to suitability, by taking into consideration the degree of severity and the importance of complaint. In the event the informant is threatened or harassed, he/she shall report such to the Managing Director for ordering the Human Resources Department to provide protecting measures for the informant suitable to the circumstances.

4. In the event a staff has reported a complaint or has provided information of wrongdoing in good faith, even though the Company finds no wrongdoing as lodged, the Company shall not inflict any punishment on the



said informant. Nevertheless, if the result of investigation finds that the complaint is baseless and it was done with ill intention or an intent to yield damage to other person, or it was a giving of false statement, the Company shall consider inflicting disciplinary action to the staff who gave the information according to the work regulations, and shall also consider taking legal action against the said person.

## 6.2 Business code of conduct

The Board of Directors established a Code of Conduct that applies to directors, executives, employees of the company, and other personnel acting on behalf of the company. The Code has been in effect since 2014, is constantly updated to be in line with the corporate governance policy, the assessment of the corporate governance survey of listed companies, and righteous corporate governance principles for listed companies in 2017. It covers subjects such as privacy, human rights, labor, health, sanitation, safety, security, environment, conflict of interest, utilization of internal data, internal governance, information disclosure, corrupting, and others that are under international standards.

*Policy and practice guidelines for corporate governance and business ethics appear in Attachment 5 of the Annual Registration Statement (Form 56-1, One Report).*

## 6.3 Material changes and developments regarding policy, guidelines and corporate governance system in the preceding year.

The Company has reviewed Corporate Governance Policy by referring to the CG Code of 2017 introduced by the Securities and Exchange Commission. The Corporate Governance Committee finds that the Company has applied most of the principles and guidelines of the CG Code to the Company's CG Policy and informed of such application to the Board of directors in the Meeting No. 7/2021-2022 as of 9 September 2022. However, there are a few practices that the Company deems not practical at the moment which are considered by the Board and recorded for annual review.

In 2022, there were unimplemented topics and appropriate substituting policies as follow:

1. CG Code: The Board should determine the proper number of directors to function effectively. It must comprise at least 5 directors and should not be more than 12 directors, depending on the company's size, type, and complexity of the business.

- At present, there are 20 directors in the Board. The Company deems the number appropriate for the size and complexity of businesses as it needs sufficient directors and diversification of knowledge to perform its duties efficiently and to supervise a number of subsidiaries doing different businesses.

2. CG Code: The Board should establish the policy that the tenure of an independent director should not exceed a cumulative term of nine years from the first day of service.

- The Company does not limit the number of years in service of independent directors. The office term of an independent director is three years and he/she may be reelected, as there is no rule prohibiting the reelection of an independent director whose term has ended. Independent directorship may last not more than three consecutive office terms or not more than nine years, whichever is longer. However, the Board of Directors may, if they deem appropriate, allow longer tenure by approving the extension of office term. Even though an independent director may be in office more than nine years, the director can stay independent from the

management and major shareholders in an appropriate manner and can perform the duties well by using the accumulated knowledge and understanding of the businesses of the Company and its subsidiaries, which are connected in the supply chain and can make decision for the supreme benefit of the Company.

3. The company should appoint an external consultant to assist in setting guidelines and providing recommendations for a board assessment at least once every three years. This information should be disclosed in the annual report.

- The Company does not commission an external advisor to help make guidelines and suggest issues of performance assessment of directors for every three year cycle. Alternately, the Board of Directors instructs the application of Self-assessment form provided by SET for the Company's use, namely, (1) Self-assessment form for the Board of Directors, (2) Self-evaluation of Committees, i.e., the Audit Committee, the Nomination and Remuneration Committee, Risk Management Committee and Corporate Governance Committee, (3) Self-assessment form of individual directors. The purpose is to have the directors jointly review their performances, solve problems and hindrances and evaluate themselves for the past year so as to improve the work efficiency of the Board in the coming years.

#### **Corporate Social Responsibility Policy**

The Board of Directors meeting No. 7/2021–2022 on 9 September 2022 has reviewed and approved the implementation of the Corporate Social Responsibility (CSR) policy of Khon Kaen Sugar Industry Public Company Limited (“the Company”) covering various important aspects related to both internal and external stakeholders of the Company as well as society as a whole. The formulation of this CSR policy covers the seven core subjects of the ISO 26000 standard, with additional topics as the Company deems appropriate. A total of nine policies are as follows:

##### **1. Business Operations under Business Ethics and Good Governance Principles**

1.1 The Company focuses on conducting business with honesty, fairness, ethics, and commitment to conduct business in accordance with the law, business ethics, and principles of fair-trade competition, including paying taxes correctly and punctually. In this regard, the Company promotes and instills awareness among its personnel at all levels so that they see the importance of social responsibility.

1.2 The Company operates under good governance or corporate governance with responsibility to shareholders by respecting the rights of shareholders, treating all shareholders equally, providing sufficient information for making investment decisions, or relating to significant changes to the Company. Furthermore, any inside information that could harm or disadvantage shareholders will not be disclosed. The Company also has the transparent and verifiable management and determination of remuneration for directors and executives. Financial reports and non-financial information are prepared and disclosed accurately, completely, and promptly in accordance with generally accepted standards.

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## 2. Anti-corruption

The Company manages its business on the basis of transparency, ethics, and compliance with policies and laws related to the prevention and anti-corruption, including giving or accepting bribes or inappropriate benefits to government officials or the private sector. The Company has established an organizational structure with division of responsibilities, work process, and chains of command in each department to be clear to have checks and balances and to be concise in checking between each other appropriately. In this regard, the Company has prepared a manual on anti-fraud and corruption measures that compiles policies, codes of conduct, rules, regulations, and procedures for directors, executives, and employees of the Company to comply with.

In 2014, the Company showed its determination to fight corruption by declaring its intention with the Private Sector Collective Action Coalition against Corruption (CAC) and was certified as a CAC member for the second consecutive term in December 2019, which has a period of three years of certification and expires in December 2022. The Risk Management Office has already submitted documents for the third renewal of certification in September 2022.

## 3. Respect for Human Rights

The Company has a policy to support and respect the protection of human rights by treating related parties, including employees, communities, and surrounding societies, with respect for human values, taking into account equality and equal freedom, not violating fundamental rights, and not discriminating in terms of race, nationality, religion, language, skin color, sex, age, education, physical condition, or social status, including supervising the Company not to be involved in human rights violations such as child labor, forced labor, and sexual harassment. In addition, the Company encourages monitoring of compliance with human rights requirements by providing participation in expressing opinions and channels for complaints for those who have been damaged by rights violations arising from the Company's business operations and providing remedies for those who have been damaged.

The Company has trained or disseminated human rights knowledge and raised awareness among its personnel about the need to comply with human rights principles.

## 4. Fair Labor Treatment

The Company recognizes the importance of human resource development and fair treatment of labor as factors that will increase the value of the business and strengthen the competitiveness and sustainable growth of the Company in the future. Therefore, the Company has formulated a policy and guideline as follows:

- 4.1 Respect the rights of employees according to labor law and human rights principles.
- 4.2 Provide a fair employment process and conditions, including determining compensation and taking performance into account when calculating compensation.
- 4.3 Promote staff development by providing training, seminars, and training, including sending personnel to participate in various seminars and academic training to improve employees' knowledge and ability, and cultivate their positive attitude, morality, ethics, and teamwork.
- 4.4 Provide the employees with the welfare stipulated by law, such as social security and provident fund, other than those required by law, for example, health insurance and accident insurance, as

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well as various types of financial assistance to employees, such as child scholarships and funeral financial assistance, and so on.

- 4.5 Provide an annual health check-up service to personnel at all levels of the Company, taking into account risk factors based on level, age, gender, and the working environment of each individual.
- 4.6 Ensure that employees work in a safe and hygienic workplace by providing measures to prevent accidents and strengthening employees' sense of safety, including providing training and encouraging employees to have good hygiene and take care of the workplace to keep it hygienic and safe at all times.
- 4.7 Give employees an opportunity to express their opinions or make complaints about unfair practices or wrongful actions in the Company, as well as providing protection for employees who report such matters.

#### **5. Customer Responsibility**

The Company is committed to developing its products for the highest satisfaction and benefit of customers and adheres to treating customers with responsibility and honesty under the following policies:

- 5.1 The Company gives priority to product quality and standards. It focuses on the use of high-quality raw materials, standardized production, and regular improvement of product quality to provide customers with high-quality, hygienic, and highly satisfying products.
- 5.2 The Company considers customers' safety and is committed to providing customers with high-quality and safe products according to the standards and regulations on international security.
- 5.3 The Company adheres to fair marketing by providing customers with accurate information about the company's products without distortion, vagueness, or exaggerated advertising so that customers have accurate and sufficient information to make decisions.
- 5.4 The Company provides a customer relations system to communicate with customers, including efficiently receiving complaints about the quality of the products in order to respond quickly to customer needs.
- 5.5 The Company will keep customer information confidential and will not use such information in the wrong way.

#### **6. Responsibilities towards Partners, Creditors, Competitors**

The Company will adhere to fair contractual practices with business partners, comply with the specified anti-corruption measures, respect the property rights or proprietary rights of partners, not take advantage of partners, and encourage business partners to carry out social responsibility activities together with the Company.

The Company complies with the agreements made with creditors in various aspects. In the event that the Company is unable to pay debts as scheduled, it will notify creditors to jointly find solutions.

The Company conducts business competition fairly, refraining from bullying, discouraging, or doing any act prohibited by law in order to prevent unfair competition.

#### **7. Environmental Preservation**

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The Company gives importance to social responsibility in preserving the environment and avoiding environmental damage. It operates and controls the production of the company's products to strictly comply with the laws related to environmental preservation. The Company also operates under the concept of caring for and preserving the environment by focusing on supervising and developing production processes, choosing materials that are friendly to nature and the environment, and creating precautionary measures in operations that may affect the environment. It also places importance on the efficient use of resources and energy by reducing the use as needed, reusing, and recycling. In terms of waste, the Company reduces, eliminates, or utilizes the waste generated from the production process responsibly and efficiently.

#### **8. Participation in Community or Social Development**

The Company is aware of its responsibility to the community and society in order to strengthen the community and truly give back to society. Therefore, the Company has a policy to provide assistance and develop society by cooperating in various activities with surrounding communities in the areas where it conducts business as appropriate to the case, encouraging local workers to have the opportunity to work in the organization, disclosing information about operations that may affect the communities in which the organization is located, and responding to events affecting the community, society, and environment due to the Company's operations with speed and efficiency. In addition, the Company also encourages its employees to have awareness and responsibility towards the environment and society, and it cooperates with other groups or networks to develop the community or society that is the goal each year.

#### **9. Promotion of Innovation Meeting Social Responsibility**

The Company encourages its employees to come up with innovations that can meet the abovementioned social responsibility policy, such as saving natural resources and energy, waste management, and waste emission control. The innovation may be applied at various levels as either a novelty, improvement, adjustment/modification, or alteration to achieve more efficient or effective results. The innovations that are beneficial to society and the environment will be disclosed as appropriate to encourage other entrepreneurs to consider taking action or developing further.

#### **Monitoring and Review of Social Responsibility Policy**

The Company recognizes the importance of continuous consideration of social responsibility, so it will monitor, evaluate, and review the currently supported projects and consider future social responsibility projects with prudence, continuity, and consistency.

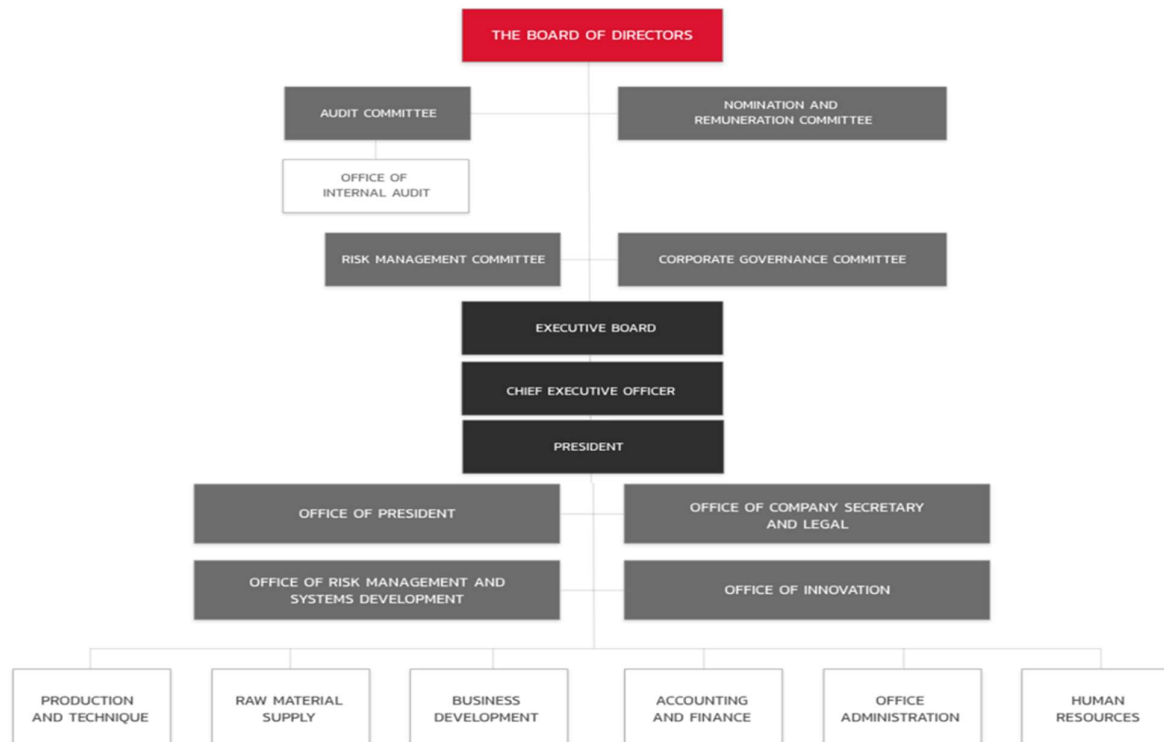
Corporate Governance Structure and Important Information about  
the Board, Sub-Committees,  
Executives, Employees and Others

7. Corporate governance structure

and significant information related to the Board of Directors, subcommittees, executives, employees and others

7.1 Corporate Governance Structure

As of October 31, 2022, the corporate governance structure is as follow



## Board of Directors

As of October 31, 2022, the Company's Board of Directors comprises the following 20 members:

1. Mr. Manu Leopairote	Chairman and Independent Director
2. Mr. Chamroon Chinthammit	Director
3. Mr. Pornsin Thaemsirichai	Director
4. Mr. Sukhum Tokaranyaset	Director
5. Mr. Thawatchai Rojanachotikul	Director
6. Mrs. Intira Sukhanindr	Director
7. Ms. Duangdao Chinthammit	Director
8. Mr. Chalush Chinthammit	Director
9. Mr. Somchai Chinthammit	Director
10. Ms. Duangkae Chinthammit	Director
11. Mr. Chanachai Chutimavoraphand	Director
12. Mr. Chatri Chinthammit	Director
13. Mr. Somchat Chinthammit	Director
14. Mr. Tachpong Pakornsiriwongse	Director
15. Mr. Trakarn Chunharojrit	Director
16. Pol. Gen. Boonpen Bumpenboon	Independent Director
17. Mr. Sitti Leelakasamelek	Independent Director
18. Mr. Warapatr Todhanakasem	Independent Director
19. Ms. Nongluck Phinainitisart	Independent Director
20. Mrs. Anchalee Pipatanasern	Independent Director

**Notice:** The company is in the process of considering appointing a qualified replacement for one vacant independent director.

The 20 members of the Board of Directors do not have any prohibited qualifications as follows.

1. No record in criminal conviction
2. No conflicts of interest with the Company last year.

## 7.2 Information on the Board of Directors

### 7.2.1 The composition of the Board of Directors and the total number of directors

At present, the Board of Directors of the Company consists of 20 directors, comprising 16 non-executive directors (80 percent), 6 of which are independent directors (30 percent) and 2 are females. The Board of Directors is responsible for managing and supervising the Company's business under the laws, rules and regulations of the Stock Exchange of Thailand, Securities and Exchange Commission and Capital Market Supervisory Board, all across to the Company's objectives and regulations. Hence, they perform their duties with responsibility, honesty, and sensibility.

The Board of Directors consists of individuals who have knowledge, abilities, expertise in specific fields, and function as a central role in formulating company policies and goals. Together with senior managers, they plan both short-term and long-term operations, as well as playing an essential role in oversight to resemble with the plan and follow up on the performance set in each quarter.

The Chairman and Chief Executive Officer have separate responsibilities and are not the same person. The Chairman of the Board is elected by the Company's directors and acts as the chairman of the meeting by controlling the meeting of the Board of Directors under the meeting agenda and encourage all directors to participate in the meeting, like setting up questions or remarks, advise the management and support the company's business operations. However, they will not interfere in the management of the company's affairs. The Chief Executive Officer is responsible for managing the Company's business and supervising the Company's operations following the Articles of Association and resolutions of the shareholders' meeting, resolutions of the Board of Directors, Company's policies and business plans, and related laws.

#### 7.2.2 The information on each director and controlling person.

Name - Surname		Position
1. Mr. Manu	Leopairote	Chairman and Independent Director
2. Mr. Chamroon	Chinthammit	Director
3. Mr. Pornsin	Thaemsirichai	Director
4. Mr. Sukhum	Tokaranyaset	Director
5. Mr. Thawatchai	Rojanachotikul	Director
6. Ms. Intira	Sukhanindr	Director
7. Ms. Duangdao	Chinthammit	Director / Nomination and Remuneration Committee
8. Mr. Chalush	Chinthammit	Director / Risk Management Committee
9. Mr. Somchai	Chinthammit	Director
10. Ms. Duangkae	Chinthammit	Director
11. Mr. Chanachai	Chutimavoraphand	Director
12. Mr. Chatri	Chinthammit	Director
13. Mr. Somchat	Chinthammit	Director / Corporate Governance Committee
14. Mr. Tachpong	Pakornsiriwongse	Director
15. Mr. Trakarn	Chunharojrit	Director
16. Pol. Gen. Boonpen Bumpenboon		Independent Director / Chairman Nomination and Remuneration Committee / Corporate Governance Committee
17. Mr. Sitti	Leelakasamerlk	Independent Director / Chairman Audit Committee / Risk Management Committee



Name - Surname	Position
18. Mr. Warapatr Todhanakasem	Independent Director / Chairman Corporate Governance Committee / Audit Committee
19. Ms. Nongluck Phinainitisart	Independent Director / Chairman Risk Management Committee / Audit Committee / Nomination and Remuneration Committee
20. Ms. Anchalee Pipatanasern	Independent Director / Corporate Governance Committee / Audit Committee

#### Authorized Directors

Mr. Chamroon Chinthammit or Mr. Pornsin Thaemsirichai or Ms. Duangdao Chinthammit or Mr. Chalush Chinthammit or Ms. Intira Sukhanindr or Mr. Sukhum Tokaranyaset or Mr. Thawatchai Rojanachotikul or Mr. Chanachai Chutimavoraphand, any two of whom may jointly sign their names and affix the Company's seal

#### 7.2.3 Information related to the roles and duties of the Board of Directors

The Board of Directors is appointed by the shareholders, whereby the Board of Directors appoints a company secretary to advise and assist the Board of Directors in compliance with the law and related regulations. Additionally, they are responsible for meetings of the Board of Directors and shareholders' meetings, as well as supporting corporate governance under the righteous corporate governance.

#### Authorization of the Board of Directors

The Board of Directors has the authority to approve various matters of the company under the scope of duties stipulated by the Law, the Company's Articles of Association, the Board of Directors' charter, manual, authority, and resolutions of the shareholders' meeting. This also includes formulating a policy to review the vision, mission, strategy, and action plan of the company. As well as important subjects such as approval of financial statements, transactions that are required by law that require approval from the Board of Directors, financial policies, investments, annual budgets, appointment of executive directors and the President, and henceforth.

## Proportion and Structure of Directors

No.	Name		Category of Director			
			Shareholder Representative	Non-Executive	Independent Director	Executive
1	Mr. Manu	Leopairote		/	/	
2	Mr. Chamroon	Chinthammit	/			/
3	Mr. Pornsin	Thaemsirichai	/	/		
4	Mr. Sukhum	Tokaranyaset	/	/		
5	Mr. Thawatchai	Rojanachotikul	/	/		
6	Mrs. Intira	Sukhanindr	/	/		
7	Ms. Duangdao	Chinthammit	/			/
8	Mr. Chalush	Chinthammit	/			/
9	Mr. Somchai	Chinthammit	/	/		
10	Ms. Duangkae	Chinthammit	/			/
11	Mr. Chanachai	Chutimavoraphand	/	/		
12	Mr. Chatri	Chinthammit	/	/		
13	Mr. Somchat	Chinthammit	/	/		
14	Mr. Tachpong	Pakornsiriwongse	/	/		
15	Mr. Trakarn	Chunharojrit	/	/		
16	Pol.Gen. Boonpen	Bumpenboon		/	/	
17	Mr. Sitti	Leelakasamelek		/	/	
18	Mr. Warapatr	Todhanakasem		/	/	
19	Ms. Nongluck	Phinainitisart**		/	/	
20	Mrs. Anchalee	Pipatanasern**		/	/	
	<b>Total</b>		<b>14</b>	<b>16</b>	<b>6*</b>	<b>4</b>
	<b>%</b>		<b>70%</b>	<b>80%</b>	<b>30%</b>	<b>20%</b>

\*2 Female independent directors

## Report of Changes in Estate Holdings of Directors and Executives for the Year 2022

Estate Holdings of Directors and Senior managers at the beginning of the year, at the end of the year, and those traded during 2022

No	Name - Surname		Nature of Interest	As at	As at	Increase/ (decrease) during financial year	% of Voting shares
				November 31,2021	November 31,2022		
1	Mr.Manu	Leopairote	-	No KSL Share	No KSL Share	No KSL Share	No KSL Share
2	Mr.Chamroon	Chinthammit	Direct	113,075,331	113,075,331	-	2.56
	M.L.Charuvadhana	Chinthammit	Indirect (Spouse)	52,775,901	52,775,901	-	1.20
3	Mr.Pornsini	Thaemsirichai	Direct	29,390,196	29,390,196	-	0.67
	Mrs.Montanut	Thaemsirichai	Indirect (Spouse)	30,688,231	30,688,231	-	0.70
4	Mr.Sukhum	Tokaranyaset	Direct	350,000	77,000	-273,000	0.00
5	Mr.Thawatchai	Rojanachotikul	Direct	55,937,112	55,937,112	-	1.27
	Mrs.Korakoj	Rojanachotikul	Indirect (Spouse)	3,166,748	3,166,748	-	0.07
6	Mrs.Intira	Sukhanindr	Direct	25,471,699	25,471,699	-	0.58
7	Ms.Duangdao	Chinthammit	Direct	99,799,954	99,799,954	-	2.26
8	Mr.Chalush	Chinthammit	Direct	43,279,926	43,279,926	-	0.98
	Ms.Chollapim	Chinthammit	Indirect (Minor child)	374,000	374,000	-	0.01
9	Mr.Somchai	Chinthammit	Direct	96,475,726	96,475,726	-	2.19
	Mrs.Somjit	Somsukcharoen	Indirect (Spouse)	279,206	279,206	-	0.01
10	Ms.Duangkae	Chinthammit	Direct	99,733,643	99,733,643	-	2.26
11	Mr.Chanachai	Chutimavoraphand	Direct	115,355,499	115,355,499	-	2.62
12	Mr.Chatri	Chinthammit	Direct	57,467,546	57,467,546	-	1.30
13	Mr.Somchat	Chinthammit	Direct	22,907,921	22,907,921	-	0.52
	Ms.Darunee	Lertdamronglak	Indirect (Spouse)	2,194,852	2,194,852	-	0.05
14	Mr.Tachpong	Pakornsirivongse	Direct	158,162	158,162	-	0.00
15	Mr.Trakarn	Chunharojrit	Direct	13,621,766	13,621,766	-	0.31
	Mrs. Rattana	Chunharojrit	Indirect (Spouse)	744,720	444,720	-	0.01
16	Pol.Gen Boonpen	Bumpenboon	-	No KSL Share	No KSL Share	No KSL Share	No KSL Share
17	Mr.Sitti	Leelakasamelek	-	No KSL Share	No KSL Share	No KSL Share	No KSL Share
18	Mr.Warapatr	Todhanakasem	-	No KSL Share	No KSL Share	No KSL Share	No KSL Share
19	Ms.Nongluck	Phinainitisart	-	No KSL Share	No KSL Share	No KSL Share	No KSL Share
20	Mrs.Anchalee	Pipatanasern	-	No KSL Share	No KSL Share	No KSL Share	No KSL Share
21	Mr.Theera	Sanguandeekul	Direct	1,650,000	1,650,000	-	0.04
22	Mr.Piripon	Chinthammit	Direct	94,386,024	93,847,124	-538,900	2.13
	Mrs.Wikanda	Chinthammit	Indirect (Spouse)	64,900	64,900	-	0.00
23	Mr.Sommanus	Potisat	-	No KSL Share	No KSL Share	No KSL Share	No KSL Share

### The Board of Executive Directors

As of October 31, 2022, the Company's Board of Executive Directors consists of:

1.	Mr. Chamroon	Chinthammit	Chairman
2.	Mr. Pornsin	Thaemsirichai	Executive Director
3.	Mr. Sukhum	Tokaranyaset	Executive Director
4.	Mr. Thawatchai	Rojanachotikul	Executive Director
5.	Ms. Intira	Sukhanindr	Executive Director
6.	Ms. Duangdao	Chinthammit	Executive Director
7.	Mr. Chalush	Chinthammit	Executive Director
8.	Mr. Somchai	Chinthammit	Executive Director
9.	Ms. Duangkae	Chinthammit	Executive Director
10.	Mr. Chanachai	Chutimavoraphand	Executive Director
11.	Mr. Tachpong	Pakornsiriwong	Executive Director
12.	Mr. Trakarn	Chunharojrit	Executive Director

The Chairman of the Board of Executive Directors appoints the secretary of the Company's Board of Executive Directors.

### Scope of Duties and Responsibilities

1. Determine policies, directions, strategies, and significant management structures for the Company's operations for approval by the Board of Directors.
2. Determine business plans, budgets, and the Company's administrative power for approval by the Board of Directors
3. Establish organizational structures and manpower policy
4. Examine and monitor policies and management plans to ensure their effectiveness and suitability for the corporate operations.
5. Consider and approve the Company's operations in accordance with the Manual of Operational Power.
6. Perform other tasks as assigned by the Board of Directors.

Any power mentioned above given to the Board of Directors shall be under the law and the Company's regulations. Any activities that benefit/may benefit or affect interests of any executive director or individual, or that may lead to conflicts of interest (according to the SEC Notification), are required to be presented by the Board of Executive Directors to the Board of Directors for consideration. The particular executive director and the interested individual shall not be allowed to vote in the meeting concerning the matter.

In 2022, the committee held 12 meetings, and reports on their work were regularly presented to the Board of Directors. Meeting Attendance of the Executive Board is disclosed in (Report of Meeting Attendance of Directors in 2022)

#### **Scope of Duties and Responsibilities of CEO and President**

1. Decide on important matters related to the Company. Determine the corporate missions, objectives, guidelines, and policies. Supervise the overall work. Be responsible for the Board of Directors.
2. Have the power to employ, appoint, and transfer personnel as necessary and appropriate to be the management or staff members for corporate operations. Define appropriate functions, responsibilities, and remunerations of employees. Have the power to dismiss, lay-off, and discharge employees as appropriate.
3. Have the power to determine business terms and conditions, such as credit limits, payment terms, trade agreements, and trade term changes.
4. Have the power to act and appear as a corporate representative to outsiders regarding affairs related and advantages to the Company.
5. Approve the appointment of advisors needed in the corporate operations.
6. Deal with affairs concerning the Company's general operations.

The duties and responsibilities of CEO and President shall comply with laws, Manual of Authorization and the Company's regulations. The approval authority of CEO and President does not extend to transactions that would allow CEO and related persons to have interest or cause conflict of interests affecting the Company and its subsidiaries.

### **7.3 Information on subcommittees**

#### **7.3.1 Information on each appointed subcommittee**

The Board of Directors appoints sub-committees determined by qualifications, duties, responsibilities, and duration of office in the charter or the announcement of the appointment of each sub-committee which includes the Audit Committee, Nomination and Remuneration committee, Risk Management Committee, and Corporate Governance Committee.

In 2021, the sub-committees have performed the duties as follows:

##### **1. Audit Committee**

The Audit Committee consists of not less than three directors, of which the chairman and all directors must be independent directors. At least one member of this committee must have knowledge and experience in reviewing financial statements. The audit committee must have the qualifications prescribed by the Stock Exchange of Thailand and the Capital Market Supervisory Board. The Audit Committee has a term of office of three years and can be reappointed as an audit committee but not more than three consecutive terms unless the Board of Directors deems it appropriate to hold the position. The Audit Committee has three years per term of office and can be reappointed as an Audit Committee member. However, the maximum duration is three consecutive terms unless the Board of Directors deems it appropriate to continue holding the position. The Audit Committee has the scope of powers and duties as stipulated in writing of the Audit Committee Charter.

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### Scope of Duties and Responsibilities

1. To review that the Company has accurate and sufficiently disclosed financial reports.
2. To review that the Company has internal controls and internal audit activities appropriately and effectively, including considers sufficiency of manpower budget and independency of the internal audit department as well as the Audit Committee's consent on appointment, rotation, promotion, and termination the head of internal audit department, including other departments who are also responsible for internal audit activities.
3. To review the risk management operations of the Company. The effects may occur at a level acceptable in order to prevent fraud and corruption.
4. To review that the Company is complied with the Securities and Exchange Act and Regulations of the SET or other laws that related to the Company's industry.
5. To select, propose for appointment and termination of independent person as the Company's auditor, including consider the remuneration. The Audit Committee shall hold a meeting with the auditor without management participation at least once a year.
6. To consider compliance of connected or conflict of interest transactions, including significant asset acquisitions and disposals in accordance with the Laws and Regulations of SET and SEC in order to assure that the transactions are reasonable and provide the best interest to the Company.
7. To report activities of the Audit Committee in the Company's annual report. The report shall be signed by the Chairman of the Audit Committee and should be included at least the following information:
  - 7.1 Comments on completeness and reliability of the Company's Financial Reporting
  - 7.2 Comments on sufficiency of the Company's internal control systems
  - 7.3 Comments on compliance with Securities and Exchange Act, Regulations of SET and SEC and other related laws to the Company's industry
  - 7.4 Comments on appropriation of the auditor
  - 7.5 Comments on conflict of interest transaction
  - 7.6 Number of Audit Committee meetings and member's participation
  - 7.7 Overall comments or observation regarding practices of the Audit Committee in accordance with the Audit Committee Charter
  - 7.8 Other statements that shareholders or general investors should be informed under the scope of authorities and responsibilities of the Audit Committee as assigned to the Audit Committee by the Board of Directors.
8. To perform any assignment by the Board of Directors that agreed upon by the Audit Committee
9. While the Audit Committee are performing duties and responsibilities, the Audit Committee shall report within a reasonable period of time to the Board of Directors for corrective action if the Audit Committee observed the following transactions or events that may have material impacts to the financial status and performance of the Company

9.1 Conflict of interest transaction

9.2 Fraud or misappropriation might occur or there is significant weakness in the internal control system

9.3 Violation to the laws of SET, SEC or announcements of SET or other laws relating to the Company's industry

If the Board of Directors or relevant executives do not correct the aforementioned matters in due time, any Audit Committee member may further report the finding to the Securities and Exchange Commission and the Stock Exchange of Thailand.

The Charter of the Audit Committee requires at least four meetings per year. In 2019, the Committee holds five meetings, and reported their work to the Board of Directors on quarterly basis. (Please see Report of the Audit Committee). Meeting Attendance of the Audit Committee is disclosed in (Report of Meeting Attendance of Directors in 2020)

*The duties and responsibilities of the Audit Committee appear in the Audit Committee Charter Attachment 5 of this Annual Information Disclosure Form (Form 56-1, One Report).*

## **2. Nomination and Remuneration Committee**

The Company has designated the Remuneration Committee and the Nomination Committee to be the same committee consisting of not less than three directors. The chairman of the board and other directors, together with more than half of the board, are independent directors. The Nomination and Remuneration Committee has three years per term of office and can be reappointed as the Nomination and Remuneration Committee. However, the maximum duration is three consecutive terms unless the Board of Directors deems it appropriate to continue holding the position. The Nomination and Remuneration Committee has the scope, powers, and duties as stipulated in writing of the Nomination and Remuneration Committee Charter.

Anywise, the Nomination and Remuneration Committee has not appointed any person to be an advisor to the Nomination and Remuneration Committee since the Board consists of independent directors who can express their opinions independently under relevant rules. Their outlooks bring knowledge, experience, and expertise to provide valuable suggestions in business operations.

### **Scope of Duties and Responsibilities**

#### **1. Nomination**

(1) define qualifications of the directors to be consistent with the structure, size and compositions of various committees established by the Board of Directors so as to ensure transparency and expectation of the Board of Directors by considering the knowledge, experience, expertise, freedom and time to contribute to directorship;

(2) select and nominate persons qualified to be directors for the Board of Directors' consideration to nominate to the Shareholders' meeting for appointment provided that the selection method, verification of qualifications as regulated by laws and related authorities including consent to be appointed are to be prescribed;

(3) select and nominate persons qualified to be members in the Board of Directors and other sub-Committees to replace the members whose office terms have ended to the Board of Directors for consideration.

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## 2. Remuneration

(1) consider or review pattern, criteria and procedures to consider remuneration so as to suit the duties and responsibilities of the Board of Directors and other sub-Committees and submit for approval from the Board of Directors and the Shareholders' meeting respectively provided ;

(2) review data relating to remuneration of other companies in the same and similar industry yearly;

(3) disclose names of directors, attendance and remuneration in all types in the Company's Annual Report as well as the brief Charter and remuneration criteria.

*The duties and responsibilities of the Nomination and Remuneration Committee appear in the Nomination and Remuneration Committee Charter Attachment 5 of this Annual Registration Statement (Form 56-1, One Report).*

## 3. Risk Management Committee

The Risk Management Committee comprises not less than three committee members, provided that Chairman and other committee members altogether being more than half of the Committee must be independent directors. The Risk Management Committee has an office term of three years each time, and they can be re-elected, but they shall not hold office for more than three consecutive terms, except where deemed suitable by the Board of Directors. The Risk Management Committee has the scope of powers and duties as prescribed in the Charter of the Corporate Governance Committee.

The Charter of the said Committee requires at least four meetings per year. In 2020, the Risk Management Committee holds four meetings, and reports their work to the Board of Directors on quarterly basis. Meeting Attendance of the Risk Management Committee is disclosed in (Report of Meeting Attendance of Directors in 2020)

### Scope of Duties and Responsibilities

1. Develop policies to be considered by the Board of Directors regarding the overall corporate risk management that covers the Company's major risks, such as market risk, liquidity risk, management risk, investment risk, and reputation risk.

2. Design strategies in line with risk management policies to monitor and evaluate the corporate risk amount, as well as maintain the appropriate risk level.

3. Review the adequacy of risk management policies and system, as well as effectiveness of the system and policies practiced.

4. Provide recommendations in line with policies and strategies determined by the Board of Directors and present those recommendations to the Board.

*The duties and responsibilities of the Risk Management Committee appear in the Risk Management Committee Charter Attachment 5 of this Annual Registration Statement (Form 56-1, One Report).*

## 4. Corporate Governance Committee

The Corporate Governance Committee comprises not less than three committee members, provided that Chairman and other committee members altogether being more than half of the Committee must be independent directors. The Corporate Governance Committee has an office term of three years each time, and they can be re-elected, but they shall not hold office for more than three consecutive terms, except where deemed suitable by



the Board of Directors. The Corporate Governance Committee has the scope of powers and duties as prescribed in the Charter of the Corporate Governance Committee.

The Charter of the said Committee requires at least three meetings a year. In 2020, the Corporate Governance Committee holds three meetings, and reports their work to the Board of Directors on quarterly basis. Meeting Attendance of the Corporate Governance Committee is disclosed in (Report of Meeting Attendance of Directors in 2020)

**Scope of Duties and Responsibilities**

1. Consider and propose corporate governance policy, business ethics and other policies relating to the corporate governance to the Board of Directors;
2. Consider and propose practices of the Company, Board of Directors, executives, personnel and other relevant parties which are consistent with the corporate governance policy, business ethics and other policies relating to the corporate governance to the Board of Directors;
3. Monitor and supervise as well as create understanding to the Board of Directors and management for the sake of performance pursuant to the governance policy, business ethics and governance practices;
4. Review the corporate governance policy and practices at least once a year by comparison with international standard or other appropriate standards;
5. Appoint a Secretary to the Corporate Governance Committee, sub-committees or working groups with suitable duties and responsibilities;
6. Perform other duties as assigned by the Board of Directors.

*The duties and responsibilities of the Risk Management Committee appear in the Risk Management Committee Charter Attachment 5 of this Annual Registration Statement (Form 56-1, One Report).*

**7.3.2 Names of each subcommittee and the names**

**1. Audit Committee**

As of October 31, 2022, the Audit Committee comprises of:

- |                  |                |                                |
|------------------|----------------|--------------------------------|
| 1.) Mr. Sitti    | Leelakasamelek | Chairman/ Independent Director |
| 2.) Mr. Warapatr | Todhanakasem   | Independent Director           |
| 3.) Ms. Nongluck | Phinainitisart | Independent Director           |
| 4.) Ms. Anchalee | Pipatanasern   | Independent Director           |

Qualifications of the Audit Committee are in line with relevant SET requirements, Capital Market Board, Corporate Governance Policy and Charter of the Audit Committee. The Audit Committee comprises four independent directors, namely, Chairman and other three members who are knowledgeable in finance, internal control, internal audit whose autography and qualifications are detailed in the Appendix. Mr. Sitti Leelakasamelek, Chairman of the Audit Committee and Ms. Anchalee Pipatanasern possesses sound knowledge, understanding, professional experience in accounting and finance.

The Chairman of the Audit Committee appoints Secretary of the Audit Committee (currently, Mr. Chartchai Poowong, Manager of Internal Audit Office).

## **2. Nomination and Remuneration Committee**

As of October 31, 2022, the Nomination and Remuneration Committee consists of:

- |                                 |                      |
|---------------------------------|----------------------|
| 1) Pol. Gen. Boonpen Bumpenboon | Independent Director |
| 2) Ms. Nongluck Phinainitisart  | Independent Director |
| 3) Ms. Duangdao Chinthammit     | Director             |

The Chairman of the Nomination and Remuneration committee appoints Secretary of the Nomination and Remuneration committee. (Currently, Mr.Arnon Sricharnkij, Manager of Human Resources department)

## **3. Risk Management Committee**

As of October 31, 2022, the Risk Management Committee consists of:

- |                                |                                |
|--------------------------------|--------------------------------|
| 1) Ms. Nongluck Phinainitisart | Chairman/ Independent Director |
| 2) Mr. Sitti Leelakasamelek    | Independent Director           |
| 3) Mr. Chalush Chinthammit     | Director                       |

The Risk Management Committee appoints Secretary of the Risk Management Committee. (Currently, Ms.Lalana Wiwitsurakarn , Manager of Risk Management and System Development)

## **4. Corporate Governance Committee**

As of October 31, 2022, the Corporate Governance Committee comprises of:

- |                                 |                                |
|---------------------------------|--------------------------------|
| 1) Mr. Warapat Todhanakasem     | Chairman/ Independent Director |
| 2) Pol. Gen. Boonpen Bumpenboon | Independent Director           |
| 3) Ms. Anchalee Pipatanasern    | Independent Director           |
| 4) Mr. Somchat Chinthammit      | Director                       |

The Corporate Governance Committee appoints Secretary of the Corporate Governance Committee. (Currently, Mrs. Kanyarat Sumitra, Vice President of Company Secretary and Legal Office)

### **7.4 Information on executives**

#### **7.4.1 Names and positions of the highest ranking**

As of 31 October 2022, the corporate top executives include:

- |  |  |
|--|--|
| 1. Mr. Chamroon Chinthammit <sup>1</sup> | Chief Executive Officer  |
| 2. Mr. Chalush Chinthammit               | Managing Director  |
| 3. Ms.Duangdao Chinthammit               | Executive Vice President, Human Resources                                  |
| 4. Mr. Teera Sanguandikuk                | Executive Vice President, Sugar Business Production Group                  |
| 5. Mr. Piripol Chinthammit               | Executive Vice President, Raw Material Procurement                         |
| 6. Mr. Sommanat Phothisa                 | Executive Vice President, Office of the President                          |
| 7.Mr. Isaes Janyawannasiri               | Acting Assistant Managing Director,<br>Acting Accounting and Finance (CFO) |

*Assume the position on November 1, 2022.*

## 7.4.2 Remuneration policy for executive directors and executives

### Directors' and Executives' remuneration

#### Policy in respect of Remuneration for the Board of Directors and Committees

The Company prescribes policies and rules for paying appropriate remuneration to directors subject to the approval of the annual Shareholders' Meeting. The Nomination and Remuneration Committee surveys the remuneration for directors and Committee's members by taking into account responsibilities and performances of directors and Committees' members in comparison with those in leading companies in the Securities Exchange and in the same industry group having similar size and nature of business, including the survey the information provided by the Thai Institute of Directors (IOD) as well as the result of the Company's performance and payment of dividend to shareholders.

In 2022, the total remuneration of the Company's directors shall not exceed THB 9,900,000. The directors' remuneration consists of

#### 1. Directors' Remuneration

Remunerations are divided into 3 parts:

- 1) Regular remuneration (Fixed Fee) is paid monthly to directors.
- 2) Meeting remuneration (Attendance Fee) is paid to Committee members who attend a meeting.
- 3) Directors' Bonus is a special remuneration paid once a year in accordance with the corporate annual operating results.

The Company prescribed the directors' remuneration which is approved by the shareholder's meeting on February 23, 2022, as follows:

	Not exceeding the amount of THB per year
1. Remuneration for Chairman of Board of Directors	THB 810,000
2. Remuneration for Chairman of Audit Committee	THB 540,000
3. Remuneration for 19 directors (THB 25,000 / person / month + bonus)	THB 8,550,000
4. Meeting allowance for members of Committee, i.e, Audit Committee, Nomination and Remuneration Committee, Risk Management Committee, Corporate Governance Committee who attend the meeting.	
Chairman of Committee who attends the meeting	THB 7,200/ meeting.
Each member of Committee who attends the meeting	THB 6,000/ meeting.
5. Meeting allowance for Chairman of Executive Board Executive director	THB 1,200/ meeting, THB 1,000 / meeting
6. Other Benefits : -No-	
No other remunerations than the above-mentioned are paid to directors.	

No.	Name of Directors	Khon Kaen Sugar Industry PCL							
		Remuneration Board of Directors	Meeting Allowance					Bonus	Total (THB)
			Executive Board	AC	NRC	CGC	RMC		
1	Mr.Manu Leopairote	540,000.00	-					90,000.00	630,000.00
2	Mr.Chamroon Chinthammit	300,000.00	14,400.00					50,000.00	364,400.00
3	Mr.Pornsin Thaemsirichai	300,000.00	12,000.00					50,000.00	362,000.00
4	Mr.Sukhum Tokaranyaset	300,000.00	12,000.00					50,000.00	362,000.00
5	Mr.Thawatchai Rojanachotikul	300,000.00	12,000.00					50,000.00	362,000.00
6	Mrs.Intira Sukhanindr	300,000.00	12,000.00					50,000.00	362,000.00
7	Ms.Duangdao Chinthammit	300,000.00	12,000.00		24,000.00			50,000.00	386,000.00
8	Mr.Chalush Chinthammit	300,000.00	11,000.00				24,000.00	50,000.00	385,000.00
9	Mr.Somchai Chinthammit	300,000.00	11,000.00					50,000.00	361,000.00
10	Ms.Duangkae Chinthammit	300,000.00	12,000.00					50,000.00	362,000.00
11	Mr.Chanachai Chutimavoraphand	300,000.00	11,000.00					50,000.00	361,000.00
12	Mr.Chattri Chinthammit	300,000.00	-					50,000.00	350,000.00
13	Mr.Somchat Chinthammit	300,000.00	-			18,000.00		50,000.00	368,000.00
14	Mr.Tachpong Pakornsiriwongse	300,000.00	8,000.00					50,000.00	358,000.00
15	Mr.Trakarn Chunharotrit	300,000.00	11,000.00					50,000.00	361,000.00
16	PolGen.Boonpen Bumpenboon	300,000.00	-		28,800.00	18,000.00		50,000.00	396,800.00
17	Mr.Sitthi Leelakasemruek	360,000.00	-	36,000.00			30,000.00	60,000.00	486,000.00
18	Mr.Warapatr Todhanakasem	300,000.00	-	30,000.00		21,600.00		50,000.00	401,600.00
19	Ms.Nongluck Phinaintisart	300,000.00	-	30,000.00	24,000.00		36,000.00	50,000.00	440,000.00
20	Mrs.Anchalee Pipatanasern	300,000.00	-	30,000.00		18,000.00		50,000.00	398,000.00
	<b>รวม</b>	<b>6,300,000.00</b>	<b>138,400.00</b>	<b>126,000.00</b>	<b>76,800.00</b>	<b>75,600.00</b>	<b>90,000.00</b>	<b>1,050,000.00</b>	<b>7,856,800.00</b>

## 2. Managing Director's Remuneration

The Company prescribes the managing director's remuneration by taking into account qualifications, duties and responsibilities in comparison with the amount paid by other companies in the same industry listed in SET as well as operating result and size of business so as to be an incentive for developing the Company in a continuous and sustainable manner.

## 3. Remuneration for Top Executives

Remuneration for executives is in line with the Company's principles and policies, and relates to the operating result and each individual's performance. The remuneration is prescribed to motivate and keep the qualified executives with the Company.

### 7.4.3 Total Remuneration of Executive Directors and Executives

#### 2. Executive compensation in the past year

Compensation for executives totaling 7 people (according to the list of high-ranking executives) has compensation such as salary and bonuses, comprising in the total of THB 27,660,194.66 million.

### 3. Other Compensations

The company has regulations to stipulate other benefits for senior management in supplementary ways such as fixed cars, fuel expenses, maintenance expenses, provident funds, and other welfares in the company's employee status.

#### 7.5 Information About Employees

As of October 31, 2022, the information about the Company's personnel is as follows:

	Consolidate Financial statement		Separate financial statement	
	2565	2564	2565	2564
Average number of employees.				
Growing season	4830	5,032	1526	1,604
Regular season	3815	3,925	1234	1,280
Employee costs (Million / Baht)	1031.93	1,067.97	374.11	399.55

In 2022, the total compensation of employees, comprising the salary and bonus money, is THB 374,110,607 The total amount of contributions to the provident fund is THB 8,164,060.77.

As of 31 October 2022, The Company had no labor dispute that could have a potential negative impact on the Company.

#### Personnel Development Policy

The Company always sets high value for its human resources. Policies on continuous training and human resource management have been established. The aims are to help employees reach their potential, ensure effectiveness at work, and allow them to advance in their fields. All employees are required to receive training that is in line with the Company's direction and strategies. Training is well planned and always financially supported by the Company which are held in the Company and outside by other institutions. Also, the Company encourages the communication to transfer and share knowledge between employees in the organization (Knowledge Management) by gathering and developing internal knowledge systematically in order that each employee can access those knowledge through Intranet and utilize them for personal development.

#### To provide the appropriate welfare to the employees and other supports

The group of companies provide welfare and service in addition to those required by law to all levels of employees to promote quality of life and to stabilize their future such as provident fund, life insurance and accident insurance, *Happy Home by Government Housing Bank providing home loan with special interest rate for KSL employees; Happy Home Phase 2 with home loan for day employees; UOB Workplace Banking*, the collaboration between KSL and UOB to provide welfares to KSL employees in the form of fixed deposit and home loan and monetary assistance including the promotion the employees' work-life balance by providing period for leave according to the years of work.

### Fair Remuneration

Employees of all levels are important to the companies no matter of race, religion, or gender. All employees are treated equally. They are entitled to welfare without discrimination. The promotion is done by a committee which consists of executives from different units to ensure transparency and fairness. Besides, the Company encourages the acquisition of knowledge through internal and external trainings so as to cope the future growth. The Company establishes a provident fund for employees.

### Right and liberty

The group of companies communicates to employees through intranet so that the employees shall get useful information and updated operation of the companies thoroughly and rapidly. The employees are encouraged to express their opinion or to negotiate various matters and take into account their opinions and suggestions which are useful for the employees and the companies

## 7.6 Other significant information

### 7.6.1 List of Personnel Directly Responsible for Accounting Supervision / Company Secretary / Internal Audit Supervisor

<b>The person assigned to be directly responsible for accounting supervision</b>	Mrs. Wanna Areeprayoonkit
<b>Company Secretary</b>	The Board of Directors has appointed Mrs. Kanyarat Sumittra to be the Company Secretary with the powers and duties as stipulated in the Securities and Exchange Act.
<b>Head of Internal Audit</b>	Mr. Chatchai Phuwong

*Information of given individuals appears in attachments 1 and 3 of this annual registration statement (Form 56-1, One Report).*

### 7.6.2 List of Head of Investor Relations and Contact Information

The Company acknowledges the importance of disclosing information for investors to receive accurate, complete, clear, and transparent data. The Company has established a dedicated unit to communicate and provide information to shareholders, institutional investors, and analysts. They are available to contact via email [ir@kslgroup.com](mailto:ir@kslgroup.com) or through:

- |                             |  |
|-----------------------------|--|
| 1. Mr. Isaes Janyawannasiri | Telephone: 02-642-6230<br>Email: <a href="mailto:isares@kslgroup.com">isares@kslgroup.com</a><br><i>joining the Company since November 1, 2022</i> |
| 2. Ms. Nopparat Buraprakhon | Telephone: 02-642-6230<br>Email: <a href="mailto:nopparat@kslgroup.com">nopparat@kslgroup.com</a>  |

### 7.6.3 Auditor's Remuneration

In the 2021 Annual General Meeting of Shareholders No. 1/2022, held on February 23, 2022, the Company's shareholders' meeting resolved to appoint auditors with the names as follows:

<u>List</u>	<u>Certified Public Accountant No.</u>
1. Ms. Wimonporn Bunyattien	4067
2. Ms. Sophaphan Saphthipayarattana	6523
3. Ms. Duangrudee Choochart	4315
4. Mr. Chupong Surachutikarn	4325

The Company's auditor from Deloitte Touche Tohmatsu Jaiyos Audit Co., Ltd. is the Company's auditor for the fiscal year ended November 1, 2021 – October 31, 2022 and approved the auditor's remuneration for the year 2022 which is THB 2,936,199 (two million, nine hundred and thirty-six thousand, one hundred and ninety-nine baht only). The aforementioned compensation is as follows:

<b>(Unit:Baht)</b>	<b>Year 2022</b>
Annual financial statement audit fee	1,555,000.-
Fee for reviewing 3 quarter financial statements	1,275,000.-
Non-Audit Fee	106,199.-
<b>Total</b>	<b>2,936,199.-</b>

*\* Other service charges are inspection fee related to Expected Credit Loss (ECL) in accordance with financial reporting standards related to financial instruments (IFRS 9).*

#### 7.6.4 Personnel Assigned to Represent Thailand (In case of a foreign company)

N/A

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## Report on Key Performance in Corporate Governance

### 8. Report on key operating results on corporate governance

#### 8.1 Performance Summary of the Board of Directors in the Past Year

The Company plans the Board of Directors' meetings throughout the year, generally with more than six meetings per year to consider the main agendas regulated each year. However, if there is an important agenda, the Chairman of the Board of Directors will call a meeting for that important agenda which will be notified in advance, not less than the period specified by law. In 2022, the Board of Directors held a total of 8 meetings.

The powers, duties, and responsibilities of the Board of Directors are defined by reference to the Public Limited Companies Act, the Securities and Exchange Company Act, the regulations of the Stock Exchange of Thailand, and the Company's Articles of Association.

#### Scopes, Powers, and Duties of the Board

Previously, the powers and duties of the Board of Directors were stipulated in the Corporate Governance Policy Section 5. Subsequently, the Board of Directors at the meeting No. 7/2016-2017 dated 29 September 2017 agreed upon and approved the Board Charter which shall come into force from 1 October 2017. This Charter defines the duties of the Board of Directors to be reviewed under the Virtuous Corporate Governance Principles for Listed Companies 2017 as follows:

(1) Manage the business by creating sustainable value for the Company, that is, for the Company to have satisfying performance, operate the business with ethics and responsibility to stakeholders, eliminating or reducing the negative impact on society and the environment, and adapt to various changing factors

(2) Establish business objectives and goals of the entity on the basis of creating a sustainable business while taking into account, the impact on society and the environment, direct the implementation of the objectives, goals, strategies, and annual plans to success of arranged goals.

(3) Ensure that the business has a Board of Directors with composition and qualifications consistent with the principles of virtuous corporate governance through transparent and efficient recruitments. Have developments of skills and knowledge for performing duties responsibly. Establish a framework and mechanism for overseeing policies and operations of subsidiaries and businesses in which the company invests. Appoint necessary and appropriate sub-committees.

(4) Ensure that the Company has the President and senior executives suitable for the implementation of the Company's goals. Set up development of senior management as well as a systematic succession.

(5) Promote innovations that create value for businesses and conduct business with social awareness and environmental responsibility.

(6) Ensure that there is a standard in risk management and internal control system that responds to the achievement of long-term objectives and goals of the Company, including the prevention of unofficial disclosure of sensitive information that may occur through information technology. Provide policies and guidelines for managing



conflicts of interest and related transactions, anti-corruption, channels for complaints, and evidence concerning fraud and corruption.

(7) Ensure that financial creditworthiness is maintained and the preparation of financial reports and information disclosure is transparent and under the law.

(8) Support the participation of shareholders in crucial matters and maintain the right to receive information from shareholders through appropriate and timely channels.

The above eight roles and duties can categorize as guidelines and several other guidelines referred to the “Principles of Good Corporate Governance: Code of Conduct for the Listed Board of Directors” developed by the Securities and Exchange Commission.

#### **Roles and Duties of the Chairman**

The Chairman acts as the leader of the Board of Directors and has the following duties:

(1) Supervise, monitor, and ensure that the Board's performance of duties is efficient and achieves the organization's key objectives and goals.

(2) Ensure that all directors are involved in fostering an ethical corporate culture and virtuous corporate governance.

(3) Set agendas for board meetings in consultation with the President and have procedures to ensure the inclusion of significant matters in the meeting schedule.

(4) Allocate sufficient time for the management team to present matters and for directors to discuss significant issues conscientiously. Encourage directors to exercise prudent discretion, paying attention to all topics brought up at the meeting, including corporate governance issues.

(5) Strengthen positive relationships between the Board of Directors and the Management Team.

#### **8.1.1 Recruitment, Development, and Evaluation of the Board of Directors**

##### **Nomination and Appointment of Directors and Top Executives**

The Board of Directors consists of independent and non-independent directors, the proportion to warrant independence from the management, independent directors are required to have more specific qualifications than non-independent directors.

##### **Qualifications of Independent Directors**

Independent directors must possess all qualifications as prescribed by the Capital Market Supervisory Board and must be able to protect the interests of all shareholders equally and to avoid conflict of interest. Independent directors must attend Board of Directors' meetings and express their opinions independently.

##### **The Company's CG Policy prescribes qualifications of an independent director as follows.**

(1) Holding shares not more than zero point five (0.5 %) of the total number of shares with voting rights of the Company, subsidiary company, affiliated company, major shareholders, or persons with powers to control the Company, however, including the shareholding of related persons of such independent director as well.

(2) Not being or used to be a director who has or had a part in the management, an employee, a staff, an adviser receiving regular salaries, or a person with control power, of the Company, subsidiary company, affiliated

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company, major shareholder, except where the period thereof has lapsed for not less than two years prior to the date of appointment as an independent director.

(3) Not being a person who is related by blood or by registration under the law in the description of a father, a mother, a spouse, a brother/sister, and a child, including a spouse of a child of an executive, a major shareholder, a person with controlling power, or a person who is to be nominated as an executive or a person with controlling power of the Company or a subsidiary company.

(4) Not having or used to have a business relations with the Company, a subsidiary company, an affiliated company, a major shareholder, or a person with controlling power, in a description that may be impediment to the exercise of discretion freely, and not being or used to be an important shareholder, or a person with controlling power of a person having business relations with the Company, a subsidiary company, an affiliated company, a major shareholder, or a person with controlling power, except where the period thereof has lapsed for not less than two years prior to the date of appointment as an independent director.

(5) Not being or used to be an auditor of the Company, a subsidiary company, an affiliated company, a major shareholder, or a person with controlling power, and not being an important shareholder, a person with controlling power, or a partner of an accounting firm having employed an auditor of the Company, a subsidiary company, an affiliated company, a major shareholder, or a person with controlling power, except the period thereof has lapsed for not less than two years from the date of appointment as an independent director.

(6) Not being or used to be a professional service provider, including the providing of legal consultancy service or financial consultancy service, who receives a service fee exceeding Baht two million per year from the Company, a subsidiary company, an affiliated company, a major shareholder, or a person with controlling power, and not being an important shareholder, a person with controlling power or a partner of the said professional service provider, except where the period thereof has lapsed for not less than two years prior to the date of appointment as an independent director.

(7) Not being a director who is appointed to act as an agent of a director of the Company, a major shareholder, or a shareholder who is related to the major shareholder.

(8) Not operating a business of the same nature as, and which is a competition to, the business of the Company or of a subsidiary company, or not being an important shareholder in a partnership, or a director who has a part in the management, an employee, a staff, an adviser receiving regular salaries or holding shares more than one percent of the total number of shares with voting rights of other company operating the same kind of business which is a competition to the business of the Company or a subsidiary company.

(9) Not having any other descriptions which obstruct free expression of opinions concerning the operations of the Company.

#### **Nomination Process for Directors**

The Nomination and Remuneration Committee shall consider the persons who have qualifications in accordance with the Charter of the Board of Directors and with the diversified specialization as prescribed in the Board Skill Matrix. The source of names is from the roster of professional directors provided by Thai Institute of Directors (IOD) together with the nomination by each director. The Committee shall then examine the qualifications

of the nominated persons in accordance with the Corporate Governance Policy, Charter of the Board of Directors and the Company's Articles of Associations as well as specific talents needed at the time; provided that the qualifications well respond to the Company's vision, mission and strategies

The Nomination and Remuneration Committee shall propose the selected nominated persons to the Board of Directors. Should the Board approve the names, the Board shall propose the names to the Annual General Meeting of shareholders to appoint them directors.

The Charter of the Board of Directors prescribes the qualifications of directors as follows.

- (1) The qualifications prescribed by law and related regulations.
- (2) Knowledge, capability, experience, and expertise in specific field which are beneficial to the Company.
- (3) No conflict of interests with the Company.
- (4) Sufficient time to perform well the duties of a director of the Company, and if he/she is a director of another company, such must not be impediment to the carrying out of duties as a director of the Company; provided that a director should not be a director in more than 5 listed companies at the same time.

#### **Election and Appointment of Directors**

Normally, the meeting of Shareholders elect directors as the Articles of Association prescribe that in each Annual General Meeting of Shareholders one-thirds or the nearest to one-thirds of directors shall retire from office. The Company shall arrange an agenda for election of directors in every AGM and propose the names that have been endorsed by the Nomination and Remuneration Committee and the Board of Directors for consideration.

The election of directors by the shareholder meeting is in line with the majority of votes, and the following regulations and procedure:

- (a) One vote per share is allowed for a shareholder.
- (b) Shareholders vote for each individual nominated as a director. The number of vote(a) received by each nominee does not exceed the number of share(s) held by the particular voter, as specified in
- (c). The shareholder cannot allot any of their share(s) to any other individual. Directors are those individuals receiving the highest votes. Should the individuals receive the same number of votes where only one place for a director remaining, the chairperson shall exercise the casting vote.

However, in the case a position of directorship is vacant because of other reasons than retiring by rotation and the remaining term is longer than two months, the public company law and the Articles of Association vest the power to the Board of Directors to appoint a director in replacement. The Nomination and Remuneration Committee shall exercise the selection process as mentioned above and nominated the selected person to the Board of Directors to appoint. The new director shall hold office only for the remaining period of the director whom he/she has replaced.

When either the meeting of shareholders or the Board of Directors appoints directors as the case may be, the Company shall inform the Stock Exchange of Thailand (SET) and the Securities and Exchange Commission (SEC) of the new directors respectively.

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**Selection and Succession Plan for top executives**

The Company is well aware that the executives who have capability, vision and integrity would significantly lead the Company to sustainable growth and development. Therefore, the Company has a policy regarding administration and development of high ranking executives with the purposes to prevent the shortfall of high ranking executives and to select high ranking executives who possess qualifications that serve the Company.

The Company develops work process on regular situation assessment, selection, development and succession plan to implement in case of position vacancy to ensure that the Company would sustain professionally capable executives to perform their duties. The Nomination and Remuneration Committee develops a succession plan for managing director and seek approval of the Board of Directors respectively. As for other below high ranking executives, the Human Resources prepare the succession plan before submitting to the Executive Board for approval. In order to select high ranking executives, the Company may either undertake the whole process until the wanted position is fulfilled by internal or external qualified person or commission a professional firm to conduct the selection or recruitment pursuant to the succession plan, as the case may be.

Amongst others, the succession plan consists of the following matters.

1. Specification of important or main positions
2. Specification of capability or competency of main positions
3. Analytical process in selecting a successor
4. Individual development Plan

**Governance for subsidiaries and associates performance**

In order to comply with governance and protect the Company's investment, the Board appoints directors of the parent company to be directors in subsidiaries and associated companies in proportion to the shareholding. The directors who represent the Company shall participate in decision of policy such as other project investments.

According to the policy on good corporate governance, the Company continuously supports directors and management team to attend training and develop their knowledge, especially, training in various courses as organized by external organizations such as The Stock Exchange of Thailand and Thai Institute of Directors, such trainings help the Company's directors to perform their duties and supervise the business of the company effectively.

The Company supports directors to attend training in various courses as organized by many organizations such as Director Accreditation Program (DAP), Director Certification Program (DCP) of Thai Institute of Directors (IOD), Fundamental course for Audit Committee, including courses held by The Stock Exchange of Thailand and other professional institute.

In 2022, the Company sent news and invited the Board of Directors and executives of the Company to attend seminars and training on various topics as follows:

1. The workshop on "Business Innovation Mindset and Design Thinking Workshop".
2. The seminar on "Personal Information Protection Act".
3. The workshop on "Preparation of KSL Roadmap 2022-2024".
4. The seminar on "Tax Law 2022" lectured by Professor Suthep Pongpitak.

5. The seminar on “Sugarcane and Sugar Industry: Basic Knowledge of the Industry, Sugarcane Price Calculation, and Benefit Sharing System” lectured by Khun Rungsit Hiengraj, Thai Sugar Millers Corporation.
6. The seminar and activities on “Outstanding Innovation Contest” by the KSL Group for the Year 2022.

#### **Orientation of Newly Appointed Company Directors**

The Board of Directors stipulates an orientation for all new company directors who assume a position in the Company to create knowledge and understanding of the Company's business and operations. The secretary will act as a coordinator to convey essential information of the Company such as the Articles of Association which specifies the scope of powers and responsibilities of the Board of Directors, including information on legal, regulatory, and conditions. In addition, if the newly appointed company director has not received any training course on the operation of the director, that new company director will attend the requisite training course for performing the duties of the company director, executives, and employees. The Company has organized training courses for both internal and external executives and employees to improve skills, knowledge, ability to work successfully and create an atmosphere of learning, stimulate new initiatives and development of team collaboration, as well as organize knowledge to pass on to new executives and employees. In recent 2021, the company aims to implement more digital systems in the work operation. Therefore, the development trend of executives and employees is connected to online working skills and new work systems.

#### **Performance Assessment**

The Board of Director stipulates the conduct of self-assessment by applying the pattern developed by the Securities Exchange as follows:

- (1) Self-assessment Form of the Board of Directors
- (2) Self-evaluation Form of sub-committees, namely, Audit Committee, Nomination and Remuneration Committee, Risk Management Committee, Corporate Governance Committee, and
- (3) Self-evaluation Form of individual directors so that the directors may jointly review their performance, solve problems and obstacles as well as the evaluation of the past performance and the ways to improve efficiency in the next year which leads to development in accordance with good governance.

#### **Self-Assessment Procedures-The Whole Board of Directors**

To evaluate the performance of the directors in 6 main items under SET guideline as follows :

1. Structure and characteristics
2. Roles/duties/responsibilities
3. Meeting
4. Performance of duties
5. Relationship with management
6. Self-development of directors and executive development

#### **The Criteria of Self-Assessment-The Whole Board of Directors**

1. The Board of Directors is the one who approve and review the assessment form to be correct in accordance with the criteria specified.

2. The Office of Company Secretary and Legal the tabulation is processed, the result shall be sent to the Board for consideration.

**Self-Assessment Procedures-Each Director**

To evaluate the performance of the directors in 3 main items under SET guideline as follows :

1. Structure and characteristics
2. Roles/duties/responsibilities
3. Meeting

**The Criteria of Self-Assessment- Each Director**

1. The Board of Directors is the one who approve and review the assessment form to be correct in accordance with the criteria specified.

2. The Office of Company Secretary and Legal the tabulation is processed, the result shall be sent to the Board for consideration.

**Self-assessment of the Committee**

To evaluate the performance of the directors in 3 main items under SET guideline as follows :

1. Structure and characteristics
2. Roles/duties/responsibilities
3. Meeting

**Including with the Self-Assessment Criteria - the Entire Sub-committees**

1. The Board of Directors is the one who approve and review the assessment form to be correct in accordance with the criteria specified.

2. The Company Secretary and Legal Office will summarize the results and present the assessment results to the Board of Directors for consideration.

Assessment results for 2021 indicate performance scores of the entire Board of Directors and the performance of the sub-committees as well as the performance of individual directors at an excellent level. In this regard, the Board of Directors at the meeting no. 1/2021-2022 on December 22, 2021, has considered and discussed the observations and recommendations regarding the results of this assessment for further improvement.

**Performance Assessment of the Chief Executive Officer (CEO) and/or the President (PSD)**

The Board of Directors and the Nomination and Remuneration Committee have set goals and methods for evaluating the performance of the Chief Executive Officer and the President (CEO) based on the Balance Score Card (BSC) criteria that should consider the overall operation results of 4 views/aspects.

1. Financial Performance
2. Learning & Growth
3. Market & Customer
4. Internal Business Process And The Board of Directors consider every year.

**8.1.2 Meeting attendance and remuneration payment to each Board member**

For the Board of Directors' meeting, the Board of Directors has scheduled the meeting more than six times per year by setting the meeting dates in advance throughout the year and notifying each director by making an

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annual meeting schedule. However, to achieve flexibility in the Company's business operations each month, the Company arranges a meeting of the Executive Committee to make decisions according to the authority assigned by the Board of Directors. At each meeting of the Board of Directors, the Executive Committee shall bring the matters considered back to report to the Board of Directors so that the Board of Directors can continuously monitor, control, and supervise the performance of the management.

In 2022, there were a total of eight Board of Directors meetings and a meeting of non-executive directors (without the management attending the meeting) one more time so that non-executive directors could freely express their opinions on work and management. In 2022, a total of one meeting of non-executive directors was held on September 9, 2022. The meeting agenda and supporting documents were sent to the directors at least seven days in advance so that they had sufficient time to study the information on various matters.

Board meetings are held at least every quarter by setting the meeting date in advance throughout the year and informing each committee by making an annual meeting schedule. In the meeting of the Board of Directors, Chairman of the Board, Chief Executive Officer and/or President, and Company Secretary Jointly consider the topics on the board's agenda by ensuring that crucial matters are included, and that each director is independent to suggest beneficial matters on the agenda. During the meeting, the Board's Chairman allocates sufficient time for the management team to present matters and directors to discuss significant issues generally. In addition, the chairman of the board encourages directors to use discretion in making decisions, paying attention to every agenda brought to the meeting, including corporate governance matters. Moreover, the Board of Directors meeting invites senior executives from each department to attend the meeting to present information, issues, and clarify details for decision-making, which creates a relationship between directors and senior management.

Furthermore, it is the access to add necessary information through inquiries of senior management. In some issues that there is insufficient information, the Company's directors can contact for additional information through the Company's secretary. In crucial cases, they will provide subsidiary independent opinions from consultants or external professionals.

The report of the Board of Directors' meeting shall consist of the date starting and ending time, a list of directors present and absent from the meeting, a summary of the main points of the proposed matter, a summary of discussion points and observations, board resolutions and opinions of directors who disagree. The Company stores the reports of the Board of Directors' meetings in a paper-book form and in PDF format which can be easily searched but cannot be edited. The meeting attendance of the Board of Directors is recorded in numbers. They are disclosed as the Board of Directors' because the meeting is held every quarter. However, the Executive Committee meeting which is related to the Company's performance will be held every month, so the Executive Committee meeting report is also presented to the Board of Directors for acknowledgment.

#### **Quorum of the Board of Directors**

At a meeting of the Board of Directors, not less than one-half of the total number of members must be present to constitute a quorum. In this regard, the Board of Directors has established a policy regarding the

minimum quorum at the time of the directors' resolution at the Board of Directors meeting that there must be not less than two-thirds of the total number of directors.

In 2022, the Company provided meeting facilities in the form of electronic media so that directors can attend the Board of Directors meeting and give valuable opinions or suggestions to executives or the Company's operations, under the Emergency Decree on Conferencing via Electronic Media, B.E. 2020, and related regulations.

In 2022, the Company held a total of 7 Board of Directors' meetings, and the attendance rate of directors accounted for approximately 96.25%, with details of each director's attendance as follows:

**The Attendance of Directors in 2022**

Name		Board of Directors (8Meetings)	Executive Board (12Meetings)	Audit Committee (5Meetings)	Nomination & Remuneration Committee (4Meetings)	Risk Management Committee (5Meetings)	Corporate Governance Committee (3Meetings)	AGM (1Meeting)
1.Mr. Manu	Leopairote	8/8	-	-	-	-	-	1/1
2.Mr.Chamroo	Chinthammit	8/8	12/12	-	-	-	-	1/1
3.Mr.Pornsini	Thaemsirichai	8/8	12/12	-	-	-	-	1/1
4.Mr.Sukhum	Tokanyaset	7/8	12/12	-	-	-	-	1/1
5.Mr.Thawatch	Rojanachotikul	8/8	12/12	-	-	-	-	1/1
6.Mrs.Intira	Sukhanindr	8/8	12/12	-	-	-	-	1/1
7.Ms.Duangdao	Chinthammit	8/8	12/12	-	4/4	-	-	1/1
8.Mr. Chalush	Chinthammit	8/8	11/12	-	-	5/5	-	1/1
9.Mr. Somchai	Chinthammit	7/8	11/12	-	-	-	-	1/1
10.Ms.Duangkae	Chinthammit	8/8	12/12	-	-	-	-	1/1
11.Mr. Chanachai	Chutimavoraphand	8/8	11/12	-	-	-	-	1/1
12.Mr.Chatri	Chinthammit	8/8	-	-	-	-	-	1/1
13.Mr. Somchat	Chinthammit	7/8	-	-	-	-	3/3	1/1
14.Mr. Tachpong	Pakornsiriwongse	6/8	8/12	-	-	-	-	-
15.Mr. Trakarn	Chunharojrit	7/8	11/12	-	-	-	-	1/1
16.Pol. Gen. Boonpen	Bumpenboon	8/8	-	-	4/4	-	3/3	1/1
17.Mr. Sitti	Leelakasamelek	8/8	-	5/5	-	5/5	-	1/1
18.Mr. Warapatr	Todhanakasem	8/8	-	5/5	-	-	3/3	1/1
19.Ms. Nongluck	Phinainitisart	8/8	-	5/5	4/4	5/5	-	1/1
20.Mrs. Anchalee	Pipatanasern	8/8	-	5/5	-	-	3/3	1/1

**Remarks:**

1. Independent director: 6 directors: No. 1, 16 – 20
2. Audit Committee: 4 directors: No. 17-20
3. Nomination and Remuneration Committee: 4 directors: No. 7, 16, 19



4. Risk Management Committee: 4 directors: No. 8, 17, 19, 21

5. Corporate Governance Committee: 4 directors: No. 13, 16, 18, 20

6. Annual General Meeting of Shareholders year 2021, No. 1/2022 on 23 February 2022

### **8.1.3 Supervision of Subsidiaries and Associated Companies**

#### **Governance for subsidiaries and associates performance**

In order to comply with governance and protect the Company's investment, the Board appoints directors of the parent company to be directors in subsidiaries and associated companies in proportion to the shareholding. The directors who represent the Company shall participate in decision of policy such as other project investments.

### **8.1.4 Monitor to Ensure Compliance with Corporate Governance Policies and Practices**

#### **1. Prevention of Conflicts of Interest**

The Board of Directors specifies criteria for the Company's directors and senior executives to report their interests and related persons under Section 89/14 of the Securities and Exchange Act B.E. 2535. A report review must be ready within October of each year and/or every time there is an alteration in information. Company Secretary Department must receive the report within 7 working days.

#### **2. Supervision of the Usage of Internal Data for Seeking Benefits**

The Company prohibits its directors, the Management, staffs from using inside information concerning important matters including trading of securities, using information before publication for personal gains and/or that of others. Preventive measures against the use of inside information are as follows:

The Company stipulates code of conduct and ethic relating to the use of inside information and trading of securities, publication and interview in public

1. The Company informs executives about their obligation to disclose shareholdings and changes of the holdings of themselves, their spouses, and their children who have not yet attained the majority according to article 59 and article 275 of the Securities and Exchange Act B.E. 2535.

2. Circular notices are sent to directors and executives advising that those who receive important inside information that affects prices of securities shall not trade corporate securities within that one month and not disclose the important inside information before the corporate financial statements or the particular information is publicized.

3. Should there be any changes of share holdings, the Company's directors and executives shall report to the Office of Company Secretary and Legal in order to report to SEC or SET within the prescribed period. The Office of Company Secretary and Legal shall report any changes of share holdings of directors to the Board of Directors quarterly and to the Board of Executive Directors monthly.

4. Important inside information and confidential documents which kept as hard copies or soft files are protected and limited accessible to top executives only when necessary. If any inside information needs to be disclosed to employees, the employees will be informed properly about the limitation of the use of that information. An employee who discloses corporate confidential information will be penalized.

5. To monitor irregularity in corporate operating results, random examination is done to security trade, the Company's information system and outside information.

According to Corporate Governance policy, the Company prohibits its directors, the executives, and employees from using inside information concerning important matters including trading of securities before publication for others or personal gains. Directors, executives, and employees have freedom to invest in corporate security; however, the trading of Company’s securities within one month before the financial statements disclosure shall be prohibited in order to avoid conflict of interest.

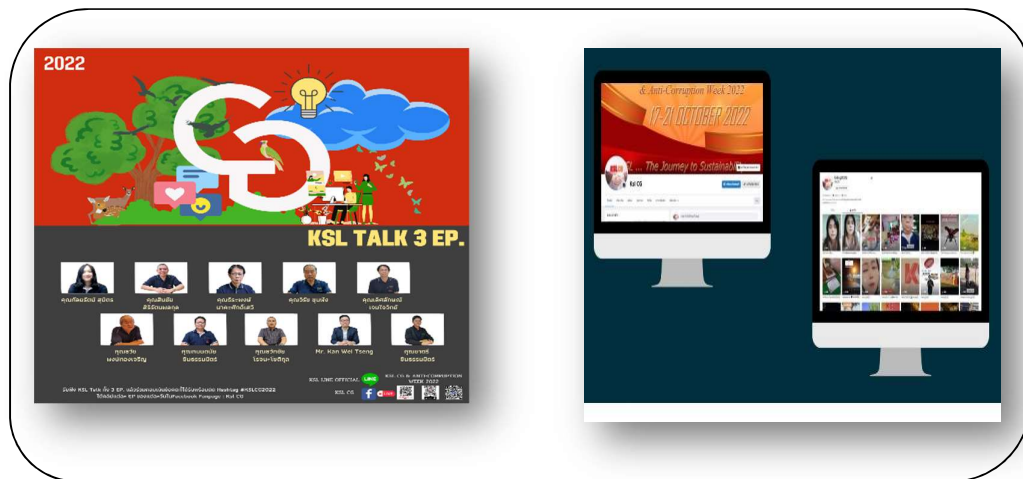
### 3. Anti-Corruption

The KSL group values the importance of Anti-corruption by establishing policies and measures against corruption. These policies supported by the Corporate Governance Committee stand as a procedure for business operations for the KSL group and are being reviewed annually regularly. Furthermore, policies are communicated with employees at all levels within the organization and the public to help increase acknowledgment and understanding in opposing corruption. Details of the anti-corruption procedure can be found on ([www.kslgroup.com/การกำกับดูแลกิจการ](http://www.kslgroup.com/การกำกับดูแลกิจการ)) to ensure that KSL group has genuinely implemented to the anti-corruption policy and conducting business with transparency. Therefore, the Company has set up an Anti-Corruption Working Group and assigned the Office of Risk Management to be the central team in carrying out various activities and adhere to the principles of self-assessment of members of the Thai Private Sector in the Collective Action Coalition Against Corruption (CAC). Consequently, Khon Kaen Sugar Industry Public Company Limited gained the CAC certification on 9 March 2017 and renew accreditation for the third term on 4 November 2022.



The Company will continue operating communication activities and continuously enhancing knowledge and understanding of anti-corruption policies for partners and all levels of employees by carrying out the following significant activities;

1. Continuous communicated “KSL code of conduct” and “Anti-corruption Policy” to all employees pass through KSL CG & Anti-Corruption Week with the theme “The Journey to Sustainability” during October 17-21, 2022.
2. Provide a website that includes knowledge about corporate governance, anti-corruption, and the progress of KSL group activities in the past six years. The context is separated into three parts 1. Corporate Governance 2. Policy and definition of Corruption 3. Anti-Corruption guidelines and measures of the Company to be beneficial for employees in seeking knowledge.
3. We designed exercises to measure learning and knowledge of corporate governance and anti-corruption in the form of virtual activities within the organization.
4. Executive talk to employees (KSL Talk) to clarify various information about the company and the Anti – corruption guidelines. Moreover, we having a journal by KSL Family via email for all employees.



5. PR announcement signs regarding anti-corruption are being provided to KSL manufacturers to convey the policy to the public.





6. Set up a system for receiving complaints and notifying clues (Whistleblowing) as a reporting channel in case of violations of rules, laws, regulations, code of conduct and anti – corruption policies.
7. Organized the corruption risk assessment for operators to examine their risks and utilize the evaluation results in planning to improve the performance to be more efficient.
8. Publicized the Policy and Measures of Anti-Corruption Manual on the company's website and an internal website (Intranet) for the directors, executives, and employees at all levels to acknowledge and take it as a guideline for work.
9. Scheduling an annual meeting with trading partners of the corporate procurement department. For transmitting procurement policy, anti-corruption policy, and the company's operations, such as Personal Data Protection Act (PDPA), as well as highlight channels for reporting clues about corruption to business partners via zoom on July20, 2022.

In addition, the Internal Audit Office will assess follow up supervision compliance with the code of conduct and anti – corruption policy and report to the Audit Committee meeting. In 2022, not found a corruption case in KSL.

**Whistleblowing**

The Company has provided channels for complaints and whistleblowing to allow employees and stakeholders to report information or give clues about wrongdoings or corruption. Also, the Company provides measures to protect the rights of whistleblowers who have been complained and focus on data collection. Whistleblowers' data is kept confidential and only known by an exclusive group of assigned individuals to reassure confidentiality. Whistle-blowing procedures, investigations, penalties for false information, and penalties for corrupt personnel are outlined in the Anti-Corruption Measures Manual. which has been revised in 2021 as follows:

1. Internal channels for employees to select from, to notify with identity or anonymously as follows:

Contact	Recipient	
Email	E-mail: IA@kslgroup.com	Internal Audit Office Manager
	E-mail: HR@kslgroup.com	Human Resources Manager
Telephone	Tel no. 02-642-6191-9 ext. 127	Internal Audit Office Manager
	Tel no. 02-642-6191-9 ext. 969	Human Resources Manager

<b>Post Office</b>	Chairman of the Audit Committee or the Board of Directors of the Company at the following address: Khon Kaen Sugar Industry Public Company Limited 503 K.S.L. Tower, 22nd Floor, Sri Ayutthaya Road, Thanon Phayathai, Ratchathewi, Bangkok 10400	Chairman of the Audit Committee Board of Directors
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2. For third parties, they can inform through the company's website [www.kslgroup.com/contact](http://www.kslgroup.com/contact) which is an identified complaint.

In 2022, the Company had no complaints related to non-compliance with rules and regulations that constitute a breach of business ethics and anti-corruption policy.

## 8.2 Performance Report of the Audit Committee in the Past Year

### Report of the Audit Committee and of Other Subcommittees

#### Report of the Audit Committee

Dear Shareholders,

The Audit Committee was created from the resolution of the Board of Directors. It comprises of 4 independent members. In 2022, 5 Audit Committee's meetings were held. The meeting attendance of each committee member is as following.

<u>Name-Surname</u>	<u>Position</u>	<u>Meeting Attended</u>
1. Mr. Sitthi Leelakasemreug	President of Audit Committee	5/5
2. Prof. Dr. Worapath Totanakasem	Committee Member	5/5
3. Dr. Nongluck Pinainitisat	Committee Member	5/5
4. Assist. Prof. Anchalee Pipatanasern	Committee Member	5/5

*Nomination and Remuneration Committee Report appears in Attachment 6 of this Annual Registration Statement (Form 56-1, One Report).*

## 8.3 Performance Summary of Other Committees

### Nomination and Remuneration Committee

The Remuneration Committee and the Nomination Committee are the same committees, comprising not less than three directors, with the Chairman and more than half of the total committee members being independent directors, members of the Nomination and Remuneration Committee.

In 2022, the Nomination and Remuneration Committee held 4 meetings with regular reports on the performance of its duties to the Board of Directors, including reporting on the performance of the previous year.

Member List	Position	Meeting Attended
Police Lieutenant General	Chairman of the Nomination and	4/4
Boonphen Bampenboon	Remuneration Committee/Independent Director	
Miss Nongluck Pinainitisart	Member of the Nomination and Remuneration Committee/Independent Director	4/4
Ms. Duangdao Chinthammit	Nomination and Remuneration Committee/Director	4/4

*Nomination and Remuneration Committee Report appears in Attachment 6 of this Annual Registration Statement (Form 56-1, One Report).*

#### **Risk Management Committee**

The Risk Management Committee comprises no fewer than three directors, with the Chairman and more than half of the Board members being independent directors.

In 2022, the Risk Management Committee organized 5 meetings with regular reports on the performance of its duties

Member List	Position	Meeting Attended
Miss Nongluck Pinainitisart	Chairman of the Risk Management Committee/Independent Director	5/5
Mr. Sitthi Leelakasemreuk	Risk Management Committee / Independent director	5/5
Mr. Chalush Chinthammit	Risk Management Committee / Independent Director	5/5

*The report of the Risk Management Committee appears in Attachment 6 of this Annual Registration Statement (Form 56-1, One Report).*

#### **Corporate Governance Committee**

The Corporate Governance Committee comprises no fewer than three directors, with the Chairman and more than half of the Board members being independent directors.

In 2022, the Corporate Governance Committee organized 3 meetings with regular reports on the performance of its duties.

Member List	Position	Meeting Attended
Mr. Woraphat	Chairman of the Corporate Governance	3/3
Tothanakasem	Committee/ Independent Director	
Police Lieutenant General	Member of the Corporate Governance	3/3
Boonphen Bampenboon	Committee / Independent Director	
Mrs. Anchalee	Member of the Corporate Governance	3/3
Pipatanasern	Committee / Independent Director	
Mr.Somchat Chinthammit	Committee / Director	3/3

*The report of the Risk Management Committee appears in Attachment 6 of this Annual Registration Statement (Form 56-1, One Report).*

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## Internal control and related transactions

### 9. Internal control and related party transactions

#### 9.1 Internal control

##### 9.1.1 The Adequacy and Suitability of the Internal Control System

The company sets focus on internal control covering finance, operation and compliance with relevant laws and regulations as well as appropriate risk management that is efficient enough to prevent or mitigate risks which may cause damage to assets or reputation. The Company evaluates the operation of work in accordance with good corporate governance.

The Company is certified a membership of the Private Sector Collective Action Coalition against Corruption (CAC) **which is the Company's 2nd renewal of the certificated.** The Board of Directors clearly defines roles and duties of each committee and the management and monitors the performance pursuant to the roles and duties and the organization structure and line of command designed to create balance of power and internal control. Goals and key performance indicators are established to evaluate efficiency and to monitor the work result in comparison to the corporate objectives regularly.

The Board of Directors annually evaluates the sufficiency of internal control system in accordance with the guidelines provided by the Securities Exchange Commission and the framework set by the Stock Exchange of Thailand with reference to the 5 elements and 17 principles of the Committee of Sponsoring Organizations of the Treadway Commission (COSO). The Board of Directors and the Audit Committee consider that the Company has sufficient and appropriate internal control system suitable to the business characteristics.

#### **1. Internal Control**

The Company clearly sets measurable business goals and action plans. The goals are revised while the actual results are compared with the goals regularly. The organization structure is made with the concept to allocate duties and to establish line of command with responsibility so as to achieve objectives with the supervision of the Board of Directors. The Company prescribes business ethics, corporate governance policy, anti-corruption practices and conflict of interest policy to express its commitment to integrity and business ethics. List of authorities and operational manuals are made and regularly revised to be in line with new standards.

The Board of Directors is independent from the management. The Board is empowered to govern and develop the internal control system. The Board also promotes the development of personnel so that they shall be capable to administer and take responsibility for the internal control effectively.

As regards anti-corruption matters, the Company provides manual of anti-corruption measurement and risk evaluation of internal fraud.

#### **2. Risk Evaluation**

The Company is aware of the evaluation of the risks that may cause adverse effect to business operation. The Risk Management Committee together with the Risk Management Office evaluate risk factors both from outside and inside the organization that may have impact upon the business. The Office identifies and analyses all types of relevant risks including fraud and corruption and categorizes material risks pursuant to the effects and probability



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of occurrence in each business process and establishes risk management plans. The risk factors are revised every year.

### **3. Operational Control**

The Company has internal control that is consistent with the risks and types of business. The control is clearly allocated to each functional unit as defined in the manual of authorities and the manuals of operation which are made and revised to suit the organization structure and present operation. Each functional unit is designed to balance the power and to cross-examine appropriately, particularly the task that incurs significant risks so as to mitigate or reduce errors such as financial transactions, sales, procurement, asset supervision, personnel management, etc. The internal audit office is set up to audit each operation regularly in accordance with rules, regulations, manual of authorities and manual of operation to ensure sufficient and appropriate internal control. There is efficient operation of work including the use of information technology to help conduct the work more rapidly and efficiently.

### **4. Information technology and communications**

The Company strengthens information technology system and communication, promotes and supports continuous system development so that the information is correct and updated. The Company uses the information technology system that is up-to-date, efficient and data-secured to collect data, process data, store data and monitor data so that the administration, the decision-making, policy regarding information technology security and the use of information by directors, executives and staff can be done safely and correctly within reasonable time.

The Company provides appropriate communication channels to convey messages regarding duties, responsibility and other matters to personnel and specifies secured channels for submitting clues or complaints regarding fraud and corruption. Also, there is communication in respect of issues that may cause impact to internal control between internal functional units and between the Company and third parties.

### **5. Monitoring system**

The Audit Committee, by the Office of Internal Audit, audits the internal control system. The internal audit office examines, monitors and evaluates the operation to ensure that the findings arising from audit process are rectified in reasonable time. The independent Auditor evaluates the internal control regarding finance and accounting and submits the audit result to the Audit Committee on a quarterly and yearly basis. In the previous year, there is no significant flaw as to the internal control audit.

### **Risk Management**

The Risk Management Committee stipulates risk management policy, risk factors and risk management process for the management to bring to practice so as to help the management to consider control points to manage the risks to the acceptable level. The management is responsible for the business planning, the operation, the specification, analysis and evaluation of work structure by taking into consideration the internal and external risk factors.

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During 2021, the Risk Management Committee and the Risk Management Office have established the implementation of the Risk Management Activity Development Plan as follows:

1. The Committee revised Charter of the Risk Management Committee, objectives, scope of authority and responsibility, manual on risk management and operational manual of the risk management office year.

2. The Committee specify causes of organizational risk and the responsible persons in each division for each risk for the year 2020/2021 as approved by the Risk Management Committee.

3. The Committee provided plans to support analysis and evaluation of new risks in 2021/2022 and make preliminary guidelines with measures to respond the risks.

4. The Committee held preparatory meeting for the risk management office to work on various sites pursuant to the supporting plans.

5. The Committee supported the making of report stating risk status by the responsible person of each division in 7 sites with head office.

6. The Committee reported the risk status to the Board of Directors showing information as to risks that are stable, decreasing and increasing together with causes so that the management can use for planning and operation on quarterly basis respectively.

7. Pushing for measures to prevent and deal with emergency situations in case of severe COVID-19 epidemic during April - September 2021

By virtue of dedication and cooperation of all parties concerned, the internal control system and the risk management of the group of companies are regarded acceptable by the Company and can be developed to serve the objectives and goals of each department.

1. Deloitte Touche Tohmatsu Jaiyos Audit Company Limited, which is the Company's auditor, has reviewed and assessed the accounting controls of the Company and its subsidiaries, which found no significant deficiencies that may affect the Significantly the auditor's opinion on the financial statements of the Company and its subsidiaries ending October 31, 2021

2. The Audit Committee of the Company agrees with the auditor's viewpoint, that the Company's internal control system is sufficient and suitable for the Company's business operations. It can prevent misuse of the Company's assets and protect them from being used without the management authority. The Audit Committee has reported on the adequacy of the Company's internal control system in the Board of Directors' meeting.

3. The Company has appointed Mr. Chatchai Phuwong as the Manager of the Internal Audit Office - the Chief Executive of the Internal Audit Office to act as the secretary of the Audit Committee to support the Audit Committee to achieve their goals effectively. The Audit Committee believes that the person who is holding the position of Chief of Internal Audit has adequate qualifications for performing duties.

4. The appointment, transfer, or termination of the Chief Audit Officer and any other unit under the Internal Audit Department must be approved by the Audit Committee.

## 9.2 Related party transactions

### 9.2.1 Identify the group of persons who may have a conflict of interest

Intercom disclosed in this section is related party transactions during 2022, 2021, and 2021 ending on October 31 of each year, consisting of transactions between the Company and its subsidiaries, associated companies, and persons who may have conflicts of interest as follows:

#### Subsidiaries

Company name	Relationship
Tamaka Sugar Industry Co., Ltd. Manufacture and distribution of sugar and molasses	Tamaka Sugar Industry Co., Ltd. is controlled by the company which owns 90.21% of the subsidiary's shares. Individuals that relate to directors of the company own 9.79% of the subsidiary's shares. Therefore, related transactions between the company and subsidiary are not required to disclose because the ownership proportion is less than 10%.
New Krung Thai Sugar Factory Co., Ltd. Manufacture and distribution of sugar and molasses	New Krung Thai Sugar Factory Co., Ltd. is controlled by the company which owns 95.78% of the subsidiary's shares. Individuals that relate to directors of the company own 4.22 % of the subsidiary's shares. Therefore, related transactions between the company and subsidiary are not required to disclose because the ownership proportion is less than 10%.
New Kwang Soon Lee Sugar Factory Co., Ltd. Manufacture and distribution of sugar and molasses	New Kwang Soon Lee Sugar Factory Co., Ltd. is controlled by the company which owns 99.66% of the subsidiary's shares. Individuals that relate to directors of the company own 0.34 % of the subsidiary's shares. Therefore, related transactions between the company and subsidiary are not required to disclose because the ownership proportion is less than 10%.
KSL Real Estate Co., Ltd. Housing and land for agriculture estate including holiday resort for training, seminar center and Office building for rent	KSL Real Estate Co., Ltd. is a subsidiary of and controlled by the company, Tamaka Sugar Industry Co., Ltd. which owns 40.77% and 55.70% of the subsidiary's shares, respectively. Individuals that relate to directors of the company own 3.53 % of the subsidiary's shares. Therefore, related transactions between the company and subsidiary are not required to disclose because the ownership proportion is less than 10%.

Company name	Relationship
K.S.L. Export Trading Co., Ltd. Export sugar as exporting agent	K.S.L. Export Trading Co., Ltd. is a subsidiary of and controlled by the company, Tamaka Sugar Industry Co., Ltd., New Krung Thai Sugar Factory Co., Ltd. and New Kwang Soon Lee Sugar Factory Co., Ltd. which own 33.88%, 23.11%, 16.04% and 9.60% of the subsidiary's shares, respectively. The company also has common directors namely Mr. Chamroon Chinthammit, Mr. Thawatchai Rojanachotikul, Mr. Sukhum Tokaranyaset and Mr. Chalush Chinthammit.
Savannakhet Sugar Corporation Agricultural Operation, Manufacture and distribution of sugar and molasses	Savannakhet Sugar Corporation is controlled by the company which owns 98.00% of the subsidiary's shares. None of major shareholders and directors of the company own the subsidiary's shares. Therefore, related transactions between the company and subsidiary are not required to disclose.
Koh Kong Sugar Industry Co., Ltd. Manufacture and distribution of sugar and molasses	Koh Kong Sugar Industry Co., Ltd. is controlled by the company which owns 100.00% of the subsidiary's shares. None of major shareholders and directors of the company own the shares. Therefore, related transactions between the company and subsidiary are not required to disclose.
Koh Kong Plantation Co., Ltd. Agricultural Operation	The Company holds shares indirectly through Wynn In Trading Co., Ltd. which owns 80.00% of the subsidiary's shares. None of major shareholders and directors of the company own the shares. Therefore, related transactions between the company and subsidiary are not required to disclose.

**Associates**

Company name	Relationship
Thai Sugar Terminal Public Company Limited Locating, silo warehouse and property rental	Thai Sugar Terminal Public Company Limited is an associate of and controlled by the company which owns 23.82% of the associate's shares. Major shareholders and directors of the company own 16.65% of the subsidiary's shares. The company also has common directors namely Mr. Kamondanai Chinthammit, Mr. Chalush Chinthammit and Mr. Chanachai Chutimavoraphand.
Company name	Relationship
BBGI Public Company Limited Manufacture and distribution of alcohol or fuel from agricultural produce	BBGI Company Limited is an associate of and controlled by the company which owns 29.88% of the associate's shares. The company also has common directors namely Mr. Chamroon Chinthammit, Mr. Chalush Chinthammit and Mr. Chanachai Chutimavoraphand.

**Related Companies**

Company name	Relationship
K.S.L. IT Center Co., Ltd. Provide computerized and database services to parent company and related parties	K.S.L. IT Center Co., Ltd. is controlled by Raja Ceramics Co., Ltd., and Thai Fermentation Industry Co., Ltd., whose stakes individually equal to 50% of K.S.L. IT Center Co., Ltd.'s shares. The company also has common directors namely Mr. Chatri Chinthammit.
On Nuj Construction Co., Ltd. Hotel and real estate agent	On Nuj Construction Co., Ltd. is controlled by the same shareholder group of the company who owns 78.57% of On Nuj Construction Co., Ltd.'s shares. The company also has common directors namely Mr. Chamroon Chinthammit, Mr. Chalush Chinthammit, Ms. Duangdao Chinthammit and Mr. Chanachai Chutimavoraphand.

Company name	Relationship
Raja Ceramics Co., Ltd. Manufacture and distribution of ceramic products	Raja Ceramics Co., Ltd. is controlled by the same shareholder group of the company who owns 48.27% of Raja Ceramics Co., Ltd.'s shares. The company also has common directors namely Mr. Chamroon Chinthammit, Mr. Sukhum Tokaranyaset, Mr. Thawatchai Rojanachotikul and Mr. Chalush Chinthammit.
Thai Fermentation Industry Co., Ltd. Manufacture and distribution of seasoning powder	Thai Fermentation Industry Co., Ltd. is controlled by the same shareholder group of the company who owns 46.73% of Thai Fermentation Industry Co., Ltd.'s shares. The company also has common directors namely Mr. Chamroon Chinthammit, Mr. Sukhum Tokaranyaset, Mr. Thawatchai Rojanachotikul, and Mr. Somchai Chinthammit.
BBGI Bio Ethanol Public Company Limited (Formerly "KSL Green Innovation Public Company Limited") Manufacture and distribution of alcohol or fuel from agricultural produce	The company also has common directors namely Mr. Chalush Chinthammit.
BBGI Bio Ethanol (Chachoengsao) Co., Ltd. (Formerly "Bangchak Bioethanol (Chachoengsao) Co., Ltd.") Manufacture and distribution of ethanol alcohol and biogas	The company also has common directors namely Mr. Chalush Chinthammit.

## 1. Details of related transactions.

Purchase goods and services lists in ordinary business, including all outstanding amounts at the end of the year. (for the years ended October 31, 2022, 2021 and 2020)

Customers	Sellers/ Service providers	Type of Transaction / Conditions	Amount (Thousand Baht)			Necessity and reasonableness
			31-Oct-22	31-Oct-21	31-Oct-20	
Khon Kaen Sugar Industry Public Company Limited	Thai Fermentation Industry Co., Ltd.	- Purchase of chemical	83	63	279	The Company purchased chemical product as caustic soda and hydrochloric acid from Thai Fermentation Industry Co., Ltd. to clean their machineries. The price charged between each other is the market price which has conditions according to the general normal trade.
		- Other accounts payable	-	1	18	
Tamaka Sugar Industry Co., Ltd.		- Purchase of chemical	48	137	11	
		- Other accounts payable	6	2	-	

Customers	Sellers/ Service providers	Type of Transaction / Conditions	Amount (Thousand Baht)			Necessity and reasonableness
			31-Oct-22	31-Oct-21	31-Oct-20	
New Krung Thai Sugar Factory Co., Ltd.	Thai Fermentation Industry Co., Ltd.	- Purchase of chemical	8,538	3,156	13	The Company purchased chemical product as caustic soda and hydrochloric acid from Thai Fermentation Industry Co., Ltd. to clean their machineries. The price charged between each other is the market price which has conditions according to the general normal trade.
New Kwang Soon Lee Sugar Factory Co., Ltd.		- Purchase of chemical	169	186	20	

Customers	Sellers/ Service providers	Type of Transaction / Conditions	Amount (Thousand Baht)			Necessity and reasonableness
			31-Oct-22	31-Oct-21	31-Oct-20	
BBGI Bio Ethanol Public Company Limited	Khon Kaen Sugar Industry Public Company Limited	- Sale of molasses	714,521	466,751	498,741	The Company and its subsidiaries sold molasses to BBGI Bio Ethanol Public Company Limited as raw material. The transactions arose in ordinary course
		- Trade accounts receivable	9,553	35,242	321	



(Formerly “KSL Green Innovation Public Company Limited”)	Tamaka Sugar Industry Co., Ltd.	- Sale of molasses - Trade accounts receivable	266,994 3,913	214,134 17,468	199,862 -	of business which carried out at market price on normal terms.
	New Krung Thai Sugar Factory Co., Ltd.	- Sale of molasses - Trade accounts receivable - Advances received for sales of goods	307,340 3,521 -	254,275 29,329 6,488	384,845 40,751 -	
	New Kwang Soon Lee Sugar Factory Co., Ltd	- Sale of raw sugars	-	23,701	-	

Customers	Sellers/ Service providers	Type of Transaction / Conditions	Amount (Thousand Baht)			Necessity and reasonableness
			31-Oct-22	31-Oct-21	31-Oct-20	
Khon Kaen Sugar Industry Public Company Limited	K.S.L. Export Trading Co., Ltd.	- Service fees of goods exporting	5,878	4,371	7,944	Sugar exporting has to be made by only company that authorized by Cane and Sugar Board in the Royal Gazette according to the sugar cane and sugar act. The Company’s group and Prachaup Industry Co., Ltd. therefore established K.S.L. Export Trading Co., Ltd. to only be export agent and documental support. K.S.L. Export Trading Co., Ltd. will charge
Tamaka Sugar Industry Co., Ltd.		- Service fees of goods exporting	1,172	639	728	
New Krung Thai Sugar Factory Co., Ltd.		- Service fees of goods exporting	1,835	1,764	3,719	

New Kwang Soon Lee Sugar Factory Co., Ltd.	- Service fees of goods exporting	739	386	544	service fees at cost plus administrative expenses according to volume of goods.
Savannakhet Sugar Corporation	- Service fees of goods exporting	-	-	580	

Customers	Sellers/ Service providers	Type of Transaction / Conditions	Amount (Thousand Baht)			Necessity and reasonableness
			31-Oct-22	31-Oct-21	31-Oct-20	
Khon Kaen Sugar Industry Public Company Limited	Thai Sugar Terminal Public Company Limited and its subsidiaries	- Service fees for goods custody and transfer - Other income (i.e. discount) - Other accounts receivable - Other accounts payable	2,254 - - 1	4,782 36 1,616 -	6,100 352 - -	The Company needs to use wharf and transfer services for group of sugar factory. Thai Sugar Terminal Public Company Limited priced service fees of goods custody and goods exporting were charge according to volume of goods and custody time, which are general rates in the market.
Tamaka Sugar Industry Co., Ltd.		- Service fees for goods custody and transfer - Other income (i.e. discount) - Other accounts payable	3,439 - -	2,409 10 500	5,823 499 243	
New Krung Thai Sugar Factory Co., Ltd.		- Service fees for goods custody and transfer	381	1,855	11,102	

		- Other revenue (i.e. discount)	-	16	1,657	
		- Other accounts payable	-	41	63	

Customers	Sellers/ Service providers	Type of Transaction / Conditions	Amount (Thousand Baht)			Necessity and reasonableness
			31-Oct-22	31-Oct-21	31-Oct-20	
New Kwang Soon Lee Sugar Factory Co., Ltd.	Thai Sugar Terminal Public Company Limited and its subsidiaries	- Service fees for goods custody and transfer - Other revenue (i.e. discount) - Other accounts payable	14	149	98	The Company needs to use wharf and transfer services for group of sugar factory. Thai Sugar Terminal Public Company Limited priced service fees of goods custody and goods exporting were charge according to volume of goods and custody time, which are general rates in the market.
			-	4	-	
			-	-	14	

Customers	Sellers/ Service providers	Type of Transaction / Conditions	Amount (Thousand Baht)			Necessity and reasonableness
			31-Oct-22	31-Oct-21	31-Oct-20	
Khon Kaen Sugar Industry Public Company Limited	K.S.L. IT Center Co., Ltd.	- Service fees of computerized activities - Prepaid expenses	6,635	6,538	6,413	K. S. L. IT Center Co., Ltd. was established as computer service center in serving the group companies. The service fee pricing is calculated based on its investment cost and related operating
			-	453	499	

Tamaka Sugar Industry Co., Ltd.	- Service fees of computerized activities	2,008	1,915	2,046	costs and allocated to charge each company based on the actual data usage volume.
	- Prepaid expenses	-	105	104	
New Krung Thai Sugar Factory Co., Ltd.	- Service fees of computerized activities	2,501	2,535	3,073	
	- Prepaid expenses	-	173	193	
New Kwang Soon Lee Sugar Factory Co., Ltd.	- Service fees of computerized activities	1,433	1,481	1,638	
	- Prepaid expenses	-	68	68	
KSL Real Estate Co., Ltd.	- Service fees of computerized activities	214	175	130	
K.S.L. Export Trading Co., Ltd.	- Service fees of computerized activities	352	229	187	
Savannakhet Sugar Corporation	- Service fees of computerized activities	687	782	733	
Koh Kong Sugar Industry Co., Ltd.	- Service fees of computerized activities	215	150	166	

Koh Kong Plantation Co., Ltd.	- Service fees of computerized activities	-	-	18	
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**Rental fee (for the year ended October 31, 2022, 2021 and 2020)**

Lessor	Lessee	Significant transaction	Amount (Thousand Baht)			Necessity and reasonableness of Connected Transaction
			31-Oct-22	31-Oct-21	31-Oct-20	
Khon Kaen Sugar Industry Public Company Limited	On Nuj Construction Co., Ltd.	Office rental area of 196.69 square meter and car park at the monthly rate of Baht 300 per square meter allowed to be renewed every 3 years (01/11/18 - 31/10/21).Reduce rent by 20% for 3 months from April 2020 – June 2020 and currently no more than the rent for February 2021	-	236	708	The Company has rent out office space to its companies group due to locate office centrally and conveniently. Rental fees were carried out at market prices on normal trade and agreement commencement date. Office rental and asset rental condition were set mainly concern about benefit to the company.
	Thai Fermentation Industry Co., Ltd.	Warehouse rental area of 200 square meter at the monthly rate of Baht 100 per square meter allowed to be renewed annually (01/08/22 - 31/07/23) and rent office space of 46.50 square meters at 300 baht per square	403	320	236	

Lessor	Lessee	Significant transaction	Amount (Thousand Baht)			Necessity and reasonableness of Connected Transaction
			31-Oct-22	31-Oct-21	31-Oct-20	
		meter per month, renewing the contract every 1 year (01/04/22 – 31/03/23). Reduce rent by 20% for 3 months from April 2020 – June 2020 and reduce the rent by 10% for 3 months from Nov. 21 - Jan. 22				
Khon Kaen Sugar Industry Public Company Limited	Raja Ceramics Co., Ltd.	Office rental area of 495.54 square meter and car park at the monthly rate of Baht 300. It is allowed to be renewed annually (01/01/22 - 31/12/23). Reduce rent by 20% for 3 months from April 2020 – June 2020 and reduce the rent by 10% for 3 months from Nov. 21 - Jan. 22.	1,739	1,739	1,695	The Company has rent out office space to its companies group due to locate office centrally and conveniently. Rental fees were carried out at market prices on normal trade at agreement commencement date. Office rental and asset rental condition were set mainly concern about benefit to the company.
	K.S.L. IT Center Co., Ltd.	Office rental area of 432.62 square meter and car park at the monthly rate of Baht 300 per square meter and are allowed to be renewed every 3 years (01/08/21 - 31/07/24). Reduce rent by 20% for 3 months from April 2020 – June 2020 and reduce the rent by 10% for 3 months from Nov. 21 - Jan. 22	1,518	1,518	1,480	
	K.S.L. Export Trading Co., Ltd.	Office rental area of 33.48 square meter at the monthly rate of Baht 300 per square meter	118	118	115	

Lessor	Lessee	Significant transaction	Amount (Thousand Baht)			Necessity and reasonableness of Connected Transaction
			31-Oct-22	31-Oct-21	31-Oct-20	
		allowed to be renewed every 3 years (01/10/20 - 30/09/23). Reduce rent by 20% for 3 months from April 2020 – June 2020 and reduce the rent by 10% for 3 months from Nov. 21 - Jan. 22				

## Borrowings from/ Loans to related parties (as at October 31, 2022, 2021 and 2020)

Unit : Thousand Baht

For the year ended 31 October 2022							
Borrower	Lender	As at Nov 1, 2021	Loan addition during the period	Repayment during the period	As at Oct 31, 2022	Interest paid	Necessity and reasonableness of Connected Transaction
Khon Kaen Sugar Industry Public Company Limited	K.S.L Tower Juristic Person office	4,100	1,000	-	5,100	45	Khon Kaen Sugar Industry Public Company Limited has obtained financial support from KSL Tower Juristic Person office via short-term loans which is callable promissory notes, the loans are used for working capital, interest rates at 0.80-1.35% per annum and the interest is payable at the end of each month.

Unit : Thousand Baht

For the year ended 31 October 2021							
Borrower	Lender	As at Nov 1, 2020	Loan addition during the period	Repayment during the period	As at Oct 31, 2021	Interest paid	Necessity and reasonableness of Connected Transaction
Khon Kaen Sugar Industry Public Company Limited	K.S.L Tower Juristic Person office	4,100	-	-	4,100	43	Khon Kaen Sugar Industry Public Company Limited has obtained financial support from KSL Tower Juristic Person office via short-term loans which is callable promissory notes, the loans are used for working capital, interest rates at 0.80-1.22% per annum and the interest is payable at the end of each month.



Unit : Thousand Baht

For the year ended 31 October 2020							
Borrower	Lender	As at Nov 1, 2019	Loan addition during the period	Repayment during the period	As at Oct 31, 2020	Interest paid	Necessity and reasonableness of Connected Transaction
Khon Kaen Sugar Industry Public Company Limited	K.S.L Tower Juristic Person office	3,400	1,000	(300)	4,100	56	Khon Kaen Sugar Industry Public Company Limited has obtained financial support from KSL Tower Juristic Person office via short-term loans which is callable promissory notes, the loans are used for working capital, interest rates at 1.22%-1.24% per annum and the interest is payable at the end of each month.

Unit : Thousand Baht

For the year ended 31 October 2022							
Borrower	Lender	As at Nov 1, 2021	Loan addition during the period	Repayment during the period	As at Oct 31, 2022	Interest paid	Necessity and reasonableness of Connected Transaction
Khon Kaen Sugar Industry Public Company Limited	K.S.L IT Center Co., Ltd.	3,000	-	-	3,000	28	Khon Kaen Sugar Industry Public Company Limited has obtained financial support from KSL Tower Juristic Person office via short-term loans which is callable promissory notes, the loans are used for working capital, interest rates at 0.80%-1.35% per annum and the interest is payable at the end of each month.

Unit : Thousand Baht

For the year ended 31 October 2021							
Borrower	Lender	As at Nov 1, 2020	Loan addition during the period	Repayment during the period	As at Oct 31, 2021	Interest paid	Necessity and reasonableness of Connected Transaction
Khon Kaen Sugar Industry Public Company Limited	K.S.L IT Center Co., Ltd.	3,000	-	-	3,000	32	Khon Kaen Sugar Industry Public Company Limited has obtained financial support from KSL Tower Juristic Person office via short-term loans which is callable promissory notes, the loans are used for working capital, interest rates at 0.80%-1.22% per annum and the interest is payable at the end of each month.

Unit : Thousand Baht

For the year ended 31 October 2020							
Borrower	Lender	As at Nov 1, 2019	Loan addition during the period	Repayment during the period	As at Oct 31, 2020	Interest paid	Necessity and reasonableness of Connected Transaction
Khon Kaen Sugar Industry Public Company Limited	K.S.L IT Center Co., Ltd.	-	3,000	-	3,000	9	Khon Kaen Sugar Industry Public Company Limited has obtained financial support from KSL Tower Juristic Person office via short-term loans which is callable promissory notes, the loans are used for working capital, interest rates at 1.20%-1.22% per annum and the interest is payable at the end of each month.

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### 9.2.3 Policy on future related party transactions

The Audit Committee has reviewed the related party transactions described in the previous tables and given the view that it was in accordance with normal business practice and carried out at market price.

The Audit Committee passed the resolution of related party transactions as follows:

#### 1. Normal Business Transactions

Normal business transactions include transfer and transport services and warehouse rental from Thai Sugar Terminal Public Company Limited and sales and purchases of sugar between the Company and the subsidiaries. These connected transactions will firstly be brought to the Company's consideration in respect of the Company's interests and be ensured that they will be carried out at market price.

#### 2. Rental Service Transactions

Rental service transactions will be carried out at market price and the same rate given to third parties.

#### 3. Sales and Purchases of Assets and Investments

Sales and purchases of assets and investments are an increase of capital in order to maintain the same shareholding proportion as previously held. It is also an investment for the current business expansion and the future business growth. The policy of sales and purchases of assets and investments will firstly be brought to the Company's consideration in respect of the Company's interests and the justification for entering into the transaction, the necessity and appropriateness of such transactions.

#### 4. Borrowings from/ Loan to persons having potential conflict of interest

Borrowings from/ Loan to persons having potential conflict of interest will firstly be brought to the Company's consideration in respect of the justification for entering into the transaction, the necessity and appropriateness of such transactions.

#### 5. Other related transactions are transactions other than 1-4 stated above.

Related party transactions between the Company or the subsidiaries and the persons having potential conflict of interest, having a stake in or possibly having a conflict of interest in the future shall be subject to the opinion of the Audit Committee for their consideration in respect of the justification for entering into the transaction, the necessity and appropriateness of such transactions. In case that the Audit Committee considers it lack expertise required for the consideration of possible transactions, it is empowered to recruit experts as needed. Experts, for example, could be an auditor or an independent appraisal officer, which is independent from both the Company and persons having potential conflict of interest. The opinion of these recruited experts will be used in the decision-making of the Audit Committee and/or the Board of Directors of the Company and/or shareholders as the case may be.

Regarding the potential related party's transactions incurred in the future, the Board of Directors of the Company ensures compliance with the laws on securities and exchange, regulations, notifications, orders or any requirements of the Stock Exchange of Thailand, including compliance with regulations on the disclosure of information on connected transactions and the acquisition or disposal of important assets of the Company or its subsidiaries; In addition, the Company will disclose related transactions in notes to financial statements in

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compliance with Thai Financial Reporting Standards as audited by the certified public accountant and further disclose those information in the Annual Registration Statements (Form 56-1) in future years.

#### **9.2.4 Capital structure of individuals having potential conflict of interest over 10%**

Capital structure of individuals having potential conflict of interest over 10% is as the followings:

Thai Sugar Terminal Public Company Limited (TSTE) The individuals having potential conflict of interest own 16.65% of the TSTE's shares. The Company owns 23.82% of the TSTE's shares and has no policy to increase its capital proportion. Moreover, the shareholders and directors have no intention to transfer their benefits to one of these two companies. In addition, Thai Sugar Terminal Public Company Limited has many directors from other sugar companies; thus, power balancing in TSTE is reasonable for both companies. To conclude, the related transactions between the Company and TSTE are in line with the characteristics of normal trading in the market which will maximize highest value to both companies.

In conclusion, the shareholding structure of the Company and the subsidiaries, which is owned by the individuals having potential conflict of interest over 10% in some companies, is the result from the past. Currently, the Company has an intention changing its structure in order to minimize those conflicts. In addition, the Company has the policy to directly invest in subsidiaries and associates in the future. Also, there will be the limitations in shareholding proportion for the individuals having potential conflict of interest except it will be done to maximize the Company's value. Furthermore, the persons having potential conflict of interest will not make any investments in business that may constitute the conflicts of interest to the Company or in competitive business to the Company.



KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND ITS  
SUBSIDIARIES Financial Statements

As at October 31, 2022

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**Report on the Board of Directors' Responsibilities for Financial Statements**

The Board of Directors of Khon Kaen Sugar Industry Public Company Limited is responsible for the separated financial statement and consolidated financial statement of the Company and its subsidiaries, which have been prepared in accordance with financial reporting standards, with appropriate accounting policies applied on a conservative and consistent basis. Where judgment and estimates were required, these were made with careful and reasonable consideration, and adequate disclosure and transparency of important information have been made in the notes to the financial statements. Both separated financial statement and consolidated financial statement have been audited by independent certified auditors who have given their unqualified opinions.

The Board oversees and reviews corporate governance as well as establishes and maintains a proactive risk management system and internal control system to ensure that accounting records are accurate, complete and timely, and that the Company's assets are properly safeguarded against fraud, operational irregularities and other risks. The Board has appointed an Audit Committee consisting of independent directors to be responsible for reviewing separated financial statement and consolidated financial statement, including evaluating the efficiency and the competence of internal control system and internal audit. The Audit Committee's views are reported in its report in the Company's annual report.

The Board is of the opinion that the Company's internal control system and the internal audit can reasonably assure the creditability of the separated financial statement and consolidated financial statement of Khon Kaen Sugar Industry Public Company Limited and its subsidiaries for the year ended October 31, 2022, the statement of financial position, the operating results, and cash flows accurately according to generally accepted accounting principles.



(Mr. Manu Leopairote)  
Chairman



(Mr. Chamroon Chinthammit)  
Chief Executive Officer



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**REPORT OF THE INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS**

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**TO THE SHAREHOLDERS AND BOARD OF DIRECTORS  
KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED**

**Opinion**

We have audited the consolidated financial statements of Khon Kaen Sugar Industry Public Company Limited and its subsidiaries (the “Group”) and the separate financial statements of Khon Kaen Sugar Industry Public Company Limited (the “Company”), which comprise the consolidated and separate statements of financial position as at October 31, 2022, and the consolidated and separate statements of profit or loss, statements of comprehensive income, statements of changes in shareholders’ equity and statements of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of Khon Kaen Sugar Industry Public Company Limited and its subsidiaries and of Khon Kaen Sugar Industry Public Company Limited as at October 31, 2022, and its financial performance and its cash flows for the year then ended in accordance with Thai Financial Reporting Standards (“TFRSs”).

**Basis for Opinion**

We conducted our audit in accordance with Thai Standards on Auditing (“TSAs”). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of our report. We are independent of the Group in accordance with the Federation of Accounting Professions’ Code of Ethics for Professional Accountants that are relevant to our audit of the consolidated and separate financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated and separate financial statements of the current year. This matter was addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

Key Audit Matter	Audit Responses
<p><b>Allowance for Expected Credit Losses of Farmer Receivables and Loans for Cane Plantation Development</b></p> <p>As at October 31, 2022, the Group has allowance for expected credit losses of farmer receivables and loans for cane plantation development, which are significant to the financial statements. Such farmer receivables and loans for cane plantation development are of different nature and characteristics.</p> <p>We focused on such allowance for expected credit losses because the allowance for expected credit losses of farmer receivables and loans for cane plantation development are considered to be significant accounting estimates which the management is required to exercise considerable judgement in determining the reasonableness of assumptions used in estimating allowance for expected credit losses. Therefore, we considered the appropriateness of the assumptions used in determining allowance for expected credit losses of farmer receivables and loans for cane plantation development is a key audit matter.</p> <p>The accounting policies and disclosure of allowance for expected credit losses of farmer receivables and loans for cane plantation development are in Notes 3.2, 3.12, 4, 7.2, 15 and 16 to the financial statements.</p>	<p>Significant audit procedures include the following:</p> <ul style="list-style-type: none"> <li>• Gaining an understanding of the basis applied in determining allowance for expected credit losses of farmer receivables and loans for cane plantation development in general and specific cases, and reviewing the consistency of the application of that basis.</li> <li>• Evaluating the design and implementation of the internal control procedures related to the allowance for expected credit losses.</li> <li>• Inquiring management the appropriateness of process and internal control for identification and judgement of expected credit loss allowance required, including assessment the reasonableness of the probability of default, loss given default and exposure at default by considering the management's reasons used to assess the adequacy of the loss allowance based on the assessment of credit risk and expected to incur of accounts receivables.</li> <li>• Involvement of our internal specialists to assess the appropriateness of model design, assumptions, inputs and formulas used. Testing the data used in the ECL calculation and samples selected for recalculating the allowance for expected credit loss as specified in the model.</li> <li>• Evaluating whether the disclosure in the notes to the financial statements is sufficient and appropriate in accordance with the financial reporting standards.</li> </ul>

## Other Information

Management is responsible for the other information. The other information comprises information in the annual report, which is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and the management of the Group.

### **Responsibilities of Management and Those Charged with Governance for the Consolidated and Separate Financial Statements**

Management is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with TFRSs, and for such internal control as management determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group and the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with TSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with TSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

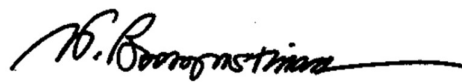
- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Wimolporn Boonyusthian  
Certified Public Accountant (Thailand)

Registration No. 4067

BANGKOK

December 23, 2022

DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT CO., LTD.

**KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES**
**STATEMENTS OF FINANCIAL POSITION**
**AS AT OCTOBER 31, 2022**
**UNIT : BAHT**

	Notes	Consolidated Financial Statements		Separate Financial Statements	
		as at October 31, 2022	as at October 31, 2021	as at October 31, 2022	as at October 31, 2021
<b>ASSETS</b>					
<b>CURRENT ASSETS</b>					
Cash and cash equivalents	5.3	254,845,234	224,064,164	62,444,886	7,093,086
Trade and other current receivables	7	1,058,208,289	1,064,093,678	1,472,303,918	930,706,618
Finance lease current receivables	8	380,574,156	19,336,762	-	-
Short-term loans	9	623,848,631	588,434,890	1,117,702,820	1,322,175,395
Inventories	10	2,740,202,114	2,707,437,417	1,313,619,001	1,269,883,150
Current biological assets	11	52,848,517	46,380,239	-	-
Other current financial assets	12	655,361,777	91,232,880	655,094,819	90,966,450
Other current assets		47,629,495	39,628,287	12,349,054	9,477,738
<b>Total Current Assets</b>		<b>5,813,518,213</b>	<b>4,780,608,317</b>	<b>4,633,514,498</b>	<b>3,630,302,437</b>
<b>NON-CURRENT ASSETS</b>					
Other non-current financial assets	12	228,662,932	172,883,030	221,392,722	165,636,010
Investments in associates	13	4,803,044,239	4,649,914,827	3,664,649,307	3,380,458,786
Investments in subsidiaries	14	-	-	5,060,432,569	4,613,845,717
Trade and other non-current receivables	15	100,201,935	147,364,523	44,575,533	64,024,710
Finance lease non-current receivables	8	-	361,250,792	-	-
Long-term loans	16	112,786,755	136,623,772	2,030,720,780	2,469,520,961
Investment properties	17	6,296,687,431	6,111,603,918	2,179,171,421	2,009,268,162
Property, plant and equipment	18	24,139,188,172	25,006,759,320	8,515,387,248	9,007,137,280
Right-of-use assets	19	49,678,249	42,748,819	257,725,625	298,824,344
Other intangible assets		21,950,812	29,710,527	16,922,331	23,292,211
Deferred tax assets	27.2	1,271,483	1,131,195	-	-
Other non-current assets		82,947,933	80,825,441	38,624,515	54,700,404
<b>Total Non-current Assets</b>		<b>35,836,419,941</b>	<b>36,740,816,164</b>	<b>22,029,602,051</b>	<b>22,086,708,585</b>
<b>TOTAL ASSETS</b>		<b>41,649,938,154</b>	<b>41,521,424,481</b>	<b>26,663,116,549</b>	<b>25,717,011,022</b>

**KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES**
**STATEMENTS OF FINANCIAL POSITION (CONTINUED)**
**AS AT OCTOBER 31, 2022**
**UNIT: BAHT**

	Notes	Consolidated Financial Statements		Separate Financial Statements	
		as at October 31, 2022	as at October 31, 2021	as at October 31, 2022	as at October 31, 2021
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>					
<b>CURRENT LIABILITIES</b>					
Short-term borrowings from financial institutions	20	4,731,071,000	5,981,934,281	2,550,000,000	3,755,159,281
Trade and other current payables	21	1,076,779,711	1,064,170,817	682,206,511	638,609,737
Current portion of long-term debentures	22	-	2,999,157,552	-	2,999,157,552
Current portion of long-term borrowings	23	2,535,000,000	1,739,240,000	2,285,000,000	1,682,000,000
Current portion of lease liabilities	24	12,313,936	9,987,752	42,319,222	39,138,288
Short-term borrowings	5.2	8,100,000	7,100,000	1,056,100,000	409,100,000
Current income tax payable		39,201,391	-	-	-
Other current financial liabilities	25	557,577,306	147,457,735	557,577,306	147,457,735
Other current liabilities		25,253,625	63,264,812	1,030,911	19,160,732
Total Current Liabilities		8,985,296,969	12,012,312,949	7,174,233,950	9,689,783,325
<b>NON-CURRENT LIABILITIES</b>					
Long-term debentures	22	2,648,671,833	2,648,442,958	2,648,671,833	2,648,442,958
Long-term borrowings	23	6,759,404,167	5,167,208,590	6,009,404,167	4,853,068,590
Lease liabilities	24	22,121,634	18,577,268	228,188,793	267,014,278
Deferred tax liabilities	27.3	1,603,712,901	1,279,840,551	256,431,684	55,156,926
Non-current provision for employee benefits	28	198,213,297	210,312,887	74,785,641	87,247,880
Other non-current liabilities		69,205,563	73,068,930	20,911,042	24,474,186
Total Non-current Liabilities		11,301,329,395	9,397,451,184	9,238,393,160	7,935,404,818
<b>TOTAL LIABILITIES</b>		<b>20,286,626,364</b>	<b>21,409,764,133</b>	<b>16,412,627,110</b>	<b>17,625,188,143</b>

**KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**STATEMENTS OF FINANCIAL POSITION (CONTINUED)**  
**AS AT OCTOBER 31, 2022**

UNIT : BAHT

	Notes	Consolidated Financial Statements		Separate Financial Statements	
		as at October 31, 2022	as at October 31, 2021	as at October 31, 2022	as at October 31, 2021
<b>LIABILITIES AND SHAREHOLDERS' EQUITY (CONTINUED)</b>					
<b>SHAREHOLDERS' EQUITY</b>					
SHARE CAPITAL					
Authorized share capital					
		2,205,121,824	2,205,121,824	2,205,121,824	2,205,121,824
Issued and paid-up share capital					
		2,205,116,310	2,205,116,310	2,205,116,310	2,205,116,310
SHARE PREMIUM - ORDINARY SHARES					
		2,946,439,199	2,946,439,199	2,946,439,199	2,946,439,199
RETAINED EARNINGS					
Appropriated					
	29	220,512,200	220,512,200	220,512,200	220,512,200
Unappropriated					
		13,180,188,151	12,113,767,259	4,320,559,470	2,121,592,608
OTHER COMPONENTS OF EQUITY					
		2,338,092,417	2,094,967,350	557,862,260	598,162,562
<b>TOTAL EQUITY ATTRIBUTABLE TO OWNERS</b>					
		20,890,348,277	19,580,802,318	10,250,489,439	8,091,822,879
NON-CONTROLLING INTERESTS					
		472,963,513	530,858,030	-	-
<b>TOTAL SHAREHOLDERS' EQUITY</b>					
		21,363,311,790	20,111,660,348	10,250,489,439	8,091,822,879
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>					
		41,649,938,154	41,521,424,481	26,663,116,549	25,717,011,022

Notes to the financial statements form an integral part of these statements

**KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**STATEMENTS OF PROFIT OR LOSS**  
**FOR THE YEAR ENDED OCTOBER 31, 2022**

UNIT : BAHT

	Notes	Consolidated		Separate	
		Financial Statements		Financial Statements	
		2022	2021	2022	2021
Revenues from sales and rendering of services					
Revenues from sales		16,177,796,811	10,326,121,745	9,281,007,351	5,311,366,785
Revenues from rendering of services		151,285,483	143,594,747	41,389,696	33,535,680
		<u>16,329,082,294</u>	<u>10,469,716,492</u>	<u>9,322,397,047</u>	<u>5,344,902,465</u>
Costs of sales of goods and rendering of services					
Costs of sales of goods		#####	(9,189,442,384)	(7,810,644,316)	(4,872,487,173)
Costs of rendering of services		(69,092,218)	(40,463,066)	(34,973,151)	(25,453,164)
		<u>#####</u>	<u>(9,229,905,450)</u>	<u>(7,845,617,467)</u>	<u>(4,897,940,337)</u>
Gross profit		2,788,519,406	1,239,811,042	1,476,779,580	446,962,128
Other incomes		219,724,191	190,568,205	117,523,814	202,557,639
Dividend incomes		-	-	1,598,528,052	437,549,414
Contributions to the Cane and Sugar Fund	7.3 and 26	-	(37,671,647)	-	(19,052,757)
Distribution costs		(434,208,945)	(293,985,338)	(258,528,458)	(185,471,232)
Administrative expenses		(735,458,427)	(730,221,974)	(343,766,496)	(220,452,310)
Net foreign exchange gain (loss)		41,850,531	(15,394,211)	164,674,840	48,575,097
Gain (loss) on fair value adjustments of					
biological assets		(7,000,462)	(5,394,092)	-	189,543
Gain on fair value adjustments of					
investment property		121,300,145	208,726,648	100,641,336	78,671,648
Reversal loss on impairment of					
investments in subsidiaries	14	-	-	65,336,126	40,498,684
Gain (loss) on sales and disposal of assets		30,945,676	(14,054,907)	(967,935)	(12,302,799)
Loss on impairment of property, plant					
and equipment		(58,980,430)	(17,323,711)	-	-
Profit from operating activities		1,966,691,685	525,060,015	2,920,220,859	817,725,055
Finance income		105,323,156	95,398,934	120,746,613	126,098,477
Finance costs		(428,712,294)	(425,120,268)	(405,222,871)	(406,855,146)
Share of gain on investment in associates		76,086,552	510,741,126	-	-
Profit before income tax expense		1,719,389,099	706,079,807	2,635,744,601	536,968,386
Income tax expense	27.1	(390,539,317)	(91,623,438)	(203,513,245)	(76,124,406)
<b>PROFIT FOR THE YEARS</b>		<u>1,328,849,782</u>	<u>614,456,369</u>	<u>2,432,231,356</u>	<u>460,843,980</u>
<b>PROFIT ATTRIBUTABLE TO :</b>					
Owners of the parent		1,321,220,814	615,789,324	2,432,231,356	460,843,980
Non-controlling interests		7,628,968	(1,332,955)	-	-
		<u>1,328,849,782</u>	<u>614,456,369</u>	<u>2,432,231,356</u>	<u>460,843,980</u>
<b>EARNINGS PER SHARE</b>	33				
Basic earnings per share	BAHT	0.300	0.140	0.551	0.104
Basic number of ordinary shares	SHARES	4,410,232,619	4,410,232,619	4,410,232,619	4,410,232,619

Notes to the financial statements form an integral part of these statements



**KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**STATEMENTS OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED OCTOBER 31, 2022**

UNIT : BAHT

	Notes	Consolidated		Separate	
		Financial Statements		Financial Statements	
		2022	2021	2022	2021
<b>Profit for the years</b>		1,328,849,782	614,456,369	2,432,231,356	460,843,980
<b>Other comprehensive income (expense):</b>					
Items that will be reclassified subsequently to profit or loss:					
Exchange differences on translating financial statements - net of tax		220,785,272	98,707,758	-	-
Loss on cash flow hedges - net of tax	36.1	(29,657,075)	(91,118,884)	(28,200,696)	(92,575,263)
Gain on measuring financial assets - net of tax		26,449,450	12,594,976	26,449,450	12,594,976
Total items that will be reclassified subsequently to profit or loss		217,577,647	20,183,850	(1,751,246)	(79,980,287)
Items that will be not reclassified subsequently to profit or loss:					
Unrealized actuarial (loss) gain adjustment - net of tax		(30,020,085)	11,352,608	(7,202,702)	(175,379)
Share of other comprehensive loss of associates - net of tax		(143,603)	(77,483,172)	-	-
Loss from change of shareholding in subsidiaries		(1,451)	-	-	-
Total items that will be not reclassified subsequently to profit or loss		(30,165,139)	(66,130,564)	(7,202,702)	(175,379)
Other comprehensive income (expense) for the years - net of tax		187,412,508	(45,946,714)	(8,953,948)	(80,155,666)
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEARS</b>		<b>1,516,262,290</b>	<b>568,509,655</b>	<b>2,423,277,408</b>	<b>380,688,314</b>
<b>TOTAL COMPREHENSIVE INCOME (EXPENSE) ATTRIBUTABLE TO</b>					
Owners of the parent		1,574,156,807	556,167,196	2,423,277,408	380,688,314
Non-controlling interests		(57,894,517)	12,342,459	-	-
		<b>1,516,262,290</b>	<b>568,509,655</b>	<b>2,423,277,408</b>	<b>380,688,314</b>

Notes to the financial statements form an integral part of these statements

KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
 CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY  
 FOR THE YEAR ENDED OCTOBER 31, 2022

Notes	UNIT : BAHT														
	Owners of the parent									Non-controlling interests	Total shareholders' equity				
	Issued and paid-up share capital	Share premium Ordinary shares	Retained Earnings		Other components of shareholders' equity							Total owners of the parent			
			Appropriated Legal reserve	Unappropriated	Other comprehensive income (expense)			Loss on internal restructure of entities under common control	(Loss) gain on change in shareholding ratio in subsidiaries	Total other components of shareholders' equity					
				Exchange differences on translating financial statements	Loss on cash flow hedges	(Loss) gain on measuring financial assets	Gain (loss) on asset revaluation	Share of other comprehensive loss of associates using the equity method							
<b>For the year ended October 31, 2021</b>															
Beginning balance as at November 1, 2020	2,205,116,310	2,946,439,199	220,512,200	11,456,284,012	(119,710,082)	(2,220,014)	(160,347,728)	2,948,093,584	-	(263,275,867)	(206,256,492)	2,196,283,401	19,024,635,122	519,037,067	19,543,672,189
Changes in shareholders' equity during the year															
- Dividends paid	-	-	-	-	-	-	-	-	-	-	-	-	-	(521,496)	(521,496)
- Transfer gain (loss) on asset revaluation	-	-	-	31,217,360	-	-	-	(31,217,360)	-	-	-	(31,217,360)	-	-	-
- Unrealized actuarial loss adjustment - net of tax	-	-	-	10,476,563	-	-	-	-	-	-	-	-	10,476,563	876,045	11,352,608
- Comprehensive income (expense) for the year	-	-	-	615,789,324	85,908,389	(91,118,884)	12,594,976	-	(77,483,172)	-	-	(70,098,691)	545,690,633	11,466,414	557,157,047
<b>Ending balance as at October 31, 2021</b>	<b>2,205,116,310</b>	<b>2,946,439,199</b>	<b>220,512,200</b>	<b>12,113,767,259</b>	<b>(33,801,693)</b>	<b>(93,338,898)</b>	<b>(147,752,752)</b>	<b>2,916,876,224</b>	<b>(77,483,172)</b>	<b>(263,275,867)</b>	<b>(206,256,492)</b>	<b>2,094,967,350</b>	<b>19,580,802,318</b>	<b>530,858,030</b>	<b>20,111,660,348</b>
<b>For the year ended October 31, 2022</b>															
Beginning balance as at November 1, 2021	2,205,116,310	2,946,439,199	220,512,200	12,113,767,259	(33,801,693)	(93,338,898)	(147,752,752)	2,916,876,224	(77,483,172)	(263,275,867)	(206,256,492)	2,094,967,350	19,580,802,318	530,858,030	20,111,660,348
Changes in shareholders' equity during the year															
- Dividends paid	29	-	-	(264,610,848)	-	-	-	-	-	-	-	-	(264,610,848)	-	(264,610,848)
- Transfer gain (loss) on asset revaluation	-	-	-	38,549,056	-	-	-	(38,549,056)	-	-	-	(38,549,056)	-	-	-
- Unrealized actuarial loss adjustment - net of tax	-	-	-	(28,738,130)	-	-	-	-	-	-	-	-	(28,738,130)	(1,281,955)	(30,020,085)
- Comprehensive income (expense) for the year	-	-	-	1,321,220,814	198,074,693	(29,657,075)	26,449,450	-	(143,603)	-	86,950,658	281,674,123	1,602,894,937	(56,612,562)	1,546,282,375
<b>Ending balance as at October 31, 2022</b>	<b>2,205,116,310</b>	<b>2,946,439,199</b>	<b>220,512,200</b>	<b>13,180,188,151</b>	<b>164,273,000</b>	<b>(122,995,973)</b>	<b>(121,303,302)</b>	<b>2,878,327,168</b>	<b>(77,626,775)</b>	<b>(263,275,867)</b>	<b>(119,305,834)</b>	<b>2,338,092,417</b>	<b>20,890,348,277</b>	<b>472,963,513</b>	<b>21,363,311,790</b>

Notes to the financial statements form an integral part of these statements

**KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**SEPARATE STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY**  
**FOR THE YEAR ENDED OCTOBER 31, 2022**

UNIT : BAHT

Notes	Issued and paid-up share capital	Share premium Ordinary shares	Retained earnings		Other components of shareholders' equity			Total shareholders' equity	
			Appropriated Legal reserve	Unappropriated	Other comprehensive income (expense)				Total other components of shareholders' equity
					Loss on cash flow hedges	(Loss) gain on measuring financial assets	Gain (loss) on asset revaluation		
<b>For the year ended October 31, 2021</b>									
	2,205,116,310	2,946,439,199	220,512,200	1,629,706,647	(2,220,014)	(160,347,728)	871,927,951	709,360,209	7,711,134,565
Changes in shareholders' equity during the year									
- Transfer gain (loss) on asset revaluation	-	-	-	31,217,360	-	-	(31,217,360)	(31,217,360)	-
- Unrealized actuarial gain adjustment	-	-	-	(175,379)	-	-	-	-	(175,379)
- Comprehensive income (expense) for the year	-	-	-	460,843,980	(92,575,263)	12,594,976	-	(79,980,287)	380,863,693
<b>Ending balance as at October 31, 2021</b>	<b>2,205,116,310</b>	<b>2,946,439,199</b>	<b>220,512,200</b>	<b>2,121,592,608</b>	<b>(94,795,277)</b>	<b>(147,752,752)</b>	<b>840,710,591</b>	<b>598,162,562</b>	<b>8,091,822,879</b>
<b>For the year ended October 31, 2022</b>									
	2,205,116,310	2,946,439,199	220,512,200	2,121,592,608	(94,795,277)	(147,752,752)	840,710,591	598,162,562	8,091,822,879
Changes in shareholders' equity during the year									
- Dividends paid	29	-	-	(264,610,848)	-	-	-	-	(264,610,848)
- Transfer gain (loss) on asset revaluation	-	-	-	38,549,056	-	-	(38,549,056)	(38,549,056)	-
- Unrealized actuarial loss adjustment	-	-	-	(7,202,702)	-	-	-	-	(7,202,702)
- Comprehensive income (expense) for the year	-	-	-	2,432,231,356	(28,200,696)	26,449,450	-	(1,751,246)	2,430,480,110
<b>Ending balance as at October 31, 2022</b>	<b>2,205,116,310</b>	<b>2,946,439,199</b>	<b>220,512,200</b>	<b>4,320,559,470</b>	<b>(122,995,973)</b>	<b>(121,303,302)</b>	<b>802,161,535</b>	<b>557,862,260</b>	<b>10,250,489,439</b>

Notes to the financial statements form an integral part of these statements

**KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE YEAR ENDED OCTOBER 31, 2022**

UNIT : BAHT

	Notes	Consolidated		Separate	
		Financial Statements		Financial Statements	
		2022	2021	2022	2021
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Profit before income tax expense		1,719,389,099	706,079,807	2,635,744,601	536,968,386
Adjustments for:					
Dividend income		-	-	(1,598,528,052)	(437,549,414)
Expected credit losses (reversal)		(76,537,383)	201,049,243	12,293,330	(4,345,396)
Gain on change in shareholding ratio in an associate	13	(58,130,196)	-	-	-
Share of gain of investment in associates		(76,086,552)	(510,741,126)	-	-
Increase of premium on bonds		(23,190)	(22,616)	-	-
Employee benefit expenses		15,130,427	16,349,413	5,468,159	6,424,797
Unrealized loss from fair value hedge		38,899,798	-	38,899,798	-
Loss (gain) arising from changes in fair values of biological assets		7,229,730	5,413,858	-	(189,543)
Reversal of loss on diminution in value and obsolescence of inventories		(300,188)	(56,740,441)	(743,162)	(60,119,015)
Loss on impairment of biological assets		-	108,314	-	108,314
Gain on land transferred under contract		-	(44,251,469)	-	(44,251,469)
Depreciation and amortization		1,180,464,343	1,092,052,178	519,817,830	451,543,126
(Gain) loss on sales and disposal of assets		(30,714,717)	13,666,765	967,935	12,024,287
Loss on impairment of assets		64,888,391	18,652,036	-	-
Reversal of loss on impairment of investments in subsidiaries		-	-	(65,336,126)	(40,498,684)
Gain arising from changes in fair values of investment properties		(121,300,145)	(208,726,648)	(100,641,336)	(78,671,648)
Unrealized (gain) loss on exchange rates		(10,680,521)	9,036,019	18,537,348	(46,674,084)
Interest income		(105,323,156)	(95,398,934)	(120,746,613)	(126,098,477)
Interest expenses		428,712,294	425,120,268	405,222,871	406,855,146
		<u>2,975,618,034</u>	<u>1,571,646,667</u>	<u>1,750,956,583</u>	<u>575,526,326</u>
Operating assets (increase) decrease					
Trade and other current receivables		(112,553,341)	(110,603,761)	304,683,008	(291,503,169)
Inventories		(32,448,142)	(601,398,616)	(42,992,689)	(88,945,116)
Current biological assets		(13,698,008)	(10,222,121)	-	4,765,647
Other current assets		(5,317,503)	1,110,037	5,700,319	(291,697)
Trade and other non-current receivables		89,653,500	(113,380,551)	12,452,082	(34,505,944)
Other non-current assets		22,682,229	18,658,029	16,075,889	18,404,524
Operating liabilities increase (decrease)					
Trade and other current payables		102,544,919	101,587,536	96,123,185	(41,903,912)
Current financial liabilities		-	39,045,532	-	37,225,060
Other current liabilities		(38,011,187)	11,320,027	(18,129,820)	841,852
Non-current provision for employee benefit		(64,755,123)	(52,664,848)	(26,933,774)	(28,658,907)
Other non-current liabilities		(3,863,367)	(12,600,595)	(3,563,144)	(4,173,780)
Cash received from operating activities		2,919,852,011	842,497,336	2,094,371,639	146,780,884
Interest paid		(445,161,459)	(409,420,285)	(400,928,790)	(368,637,784)
Income tax expense paid		(46,787,362)	(38,325,637)	(8,571,636)	(4,675,019)
Net cash provided by (used in) operating activities		<u>2,427,903,190</u>	<u>394,751,414</u>	<u>1,684,871,213</u>	<u>(226,531,919)</u>

**KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**STATEMENTS OF CASH FLOWS (CONTINUED)**  
**FOR THE YEAR ENDED OCTOBER 31, 2022**

UNIT : BAHT

	Notes	Consolidated		Separate	
		Financial Statements		Financial Statements	
		2022	2021	2022	2021
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Cash payments for the purchases of other current financial assets		-	(2,457)	-	-
Cash payments for the purchases of other non-current financial assets		(22,694,900)	-	(22,694,900)	-
(Increase) decrease in short-term loans		(28,946,237)	134,019,856	(81,610,988)	698,575,363
Cash payments for investment in a subsidiary		-	-	(381,250,725)	(999,700)
Cash payments for investment in an associate		(284,190,521)	-	(284,190,521)	-
Decrease (increase) in loans for cane plantation development		48,249,571	20,942,481	17,101,579	(6,125,034)
Decrease (increase) in long-term loans		7,897,365	(55,963,792)	(224,000,000)	114,202,875
Cash received from interest income		82,830,417	58,522,409	109,730,517	101,944,310
Cash received from dividends		265,134,254	56,544,369	1,598,528,052	437,549,414
Cash received from finance lease receivable		19,350,000	19,350,000	-	-
Cash payments for purchases of property, plant and equipment		(188,147,382)	(209,088,453)	(39,738,819)	(23,531,718)
Cash received from sales of property, plant and equipment		9,450,725	17,854,756	2,343,884	11,866,731
Cash payments for purchase of investment property		(5,194,458)	(9,906,206)	(4,871,864)	(668,241)
Cash received from sales of investment property		10,071,935	-	-	-
Cash payments for purchases of right-of-use assets		-	(916,685)	-	-
Cash payments for purchase of intangible assets		(192,605)	(270,005)	(103,880)	(215,000)
Cash received from sales of unused assets		42,184,900	398,827	-	-
Net cash (used in) provided by investing activities		(44,196,936)	31,485,100	689,242,335	1,332,599,000
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>					
Decrease in short-term borrowings from financial institutions	5.2	(1,251,703,999)	(929,740,000)	(1,206,000,000)	(1,145,000,000)
Increase (decrease) in short-term borrowings	5.2	1,000,000	-	647,000,000	(136,400,000)
Cash repayment for long-term debentures	5.2	(3,000,000,000)	(1,350,000,000)	(3,000,000,000)	(1,350,000,000)
Cash received from long-term borrowings	5.2	4,250,000,000	3,900,000,000	3,250,000,000	3,500,000,000
Cash repayment for long-term borrowings	5.2	(2,053,380,000)	(1,945,620,000)	(1,682,000,000)	(1,917,000,000)
Cash repayment for lease liabilities	5.2	(15,168,053)	(13,064,609)	(63,150,900)	(62,260,000)
Cash payments for dividends to shareholders of the parent		(264,610,848)	-	(264,610,848)	-
Cash payments for non-controlling interests		-	(521,496)	-	-
Net cash used in financing activities		(2,333,862,900)	(338,946,105)	(2,318,761,748)	(1,110,660,000)
Exchange differences on translation of cash of foreign subsidiaries		(19,062,284)	(955,738)	-	-
Net increase (decrease) in cash and cash equivalents		30,781,070	86,334,671	55,351,800	(4,592,919)
Cash and cash equivalents at the beginning of the year		224,064,164	137,729,493	7,093,086	11,686,005
Cash and cash equivalents at the end of the year	5.3	254,845,234	224,064,164	62,444,886	7,093,086

Notes to the financial statements form an integral part of these statements

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**KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED OCTOBER 31, 2022**

**1. GENERAL INFORMATION AND OPERATIONS OF THE COMPANY**

Khon Kaen Sugar Industry Public Company Limited (the “Company”) was registered as a limited company under the Civil and Commercial Code with the registration number 1163/2519 on October 6, 1976 and was registered as a limited public company on March 18, 2004 with the registration number Bor Mor Jor 32 No. 0107547000214 and was listed with the Stock Exchange of Thailand on March 7, 2005. Its registered headquarter is located at No. 503 K.S.L. Tower, 9<sup>th</sup> Floor, Sriyudahya Road, Thanon Phaya Thai Sub-District, Ratchathewi District, Bangkok, and the locations of its 5 factories (branches) are as follows :

Branch I at No. 43 Moo 10, Tambol Namphong, Amphur Namphong, Khonkaen Province

Branch II at No. 255 Moo 4, Tambol Nongyaplong, Amphur Wangsaphung, Loei Province

Branch III at No. 99 Moo 6, Tambol Lum Rang, Amphur Boploy, Kanchanaburi Province

Branch IV at No. 14/1 Moo 10, Saengchooto Road, Tambol Tamaka, Amphur Tamaka, Kanchanaburi Province

Branch V at No. 24 Moo 1, Ban-Nhongbua Road, Tambol Mon-Nang, Amphur Panutnikom, Chonburi Province.

The Company’s main businesses are to manufacture and distribute sugar and molasses, and to trade of spare parts and supplies to its subsidiaries, subcontractors and farmers who have business with the Company and/or its subsidiaries. The subsidiaries’ main business operations are described in Note 2.2.

The Company’s major shareholder is K.S.L. Sugar Holding Co., Ltd., a company incorporated in Thailand, which holds 33.29% of issued and paid-up shares capital.

The Coronavirus disease 2019 (“COVID-19”) pandemic, resulting in an economic slowdown and adversely impacting most businesses and industries. This situation may bring uncertainties and have an impact on the environment in which the Group operates. Nevertheless, the Group’s management will continue to monitor the ongoing development and regularly assess the financial impact in respect of valuation of assets, provisions and contingent liabilities.

**2. BASIS FOR PREPARATION AND PRESENTATION OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS**

The Company and its subsidiaries in Thailand maintain their accounting records in Thai Baht and prepare their statutory financial statements in Thai language in conformity with Thai Financial Reporting Standards issued by the Federation of Accounting Professions and accounting practices generally accepted in Thailand.

The financial statements of the foreign subsidiaries are translated into Thai Baht for preparation of the consolidated financial statements (see Note 3.20).

- 2.1 The Company's financial statements have been prepared in accordance with the Thai Accounting Standard (TAS) No. 1 "Presentation of Financial Statements", and the Regulations of The Stock Exchange of Thailand (SET) dated October 2, 2017, regarding "The Preparation and Submission of Financial Statements and Reports for the Financial Position and Results of Operations of the Listed Companies B.E. 2560" and the Notification of the Department of Business Development dated December 26, 2019 regarding "The Brief Particulars in the Financial Statement (No. 3) B.E. 2562", which was effective for financial periods beginning on or after January 1, 2020 onwards.

The financial statements have been prepared under the historical cost basis except as disclosed in the significant accounting policies.

- 2.2 These consolidated financial statements included the accounts of the Company and its subsidiaries (the "Group"). Significant transactions and balances between the Company and its subsidiaries have been eliminated for the preparation of the consolidated financial statements as follows:

Company Name	Percentage of Shareholding		Country of Incorporation	Type of Business
	As at October 31, 2022	As at October 31, 2021		
	%	%		
Subsidiaries in which the Company holds shares directly				
New Krung Thai Sugar Factory Company Limited	95.78	95.78	Thailand	Manufacture and distribution of sugar and molasses
Tamaka Sugar Industry Company Limited	90.21	90.21	Thailand	Manufacture and distribution of sugar and molasses
New Kwang Soon Lee Sugar Factory Company Limited	99.21	98.61	Thailand	Manufacture and distribution of sugar and molasses
KSL Material Supplies Co., Ltd.	100.00	100.00	Thailand	Manufacture and distribution of fertilizer and trading supply of agricultural
Khon Kaen Sugar Power Plant Company Limited	100.00	100.00	Thailand	Production and distribution of electricity
KSL. Agro & Trading Company Limited	100.00	100.00	Thailand	Domestic sugar trading, transportation and manufacture service and agricultural business operation
WSP Logistic Company Limited	100.00	100.00	Thailand	Service transport and shipping goods
KHUN CHUAN Company Limited (see Note 14)	99.97	99.97	Thailand	Social enterprise
Savannakhet Sugar Corporation	98.00	98.00	Laos	Agricultural operations, manufacture and distribution of sugar and molasses
Koh Kong Sugar Industry Co., Ltd.***	100.00	88.02	Cambodia	Manufacture and distribution of sugar and molasses
Wynn In Trading Co., Ltd.	100.00	100.00	Mauritius	Trading and consultancy services
Subsidiaries in which the Company holds shares indirectly				
K.S.L. Export Trading Co., Ltd.*	79.55	79.55	Thailand	Export sugar as exporting agent
KSL Real Estate Company Limited**	91.02	91.02	Thailand	Housing and land for agriculture estate including holiday resort for training and seminar center and office building for rental
Subsidiary in which the Company holds the shares indirectly through Wynn In Trading Co., Ltd. and KSL. Agro & Trading Company Limited***				
Koh Kong Plantation Company Limited****	100.00	80.00	Cambodia	Agricultural operation

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- \* The Company indirectly holds the shares through New Krung Thai Sugar Factory Company Limited, Tamaka Sugar Industry Company Limited and New Kwang Soon Lee Sugar Factory Company Limited.
  - \*\* The Company indirectly holds the shares through Tamaka Sugar Industry Company Limited.
  - \*\*\* In 2022, KSL Agro and Trading Co., Ltd. acquired shares in Koh Kong Plantation Company Limited in the proportion of 20%
  - \*\*\*\* The subsidiaries in Cambodia had continued their operating losses. The management of the Group therefore has a plan to cease their operations to internally restructure the subsidiaries. The subsidiaries' assets and liabilities were appropriately remeasured and reclassified in the consolidated financial statements.



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The accounting period of subsidiaries ended the same date as the Company (accounting period ended on October 31) except WSP Logistic Company Limited and KHUN CHUAN Company Limited whose accounting period ended December 31.

The consolidated financial statements are prepared based on the same accounting policies for the same accounting items or similar accounting events and the same financial reporting period.

Significant balances and transactions between the Company and its subsidiaries including investments in subsidiaries and subsidiaries' share capital were eliminated from the consolidated financial statements.

### 2.3 Thai Financial Reporting Standards affecting the presentation and disclosure in the current period's financial statements

During the year, the Group has adopted the revised financial reporting standards and the Conceptual Framework for Financial Reporting issued by the Federation of Accounting Professions which are effective for fiscal years beginning on or after January 1, 2021. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revisions to references to the Conceptual Framework in TFRSs, the amendment for definition of business, the amendment for definition of materiality and accounting requirements for interest rate reform. The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements.

### 2.4 Thai Financial Reporting Standards announced in the Royal Gazette but not yet effective

The revised Thai Financial Reporting Standards No. 16 "Leases" ("TFRS 16") added the requirements for the temporary exception arising from interest rate benchmark reform, which an entity shall apply these amendments for annual reporting periods beginning on or after January 1, 2022 with earlier application permitted. This revised TFRS 16 has been announced in the Royal Gazette on January 27, 2021.

The Group's management will adopt such TFRSs in the preparation of the Group's financial statements when it becomes effective. The Group's management has assessed the impact of these TFRSs and considered that the adoption of these financial reporting standards does not have any significant impact on the financial statements of the Group in the period of initial application.

On September 26, 2022, the revised TFRSs have been announced in the Royal Gazette which will be effective for the financial statements for the period beginning on or after January 1, 2023 onwards. TFRSs which have been amended and relevant to the Group are as follows:

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Thai Accounting Standard No. 16 “Property, Plant and Equipment” (TAS 16)

The amendments require an entity recognises any proceeds from selling items produced before that asset is available for use in profit or loss, instead of deducting from the cost of such asset. The amendments are applied retrospectively, but only to items of property, plant and equipment that are brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after the beginning of the earliest period presented in the financial statements in which the entity first applies the amendments. The entity shall recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the beginning of that earliest period presented.

Thai Accounting Standard No. 37 “Provisions, Contingent Liabilities and Contingent Assets” (TAS 37)

The amendments specify that the “cost of fulfilling a contract” comprises the “costs that relate directly to the contract”. Costs that relate directly to a contract consist of both the incremental costs of fulfilling that contract (examples would be direct labor or materials) and an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The amendments apply to contracts for which the entity has not yet fulfilled all its obligations at the beginning of the annual reporting period in which the entity first applies the amendments. Comparatives are not restated. Instead, the entity shall recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or other component of equity, as appropriate.

Thai Accounting Standard No. 41 “Agriculture” (TAS 41)

The amendment removes the requirement in TAS 41 for entities to exclude cash flows for taxation when measuring fair value. This aligns the fair value measurement with the requirements of TFRS 13 “Fair Value Measurement” to use internally consistent cash flows and discount rates and enables entities to determine whether to use pre-tax or post-tax cash flows and discount rates for the most appropriate fair value measurement. The amendment is applied prospectively.

Thai Financial Reporting Standard No. 3 “Business Combinations” (TFRS 3)

The amendments update TFRS 3 so that it refers to the Conceptual Framework which is currently effective. In addition, they also add to TFRS 3 a requirement that, for obligations within the scope of TAS 37, an acquirer applies TAS 37 to determine whether at the acquisition date a present obligation exists as a result of past events. For a levy that would be within the scope of TFRIC 21 “Levies”, the acquirer applies TFRIC 21 to determine whether the obligating event that gives rise to a liability to pay the levy has occurred by the acquisition date. The amendments also add an explicit statement that an acquirer does not recognize contingent assets acquired in a business combination.

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Thai Financial Reporting Standard No. 9 “Financial Instruments” (TFRS 9)

The amendment clarifies that in applying the “10 per cent” test to assess whether to derecognize a financial liability, an entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other’s behalf. The amendment is applied prospectively to modifications and exchanges that occur on or after the date the entity first applies the amendment.

The Group’s management will adopt such TFRSs in the preparation of the Group’s financial statements when it becomes effective. The Group’s management is in the process to assess the impact of these TFRSs on the financial statements of the Group in the period of initial application.

### 3. SIGNIFICANT ACCOUNTING POLICIES

#### 3.1 Cash and cash equivalents

Cash and cash equivalents include cash, savings account deposits, current account deposits and not exceeding 3 months fixed deposits, and short-term investments which are not exceeding 3 months duration for repayment with no obligation commitment.

#### 3.2 Trade receivables, farmer receivables, and other receivables

Trade receivables, farmer receivables, and other receivables are presented at the net realizable value which are net of allowance for expected credit losses (see Note 3.12).

#### 3.3 Inventories

Inventories are stated at the lower of cost or net realizable value and adjusted by allowance for deteriorated or obsolete inventories and for diminution in value of inventories. Cost is calculated as follows:

- Goods in process and finished goods of sugar and molasses are calculated by the average production cost in each production year using the first-in, first-out method.
- Finished goods of organic fertilizer are calculated by actual cost using the first-in, first-out method.
- Goods in process of organic fertilizer are calculated by actual cost using the specific identification method.
- Real estate development is calculated by using the specific identification method which consist of land cost, fulling cost, construction cost, utility system development cost and direct cost to acquire the products and set them to be ready for sale.
- Factory supplies are calculated using the weighted average method.
- Bagasse, direct raw materials and trading merchandise are calculated using the first-in, first-out method.
- Machine maintenance supplies are calculated using the weighted average method.

The common production costs incurred in the production process are not allocated to bagasse and other by-products from productions of sugar; therefore, revenues from

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sales of such products are presented as deduction to production costs in each production season.

### 3.4 Biological assets

The Company's and its subsidiaries' biological asset is sugar cane and their agricultural produce in harvested cane, which are measured at their fair value less costs to sell at the point of harvest.

The fair value of domestic biological assets and agricultural produce is determined based on reference to the Office of Cane and Sugar Board's cane price and of oversea harvested cane is determined using the price that market participants entered into transactions at that market.

Gains or losses on changes in fair value of biological asset and agricultural produce are recognized in profit or loss for the period when incurred.

In case the fair value cannot be reliably measured, the biological asset shall be measured at its cost less any accumulated depreciation and allowance of impairment (if any). Once the fair value of such a biological asset becomes reliably measurable, biological asset shall be measured at its fair value less costs to sell.

### 3.5 Investments in subsidiaries and associates

Investments in subsidiaries and associates are presented at the cost method net by the allowance for impairment in the separate financial statements. Investments in associates are presented at the equity method in the consolidated financial statements. The allowance for impairment is recognized in the statement of profit or loss.

### 3.6 Investment property

Investment property consist of land, land improvement and building and warehouse leased out that are held for rental yields or for capital appreciation or both, and are not occupied by the companies in the Group.

Investment property is carried at fair value. Fair value is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. If this information is not available, the Group uses alternative valuation methods, such as recent prices on less active markets, replacement value or discounted cash flow projections will be used. Valuation is performed as of the financial position date by independent professional valuers.

Changes in fair values are recognized in profit or loss. Investment properties are derecognized either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal.

### 3.7 Property, plant and equipment

Land is stated at the revalued amount less allowance for impairment (if any). The revalued amount is the fair value determined on the basis of the property's existing use at the date of revaluation. Plant and equipment and bearer plant are stated at cost less accumulated depreciation and the allowance for impairment.

Revaluation is performed by independent professional appraisers, which the Company has the policy that the independent professional appraisers will be requested to perform the appraisal for the said assets at sufficient regularity to ensure that the carrying value of these assets does not materially differ from their fair values, as at the statement of financial position date. Increase in appraisal value will be recognized in the shareholders' equity under "gain on asset revaluation" and decrease below cost will be recognized as loss from decrease in revaluation of assets in the statement of profit or loss.

Depreciation of the plant and equipment and bearer plant is calculated from the cost using the straight-line method over their estimated useful lives, (except for machineries of the Company and subsidiaries which are in the sugar and molasses manufacture and distribution business) as follows:

Land improvement	3 - 60	years
Buildings and construction	2 - 76	years
Machineries and equipment	2 - 50	years
Motor vehicles and labor saving tools	3 - 28	years
Furniture and office equipment	2 - 37	years
Bearer plant	2	years

Machineries of the Company and its subsidiaries which are in the sugar and molasses manufacture and distribution business are depreciated based on the machinery production hours, which is equivalent to approximately 5 - 50 production seasons. The production capacity of machines is estimated by the engineers of the Group.

Depreciation calculated is included in the calculation of the operating result and no depreciation is calculated for the land and construction in progress.

Borrowing costs incurred from the loans obtained especially for the construction in progress project and during installation of equipment are included in the cost of the said construction in progress until it is ready for its intended usage (if any).

### 3.8 Intangible assets

Intangible assets are computer software and land concession which are stated at cost less accumulated amortization and the allowance for impairment (if any).

Amortization of computer software is calculated by the straight-line method over estimated useful lives between 3 - 10 years.

Amortization of land concession is calculated by the straight-line method within 50 - 60 years.

Impairment losses are recognized as other expense in the statement of income when incurred.

### 3.9 Impairment of assets

Impairment of assets is assessed at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, the asset's recoverable amount will be estimated. When the carrying amount of the asset exceeds its recoverable amount, the asset is written down to its recoverable amount. Impairment losses are recognized in the statements of profit or loss (an asset's recoverable amount is the higher of the asset's value in use or fair value less costs to sell of the assets).

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*Reversals of impairment*

Impairment losses recognized in prior periods in respect of other non-financial assets are assessed at each reporting date for any indications of impairment the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, as if no impairment loss had been recognized.

### 3.10 Provisions

The Company and its subsidiaries will record provisions when it is highly certain that obligations will occur at present legally or reliable estimate as a result of past events. These obligations are expected to cause an outflow of resources embodying economics benefits resulting to settle such obligations and these amounts to be paid can be estimated reliably. If there is expectation to recover payment toward estimated liabilities certainly by all or part, the returned payment will be recognized as separate asset but its amount must not be more than related estimated liabilities and the expense related to liability estimates is shown in the statement of profit or loss at amount net by recognized amount of expenses to be recovered.

### 3.11 Employee benefits

#### **Short-term employee benefits**

Salaries, wages, bonuses and contributions to the social security fund are recognized as expenses when incurred.

#### **Post-employment benefits and other long-term employee benefits**

##### *Defined contribution plans*

The Group and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Group. The fund's assets are held in a separate trust fund and the contributions of the Group is recognized as expenses when incurred.

##### *Defined benefit plans and other long-term employee benefits*

The Group has obligations in respect of the severance payments to its employees upon retirement under labor law and other employee benefit plan. The Group treats these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plans and other long-term employee benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Plan assets are assets held by a long-term employee benefit fund. They are not available to the Group's creditors and cannot be returned to the Group, except the portion which reference to the provident fund's rules. The Group measures the fair value of plan assets by using market price.

Defined benefit liability or asset is the present value of the defined benefit obligation less the fair value of plan assets which is available to pay the employee benefits obligation directly.

Actuarial gains or losses arising from defined benefit plans are recognized immediately in other comprehensive income.

Actuarial gains or losses arising from other long-term benefit are recognized immediately in profit or loss.

Past service costs are recognized in profit or loss on the earlier of the date of the plan amendment or curtailment or the date that the Group recognizes restructuring-related cost.

### 3.12 Financial instruments

Financial assets and financial liabilities are recognized in the Group's consolidated statement of financial position when the Group becomes a party under the contractual provisions of the instrument.

#### Financial assets

##### *Classification and measured of financial assets*

All recognized financial assets are measured subsequently at either amortized cost or fair value, depending on the classification of the financial assets.

Assets are measured at fair value through other comprehensive income and financial assets are measured at fair value through profit or loss ("FVTPL"). The Group's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets as follows:

#### (1) Amortized cost and effective interest method

The effective interest method is a method of calculating the amortized cost of a debt instrument and allocating interest income over the relevant period.

Interest income is recognized in profit or loss and included in the "Finance income" line item.

#### (2) Equity instruments designated as at FVTOCI

Upon initial recognition, the Group can elect to irrevocably classify its equity investments which are not held for trading as equity instruments designated at FVTOCI. The classification is determined on an instrument-by-instrument basis.

Gains or loss recognized in other comprehensive income on these financial assets are never recycled to profit or loss.

The equity instrument designated at FVTOCI are not subject to impairment assessment.

#### (3) Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortized cost or FVTOCI are measured at FVTPL;

- Investments in equity instruments are classified as at FVTPL (that is neither held for trading).
- Debt instruments that do not meet the amortized cost criteria or the FVTOCI criteria are classified as at FVTPL.



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Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognized in profit or loss.

*Impairment of financial assets*

The Group recognizes a loss allowance for expected credit losses on investments in debt instruments that are measured at amortized cost or at FVTOCI and trade receivables. The amount of expected credit losses is updated at each reporting period date to reflect changes in credit risk since the initial recognition of the respective financial instrument.

The Group always recognizes lifetime ECL for trade receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

(1) Write-off policy

The Group writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over two years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognized in profit or loss.

(2) Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. The exposure at default, for financial assets is represented by the asset's gross carrying amount as at the reporting date. The Group tries to understand of the specific future financing needs of the debtors, and other relevant forward-looking information.

*Derecognition of financial assets*

The Group derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

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On the date of derecognition of a financial asset measured at amortized cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss.

#### Financial liabilities

The Group's financial liabilities are initially recognized at fair value net of transaction costs and classified as financial liabilities to be subsequently measured at amortized cost, except for derivative liabilities as described in Note 36 "Financial Instrument". In determining amortized costs, the Group takes into account any related fees or costs that are integral part of the effective interest rate (EIR). The EIR amortization is included in finance cost in profit or loss.

#### Derivative financial instruments

The Group enters into derivative financial instruments which are recognized initially at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting date. The resulting gain or loss is recognized in profit or loss immediately unless the derivative is designated and effective as a hedging instrument in the event that the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognized as a financial asset whereas a derivative with a negative fair value is recognized as a financial liability. Derivatives are not offset in the financial statements unless the Group has both legal right and intention to offset. A derivative is presented as a non-current asset or non-current liability if the remaining maturity of the instrument is more than 12 months, and it is not expected to be realized or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

#### Hedge accounting

The Group designates certain derivatives as hedging instruments in related respect of foreign currency risk and interest rate risk including sugar price risk (commodity) through the main financial derivatives, namely forward exchange contracts, cross currency and interest rate swap contracts, sugar futures contract and sugar future option contract.

#### Fair value hedges

The fair value change on qualifying hedging instruments is recognized in profit or loss except when the hedging instrument hedges an equity instrument designated at FVTOCI in which case it is recognized in other comprehensive income.

#### Cash flow hedges

At the beginning of the hedging relationship, the Group prepares documentation of hedging relationship between the hedging instrument and the hedged item, and the risk management objectives and strategies for hedging-related items. The Group has documentation that hedging instruments are effectiveness in offsetting changes in the fair value or cash flows of hedged items related to hedged risks. When the hedging relationship is met, the hedge effectiveness is met.

The Group recognizes any gain or loss on the hedge instrument that is effectiveness for cash flow hedges in other comprehensive income. They are transferred to profit or loss when the hedged cash flows affect profit or loss or when they are no longer expected to occur. However, the accumulated under the heading of cash flow hedging reserve, limited to the cumulative change in fair value of the hedged item from inception of the hedge. The gain or loss relating to the ineffective portion is recognized immediately in profit or loss, and is included in the “other gains and losses” line item.

### 3.13 Share premium account on ordinary shares

Share premium account on ordinary shares is stated in accordance with Section 51 of the Public Limited Company Act B.E. 2535. In the event the Company offers the ordinary shares for sale at the price exceeding the registered share price, the Company shall appropriate this surplus as reserve (“Share premium account on ordinary shares”). This share premium account on ordinary shares cannot be paid out as dividend.

### 3.14 Other components of shareholders’ equity

3.14.1 Losses on internal restructure of entities under common control is the difference between net carrying value of investment received and acquisition cost of investment occurred from internal restructure of entities under common control. This investment was a merger of entities with the same former shareholders and management and the said difference is shown as a separate item in the statement of financial position under shareholders’ equity and will be written off when the investment is disposed.

3.14.2 Losses on change in shareholding ratio in subsidiaries is the difference between the investment for changed proportion in subsidiaries and book value of the subsidiaries resulted from change in proportion of investment in such subsidiaries. This difference is shown as a separate item in the statement of financial position under the shareholders’ equity and will be written off when the investment is disposed.

### 3.15 Non-controlling interests

Non-controlling interests mean the book value of the net assets of the subsidiaries in according to the shareholding ratio of the non-controlling interests or the participating portion which does not belong to the shareholders of the parent. The non-controlling interests are presented in a separate caption under the shareholders’ equity in the consolidated statement of financial position and profit (loss) of the non-controlling interests for the year are presented in a separate caption of the consolidated statement of income.

### 3.16 Revenue recognition

The recognized revenue excludes value-added taxes and other sales taxes. Revenue is presented net off discounts. The policies are as follows:

#### 3.16.1 Revenue from sale of goods

Revenue from sale of goods is recognized at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods. Revenue is measured at the amount of the consideration received or

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receivable, excluding value-added tax, of goods supplied after deducting returns, discounts, allowances and payment with traditional business practice to customers.

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### 3.16.2 Rental income and its related services from an investment property

Rental income and its related services from an investment property are recognized on a straight-line basis over the term of the lease. Contingent rentals are recognized as income in the accounting period in which they are occurred. The related service income is recognized over the term of the lease.

### 3.16.3 Revenue from rendering of services

Revenue from rendering of services is recognized overtime when service have been rendered.

### 3.16.4 Revenues from sale of land are recognized when the land ownership has already been transferred to the purchaser.

### 3.16.5 Interest income and discount receivable from discounting notes receivable are recognized according to the related period.

### 3.16.6 Dividend income is recognized when entitled to receive such dividend.

### 3.16.7 Other incomes are recognized on an accrual basis.

## 3.17 Expense recognition

Other expenses are recognized on an accrual basis.

## 3.18 Finance costs

Finance costs comprise interest expense on borrowings and contingent consideration.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognized in the statement of comprehensive income using the effective interest method.

## 3.19 Leases

### *The Group as lessee*

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognizes a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lease, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low-value assets. The Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

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The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented in a separate line in the consolidated and separate statements of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate;
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used); or
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The Group did not make any such adjustments during the year presented.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease

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incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Group incurs an obligation for costs of dismantling and removing a leased asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognized and measured under TAS 37. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use assets is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented in a separate line in the consolidated and separate statements of financial position.

The Group applies TAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the “Property, Plant and Equipment” policy.

Variable rents that do not depend on an index or rate are not included in the measurement the lease liability and the right-of-use asset. The related payments are recognized as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line “Other expenses” in profit or loss.

As a practical expedient, TFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Group does not used this practical expedient.

### 3.20 Foreign currency transactions

Foreign currency transactions are translated into Baht at the exchange rates ruling on the transaction dates. Monetary assets and liabilities in foreign currencies outstanding at the statement of financial position date are translated into Baht at the exchange rates ruling on that date. Exchange gains or losses either realized or unrealized are included as incomes or expenses in the statement of profit or loss for the year.

The financial statements of overseas subsidiaries are translated to Thai Baht in preparation of the consolidated financial statements as follows:

- a. Assets and liabilities are translated to Thai Baht at the foreign exchange rates ruling at the statement of financial position date.
- b. Shareholders’ equity is translated to Thai Baht at the foreign exchange rates on the transaction date.
- c. Revenues and expenses are translated to Thai Baht at average foreign exchange rates for the year.

Gain (loss) on translation of the financial statements prepared in foreign currencies are presented as other components of equity under shareholders’ equity.



### 3.21 Related parties

Related parties with the Company and its subsidiaries represent individuals or enterprises which have the controlling power over the Company and its subsidiaries or are controlled by the Company and its subsidiaries either directly or indirectly, or under the common control with the Company and its subsidiaries. Furthermore, the related parties also represent the associates and the parties who hold the shares with voting rights, either directly or indirectly, and have significant influence to the Company, important managers, directors or employees of the Company and its subsidiaries who have power to plan and control the operations of the Company and its subsidiaries, including the close family members who can persuade or have power to persuade to act in compliance with said persons and businesses that said persons who have control power or significant influence, either directly or indirectly.

### 3.22 Income tax expenses

Income tax expense represent the sum of the current tax and deferred tax.

#### 3.22.1 Current tax

Tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The current tax liability is calculated using tax rates that have been enacted or substantively enacted at the statement of financial position date.

#### 3.22.2 Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit (tax base). The Company and its subsidiaries recognize deferred tax liabilities for all temporary differences, and recognize deferred tax assets for temporary differences to the extent that it is probable that taxable profits will be available against which those temporary differences can be utilized. The carrying amounts of deferred tax assets are reviewed at each statement of financial position date. Deferred tax assets shall be reduced to the extent that utilized taxable profits decreased. Any such reduction shall be reversed to the extent that it becomes probable that the Company and its subsidiaries have sufficient taxable profit to allow total or part of the asset to be recovered.

The Company and its subsidiaries measure deferred tax assets and deferred tax liabilities at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates that have been enacted or substantively enacted at the end of the reporting period.

In the consolidated financial statements, deferred tax assets and deferred tax liabilities are recognized by each company in the Group, and deferred tax asset of one company in the Group is offset against deferred tax liability of another company in the Group if, and only if, the companies concerned have a legally enforceable right to make or receive a single net payment and the companies intend to make or receive such a net payment or to recover the asset and settle the liability simultaneously.

### 3.23 Basic earnings (loss) per share

The calculations of basic earnings (loss) per share were based on the profit (loss) for the year attributable to equity holders divided by the weighted average number of ordinary shares held by outsiders outstanding during the year net of treasury stocks. The calculations of diluted earnings (loss) per share (if any) were based on the weighted average number of ordinary shares on the assumption that all dilutive potential ordinary shares have been converted to ordinary shares.

### 3.24 Sectorial business operations

Sectorial business operations are disclosed under the separate business segments of the Group. By the business segment that sources products or provides services which have different risks and return from the risks and return of the products or services provided by other business segments.

### 3.25 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company and its subsidiaries take into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis.

In addition, fair value measurements are categorized into Level 1, 2 and 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2 inputs are inputs, other than quoted prices included within Level 1, which are observable for the asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for the asset or liability.

## 4. USE OF MANAGEMENT JUDGEMENTS AND SIGNIFICANT ACCOUNTING ESTIMATES

The preparation of consolidated and separate financial statements in conformity with Thai Financial Reporting Standards also requires the Company's and its subsidiaries' management to exercise judgements in order to determine the accounting policies, estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the statements of financial position and the reported amounts of revenues and expenses during the reporting period. Although, these estimates are based on management's reasonable consideration of current events, actual results may differ from these estimates.

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The significant accounting estimate which requires the Company's and its subsidiaries' management to exercise the significant judgements.

- Allowance for expected credit losses of farmer receivables and loans for cane plantation development (financial assets)

In determining allowance for expected credit losses of farmer receivables and loans for cane plantation development, the management needs to use judgement and estimates based upon, among other things, past collection history, the aging profile of outstanding debts and forecasts of economic condition for groupings of various farmer segments with similar credit risks. The Group's historical credit loss experience and forecasts of economic conditions used by the Group may not reflect whether a farmer will actually default in the future.

- Estimated allowance for impairment of investments in foreign subsidiaries and allowance for impairment of buildings and machinery of foreign subsidiaries

In the event that subsidiaries in a foreign country continue to operate the business, the Company considers the allowance for impairment from the value in use. It uses management's judgement about the underlying assumptions in projecting expected future cash flows which is the market condition of the business and other relevant factors according to the strategy or business plan which are disclosed in Notes 3.5 and 3.9. In the event that the subsidiary is in the process of suspending operations, the Company's management consider as indicators of impairment on investments in the subsidiaries in foreign countries in the separate financial statements and of building and machinery of those subsidiaries in foreign countries in the consolidated financial statements. The Company estimates recoverable amount of its investment in subsidiaries and of building and machinery of such subsidiaries for consideration of their losses on impairment, the amount to be recovered of the higher of the asset's value in use as described above and fair value less costs to sell.

However fair values of assets are estimated by an independent appraiser who has been approved by the Office of the Securities and Exchange Commission (Thailand) and the costs to sell those assets are estimated by the Company's management.

- Fair value of investment property and lands

The Group's investment property and lands are measured at fair value for financial reporting purposes. Fair values are estimated by an independent appraiser who has been approved by the Office of the Securities and Exchange Commission (Thailand).

Information about valuation techniques and inputs used in determining the fair value of investment property and lands are disclosed in Notes 17 and 18.

- Unrecognized deferred tax assets

The Group recognizes deferred tax assets for temporary difference arising between the tax bases of assets or liabilities and their carrying amounts at the statement of financial position date. Management judgement is used in assessing the Group's ability to generate its future profit. The Group recognizes deferred tax assets at the end of reporting period only for amount being utilized considering that it is highly probable that the sufficient future taxable profit will be generated to utilize such amount (see Note 27).

**5. ADDITIONAL CASH FLOW INFORMATION AND CASH EQUIVALENTS**

5.1 Significant non-cash items in the consolidated and separate financial statements for the years ended October 31, are as follows:

Type of Transactions	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2022	2021	2022	2021
Purchases of property, plant and equipment which have not yet been paid	37,241	21,868	10,458	7,412
Transfer of property, plant and equipment to investment property	(64,390)	(73,875)	(64,390)	(73,875)
Transfer other current assets to other non-current assets	24,805	20,957	-	8,717
Transfer equipment to intangible assets	-	450	-	450
Transfer of short-term loans and accrued interest income to advance payment for shares	-	-	936,572	-

5.2 Changing in liabilities arising from financing activities for the years ended October 31, are as follows:

2022

	Unit : Thousand Baht			
	Consolidated Financial Statements			
	Balance as at November 1, 2021	Financing cash flows	Non-cash changes	Balance as at October 31, 2022
Short-term borrowings from financial institutions	5,981,934	(1,251,704)	841	4,731,071
Short-term borrowings from related parties and others	7,100	1,000	-	8,100
Long-term borrowings from financial institutions	6,906,448	2,196,620	191,336	9,294,404
Long-term debentures	5,647,601	(3,000,000)	1,071	2,648,672
Lease liabilities	28,565	(15,168)	21,039	34,436
Total	<u>18,571,648</u>	<u>(2,069,252)</u>	<u>214,287</u>	<u>16,716,683</u>

	Unit : Thousand Baht			
	Separate Financial Statements			
	Balance as at November 1, 2021	Financing cash flows	Non-cash changes	Balance as at October 31, 2022
Short-term borrowings from financial institutions	3,755,159	(1,206,000)	841	2,550,000
Short-term borrowings from related parties and others	409,100	647,000	-	1,056,100
Long-term borrowings from financial institutions	6,535,068	1,568,000	191,336	8,294,404
Long-term debentures	5,647,601	(3,000,000)	1,071	2,648,672
Lease liabilities	306,153	(63,151)	27,506	270,508
Total	<u>16,653,081</u>	<u>(2,054,151)</u>	<u>220,754</u>	<u>14,819,684</u>

2021

	Unit : Thousand Baht			
	Consolidated Financial Statements			
	Balance as at November 1, 2020	Financing cash flows	Non-cash changes	Balance as at October 31, 2021
Short-term borrowings from financial institutions	6,912,515	(929,740)	(841)	5,981,934
Short-term borrowings from related parties and others	7,100	-	-	7,100
Long-term borrowings from financial institutions	4,852,000	1,954,380	100,069	6,906,449
Long-term debentures	6,995,997	(1,350,000)	1,604	5,647,601
Lease liabilities	-	(13,065)	41,630	28,565
Total	<u>18,767,612</u>	<u>(338,425)</u>	<u>142,462</u>	<u>18,571,649</u>

	Unit : Thousand Baht			
	Separate Financial Statements			
	Balance as at November 1, 2020	Financing cash flows	Non-cash changes	Balance as at October 31, 2021
Short-term borrowings from financial institutions	4,901,000	(1,145,000)	(841)	3,755,159
Short-term borrowings from related parties and others	545,500	(136,400)	-	409,100
Long-term borrowings from financial institutions	4,852,000	1,583,000	100,069	6,535,069
Long-term debentures	6,995,997	(1,350,000)	1,604	5,647,601
Lease liabilities	-	(62,260)	368,413	306,153
Total	<u>17,294,497</u>	<u>(1,110,660)</u>	<u>469,245</u>	<u>16,653,082</u>

5.3 Cash and cash equivalents as at October 31, are as follows:

Type of Transactions	Unit : Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2022	2021	2022	2021
Cash	941	961	123	182
Deposits at banks - Current accounts	172,003	16,336	55,374	1,068
Deposits at banks - Savings accounts	62,224	46,248	6,948	5,843
Deposits in transit	19,677	160,519	-	-
Total	<u>254,845</u>	<u>224,064</u>	<u>62,445</u>	<u>7,093</u>

## 6. TRANSACTIONS WITH RELATED PARTIES

The Company and its subsidiaries had transactions incurred with related parties through common shareholdings or directorship. Significant balances and transactions between the Company and its subsidiaries with related parties could be summarized as follows:

6.1 Significant balances with related parties as at October 31, are as follows:

Type of Balances	Consolidated		Unit : Million Baht Separate	
	Financial Statements 2022	Financial Statements 2021	Financial Statements 2022	Financial Statements 2021
Trade and other current receivables				
Subsidiaries	-	-	983.89	224.72
Associates	0.46	0.48	0.46	0.48
Related parties	27.40	91.90	9.60	35.49
Total	<u>27.86</u>	<u>92.38</u>	<u>993.95</u>	<u>260.69</u>
Current portion of finance lease receivables (see Note 8)				
Related parties	<u>380.57</u>	<u>19.34</u>	-	-
Short-term loans (see Note 9)				
Subsidiaries	<u>-</u>	<u>-</u>	<u>193.23</u>	<u>934.42</u>
Current portion of long-term loans (see Note 9)				
Subsidiaries	<u>-</u>	<u>-</u>	<u>632.00</u>	<u>100.00</u>
Other current assets				
Subsidiaries	-	-	32.75	105.01
Associates	5.50	5.50	5.50	5.50
Related parties	0.06	0.80	-	0.45
Total	<u>5.56</u>	<u>6.30</u>	<u>38.25</u>	<u>110.96</u>
Finance lease receivables - net of current portion				
Related parties	<u>-</u>	<u>361.25</u>	<u>-</u>	<u>-</u>
Long-term loans (Excluded current portion)				
Subsidiaries	<u>-</u>	<u>-</u>	<u>1,950.00</u>	<u>2,358.00</u>
Other non-current assets				
Subsidiaries	-	-	3.27	3.27
Related parties	0.02	0.02	-	-
Total	<u>0.02</u>	<u>0.02</u>	<u>3.27</u>	<u>3.27</u>
Trade and other current payables				
Subsidiaries	-	-	75.82	70.39
Associates	-	2.16	-	1.62
Related parties	3.55	20.15	-	-
Total	<u>3.55</u>	<u>22.31</u>	<u>75.82</u>	<u>72.01</u>
Other accrued expenses (included in other payables)				
Subsidiaries	<u>-</u>	<u>-</u>	<u>14.28</u>	<u>0.03</u>
Current portion of lease liabilities				
Subsidiaries	<u>-</u>	<u>-</u>	<u>36.60</u>	<u>34.72</u>
Short-term borrowings				
Subsidiaries	-	-	1,048.00	402.00
Related parties	8.10	7.10	8.10	7.10
Total	<u>8.10</u>	<u>7.10</u>	<u>1,056.10</u>	<u>409.10</u>

Type of Balances	Consolidated		Separate	
	Financial Statements 2022	Financial Statements 2021	Financial Statements 2022	Financial Statements 2021
Other current liabilities				
Subsidiaries	-	-	-	0.04
Related parties	-	0.02	-	-
Total	-	0.02	-	0.04
Lease liabilities				
Subsidiaries	-	-	219.64	256.23
Other non-current liabilities				
Subsidiaries	-	-	0.47	0.47
Related parties	1.04	1.04	1.04	1.04
Total	1.04	1.04	1.51	1.51

As at October 31, 2022 and 2021, short-term loans to subsidiaries represented promissory notes receivable on demand, carrying interest rates at 1.30% per annum and 1.19% - 2.90% per annum, respectively.

As at October 31, 2022 and 2021, long-term loans to subsidiaries represented loans with maturity date within 2022 - 2027 carrying the interest rates at 2.28% - 3.90% per annum and 2.03% - 3.90% per annum.

As at October 31, 2022 and 2021, short-term borrowings from subsidiaries and related parties represented promissory notes payable on demand, carrying the interest rates at 1.33% - 1.35% per annum and 0.80% per annum, respectively.

6.2 Significant transactions with related parties for the years ended October 31, are as follows:

Type of Transactions	Consolidated		Unit : Million Baht Separate	
	Financial Statements 2022	Financial Statements 2021	Financial Statements 2022	Financial Statements 2021
Revenues from sales and rendering of services				
Subsidiaries	-	-	1,707.64	1,605.14
Associates	-	0.13	-	-
Related parties	1,466.55	1,170.57	715.50	478.23
Total	1,466.55	1,170.70	2,423.14	2,083.37
Cost of sales and rendering of services				
Subsidiaries	-	-	1,043.88	836.67
Related parties	47.90	19.65	-	-
Total	47.90	19.65	1,043.88	836.67
Interest income from finance leases				
Related parties	19.34	19.34	-	-
Other incomes				
Subsidiaries	-	-	109.59	163.80
Associates	6.20	10.10	6.20	5.39
Related parties	7.54	8.59	5.08	5.09
Total	13.74	18.69	120.87	174.28
Dividend incomes				
Subsidiaries	-	-	1,333.39	381.01
Associates	265.14	56.54	265.14	56.54
Total	265.14	56.54	1,598.53	437.55
Distribution costs				
Subsidiaries	-	-	6.98	25.81
Associates	6.09	9.19	2.25	4.78
Total	6.09	9.19	9.23	30.59

Type of Transactions	Unit : Million Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2022	2021	2022	2021
Administrative expenses				
Subsidiaries	-	-	0.39	0.18
Related parties	17.15	16.32	7.51	6.62
Related juristic person	23.65	16.78	21.60	15.30
Total	<u>40.80</u>	<u>33.10</u>	<u>29.50</u>	<u>22.10</u>
Financial costs				
Subsidiaries	-	-	27.62	26.74
Related parties	0.03	0.03	0.03	0.03
Related juristic person	0.04	0.04	0.04	0.04
Total	<u>0.07</u>	<u>0.07</u>	<u>27.69</u>	<u>26.81</u>
Management compensation				
Short-term employee benefits	83.09	90.17	35.52	42.46
Post-employment benefits	1.51	3.15	0.01	1.32
Total	<u>84.60</u>	<u>93.32</u>	<u>35.53</u>	<u>43.78</u>

#### POLICIES OF INTER-PRICE SETTING

- The inter-purchases/sales of raw sugar transactions among the Group are based on the sugar purchases/sales agreements.
- In case of the sugar purchases/sales agreements entered into on behalf of the Group, which each company has already been allocated the sales volume. If any company within the Group has no sufficient volume of sugar to sell, the purchases of sugar can be made within the group companies at the same price as stipulated in such sugar purchases/sales agreements.
- The prices for other inter-purchases/sales of goods (except for sugar products) are in accordance with the prices stipulated in the mutually agreed contracts, which are higher than costs.
- The prices for the inter-purchases/sales of assets are in accordance with the agreed prices by counter parties, which are higher than costs or on demand price of each type assets.
- Revenues from sales of supplies are in accordance with the agreed prices by counter parties, which are higher than costs.
- Revenues from land leased to a subsidiary are charged according to the lease agreement which term is 30 years, commencing from January 25, 2005 until January 24, 2035 at annual rent of Baht 0.11 million, and will be increased by 10% for every 3 years. Once the lease is expired, ownership rights on all constructions built on the leased land will be vested to the lessor.
- Rental income from land, structure and machines which lease terms range from 1 to 3 years are in accordance with the mutually agreed prices.
- Inter-service income, other income and expenses are charged according to the normal price charged to general clients.
- Fees for goods custody are charged according to the volume of the goods and the custody period at general market rates.
- Expenses paid on behalf of each other are charged at actual.



**6.3 Relationship of related parties other than subsidiaries and associates consisted of:**

Company Names	Relationship	Connection
K.S.L. IT Center Co., Ltd.	Related party	Same group of shareholder and mutual directors
On Nuj Construction Co., Ltd.	Related party	Same group of shareholder and mutual directors
Raja Ceramics Co., Ltd.	Related party	Same group of shareholders
Thai Fermentation Industry Co., Ltd.	Related party	Same group of shareholders
P M T Precious Group Co., Ltd.	Related party	Common mutual directors
KSL Tower Juristic Person office	Related Juristic Person	Shared owner of office building
BBGI Bio Ethanol Public Company Limited (Formerly "KSL Green Innovation Public Company Limited")	Related party	Common shareholder and mutual directors
BBGI Bio Ethanol (Chachoengsao) Co., Ltd. (Formerly "Bangchak Bioethanol (Chachoengsao) Co., Ltd.")	Related party	Common mutual directors

All of the aforementioned related entities are incorporated in Thailand.

Prachuap Industry Co., Ltd. holds no part in management of the Company, but is a related party, where certain directors of Prachuap Industry Co., Ltd. are also directors of K.S.L. Export Trading Co., Ltd., which is subsidiary of Khon Kaen Sugar Industry Public Company Limited.

**7. TRADE AND OTHER CURRENT RECEIVABLES**

Trade and other current receivables as at October 31, consisted of:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2022	2021	2022	2021
Trade receivables	434,282	549,612	122,638	303,530
Current farmer receivables	341,536	248,747	288,555	215,300
Receivables from the Office of the Cane and Sugar Fund	26,591	132,794	-	64,113
Other receivables	92,145	15,621	30,729	188,740
Advance payment for shares (see Note 14)	-	-	938,113	-
Prepaid expenses	67,089	30,989	24,229	22,040
Advance payments	7,079	9,538	464	301
Accrued income	89,486	76,793	67,576	136,683
Total trade and other current receivables	<u>1,058,208</u>	<u>1,064,094</u>	<u>1,472,304</u>	<u>930,707</u>

**7.1 Trade receivables as at October 31, consisted of:**

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2022	2021	2022	2021
Related parties	27,250	90,988	29,171	74,890
Others	407,032	458,624	93,467	228,640
Total trade receivables	<u>434,282</u>	<u>549,612</u>	<u>122,638</u>	<u>303,530</u>

Aging analysis for trade receivables as at October 31, are as follows:

7.1.1 Trade receivables - related parties

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2022	2021	2022	2021
Domestic trade receivables				
Not yet due	25,794	90,988	22,916	74,890
Overdue not over 3 months	1,456	-	6,255	-
Total trade receivables - related parties	<u>27,250</u>	<u>90,988</u>	<u>29,171</u>	<u>74,890</u>

The normal credit terms granted to the related parties of the Company and subsidiaries range from 7 days to 30 days.

7.1.2 Trade receivables - others

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2022	2021	2022	2021
Business are to manufacture and distribute sugar and molasses				
Domestic trade receivables				
Not yet due	127,011	140,083	51,208	53,097
Overdue not over 3 months	30,719	54,653	15,658	16,745
Total	<u>157,730</u>	<u>194,736</u>	<u>66,866</u>	<u>69,842</u>
Foreign trade receivables				
Not yet due	32,673	161,747	15,349	158,798
Overdue not over 3 months	48,395	200	11,252	-
Total	<u>81,068</u>	<u>161,947</u>	<u>26,601</u>	<u>158,798</u>
Total of business of manufacturing and distributing sugar and molasses	<u>238,798</u>	<u>356,683</u>	<u>93,467</u>	<u>228,640</u>
Manufacture and distribution of electricity				
Domestic trade receivables				
Not yet due	111,734	61,295	-	-
Overdue not over 3 months	53,065	35,323	-	-
Total of business of manufacturing and distributing of electricity	<u>164,799</u>	<u>96,618</u>	<u>-</u>	<u>-</u>
Other business				
Domestic trade receivables				
Not yet due	1,021	1,650	-	-
Overdue not over 3 months	872	2,267	-	-
Overdue over 3 months and not over 6 months	715	880	-	-
Overdue over 6 months and not over 12 months	827	465	-	-
Overdue over 12 months	-	61	-	-
Total other business	<u>3,435</u>	<u>5,323</u>	<u>-</u>	<u>-</u>
Total trade receivables - others	<u>407,032</u>	<u>458,624</u>	<u>93,467</u>	<u>228,640</u>

The normal credit terms granted by the customers of the Company and subsidiaries range from 7 days to 90 days.

## 7.2 Current farmer receivables as at October 31, consisted of:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2022	2021	2022	2021
Cane receivables				
Season 2021/2022	4,700	-	4,142	-
Season 2020/2021	15,167	35,353	14,174	22,190
Season 2019/2020	25,776	42,915	3,188	5,036
Season 2018/2019	38,932	58,513	7,947	10,471
Season 2017/2018	8,900	13,619	5,181	5,758
Before Season 2017/2018	134,674	178,187	39,242	42,324
Total cane receivables (see Note 15)	228,149	328,587	73,874	85,779
Advance payments for purchases of cane				
Season 2022/2023	341,536	-	288,555	-
Season 2021/2022	-	248,747	-	215,300
Total advance payments for purchases of cane	341,536	248,747	288,555	215,300
Receivables from fuel oil, fertilizer and other services (see Note 15)	16,971	18,016	15,581	16,128
Total	586,656	595,350	378,010	317,207
Less Allowance for expected credit loss	(153,764)	(207,676)	(44,880)	(37,882)
Total farmer receivables	432,892	387,674	333,130	279,325
Less Non-current portion	(91,356)	(138,927)	(44,575)	(64,025)
Total current farmer receivables	341,536	248,747	288,555	215,300

Cane receivables are farmer receivables which had not yet delivered cane in according to contracts. Most of cane receivables are secured.

## 7.3 Receivables from the Office of the Cane and Sugar Fund as at October 31, consisted of:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2022	2021	2022	2021
Receivables from compensation for sugar cane prices	-	1,245,584	-	726,439
Receivables from compensation for production and distribution of sugar	132,794	96,289	64,113	65,967
Total	132,794	1,341,873	64,113	792,406
Add Receivables from compensation for protection and disruption of sugar 2021/2022	14,914	-	-	-
Less Compensation for production and distribution of sugar	-	(44,628)	-	(33,107)
Offset Short-term loans and interest expense from the Office of Cane and Sugar Fund Contribution to the Cane and Sugar Fund	(121,117)	(1,031,438)	(64,113)	(627,916)
Total current receivables from the Office of the Cane and Sugar Fund	26,591	132,794	-	64,113

On February 4, 2021, the Board of the Office of the Cane and Sugar Fund passed a resolution to approve the payment of the compensation for sugar cane prices and for production and distribution for the 2017/2018 production season to the Company and its subsidiaries, by offsetting with the short-term loans and interest payable in the separate financial statements amounting to Baht 627.92 million and in the consolidated financial statements amounting to Baht 1,031.44 million to the Office of the Cane and Sugar Fund under a loan scheme to increase the liquidity of sugar cane mills. The Company and its subsidiaries already received payment amounting to Baht 33.11 million in the separated financial statements and amounting to Baht 44.63 million in the consolidated financial statements on February 15, 2021, which is the remaining amount after being offset.

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On May 6, 2021, the Board of the Office of the Cane and Sugar Fund passed a resolution to approve the payment of the compensation for sugar cane prices and for production and distribution for the 2018/2019 production season to the Company and its subsidiaries by offsetting with the money to be remitted under Section 57 of the Cane and Sugar Act, B.E. 2527 for the production season of 2019/2020 in the amount of Baht 19.05 million in the separate financial statements and in the amount of Baht 37.67 million in the consolidated financial statements.

On May 13, 2021, the Board of the Office of the Cane and Sugar Fund passed a resolution to request the money to be remitted to for the Cane and Sugar Fund as to support the operations per the objectives of the Cane and Sugar Fund B.E. 2563 for the 2020/2021 production season at the rate of Baht 20 per ton cane in the separate financial statements amounting to Baht 48.22 million and in the consolidated financial statements amounting to Baht 95.34 million by offsetting with the amounts payable to the Company and its subsidiaries until the Office of Cane and Sugar Fund has no outstanding balance owed by the Company and its subsidiaries.

On April 4, 2022, the Board of the Office of the Cane and Sugar Fund passed a resolution to approve the payment of the compensation for sugar cane prices and for production and distribution for the 2018/2019 production season to the Company and its subsidiaries by offsetting with the money to be remitted under Section 57 of the Cane and Sugar Act, B.E. 2527 for the production season of 2020/2021 in the amount of Baht 19.29 million in the separate financial statements and in the amount of Baht 38.14 million in the consolidated financial statements.

On June 1, 2022, the Board of the Office of the Cane and Sugar Fund passed a resolution to request the money to be remitted to for the Cane and Sugar Fund as to support the operations per the objectives of the Cane and Sugar Fund B.E. 2563 for the 2021/2022 production season at the rate of Baht 20 per ton cane in the separate financial statements amounting to Baht 44.82 million and in the consolidated financial statements amounting to Baht 82.98 million by offsetting with the amounts payable to the Company and its subsidiaries until the Office of Cane and Sugar Fund has no outstanding balance owed by the Company and its subsidiaries.

As at October 31, 2022, the Company and subsidiaries expect to receive compensation from the Office of the Cane and Sugar Fund, since the Group expects that in the 2021/2022 harvesting years the final sugar cane price and the final compensation for the production and distribution of sugar will be less than the initial sugar cane price and the initial compensation for the production and distribution of sugar. In accordance with Section 56 of the Cane and Sugar Act B.E. 2527, the Cane and Sugar Fund is to pay compensation to the Company and subsidiaries at an amount equal to the difference, and the sugar cane planters do not have to return the excess amount of the sugar cane price received.

## 8. FINANCE LEASE RECEIVABLE

On November 1, 2019, a subsidiary entered into the financial lease agreement with the related party to lease the land, including structure, machines and other assets as stipulated in the agreement. The related party has an option to purchase these assets within 5 years after the agreement date. On July 20, 2022, the related party has notified their intention to request the transfer of all assets within November 2022. Finance lease receivable is as follows:

	Unit : Thousand Baht Consolidated Financial Statements	
	2022	2021
Within 1 year	19,350	19,350
Over 1 year - 5 years	408,640	427,990
	<u>427,990</u>	<u>447,340</u>
<u>Less</u> Unearned interest income	(47,416)	(66,752)
	<u>380,574</u>	<u>380,588</u>
<u>Less</u> Current portion (see Note 6.1)	(380,574)	(19,337)
Total	<u>-</u>	<u>361,251</u>

## 9. SHORT-TERM LOANS

Short-term loans as at October 31, consisted of:

	Consolidated Financial Statements		Unit : Thousand Baht Separate Financial Statements	
	2022	2021	2022	2021
Short-term loans to subsidiaries and related parties (see Note 6.1)	-	-	193,233	934,416
Short-term loans to farmers	495,099	468,385	241,870	232,664
Current portion of long-term loans to subsidiaries (see Note 6.1)	-	-	632,000	100,000
Current portion of long-term loans to others	14,600	13,297	13,600	13,297
Current portion of loans for cane plantation development	<u>114,150</u>	<u>106,753</u>	<u>37,000</u>	<u>41,798</u>
Total short-term loans	<u>623,849</u>	<u>588,435</u>	<u>1,117,703</u>	<u>1,322,175</u>

As at October 31, 2022 and 2021, short-term loans to farmers in the consolidated financial statement of Baht 393.82 million and Baht 401.01 million, respectively, and in the separate financial statements of Baht 241.87 million and Baht 232.66 million, respectively, represent loans from discounted post-dated checks which the Company and its subsidiaries issued to the farmers on purchases of sugar cane, which the farmers discounted sale to the Company and its subsidiaries with interest rates based on average lending rates of commercial banks. For the remaining in the consolidated financial statement as at October 31, 2022 and 2021 of Baht 101.28 million and Baht 67.37 million, respectively, represent each advance to farmers to support their sugar cane plantation with certain terms and conditions and interest rates based on rates or commercial banks.

## 10. INVENTORIES

Inventories as at October 31, consisted of:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2022	2021	2022	2021
Sugar and molasses	1,936,716	1,997,480	1,166,642	1,137,138
Bio-fertilizer	5,586	5,253	-	-
Bagasse	207,806	146,410	-	-
Real estate development	119,750	119,750	-	-
Factory supplies	107,578	64,540	37,670	15,574
Machine maintenance supplies	386,933	398,471	109,807	118,414
	<u>2,764,369</u>	<u>2,731,904</u>	<u>1,314,119</u>	<u>1,271,126</u>
<u>Less</u> Allowance for deteriorated or obsolete inventories	(21,591)	(22,876)	(500)	(1,243)
Allowance for diminution in value of inventories	(2,576)	(1,591)	-	-
Total inventories	<u>2,740,202</u>	<u>2,707,437</u>	<u>1,313,619</u>	<u>1,269,883</u>

Movements of allowance for deteriorated or obsolete inventories for the years ended October 31, are as follows:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2022	2021	2022	2021
Beginning balance	(22,876)	(25,324)	(1,243)	(5,480)
<u>Add</u> Reversal of cost of sales for the years	1,285	2,448	743	4,237
Ending balance	<u>(21,591)</u>	<u>(22,876)</u>	<u>(500)</u>	<u>(1,243)</u>

Movements of allowance for diminution in value of inventories for the years ended October 31, are as follows:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2022	2021	2022	2021
Beginning balance	(1,591)	(55,883)	-	(55,883)
<u>Add</u> (Increase) reversal of cost of sales for the years	(985)	54,292	-	55,883
Ending balance	<u>(2,576)</u>	<u>(1,591)</u>	<u>-</u>	<u>-</u>

## 11. CURRENT BIOLOGICAL ASSETS

Movements of current biological assets for the years ended October 31, are as follows:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2022	2021	2022	2021
Beginning book value	46,380	41,680	-	4,684
(Loss) gain on arising from change in fair value	(7,230)	(5,414)	-	190
Additional plantation costs during the years	58,458	55,868	-	216
Decrease from harvesting during the years	(44,549)	(45,646)	-	(4,982)
Loss from plantation	(210)	(108)	-	(108)
Ending book value	<u>52,849</u>	<u>46,380</u>	<u>-</u>	<u>-</u>

The methods and assumptions used in estimating the fair value of biological asset have been determined based on fair value less costs to sell. The valuation involves certain assumptions and estimates such as the final cane price for the next production season, a sweetness level and quantity of sugar cane. The fair value is hierarchy level 3.

**12. OTHER FINANCIAL ASSETS**

Other financial assets as at October 31, are as follows:

2022

	Consolidated		Unit : Thousand Baht Separate	
	Financial Statements		Financial Statements	
	Current	Non-current	Current	Non-current
<b>Equity securities measured at fair value through other comprehensive income</b>				
Available for sales marketable securities	-	198,371	-	198,371
Interest rate and cross currency swap contracts	309,132	-	309,132	-
Sugar future contracts	345,963	-	345,963	-
<b>Equity securities measured at fair value through profit or loss</b>				
General investments	-	23,492	-	23,022
<b>Financial assets measured at amortized cost</b>				
Time deposits with maturities of more than 3 months but not later than 12 months	267	-	-	-
Bonds	-	6,800	-	-
<b>Total other financial assets</b>	<u>655,362</u>	<u>228,663</u>	<u>655,095</u>	<u>221,393</u>

2021

	Consolidated		Unit : Thousand Baht Separate	
	Financial Statements		Financial Statements	
	Current	Non-current	Current	Non-current
<b>Equity securities measured at fair value through other comprehensive income</b>				
Available for sales marketable securities	-	165,309	-	165,309
Interest rate and cross currency swap contracts	90,966	-	90,966	-
<b>Equity securities measured at fair value through profit or loss</b>				
General investments	-	797	-	327
<b>Financial assets measured at amortized cost</b>				
Time deposits with maturities of more than 3 months but not later than 12 months	267	-	-	-
Bonds	-	6,777	-	-
<b>Total other financial assets</b>	<u>91,233</u>	<u>172,883</u>	<u>90,966</u>	<u>165,636</u>

### 13. INVESTMENTS IN ASSOCIATES

Investments in associates as at October 31, consisted of:

#### Consolidated Financial Statements

Company Name	Paid-up		Percentage of		2022		Dividend for the year	Unit : Thousand Baht		
	share capital		shareholding		Investment			2021		
	2022	2021	%	%	Cost	Equity		Cost	Equity	Dividend
			2022	2021	method	method		method	method	for
Thai Sugar Terminal Public Company Limited	191,664	191,664	23.82	23.82	90,267	605,635	18,260	90,267	555,066	15,978
T S G Trading Co., Ltd.*	50,000	50,000	4.11	4.11	2,061	2,061	-	2,061	2,061	-
T S Oil Industry Co., Ltd.*	300,000	300,000	0.62	0.62	1,855	1,485	370	1,855	1,855	-
T S Flour Mill Public Company Limited*	398,664	398,664	0.07	0.07	391	28	58	391	85	54
T S Warehouse Co., Ltd.*	12,500	12,500	4.02	4.02	509	317	-	509	317	-
T S Transport and Logistic Co., Ltd.*	400,000	400,000	10.12	10.12	40,508	40,508	-	40,508	40,508	-
BBGI Public Company Limited	3,615,000	2,532,000	29.88	40.00	3,529,058	4,153,010	246,446	3,244,868	4,050,023	40,512
Total					<u>3,664,649</u>	<u>4,803,044</u>	<u>265,134</u>	<u>3,380,459</u>	<u>4,649,915</u>	<u>56,544</u>

#### Separate Financial Statements

Company Name	Paid-up		Percentage of		Investment		Unit : Thousand Baht			
	share capital		shareholding		Cost method		Dividends			
	2022	2021	%	%	2022	2021	For the years ended			
			2022	2021			October 31,			
Thai Sugar Terminal Public Company Limited	191,664	191,664	23.82	23.82	90,267	90,267	18,260	15,978		
T S G Trading Co., Ltd.*	50,000	50,000	4.11	4.11	2,061	2,061	-	-		
T S Oil Industry Co., Ltd.*	300,000	300,000	0.62	0.62	1,855	1,855	370	-		
T S Flour Mill Public Company Limited*	398,664	398,664	0.07	0.07	391	391	58	54		
T S Warehouse Co., Ltd.*	12,500	12,500	4.02	4.02	509	509	-	-		
T S Transport and Logistic Co., Ltd.*	400,000	400,000	10.12	10.12	40,508	40,508	-	-		
BBGI Public Company Limited	3,615,000	2,532,000	29.88	40.00	3,529,058	3,244,868	246,446	40,512		
Total					<u>3,664,649</u>	<u>3,380,459</u>	<u>265,134</u>	<u>56,544</u>		

\* An associate considering by significant influence of the Company to Thai Sugar Terminal Public Company Limited, which is the parent company of these associates.

Summarized financial position in respect of associates and performance for the years ended September 30, are as follows:

	Percentage of Shareholding %	Unit : Million Baht								
		Current Assets	Non- Current Assets	Total Assets	Current Liabilities	Non- Current Liabilities	Total Liabilities	Total Revenues	Total Expense	Profit
<b>2022</b>										
Thai Sugar Terminal Public Company Limited*	23.82	1,677	4,311	5,988	1,460	500	1,960	2,453	2,268	185
BBGI Public Company Limited*	29.88	5,940	9,698	15,638	2,146	2,521	4,667	14,147	13,939	208
<b>2021</b>										
Thai Sugar Terminal Public Company Limited*	23.82	841	3,887	4,728	434	474	908	2,149	1,959	190
BBGI Public Company Limited*	40.00	3,854	9,784	13,638	2,759	3,670	6,429	14,573	13,112	1,461

\* The associates have accounting periods ended December 31.



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On November 9, 2021, the Board of Directors Meeting No. 9/2021 of BBGI Public Company Limited (“BBGI”) passed a resolution to approve the interim dividends from profit for the nine-month period ended September 30, 2021 at Baht 0.79 per share. The Company received such dividends of Baht 160.02 million on December 8, 2021.

On December 24, 2021, the Extraordinary General Meeting of Shareholders of BBGI Public Company Limited (“the associate”) passed a resolution to change the par value from Baht 5 per share to Baht 2.50 per share. The associate registered the change in the par value with the Department of Business Development, Ministry of Commerce on January 6, 2022. The change in the par value results in increase in the number of shares of the associate from 506 million shares to 1,013 million shares.

On March 14, 2022, BBGI Public Company Limited (“BBGI”) completed its Initial Public Offering (“IPO”) by issuing 433.20 million new ordinary shares with an offering price of Baht 10.50 per share (par value of Baht 2.50 per share and share premium of Baht 8.00 per share) amounting to Baht 4,549 million. The associate registered the increase in paid-up capital with the Ministry of Commerce on March 15, 2022. The associate’s shares has been trading on the Security Exchange of Thailand (SET) since March 17, 2022. As a result of IPO, the Company’s ownership interest in the associate decreased from 40.00% to 28.02%. As a result, the Company recognized profit from the change of proportion as other income in the consolidated financial statements for the years ended October 31, 2022, amounting to Baht 58.13 million. In addition, in March 2022, the Company purchased additional ordinary shares of BBGI Public Company Limited which resulted in the Company’s ownership interest being 29.88%.

On May 11, 2022, the Board of Directors Meeting No. 4/2022 of BBGI Public Company Limited passed a resolution to approve the dividends from unappropriated retained earnings at Baht 0.15 per share. The dividends will be paid to shareholders of Baht 64.82 million on June 9, 2022.

On August 9, 2022, the Board of Directors Meeting No. 6/2022 of BBGI Public Company Limited passed a resolution to approve the interim dividends from the Company’s unappropriated retained earnings, six-month period ended June 30, 2022, at Baht 0.05 per share. The dividends will be paid to shareholders of Baht 21.61 million on September 7, 2022.

## 14. INVESTMENTS IN SUBSIDIARIES

Investments in subsidiaries as at October 31, consisted of:

### Separate Financial Statements

Company Name	Paid-up		Percentage of		Investment		Unit : Thousand Baht	
	share capital		shareholding		Cost method		Dividends	
	2022	2021	2022	2021	2022	2021	For the years ended October 31,	
New Krung Thai Sugar Factory Company Limited	1,000,000	1,000,000	95.78	95.78	834,394	834,394	-	-
Tamaka Sugar Industry Company Limited	600,000	600,000	90.21	90.21	523,337	523,337	-	-
New Kwang Soon Lee Sugar Factory Company Limited **	881,250	500,000	99.21	98.61	950,534	569,284	-	-
K.S.L. Real Estate Company Limited	840,000	840,000	40.77	40.77	319,134	319,134	-	-
K.S.L. Export Trading Company Limited	20,000	20,000	33.88	33.88	6,775	6,775	13,440	1,016
KSL Material Supplys Company Limited	480,000	480,000	100.00	100.00	479,119	479,119	1,319,954	60,000
Khon Kaen Sugar Power Plant Company Limited	800,000	800,000	100.00	100.00	799,972	799,972	-	319,989
KSL. Agro & Trading Company Limited	300,000	300,000	100.00	100.00	300,000	300,000	-	-
KSL WSP Logistic Company Limited	250	250	100.00	100.00	250	250	-	-
KHUN CHUAN Company Limited	1,000	1,000	99.97	99.97	1,000	1,000	-	-
Savannakhet Sugar Corporation	687,727	687,727	98.00	98.00	674,178	674,178	-	-
Koh Kong Sugar Industry Company Limited *	1,946,687	1,946,687	100.00	88.02	1,711,617	1,711,616	-	-
Wynn In Trading Company Limited *	487,497	487,497	100.00	100.00	487,497	487,497	-	-
Total					7,087,807	6,706,556	1,333,394	381,005
Less Allowance for impairment of investments					(2,027,374)	(2,092,710)	-	-
Total investments in subsidiaries					5,060,433	4,613,846	1,333,394	381,005

\* These are foreign subsidiaries including Koh Kong Plantation Company Limited which the Company holds its shares indirectly through Wynn In Trading Co., Ltd. at 80%. Furthermore, Koh Kong Plantation Company Limited and Koh Kong Sugar Industry Company Limited has the condition to dissolve the Company if its loss exceed 75% of the registered share capital and could not solve the said loss within 1 year. As at October 31, 2022, loss of Koh Kong Plantation Company Limited exceed 75% of the registered share capital. The Company's management temporarily suspends its operations to adjust the internal structure of the subsidiary and in the process of increasing the registered capital.

\*\* In May 2022, New Kwang Soon Lee Sugar Factory Company Limited registered to increase the registered and paid-up share capital in the amount of Baht 1,525.00 million and Baht 381.25 million, respectively.

Movements in investments for the years ended October 31, are as follows:

	Unit : Thousand Baht	
	Separate	
	Financial Statements	
	2022	2021
Beginning balance	4,613,846	4,572,347
Increase of investment		
New Kwang Soon Lee Sugar Factory Company Limited	381,250	-
KHUN CHUAN Company Limited	-	1,000
Koh Kong Sugar Industry Company Limited	1	-
Increase in allowance for impairment of investments		
Koh Kong Sugar Industry Company Limited	-	(39,398)
Wynn In Trading Company Limited	(75,539)	(5,714)
Reversal of allowance for impairment of investments		
KSL Material Supplys Company Limited	-	5,884
Savannakhet Sugar Corporation	140,875	79,727
Ending balance	5,060,433	4,613,846

On March 26, 2021, the Executive Board Meeting No. 5/2020-2021 approved the establishment of a new subsidiary, KHUN CHUAN Company Limited, to operate the social enterprise. With authorized share capital of Baht 1,000,000 (10,000 shares at par value of Baht 100.00 each) which has already been called and paid-up for the shares capital in full. Such subsidiary incorporated with the Ministry of Commerce on April 1, 2021. The Company directly invested 99.97%.

On May 20, 2022, the Extraordinary General Meeting of Shareholders No. 1 of the annual 2022 of New Kwang Soon Lee Sugar Factory Company Limited (“subsidiary”) has resolution to increase of registered capital totaling amount of Baht 1,525.00 million. The registered capital amount from Baht 500.00 million to the new registered capital amount of Baht 2,025.00 million by issuing 152,500,000 new ordinary shares at the par value of Baht 10.00 and on May 31, 2022, the subsidiary has already registered the increase in registered capital including the call for subscriptions of 152,500,000 new shares at the amount of Baht 2.50 per share, totaling to Baht 381.25 million.

As at September 30, 2022, Koh Kong Sugar Industry Company Limited is in the process to register the capital increase in amount of USD 25.20 million by issuing additional 70 shares at par value of USD 360,000 per share. The Company paid share subscriptions amounting to Baht 938.11 million by partially offsetting with short-term loans and accrued interest to the subsidiary. In addition, Koh Kong Plantation Company Limited is in the process to register the capital increase in amount of USD 5.10 million by issuing additional 34 shares at par value of USD 150,000 per share to reduce its deficit. The subsidiary paid for share subscriptions amounting to Baht 181.23 million.

## 15. TRADE AND OTHER NON-CURRENT RECEIVABLES

Trade and other non-current receivables as at October 31, consisted of:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2022	2021	2022	2021
Trade receivables and other non-current receivables	39,912	27,132	3,928	3,928
Farmer receivables (see Note 7.2)	245,120	346,603	89,455	101,907
Total	285,032	373,735	93,383	105,835
<u>Less</u> Allowance for expected credit loss	(184,830)	(226,371)	(48,808)	(41,810)
Total trade and other non-current receivables - net	<u>100,202</u>	<u>147,364</u>	<u>44,575</u>	<u>64,025</u>

Movements in allowance for expected credited losses of trade and other non-current receivables in the consolidated and separate financial statements for the year ended October 31, are as follows:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2022	2021	2022	2021
Beginning balance	(226,371)	(143,434)	(41,810)	(54,284)
(Provision) reversal for expected credit losses	(30,071)	(84,262)	(14,144)	12,448
Amount written off	71,612	1,325	7,146	26
Ending balance	<u>(184,830)</u>	<u>(226,371)</u>	<u>(48,808)</u>	<u>(41,810)</u>

**16. LONG-TERM LOANS**

Long-term loans as at October 31, consisted of:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2022	2021	2022	2021
Long-term loans to subsidiaries	-	-	2,582,000	2,458,000
Long-term loans to others	49,400	57,297	44,400	57,297
Loans for cane plantation development	381,893	428,319	109,431	126,532
Total	431,293	485,616	2,735,831	2,641,829
<u>Less</u> Allowance for expected credit loss	(189,756)	(228,942)	(22,510)	(17,213)
<u>Less</u> Current portion (see Note 9)	(128,750)	(120,050)	(682,600)	(155,095)
Total long-term loans	112,787	136,624	2,030,721	2,469,521

Movements in allowance for expected credited losses of long-term loans in the consolidated and separate financial statements for the year ended October 31, are as follows:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2022	2021	2022	2021
Beginning balance	(228,942)	(104,903)	(17,213)	(15,411)
Provision for expected credit losses	(90)	(125,165)	(7,139)	(1,802)
Amount written off	39,276	1,126	1,842	-
Ending balance	(189,756)	(228,942)	(22,510)	(17,213)

As at October 31, 2022 and 2021, loans for cane plantation development included in the consolidated financial statements of Baht 360.24 million and Baht 406.67 million, respectively, and in the separate financial statements of Baht 87.78 million and Baht 104.88 million, respectively, were the loans to farmers the purpose to buy land for cane plantation, agricultural machineries and equipment. The loan agreements were entered into for the periods of 1 - 8 years, or longer. Loans carry interest rates of 3.50% - 8.00% per annum and rates of 7.00% per annum, respectively, which the farmers mostly use land and vehicles as collateral. For the remaining loans for cane plantation development of Baht 21.65 million equal for both years were loans to other personals and parties for purchases of agricultural machineries for planting cane for one of the Company's overseas subsidiaries for periods of 3 - 4 years and carrying interest rate at MLR+1.00% per annum. The principal and interest are paid annually. The loans are secured by such agricultural machineries.

## 17. INVESTMENT PROPERTIES

Movements of investment properties for the years ended October 31, are as follows:

2022

	Consolidated Financial Statements				Separate Financial Statements		
	Land	Buildings and Warehouses	Construction in progress	Total	Land	Buildings and Warehouses	Total
<b>Unit : Thousand Baht</b>							
<b>Fair value:</b>							
As at November 1, 2021	4,019,344	2,092,260	-	6,111,604	1,360,365	648,903	2,009,268
Adjustment and reclassification	64,390	-	-	64,390	64,390	-	64,390
Purchases	5,084	58	52	5,194	4,872	-	4,872
Disposals	(4,040)	(1,761)	-	(5,801)	-	-	-
Gains (losses) from fair value adjustments on investment property	187,325	(66,025)	-	121,300	62,942	37,699	100,641
As at October 31, 2022	4,272,103	2,024,532	52	6,296,687	1,492,569	686,602	2,179,171

2021

	Consolidated Financial Statements				Separate Financial Statements		
	Land	Buildings and Warehouses	Construction in progress	Total	Land	Buildings and Warehouses	Total
<b>Unit : Thousand Baht</b>							
<b>Fair value:</b>							
As at November 1, 2020	3,734,358	2,025,846	14,641	5,774,845	1,200,782	611,020	1,811,802
Adjustment and reclassification	62,816	27,170	(16,112)	73,874	62,816	11,058	73,874
Purchases	52,687	-	1,471	54,158	44,920	-	44,920
Gains from fair value adjustments on investment property	169,483	39,244	-	208,727	51,847	26,825	78,672
As at October 31, 2021	4,019,344	2,092,260	-	6,111,604	1,360,365	648,903	2,009,268

For the years ended October 31, 2022 and 2021, the Group recognized rental income from investment property of Baht 165.61 million and Baht 166.83 million, respectively, in the consolidated statements of income, and of Baht 53.15 million and Baht 45.89 million, respectively, in the separate statements of income.

The fair value of investment property was determined by an independent appraiser who has been approved by the Office of the Securities and Exchange Commission (Thailand) using income approach discounted cash flow method and market approach which is hierarchy level 3.

**18. PROPERTY, PLANT AND EQUIPMENT**

Movements of property, plant and equipment for the years ended October 31, are as follows:

2022

Unit : Thousand Baht

	Consolidated Financial Statements								
	Land	Land Improvement	Buildings and Construction	Machinery and Equipment	Motor Vehicles and Labor Saving Tools	Furniture and Office Equipment	Construction in progress	Bearer Plant	Total
<b>Cost:</b>									
As at November 1, 2021	1,151,163	1,674,182	6,864,217	25,061,588	1,525,195	296,657	169,108	299,931	37,042,041
Adjustment and reclassification	(16,223)	-	-	112	-	(112)	(655)	-	(16,878)
Purchases	-	-	-	4,371	4,703	3,379	184,919	14,570	211,942
Disposals/written off	-	(293)	(2,178)	(38,258)	(12,545)	(5,757)	-	(2,881)	(61,912)
Transfer in (out)	-	17,341	42,737	129,322	672	760	(190,832)	-	-
Translation of financial statements differences	-	79,300	81,790	190,362	6,070	2,373	-	33,601	393,496
As at October 31, 2022	1,134,940	1,770,530	6,986,566	25,347,497	1,524,095	297,300	162,540	345,221	37,568,689
<b>Accumulated depreciation:</b>									
As at November 1, 2021	-	(532,196)	(1,957,976)	(11,154,860)	(1,136,988)	(273,382)	-	(282,044)	(15,337,446)
Depreciation for the year	-	(37,556)	(171,079)	(881,354)	(46,522)	(10,211)	-	(11,518)	(1,158,240)
Disposals/written off	-	293	834	30,668	10,596	5,733	-	2,679	50,803
Translation of financial statements differences	-	(28,388)	(18,806)	(31,165)	(4,208)	(2,356)	-	(26,850)	(111,773)
As at October 31, 2022	-	(597,847)	(2,147,027)	(12,036,711)	(1,177,122)	(280,216)	-	(317,733)	(16,556,656)
<b>Differences on revaluation of assets:</b>									
As at November 1, 2021	3,743,813	-	-	-	-	-	-	-	3,743,813
Adjustment and reclassification	(48,186)	-	-	-	-	-	-	-	(48,186)
As at October 31, 2022	3,695,627	-	-	-	-	-	-	-	3,695,627
<b>Allowance for impairment of assets:</b>									
As at November 1, 2021	(77,081)	(58,035)	(57,322)	(241,477)	(1,379)	-	-	(6,355)	(441,649)
(Increased) decreased	-	(8,748)	-	(72,106)	-	-	-	1,881	(78,973)
Translation of financial statements differences	-	(8,479)	(7,445)	(24,927)	(248)	-	-	(6,751)	(47,850)
As at October 31, 2022	(77,081)	(75,262)	(64,767)	(338,510)	(1,627)	-	-	(11,225)	(568,472)
<b>Net book value:</b>									
As at October 31, 2022	4,753,486	1,097,421	4,774,772	12,972,276	345,346	17,084	162,540	16,263	24,139,188

2021

Unit : Thousand Baht

Consolidated Financial Statements									
	Land	Land Improvement	Buildings and Construction	Machinery and Equipment	Motor Vehicles and Labor Saving Tools	Furniture and Office Equipment	Construction in progress	Bearer Plant	Total
<b>Cost:</b>									
As at November 1, 2020	1,169,876	1,618,606	6,715,328	24,628,905	1,541,669	294,523	542,944	306,221	36,818,072
Adjustment and reclassification	(23,823)	-	(58,573)	34,572	-	304	(884)	-	(48,404)
Purchases	5,937	-	-	5,448	4,225	2,545	187,455	9,909	215,519
Disposals/written off	(827)	-	-	(43,319)	(27,425)	(2,690)	-	(29,942)	(104,203)
Transfer in (out)	-	23,142	174,010	358,071	4,186	998	(560,407)	-	-
Translation of financial statements differences	-	32,434	33,452	77,911	2,540	977	-	13,743	161,057
As at October 31, 2021	1,151,163	1,674,182	6,864,217	25,061,588	1,525,195	296,657	169,108	299,931	37,042,041
<b>Accumulated depreciation:</b>									
As at November 1, 2020	-	(483,490)	(1,792,605)	(10,386,361)	(1,097,513)	(262,551)	-	(282,816)	(14,305,336)
Adjustment and reclassification	-	-	16,422	(3,786)	-	-	-	-	12,636
Depreciation for the year	-	(37,095)	(174,101)	(770,337)	(59,813)	(12,522)	-	(17,345)	(1,071,213)
Disposals/written off	-	-	-	18,422	22,105	2,656	-	29,099	72,282
Translation of financial statements differences	-	(11,611)	(7,692)	(12,798)	(1,767)	(965)	-	(10,982)	(45,815)
As at October 31, 2021	-	(532,196)	(1,957,976)	(11,154,860)	(1,136,988)	(273,382)	-	(282,044)	(15,337,446)
<b>Differences on revaluation of assets:</b>									
As at November 1, 2020	3,782,834	-	-	-	-	-	-	-	3,782,834
Adjustment and reclassification	(39,021)	-	-	-	-	-	-	-	(39,021)
As at October 31, 2021	3,743,813	-	-	-	-	-	-	-	3,743,813
<b>Allowance for impairment of assets:</b>									
As at November 1, 2020	(77,081)	(54,567)	(54,278)	(214,170)	(1,298)	-	-	(3,594)	(404,988)
(Increased) decreased	-	-	-	(18,652)	-	-	-	-	(18,652)
Disposals/written off	-	-	-	-	2	-	-	-	2
Translation of financial statements differences	-	(3,468)	(3,044)	(8,655)	(83)	-	-	(2,761)	(18,011)
As at October 31, 2021	(77,081)	(58,035)	(57,322)	(241,477)	(1,379)	-	-	(6,355)	(441,649)
<b>Net book value:</b>									
As at October 31, 2021	4,817,895	1,083,951	4,848,919	13,665,251	386,828	23,275	169,108	11,532	25,006,759

**Depreciation for the years ended October 31,**

2022

Thousand Baht 1,158,240

2021

Thousand Baht 1,071,213

2022

Unit : Thousand Baht

	Separate Financial Statements								
	Land	Land Improvement	Buildings and Construction	Machinery and Equipment	Motor Vehicles and Labor Saving Tools	Furniture and Office Equipment	Construction in progress	Bearer Plant	Total
<b>Cost:</b>									
As at November 1, 2021	455,302	479,491	2,320,200	9,599,016	535,152	132,919	20,965	-	13,543,045
Adjustment and reclassification	(16,223)	-	-	-	-	-	-	-	(16,223)
Purchases	-	-	-	384	12	1,247	41,375	-	43,018
Disposals/written off	-	-	(2,019)	(7,393)	(1,096)	(2,359)	-	-	(12,867)
Transfer in (out)	-	-	87	22,244	-	426	(22,757)	-	-
As at October 31, 2022	439,079	479,491	2,318,268	9,614,251	534,068	132,233	39,583	-	13,556,973
<b>Accumulated depreciation:</b>									
As at November 1, 2021	-	(119,234)	(591,759)	(4,346,925)	(381,829)	(120,500)	-	-	(5,560,247)
Depreciation for the year	-	(19,387)	(68,170)	(353,891)	(19,841)	(5,757)	-	-	(467,046)
Disposals/written off	-	-	675	5,483	1,048	2,348	-	-	9,554
As at October 31, 2022	-	(138,621)	(659,254)	(4,695,333)	(400,622)	(123,909)	-	-	(6,017,739)
<b>Differences on revaluation of assets:</b>									
As at November 1, 2021	1,050,888	-	-	-	-	-	-	-	1,050,888
Adjustment and reclassification	(48,186)	-	-	-	-	-	-	-	(48,186)
As at October 31, 2022	1,002,702	-	-	-	-	-	-	-	1,002,702
<b>Allowance for impairment of assets:</b>									
As at November 1, 2021	(26,549)	-	-	-	-	-	-	-	(26,549)
As at October 31, 2022	(26,549)	-	-	-	-	-	-	-	(26,549)
<b>Net book value:</b>									
As at October 31, 2022	1,415,232	340,870	1,659,014	4,918,918	133,446	8,324	39,583	-	8,515,387

2021

Unit : Thousand Baht

	Separate Financial Statements								
	Land	Land Improvement	Buildings and Construction	Machinery and Equipment	Motor Vehicles and Labor Saving Tools	Furniture and Office Equipment	Construction in progress	Bearer Plant	Total
<b>Cost:</b>									
As at November 1, 2020	479,842	456,349	2,212,794	9,528,277	536,957	133,804	248,403	29,942	13,626,368
Adjustment and reclassification	(23,822)	-	(58,574)	34,575	-	(1,478)	(454)	-	(49,753)
Purchases	109	-	-	912	1,600	875	26,537	-	30,033
Disposals/written off	(827)	-	-	(24,279)	(7,590)	(965)	-	(29,942)	(63,603)
Transfer in (out)	-	23,142	165,980	59,531	4,185	683	(253,521)	-	-
As at October 31, 2021	455,302	479,491	2,320,200	9,599,016	535,152	132,919	20,965	-	13,543,045
<b>Accumulated depreciation:</b>									
As at November 1, 2020	-	(99,994)	(538,724)	(4,068,350)	(362,644)	(116,498)	-	(28,817)	(5,215,027)
Adjustment and reclassification	-	-	16,422	(3,786)	-	1,722	-	-	14,358
Depreciation for the year	-	(19,240)	(69,457)	(280,595)	(23,135)	(6,673)	-	(281)	(399,381)
Disposals/written off	-	-	-	5,806	3,950	949	-	29,098	39,803
As at October 31, 2021	-	(119,234)	(591,759)	(4,346,925)	(381,829)	(120,500)	-	-	(5,560,247)
<b>Differences on revaluation of assets:</b>									
As at November 1, 2020	1,089,910	-	-	-	-	-	-	-	1,089,910
Adjustment and reclassification	(39,022)	-	-	-	-	-	-	-	(39,022)
As at October 31, 2021	1,050,888	-	-	-	-	-	-	-	1,050,888
<b>Allowance for impairment of assets:</b>									
As at November 1, 2020	(26,549)	-	-	-	-	-	-	-	(26,549)
As at October 31, 2021	(26,549)	-	-	-	-	-	-	-	(26,549)
<b>Net book value:</b>									
As at October 31, 2021	1,479,641	360,257	1,728,441	5,252,091	153,323	12,419	20,965	-	9,007,137

Depreciation for the years ended October 31,

2022

Thousand Baht

467,046

2021

Thousand Baht

399,381



As at October 31, 2022 and 2021, buildings and construction of two foreign subsidiaries at book value of Baht 437.46 million and Baht 381.98 million, respectively, in the consolidated financial statements, are located on the concessional which the ownership will be transferred to the lesser when the agreements are expired (see Note 35.8.3).

As at October 31, 2022 and 2021, assets at cost of Baht 6,630.04 million and Baht 6,221.06 million, respectively, in the consolidated financial statements, and of Baht 3,078.25 million and Baht 2,939.40 million, respectively, in the separate financial statements, were fully depreciated but still in use.

As at October 31, 2022 and 2021, land which is recorded at revaluation method with the net value of Baht 4,753.49 million and Baht 4,817.89 million, respectively, in the consolidated financial statements, and of Baht 1,415.23 million and Baht 1,479.64 million, respectively, in the separate financial statements represented fair value of land which was determined by an independent appraiser who has been approved by the Office of the Securities and Exchange Commission (Thailand) using the market approach which is hierarchy level 3. As at October 31, 2022 and 2021, land net book value at the cost method of Baht 1,134.94 million and Baht 1,151.16 million, respectively, in the consolidated financial statements, and of Baht 433.08 million and Baht 455.30 million, respectively, in the separate financial statements.

As at October 31, 2022 and 2021, there are no borrowing costs capitalized as costs of property, plant and equipment.

## 19. RIGHT-OF-USE ASSETS

Movements of right-of-use assets for the years ended October 31, are as follows:

2022	Unit : Thousand Baht			
	Balance as at November 1, 2021	Consolidated Financial Statements Additions	Differences on translation of financial statements	Balance as at October 31, 2022
<b>Cost</b>				
Office equipment	-	2,762	-	2,762
Vehicles	41,661	16,501	-	58,162
Concession	13,569	-	1,982	15,551
Total cost	55,230	19,263	1,982	76,475
<b>Accumulated depreciation</b>				
Office equipment	-	(1,089)	-	(1,089)
Vehicles	(12,306)	(12,999)	-	(25,305)
Concession	(175)	(184)	(44)	(403)
Total accumulated depreciation	(12,481)	(14,272)	(44)	(26,797)
<b>Right-of-use-asset - net</b>	<b>42,749</b>			<b>49,678</b>

Unit : Thousand Baht

2021	Consolidated Financial Statements				
	Balance as at November 1, 2020	Consequence from initial apply to TFRS 16	Additions	Differences on translation of financial statements	Balance as at October 31, 2021
<b>Cost</b>					
Vehicles	-	29,430	12,231	-	41,661
Concession	-	12,758	-	811	13,569
Total cost	-	42,188	12,231	811	55,230
<b>Accumulated depreciation</b>					
Vehicles	-	-	(12,306)	-	(12,306)
Concession	-	-	(166)	(9)	(175)
Total accumulated depreciation	-	-	(12,472)	(9)	(12,481)
<b>Right-of-use-asset - net</b>	-				42,749
<b>Depreciation for the years ended October 31,</b>					
2022				Thousand Baht	14,272
2021				Thousand Baht	12,472

Unit : Thousand Baht

2022	Separate Financial Statements			
	Balance as at November 1, 2021	Additions	Decreased	Balance as at October 31, 2022
<b>Cost</b>				
Buildings and warehouse	294,941	-	-	294,941
Machineries	28,957	-	-	28,957
Office equipment	-	1,859	-	1,859
Vehicles	20,404	3,341	-	23,745
Total cost	344,302	5,200	-	349,502
<b>Accumulated depreciation</b>				
Buildings and warehouse	(36,388)	(36,389)	-	(72,777)
Machineries	(3,620)	(3,620)	-	(7,240)
Office equipment	-	(738)	-	(738)
Vehicles	(5,470)	(5,551)	-	(11,021)
Total accumulated depreciation	(45,478)	(46,298)	-	(91,776)
<b>Right-of-use-asset - net</b>	298,824			257,726

Unit : Thousand Baht					
2021	Separate Financial Statements				
	Balance as at November 1, 2020	Consequence from initial apply to TFRS 16	Additions	Decreased	Balance as at October 31, 2021
<b>Cost</b>					
Buildings and warehouse	-	-	294,941	-	294,941
Machineries	-	-	28,957	-	28,957
Vehicles	-	15,133	5,271	-	20,404
Total cost	-	15,133	329,169	-	344,302
<b>Accumulated depreciation</b>					
Buildings and warehouse	-	-	(36,388)	-	(36,388)
Machineries	-	-	(3,620)	-	(3,620)
Vehicles	-	-	(5,470)	-	(5,470)
Total accumulated depreciation	-	-	(45,478)	-	(45,478)
<b>Right-of-use-asset - net</b>	-	-	-	-	298,824
<b>Depreciation for the years ended October 31,</b>					
2022				<b>Thousand Baht</b>	46,298
2021				<b>Thousand Baht</b>	45,478

## 20. SHORT-TERM BORROWINGS FROM FINANCIAL INSTITUTIONS

Short-term borrowings from financial institutions as at October 31, consisted of:

	Unit : Thousand Baht			
	Consolidated		Separate	
	Financial Statements 2022	2021	Financial Statements 2022	2021
Promissory notes	4,731,071	5,981,934	2,550,000	3,755,159
Total short-term borrowings from financial institutions	4,731,071	5,981,934	2,550,000	3,755,159

As at October 31, 2022 and 2021, promissory notes are borrowings denominated in Baht, in the consolidated financial statements, of Baht 4,731.07 million and Baht 5,382.77 million, respectively, carrying interest rates at 1.18% - 2.50% per annum and 0.80% - 2.10% per annum, respectively, and in the separate financial statements, of Baht 2,550.00 million and Baht 3,156.00 million, respectively, carrying interest rates at 1.18% - 1.40% per annum and 0.80% - 1.58% per annum, respectively.

As at October 31, 2021, the promissory notes are borrowings denominated in US Dollar, of USD 17.96 million or equivalent to Baht 600 million in the consolidated and the separate financial statements. The US dollar borrowing is made cross currency and interest rate swap contract to hedge the full amount of risk throughout the term of the borrowing. The Company will repay such borrowing in the amount of Baht 600 million, at maturity and pay interest at the rate 1.03% per annum

## 21. TRADE AND OTHER CURRENT PAYABLES

Trade and other current payables as at October 31, consisted of:

	Consolidated		Unit : Thousand Baht Separate	
	Financial Statements		Financial Statements	
	2022	2021	2022	2021
Trade payables - related parties	3,523	1,311	40,080	41,129
Trade payables - others	365,346	309,663	286,199	161,965
Advances received	129,897	305,215	75,386	181,813
Other accrued expenses	307,065	256,711	164,371	174,832
Payables for purchases of assets	75,254	52,135	11,190	7,931
Other payables	195,695	139,136	104,981	70,940
Total trade and other current payables	<u>1,076,780</u>	<u>1,064,171</u>	<u>682,207</u>	<u>638,610</u>

## 22. LONG-TERM DEBENTURES

Long-term debentures as at October 31, consisted of:

	Unit : Thousand Baht Consolidated Financial Statements/ Separate Financial Statements	
	2022	2021
	Unsecured and non-subordinated debentures	2,648,672
<u>Less</u> Current portion	-	(2,999,158)
Net	<u>2,648,672</u>	<u>2,648,443</u>

The Company issued Thai Baht currency debentures which are holder specified, non-subordinated and unsecured bonds at par value of Baht 1,000 per unit to a limited number of investors, with the following details:

								Unit : Thousand Baht	
Consolidated Financial Statements/Separate Financial Statements as at October 31, 2022								Net	Fair value
Bond Set No.	Symbol	Term	Maturity date	Interest rate per annum	Number of units issued	Total value	Deferred debenture issuance cost		
1	KSL27DA	10 years	December 7, 2027	3.74	2,000,000	2,000,000	1,169	1,998,831	1,799,884
2	KSL285A	10 years	May 3, 2028	3.60	650,000	650,000	159	649,841	572,757
Total long-term debentures					<u>2,650,000</u>	<u>2,650,000</u>	<u>1,328</u>	<u>2,648,672</u>	<u>2,372,641</u>

								Unit : Thousand Baht	
Consolidated Financial Statements/Separate Financial Statements as at October 31, 2021								Net	Fair value
Bond Set No.	Symbol	Term	Maturity date	Interest rate per annum	Number of units issued	Total value	Deferred debenture issuance cost		
1	KSL228A	3 years	August 19, 2022	2.43	3,000,000	3,000,000	842	2,999,158	2,969,047
2	KSL27DA	10 years	December 7, 2027	3.74	2,000,000	2,000,000	1,369	1,998,631	1,884,305
3	KSL285A	10 years	May 3, 2028	3.60	650,000	650,000	188	649,812	602,692
Total long-term debentures					<u>5,650,000</u>	<u>5,650,000</u>	<u>2,399</u>	<u>5,647,601</u>	<u>5,456,044</u>

Movements of long-term debentures in the consolidated and the separate financial statements for the years ended October 31, are as follows:

	Unit : Thousand Baht	
	2022	2021
Beginning book value	5,647,601	6,995,997
Redemptions during the years	(3,000,000)	(1,350,000)
Debt issuance cost (amortized)	1,071	1,604
Ending book value	<u>2,648,672</u>	<u>5,647,601</u>

Other significant compliance to the covenants of the debenture issuances are as follows:

- The Company shall maintain the debts with interest to equity ratio in the consolidated financial statements as at October 31 in every year ratio not exceed 2 : 1 the entire term.

As at October 31, 2022 and 2021, the Company maintains the debts with interest to equity ratio in accordance with the conditions (see Note 31).

- The Company shall proceed the credit rating the entire term. In case the credit rating of the debentures is lower than the current Company's rating at that time, the Company shall pledge assets as collateral for the debenture holders or proceed to correct the credit rating of the debentures to be at the same level or better than the credit rating of the Company.

As at October 31, 2022, the credit rating of the debentures was not lower than the Company's credit rating.

### 23. LONG-TERM BORROWINGS

Long-term borrowings as at October 31, consisted of long-term borrowings from financial institutions in Baht and US dollar currencies as follows:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2022	2021	2022	2021
Borrowings	9,294,404	6,906,449	8,294,404	6,535,069
Less Current portion	(2,535,000)	(1,739,240)	(2,285,000)	(1,682,000)
Long-term borrowings - net	<u>6,759,404</u>	<u>5,167,209</u>	<u>6,009,404</u>	<u>4,853,069</u>

Movements of long-term borrowings for the years ended October 31, are as follows:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2022	2021	2022	2021
Beginning book value	6,906,449	4,852,000	6,535,069	4,852,000
Additional borrowings during the years (see Note 5.2)	4,250,000	3,900,000	3,250,000	3,500,000
Repayment during the years (see Note 5.2)	(2,053,380)	(1,945,620)	(1,682,000)	(1,917,000)
Exchange rates adjustment	191,335	100,069	191,335	100,069
Ending book value	<u>9,294,404</u>	<u>6,906,449</u>	<u>8,294,404</u>	<u>6,535,069</u>

The interest rates of long-term borrowings as at October 31, are as follows:

	Consolidated		Separate	
	Financial Statements		Financial Statements	
	2022	2021	2022	2021
	%	%	%	%
Borrowings - Baht currency	1.975 - 3.25	1.975 - 3.25	1.975 - 3.25	1.975 - 3.25
Borrowings - USD currency	2.85	2.85	2.85	2.85

Maturity of long-term borrowings were as follows:

	Consolidated		Separate	
	Financial Statements		Financial Statements	
	2022	2021	2022	2021
Within 1 year	2,535,000	1,739,240	2,285,000	1,682,000
Over 1 year but within 5 years	6,759,404	5,167,209	6,009,404	4,853,069
	<u>9,294,404</u>	<u>6,906,449</u>	<u>8,294,404</u>	<u>6,535,069</u>

The significant terms of such borrowings are as follows:

Credit Limit	Balances		Interest rate p.a.	Principal repayment	Interest payment	Commencing repayment	Maturity
	As at October 31,						
	2022	2021					
	Thousand Baht	Thousand Baht					
The Company							
THB Currency							
1. Baht 1,000 million	150,000	320,000	Fixed rate	Semi-annual	Monthly	April 2018	October 2023
2. Baht 1,000 million	100,000	300,000	Fixed rate	Semi-annual	Monthly	June 2018	December 2022
3. Baht 1,000 million	200,000	400,000	MLR - Fixed rate	Semi-annual	Monthly	November 2018	May 2023
4. Baht 1,000 million	200,000	400,000	MLR - Fixed rate	Semi-annual	Monthly	March 2019	September 2023
5. Baht 1,000 million*	223,000	445,000	AMLR - Fixed rate	Semi-annual	Quarterly	August 2019	August 2023
6. Baht 1,000 million*	340,000	560,000	AMLR - Fixed rate	Semi-annual	Quarterly	January 2020	January 2024
7. Baht 1,000 million*	340,000	560,000	AMLR - Fixed rate	Semi-annual	Quarterly	February 2020	February 2024
8. Baht 2,000 million	1,900,000	2,000,000	Fixed rate	Semi-annual	Monthly	January 2022	July 2025
			Year 1-3 Fixed rate				
			Year 4-5 THOR +				
9. Baht 1,750 million	1,750,000	-	Fixed rate	Semi-annual	Monthly	April 2023	October 2026
10. Baht 500 million	500,000	-	Fixed rate	Semi-annual	Monthly	January 2023	July 2025
11. Baht 1,000 million	1,000,000	-	THOR + Fixed rate	Semi-annual	Quarterly	March 2023	March 2027
USD Currency							
12. USD 48.08 million**	1,591,404	1,550,069	LIBOR + Fixed rate	Semi-annual	Semi-annual	September 2021	March 2024
Total	<u>8,294,404</u>	<u>6,535,069</u>					
The Subsidiary							
THB Currency							
13. Baht 400 million	-	371,380	MLR - Fixed rate	Monthly	Monthly	May 2021	April 2028
			Year 1-3 Fixed rate				
			Year 4 MLR -				
14. Baht 1,000 million	1,000,000	-	Fixed rate	Semi-annual	Monthly	January 2023	July 2026
Total	<u>1,000,000</u>	<u>371,380</u>					
Grand Total	9,294,404	6,906,449					
Less Current portion	(2,535,000)	(1,739,240)					
Net	<u>6,759,404</u>	<u>5,167,209</u>					

\* AMLR is the average MLR of 4 large Thai financial institutions.

\*\* The US dollar borrowing is made a foreign exchange contract and cross currency swap to hedge the full amount of risk throughout the term of the borrowing and pay interest at the rate 2.85% per annum on every 6 months (see Note 36.4).

The Company and its subsidiaries have to abide to certain financial conditions, which the Company and its subsidiaries have to maintain the debt with interest-to-equity ratio (see Note 31) and for the long-term loan agreement of a subsidiary, there is a condition requiring the Company has to maintain its shareholding ratio in that subsidiaries and debt service coverage ratio. As at October 31, 2022 and 2021, the Company and its subsidiaries are able to maintain the ratios as stipulated in the agreements.

## 24. LEASE LIABILITIES

Lease liabilities as at October 31, consisted of:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2022	2021	2022	2021
Lease liabilities	37,975	31,263	359,918	417,397
<u>Less</u> Deferred interest expenses	(3,539)	(2,698)	(89,410)	(111,245)
Total	34,436	28,565	270,508	306,152
<u>Less</u> Current portion	(12,314)	(9,988)	(42,319)	(39,138)
Lease liabilities - net	22,122	18,577	228,189	267,014

The Group entered into the finance lease agreements with leasing companies for rental of vehicles for use in its operations, whereby it was committed to pay rental on a monthly basis. The terms of the agreements were generally for 5 years.

Expenses relating to leases that are recognized in profit or loss in the consolidated and separated financial statements for the years end October 31, consist of:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2022	2021	2022	2021
Depreciation expense of right-of-use assets	14,272	12,472	46,298	45,478
Interest expense on lease liabilities	1,776	1,520	22,377	24,110
Expenses relating to leases of low-value assets	3,578	846	2,618	442

## 25. OTHER CURRENT FINANCIAL LIABILITIES

Other current financial liabilities as at October 31, consisted of:

	Unit : Thousand Baht	
	Consolidated Financial Statements/ Separate Financial Statements	
	2022	2021
<b>Other current financial liabilities</b>		
<b>Derivative financial liabilities</b>		
Foreign currency forward exchange contracts	514,632	58,996
Foreign currency option and sugar future option contracts	4,045	60,067
Sugar future contracts	-	28,395
Interest rate exchange contracts	38,900	-
<b>Total other current financial liabilities</b>	<u>557,577</u>	<u>147,458</u>

## 26. CONTRIBUTION TO THE CANE AND SUGAR FUND

For the year ended October 31, 2021, the Group paid to the Cane and Sugar Fund according to the regulations of the Cane and Sugar Board regarding the rules for remittance to the Fund under Section 57 of the Cane and Sugar Act B.E. 2527. The payment was made after the final cane price and final yield of production and distribution for the 2019/2020 production season was published in the Government Gazette on April 2, 2021, the calculation was based on the amount of sugarcane delivered to the factory in each production season at the rate of Baht 7 per ton of sugar cane.

## 27. INCOME TAX EXPENSE, DEFERRED TAX ASSETS AND DEFERRED TAX LIABILITIES

### 27.1 Income tax expense

Income tax expense for the years ended October 31, are as follows:

	Consolidated		Unit : Thousand Baht Separate	
	Financial Statements		Financial Statements	
	2022	2021	2022	2021
<u>Current income tax</u>				
Current income tax expense	58,500	4,607	-	-
<u>Deferred income tax</u>				
Deferred income tax expense and temporary differences	332,039	87,016	203,513	76,124
Total	<u>390,539</u>	<u>91,623</u>	<u>203,513</u>	<u>76,124</u>

Reconciliation of income tax and the results of the accounting profit multiplied by the income tax rate for the years ended October 31, are as follows:

	Consolidated		Unit : Thousand Baht Separate	
	Financial Statements		Financial Statements	
	2022	2021	2022	2021
Profit before income tax expense				
- Promoted sector - 50% exemption of income tax rate	155,532	-	-	-
- Non-promoted sector	1,563,857	706,080	2,635,745	536,968
Total profit before income tax expense	<u>1,719,389</u>	<u>706,080</u>	<u>2,635,745</u>	<u>536,968</u>
Statutory tax rates (%)	20	20	20	20
Income tax expense				
- Promoted sector - 50% exemption of income tax rate	15,553	-	-	-
- Non-promoted sector	312,771	141,216	527,149	107,394
Total income tax	328,324	141,216	527,149	107,394
Effect on income tax expense from the difference between the accounting base and the tax base	(272,927)	(136,043)	(527,149)	(107,394)
	55,397	5,173	-	-
Prior year income tax expense (income)	3,103	(566)	-	-
Deferred income tax expense	332,039	87,016	203,513	76,124
Income tax expense	<u>390,539</u>	<u>91,623</u>	<u>203,513</u>	<u>76,124</u>
Effective tax rates (%)	22.71	12.98	7.72	14.18



27.2 Deferred tax assets - net as at October 31, are as follows:

	Consolidated		Unit : Thousand Baht Separate	
	Financial Statements 2022	2021	Financial Statements 2022	2021
<b>Deferred tax assets - net</b>				
Non-current provision for employee benefits	148	597	-	-
Loss carried forward	1,123	534	-	-
Deferred tax assets - net	1,271	1,131	-	-

Movements of deferred tax assets during the years ended October 31, are as follows:

2022

	Unit : Thousand Baht Consolidated Financial Statements			
	As at November 1, 2021	Items as recognized in profit or loss	Items as recognized in other comprehensive income	As at October 31, 2022
<b>Deferred tax assets - net</b>				
Non-current provision for employee benefits	597	(475)	26	148
Loss carried forward	534	589	-	1,123
Deferred tax assets - net	1,131	114	26	1,271

2021

	Unit : Thousand Baht Consolidated Financial Statements			
	As at November 1, 2020	Items as recognized in profit or loss	Items as recognized in other comprehensive income	As at October 31, 2021
<b>Deferred tax assets - net</b>				
Non-current provision for employee benefits	1,014	(479)	62	597
Loss carried forward	-	534	-	534
Deferred tax assets - net	1,014	55	62	1,131

Unrecognized deferred tax assets of three foreign subsidiaries, as at October 31, are as follows:

	Unit : Thousand Baht Consolidated Financial Statements	
	2022	2021
The following deferred tax assets have not been recognized		
Temporary differences	(72,329)	(54,314)
Loss carried forward	283,941	215,182
	211,612	160,868

As at October 31, 2022, the Company's management assessed that the deferred tax assets may not be utilized in full amount because the future taxable profit of subsidiaries may not be sufficient to utilize such deferred tax assets. The loss carried forward which is not recognized as deferred tax assets of Baht 283.94 million, will be matured by the years 2023 to 2027.

## 27.3 Deferred tax liabilities - net as at October 31, are as follows:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2022	2021	2022	2021
<b>Deferred tax liabilities - net</b>				
Allowance for expected credit loss	(60,083)	(76,342)	(13,326)	(10,867)
Allowance for diminution in value of inventories	(3,533)	(4,636)	-	-
Allowance for impairment in investments in subsidiaries	-	-	(405,475)	(418,542)
Non-current provision for employee benefits	(42,277)	(40,648)	(14,957)	(17,450)
Gain on asset revaluation	746,173	755,811	200,540	210,178
Loss carried forward	(526,719)	(761,188)	(487,750)	(639,614)
Depreciation	341,641	300,798	199,804	177,933
Change in fair value of investment properties	735,818	689,465	365,259	331,913
Change in fair value of biological assets	(2,603)	(2,627)	-	-
Gain from amalgamation	482,573	482,573	482,573	482,573
Others	(67,277)	(63,365)	(70,236)	(60,967)
Deferred tax liabilities - net	<u>1,603,713</u>	<u>1,279,841</u>	<u>256,432</u>	<u>55,157</u>

Movements of deferred tax liabilities for the years ended October 31, are as follows:

## 2022

	Unit : Thousand Baht			
	Consolidated Financial Statements			
	As at	Items as	Items as	As at
	November 1,	recognized in	recognized	October 31,
	2021	profit or loss	in other	2022
			comprehensive	
			income	
<b>Deferred tax liabilities - net</b>				
Allowance for expected credit loss	(76,342)	16,259	-	(60,083)
Allowance for diminution in value of inventories	(4,636)	1,103	-	(3,533)
Non-current provision for employee benefits	(40,648)	5,849	(7,478)	(42,277)
Gain on asset revaluation	755,811	-	(9,638)	746,173
Loss carried forward	(761,188)	234,469	-	(526,719)
Depreciation	300,798	40,843	-	341,641
Change in fair value of investment properties	689,465	36,715	9,638	735,818
Change in fair value of biological assets	(2,627)	24	-	(2,603)
Gain from amalgamation	482,573	-	-	482,573
Others	(63,365)	(3,109)	(803)	(67,277)
Deferred tax liabilities - net	<u>1,279,841</u>	<u>332,153</u>	<u>(8,281)</u>	<u>1,603,713</u>

2021

	Unit : Thousand Baht			
	Consolidated Financial Statements			
	As at November 1, 2020	Items as recognized in profit or loss	Items as recognized in other comprehensive income	As at October 31, 2021
<b>Deferred tax liabilities - net</b>				
Allowance for expected credit loss	(52,801)	(23,541)	-	(76,342)
Allowance for diminution in value of inventories	(16,062)	11,426	-	(4,636)
Non-current provision for employee benefits	(50,193)	6,742	2,803	(40,648)
Gain on asset revaluation	763,615	-	(7,804)	755,811
Loss carried forward	(714,333)	(46,855)	-	(761,188)
Depreciation	196,778	104,020	-	300,798
Change in fair value of investment properties	655,181	34,284	-	689,465
Change in fair value of biological assets	(1,567)	(1,060)	-	(2,627)
Gain from amalgamation	482,573	-	-	482,573
Others	(52,937)	2,055	(12,483)	(63,365)
Deferred tax liabilities - net	<u>1,210,254</u>	<u>87,071</u>	<u>(17,484)</u>	<u>1,279,841</u>

2022

	Unit : Thousand Baht			
	Separate Financial Statements			
	As at November 1, 2021	Items as recognized in profit or loss	Items as recognized in other comprehensive income	As at October 31, 2022
<b>Deferred tax liabilities - net</b>				
Allowance for expected credit loss	(10,867)	(2,459)	-	(13,326)
Allowance for impairment in investments in subsidiaries	(418,542)	13,067	-	(405,475)
Non-current provision for employee benefits	(17,450)	4,293	(1,800)	(14,957)
Gain on asset revaluation	210,178	-	(9,638)	200,540
Loss carried forward	(631,914)	144,164	-	(487,750)
Depreciation	177,933	21,871	-	199,804
Change in fair value of investment properties	331,913	23,708	9,638	365,259
Gain from amalgamation	482,573	-	-	482,573
Others	(68,667)	(1,131)	(438)	(70,236)
Deferred tax liabilities - net	<u>55,157</u>	<u>203,513</u>	<u>(2,238)</u>	<u>256,432</u>

2021

	Unit : Thousand Baht			
	Separate Financial Statements			
	As at November 1, 2020	Items as recognized in profit or loss	Items as recognized in other comprehensive income	As at October 31, 2021
<b>Deferred tax liabilities - net</b>				
Allowance for expected credit loss	(13,854)	2,987	-	(10,867)
Allowance for diminution in value of inventories	(11,425)	11,425	-	-
Allowance for impairment in investments in subsidiaries	(426,642)	8,100	-	(418,542)
Non-current provision for employee benefits	(21,853)	4,345	58	(17,450)
Gain on asset revaluation	217,982	-	(7,804)	210,178
Loss carried forward	(585,521)	(54,093)	-	(639,614)
Depreciation	106,539	71,394	-	177,933
Change in fair value of investment properties	298,078	33,835	-	331,913
Change in fair value of biological assets	972	(972)	-	-
Gain from amalgamation	482,573	-	-	482,573
Others	(47,223)	(897)	(12,847)	(60,967)
Deferred tax liabilities - net	<u>(374)</u>	<u>76,124</u>	<u>(20,593)</u>	<u>55,157</u>

**28. NON-CURRENT PROVISION FOR EMPLOYEE BENEFITS**

The Company and its subsidiaries operate retirement benefit plans under the Thai Labor Protection Act and the Company and its subsidiaries' retirement rules, which are considered as unfunded defined benefit plans.

Amount recognized in the statement of profit or loss in respect of these defined benefit plans for the years ended October 31, are as follows:

	Consolidated Financial Statements		Unit : Thousand Baht Separate Financial Statements	
	2022	2021	2022	2021
Current service cost	10,811	13,052	3,978	5,199
Interest cost	4,319	3,298	1,490	1,226
Total	15,130	16,350	5,468	6,425

Movement in the present value of non-current provision for employee benefits for the years ended October 31, are as follows:

	Consolidated Financial Statements		Unit : Thousand Baht Separate Financial Statements	
	2022	2021	2022	2021
Non-current provision for employee benefits brought forward	210,313	260,620	87,248	109,263
Current service cost	10,811	13,052	3,978	5,199
Interest cost	4,319	3,298	1,490	1,226
Actuarial loss (gain) on the estimation of the obligations	37,525	(13,992)	9,004	219
Benefits paid during the years	(64,755)	(52,665)	(26,934)	(28,659)
Non-current provision for employee benefits carried forward	198,213	210,313	74,786	87,248

The significant actuarial assumptions used to provision for non-current provision for employee benefits as at October 31, are as follows:

	Consolidated Financial Statements		Separate Financial Statements	
	2022 %	2021 %	2022 %	2021 %
Discount rate	2.56 - 4.49	0.78 - 2.96	2.92 - 3.19	1.60 - 1.76
Expected rate of salary increase	5.00	5.00	5.00	5.00
Voluntary resignation rate (Depended on employee's age)				
- Monthly employees	3.00 - 19.00	3.00 - 25.00	9.00 - 15.00	8.00 - 14.00
- Daily employees	4.00 - 50.00	5.00 - 67.00	9.00 - 50.00	13.00 - 59.00

The sensitivity analysis of the above actuarial assumptions impacted on present value of the non-current provision for employee benefits as at October 31, are as follows:

	Consolidated Financial Statements		Unit : Million Baht Separate Financial Statements	
	2022	2021	2022	2021
<u>Discount rates</u>				
Discount rates, decrease of 0.5 percent	0.48 - 75.86	0.31 - 88.81	75.86	88.81
Discount rates, increase of 0.5 percent	0.44 - 73.26	0.29 - 85.77	73.26	85.77
<u>Salary growth rates</u>				
Salary growth rates, decrease of 0.5 percent	0.44 - 73.33	0.29 - 85.85	73.33	85.85
Salary growth rates, increase of 0.5 percent	0.48 - 75.76	0.31 - 88.70	75.76	88.70
<u>Turnover rates</u>				
Turnover rates, decrease of 1 percent	0.50 - 77.27	0.32 - 90.45	77.27	90.45
Turnover rates, increase of 1 percent	0.42 - 72.07	0.28 - 84.38	72.07	84.38

## 29. DIVIDENDS PAID AND LEGAL RESERVE

The annual general meeting of shareholders of the Company passed a resolution to pay dividends as follows:

Dividends	Approved by	Number of shares Billion shares	Dividends Paid per share Baht	Dividends Paid Million Baht	Dividends Paid Date
- Dividends paid from the Company's result of operations from November 1, 2020 to October 31, 2021	No. 1/2022 held on February 23, 2022	4.41	0.03	132.31	March 18, 2022
- Interim dividends paid from unappropriated retained earnings as at July 31, 2022	No. 7/2021-2022 held on September 9, 2022	4.41	0.03	132.31	October 7, 2022

In accordance with the Public Limited Company Act B.E. 2535, the Company is required to set aside a legal reserve of at least 5 percent of net earnings after deducting accumulated deficit brought forward (if any) until reserve reaches 10 percent of the authorized share capital and this reserve is not available for distribution as dividends.

As at October 31, 2022 and 2021, the Company's legal reserve reaches 10 percent of the Company's authorized share capital.

## 30. DIRECTORS REMUNERATION

The compensation paid to the directors of the Company approved by the Annual General Meeting of shareholders in accordance to Section 90 of Public Company Act are as follows:

	Unit : Thousand Baht	
	Consolidated/Separate Financial Statements	
	2022	2021
For the years ended October 31,	7,857	6,797

## 31. CAPITAL MANAGEMENT

The primary objectives of the Company and its subsidiaries' capital management are to maintain their ability to continue as a going concern, to maintain an appropriate capital structure and to maintain the debt with interest to equity ratio in the consolidated financial statements not to exceed the covenants of the debenture issuances (see Note 22) and the loan agreements (see Note 23).

As at October 31, debt with interest to equity ratio in the consolidated financial statements are as follows:

	2022	2021
Debt with interest to equity	0.78 : 1.00	0.92 : 1.00

In addition, a subsidiary has required to maintain the interest-bearing debt to equity ratio in the subsidiary's financial statements to be in accordance with the new long-term loan agreements issued during the year 2021. As at October 31, 2021, the ratio is 0.70 : 1.00, which does not exceed the terms of the loan agreement. As at October 31, 2022 a subsidiary had already repaid the full amount of the long-term loan.

### 32. EXPENSES BY NATURE

Significant expenses by nature for the years ended October 31, are as follows:

	Consolidated Financial Statements		Unit : Thousand Baht	
			Separate Financial Statements	
	2022	2021	2022	2021
Raw material and supply used	10,098,868	7,485,331	5,705,782	4,029,622
Purchases of finished goods and supply	456,356	339,464	1,180,990	874,104
Changes in finished goods and goods in process	595,119	(520,410)	86,607	(763,486)
Contribution to the Cane and Sugar Fund	-	37,672	-	19,053
Salaries, wages and other employee benefits	1,093,962	884,119	366,536	308,787
Depreciation and amortization	1,180,464	1,092,052	519,818	451,543
Maintenance expenses	466,311	379,185	122,657	89,687
Transportation expenses	434,209	290,190	258,528	185,471
Finance costs	428,712	425,120	405,223	406,855

### 33. BASIC EARNINGS PER SHARE

The calculations of basic earnings per share were based on dividing the profit for the year attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares held by the outsiders during the years. Basic earnings per share for the years ended October 31, are as follows:

2022

	Consolidated Financial Statements			Separate Financial Statements		
	Profit for the year Thousand Baht	Number of shares Thousand Shares	Earnings per share Baht	Profit for the year Thousand Baht	Number of shares Thousand Shares	Earnings per share Baht
<u>Basic earnings per share</u>						
For the year ended to ordinary equity holders	1,321,221	4,410,233	<u>0.300</u>	2,432,231	4,410,233	<u>0.551</u>

2021

	Consolidated Financial Statements			Separate Financial Statements		
	Profit for the year Thousand Baht	Number of shares Thousand Shares	Earnings per share Baht	Profit for the year Thousand Baht	Number of shares Thousand Shares	Earnings per share Baht
<u>Basic earnings per share</u>						
For the year ended to ordinary equity holders	615,789	4,410,233	<u>0.140</u>	460,844	4,410,233	<u>0.104</u>

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### 34. DISCLOSURE OF SECTORIAL BUSINESS OPERATIONS

The Company and subsidiaries (“the Group”) presented the segment information in respect of the Group’s business segments. The primary format in segment information report is based on the Group’s management and internal reporting structure.

The Group comprises the following main business segments:

#### Manufacture and Distribution of Sugar and Molasses

Produce and distribute sugar and molasses to industrial enterprises, re-export manufacturing enterprises and international sugar traders.

#### Manufacture and Sale of Electricity

Generate and sale electricity to Electricity Generating Authority of Thailand and the Group.

#### Real Estate Rental

Operate office building for rent and holiday resort for training and seminar center.

Geographical segments information is based on the Group operating in the country and overseas. The overseas operations comprise Lao People’s Democratic Republic and Kingdom of Cambodia.

#### Major Customer Information

For the years ended October 31, 2022 and 2021, the Group’s revenues contains revenue from the following major external customers:

- Revenue from two oversea customers, which are the international sugar traders, in manufacture and distribution of Sugar and Molasses sector in the amount of Baht 4,026.26 million and Baht 1,509.54 million, respectively.
- Revenue from a single customer in the country in electricity sector in the amount of Baht 1,160.86 million and Baht 977.58 million, respectively.

Details of the operating segments of the Group are as follows:

**Consolidated Statements of Profit or Loss**

For the years ended October 31, 2022 and 2021

	Unit : Million Baht													
	Manufacture and Distribution of Sugar and Molasses				Manufacture and Sale of Electricity		Real Estate Rental		Others Business		Inter-Transaction		Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Thai	Overseas	Thai	Overseas	Thai	Thai	Thai	Thai	Thai	Thai					
Net revenue from external customers	13,659	535	8,301	424	1,354	1,188	118	128	663	429	-	-	16,329	10,470
Net revenue from internal customers	4,231	-	3,672	-	1,170	894	-	-	578	586	(5,979)	(5,152)	-	-
<b>Total</b>	<b>17,890</b>	<b>535</b>	<b>11,973</b>	<b>424</b>	<b>2,524</b>	<b>2,082</b>	<b>118</b>	<b>128</b>	<b>1,241</b>	<b>1,015</b>	<b>(5,979)</b>	<b>(5,152)</b>	<b>16,329</b>	<b>10,470</b>
Gross profit	2,111	262	881	150	244	-	56	75	103	93	13	41	2,789	1,240
Other incomes													414	399
Distribution, administrative expenses and others													(1,236)	(1,114)
Finance income	170	7	166	6	1	1	-	-	20	20	(93)	(98)	105	95
Finance costs	(457)	(39)	(469)	(38)	(28)	(20)	(20)	(15)	-	(5)	115	122	(429)	(425)
Share of profit of investment in associates													76	511
Income tax expense													(390)	(91)
Net profit													1,329	615
<u>Less</u> Loss (profit) for the years of non-controlling interest													(8)	1
Profit for the years to owners of the parent													1,321	616
Depreciation	(838)	(38)	(724)	(47)	(346)	(362)	-	-	(6)	(6)	48	47	(1,180)	(1,092)

**Consolidated Statements of Financial Position**

As at October 31, 2022 and 2021

Trade and other current receivables	2,273	38	1,446	19	265	156	11	8	28	6	(1,557)	(571)	1,058	1,064
Inventories	2,271	104	2,313	65	266	201	-	-	128	127	(29)	1	2,740	2,707
Property, plant and equipment	15,732	2,606	16,483	2,476	6,134	6,350	120	134	97	97	(550)	(533)	24,139	25,007
Central assets	16,505	183	15,008	121	234	212	4,770	4,625	840	975	(8,819)	(8,198)	13,713	12,743
<b>Total Assets</b>	<b>36,781</b>	<b>2,931</b>	<b>35,250</b>	<b>2,681</b>	<b>6,899</b>	<b>6,919</b>	<b>4,901</b>	<b>4,767</b>	<b>1,093</b>	<b>1,205</b>	<b>(10,955)</b>	<b>(9,301)</b>	<b>41,650</b>	<b>41,521</b>
Total Liabilities	20,761	2,018	21,974	1,889	1,831	706	1,019	946	85	259	(5,427)	(4,364)	20,287	21,410



## Disaggregation of revenue

The Group derives its revenue from the transfer of goods and services over time and at a point in time in the following major product lines. This is consistent with the revenue information that is disclosed for each reportable segment under TFRS 8 for the years ended October 31, are as follows:

	Unit : Million Baht													
	Manufacture and Distribution of Sugar and Molasses				Manufacture and Sale of Electricity		Real Estate Rental		Others Business		Inter-Transaction		Total	
	2022		2021		2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
	Thai	Overseas	Thai	Overseas	Thai	Thai	Thai	Thai	Thai	Thai	Thai	Thai	Thai	Thai
At a point in time	17,890	535	11,973	424	2,355	1,962	-	-	1,107	932	(5,709)	(4,965)	16,178	10,326
Overtime	-	-	-	-	169	120	118	128	134	83	(270)	(187)	151	144
Total	17,890	535	11,973	424	2,524	2,082	118	128	1,241	1,015	(5,979)	(5,152)	16,329	10,470

**35. COMMITMENTS, CONTINGENT LIABILITIES AND SIGNIFICANT AGREEMENT**

As at October 31, 2022 and 2021, apart from liabilities presented in the statements of financial position, the Company and its subsidiaries have commitments and contingent liabilities as follows:

35.1 The Company and its subsidiaries have commitments relating to the sales agreements which have not yet delivered in the consolidated financial statements amounting to Baht 5,710.71 million and Baht 2,255.82 million, respectively, and in the separate financial statements amounting to Baht 4,674.55 million and Baht 1,838.49 million, respectively.

35.2 The Company and its three subsidiaries had issued post-dated checks to the farmers to purchase canes. The Company and its subsidiaries did not record such liabilities as the checks have not yet due and the cane has not been received from the farmers as at October 31, as follows:

	Consolidated		Unit : Million Baht	
	Financial Statements		Separate	
	2022	2021	2022	2021
For the production season 2022/2023	467.03	-	241.87	-
For the production season 2021/2022	-	466.84	-	232.45

35.3 The Company entered into a land and building lease agreement with a company. The rental rate is Baht 1.29 million per month. The rental period is from June 1, 2018 to May 31, 2023. Prior to the expiration of the contractual term, the leaser shall inform to the Company for the extension of the contractual term in writing at not less than 90 days prior to the expiry date of the agreement and the agreement shall be extended three times for the contractual term of 5 years at each time.

35.4 A subsidiary entered into two electricity sale-purchase agreements with the Electricity Generating Authority of Thailand (EGAT) as follows:

- Agreement dated February 21, 2005, EGAT agrees to buy electricity from the subsidiary at Namphong District, Khonkaen Province, for the period of 21 years commencing from the first month of electricity sales (December 2006) at the volume of 20 Megawatt at the voltage of 115 Kilovolts. For the second year until the year before last year, EGAT agrees to buy electricity at not less than 80% of the electricity volume stipulated in the agreement.

On December 16, 2020, the subsidiary amended its EGAT electricity sale-purchase agreement to the “Feed-in Tariff” (FiT) sales calculation method. The original electricity sale-purchase agreement has the period of 21 years commencing from the first month of electricity sales (December 2006). For the amended agreement, the remaining term is 6 years and 2 months, which will be ended December 15, 2026.

- Agreement dated January 12, 2010, EGAT agrees to buy electricity at the volume of 22 Megawatt at the voltage of 115 Kilovolts from the subsidiary at Bo Ploy District, Kanchanaburi Province, at the mutually-agreed price as stipulated in the agreement for the period of 5 years commencing from April 1, 2011. Prior to the expiration of the contractual term, the subsidiary shall inform EGAT for the extension of the contractual term in writing at not less than 30 days prior to the expiry date of the agreement and the agreement shall be extended for the contractual term of 5 years at a time. The subsidiary has pledged the letter of guarantee at the amount of Baht 4.40 million as collateral for the offer to sell the electricity. Subsequently, on June 2, 2014, EGAT agrees to buy additional electricity at the volume of 8 Megawatt totaling 30 Megawatt at the voltage of 115 Kilovolts, at the mutually-agreed price as stipulated in the agreement for the contractual term of 5 years and automatically be renewed for consecutive 5 year-terms.

35.5 A subsidiary entered into an electricity sale-purchase agreement with the Provincial Electricity Authority (PEA) on September 18, 2012, PEA agrees to buy electricity at the volume of 2.12 Megawatt at the voltage of 22,000 volts at Wangsaphung District, Loei Province, at the mutually-agreed price as stipulated in the agreement commencing from December 27, 2014 for the period of 5 years and automatically be renewed for consecutive 5 years-terms, unless either party terminate this agreement.

35.6 The consolidated and separate financial statements have commitments and credit facilities as follows:

		Unit : Million					
		Consolidated Financial Statements					
		As at October 31, 2022			As at October 31, 2021		
	Currency	Total	Utilized	Remaining	Total	Utilized	Remaining
<b>Commitments</b>							
Contract to guarantee of debt repayment of subsidiary for all contingent liabilities							
	THB	-	2,243.27	-	-	2,056.98	-
<b>Credit facilities</b>							
Letters of guarantees (unspecified credit limit)							
	THB	-	67.54	-	-	67.54	-
Letters of credit and trust receipts							
	THB	90.00	-	90.00	150.00	-	150.00
Letters of credit							
	USD	-	-	-	10.00	-	10.00
Overdraft and short-term borrowings							
	THB	19,547.74	3,910.07	15,637.67	19,752.74	4,242.77	15,509.97
Short-term borrowings							
	USD	0.50	-	0.50	50.44	17.96	32.48
Joint credit line in short-term borrowings							
	THB	1,921.00	821.00	1,100.00	2,116.00	1,140.00	976.00
Long-term borrowings							
	THB	7,703.00	7,703.00	-	5,356.38	5,356.38	-
Long-term borrowings							
	USD	41.67	41.67	-	46.47	46.47	-

		Unit : Million					
		Separate Financial Statements					
		As at October 31, 2022			As at October 31, 2021		
	Currency	Total	Utilized	Remaining	Total	Utilized	Remaining
<b>Commitments</b>							
Contract to guarantee of debt repayment of subsidiary for all contingent liabilities							
	THB	-	2,183.27	-	-	1,996.98	-
<b>Credit facilities</b>							
Letters of guarantees (unspecified credit limit)							
	THB	-	1.37	-	-	1.37	-
Letters of credit and trust receipts							
	THB	30.00	-	30.00	30.00	-	30.00
Overdraft and short-term borrowings							
	THB	10,342.00	2,550.00	7,792.00	10,547.00	3,156.00	7,391.00
Short-term borrowings							
	USD	0.50	-	0.50	30.44	17.96	12.48
Joint credit line in short-term borrowings							
	THB	1,921.00	821.00	1,100.00	2,116.00	1,140.00	976.00
Long-term borrowings							
	THB	6,703.00	6,703.00	-	4,985.00	4,985.00	-
Long-term borrowings							
	USD	41.67	41.67	-	46.47	46.47	-

As at October 31, 2022 and 2021, the Company and three subsidiaries have secured loans issued by a bank to farmers in the consolidated financial statements amounting to Baht 145.25 million and Baht 196.23 million, respectively, and in the separate financial statements amounting to Baht 14.58 million and Baht 19.01 million, respectively.

The Company and its subsidiaries are required to comply with certain financial conditions for commitments, contingent liabilities and credit facilities as above, which the Company and its subsidiaries have to maintain the debt with interest-to-equity ratio and for a long-term loan of a subsidiary, there is condition requiring the Company has to maintain the shareholding ratio of the Company in that subsidiary and maintaining the debt service coverage.

35.7 The Company and its subsidiaries have the remaining commitments under the various contracts as follows:

Unit : Million					
Consolidated Financial Statements					
As at October 31, 2022					
Currency	Contractual Amount	Outstanding Contractual Commitments	As at October 31, 2021		
			Contractual Amount	Outstanding Contractual Commitments	
Construction and subcontract agreements	THB	43.56	24.74	64.65	20.50
Machine and equipment purchase agreements	THB	-	-	386.80	30.76
	USD	0.56	-	0.56	-
	EUR	0.02	0.01	-	-

Unit : Million									
Consolidated Financial Statements									
Outstanding Contractual Commitments									
As at October 31, 2022									
Currency	Within 1 year	1 - 5 years	Over 5 years	Total	As at October 31, 2021				
					Within 1 year	1 - 5 years	Over 5 years	Total	
Leased concessions agreements	USD	0.14	0.56	4.14	4.84	0.14	0.56	4.28	4.98

Unit : Million					
Separate Financial Statements					
As at October 31, 2022					
Currency	Contractual Amount	Outstanding Contractual Commitments	As at October 31, 2021		
			Contractual Amount	Outstanding Contractual Commitments	
Construction and subcontract agreements	THB	29.31	16.72	29.31	16.72
Machine and equipment purchase agreements	THB	-	-	228.30	22.83
	EUR	0.02	0.01	-	-

### 35.8 Other significant agreements

- 35.8.1 A subsidiary was granted the electricity generating business concession from the Ministry of Energy on October 1, 2005 in the area of 43 Moo 10, Tambol Namphong, Amphur Namphong, Khonkaen Province, for the period of 21 years. However, such subsidiary obtained a license for energy industry operation from the Energy Regulatory Commission (ERC) as a replacement when the Energy Industry Act B.E. 2550 was effective, for the period of 19 years ending in December 2028. The subsidiary has to comply with the Energy Industry Act B.E. 2550 and the conditions according to the license.
- 35.8.2 On February 16, 2006, Savannakhet Sugar Corporation (subsidiary) made a contract to develop area in the Laos People's Democratic Republic with the Government of that country to be used for the subsidiary's office, factory unit, road and area for cane plantation with the total area of 10,000 hectares covering the period of 40 years which can be extended for another 20 years if approved by the counter party. As at October 31, 2022 and 2021, the subsidiary has already utilized the area of 5,636.35 hectares equal for both years and the rental fee according to the contract.
- 35.8.3 Koh Kong Plantation Company Limited and Koh Kong Sugar Industry Co., Ltd. (subsidiaries) entered into the Memorandum of Understanding (MOU) with the Government of Kingdom of Cambodia on August 2, 2006 in order to build a sugar mill factory and receive concession land for cane plantation in Koh Kong Province, Kingdom of Cambodia with total area of 18,057 hectares covering period of 90 years and the rental price has a grace period of the first 5 years, afterwards, the rate of rental price of USD 5 per hectare per annum and the rental fee will increase by 1% every year and later on February 25, 2016, the Government of Kingdom of Cambodia amended the new concession to 50 years. As at October 31, 2022 and 2021, the subsidiaries have already utilized the area of 9,133.03 hectares and 9,398.69 hectares, respectively. Buildings and structure of subsidiaries are located on the concession land which the ownership will be transferred to the lessor when the agreements are expired (see Note 18).
- 35.8.4 Koh Kong Sugar Industry Co., Ltd. (subsidiary) entered into two long-term land lease agreements with an outside person to build port and land awaiting development dated June 1, 2007 and May 21, 2007, respectively. The contractual term is 90 years for both agreements. (see Note 19).

## 36. FINANCIAL INSTRUMENTS

### 36.1 Derivatives and hedge accounting

As at October 31, 2022 and 2021, the Company has derivative assets and liabilities as follows:

	<b>Unit : Thousand Baht Consolidated/Separate Financial Statements</b>	
	<b>2022</b>	<b>2021</b>
<b>Derivative assets</b>		
Derivative assets designated as hedging instruments		
Cross Currency and interest rate Swap contracts	309,132	90,966
Sugar future contracts	345,963	-
Total derivative assets	<u>655,095</u>	<u>90,966</u>
<b>Derivative liabilities</b>		
Derivative liabilities designated as hedging instruments		
Foreign currency forward exchange contracts	514,632	58,996
Foreign currency option and Sugar future option contracts	4,045	60,067
Interest rate swap contracts	38,900	28,395
Total derivative liabilities	<u>557,577</u>	<u>147,458</u>
Derivative assets and liabilities presented in financial statements as follows:		
Current assets	655,095	90,966
Current liabilities	557,577	147,458

#### Derivatives designated as cash flow hedges

The Company has a policy to enter into the derivatives for hedging, but does not have any objective to hold for speculation. However, there is an economic relationship between the hedge items and hedge instrument and regularly evaluation of its effectiveness.

The Company assesses the hedge effectiveness by comparing changes in the fair value of the hedging instrument with changes in the fair value of the hedged item for the hedged risk.

For the years ended October 31, 2022 and 2021, the proportion of changes in the fair value of the hedging instrument to the change in the fair value of the hedged item was tested which effectiveness was not recognized in the statement of profit or loss.

Reconciliation of loss on cash flow hedges which recognized in the shareholders' equity that relate to cash flow hedge relationships for the years ended October 31, 2022 and 2021.

Cash flow hedges	Unit : Thousand Baht	
	Consolidated Financial Statements	Separate Financial Statements
<b>Balance as at November 1, 2021</b>	(93,339)	(94,795)
Effective portion of changes in fair value of cross currency and interest rate swap contracts	25,509	25,509
Income tax related to amounts transferred	(5,102)	(5,102)
	<u>20,407</u>	<u>20,407</u>
Effective portion of changes in fair value of foreign currency forward exchange contracts	(466,028)	(464,208)
Income tax related to amounts transferred	93,206	92,842
	<u>(372,822)</u>	<u>(371,366)</u>
Effective portion of changes in fair value of foreign currency option contracts	29,090	29,090
Income tax related to amounts transferred	(5,818)	(5,818)
	<u>23,272</u>	<u>23,272</u>
Effective portion of changes in fair value of sugar future contracts	374,358	374,358
Income tax related to amounts transferred	(74,872)	(74,872)
	<u>299,486</u>	<u>299,486</u>
<b>Balance as at October 31, 2022</b>	<u>(122,996)</u>	<u>(122,996)</u>

Cash flow hedges	Unit : Thousand Baht	
	Consolidated Financial Statements	Separate Financial Statements
<b>Balance as at November 1, 2020 - before adjustment</b>	-	-
Effect of initial application for new TFRS	(2,220)	(2,220)
<b>Balance as at November 1, 2020 - after effect of application for new TFRS</b>	(2,220)	(2,220)
Effective portion of changes in fair value of cross currency and interest rate swap contracts	(8,510)	(8,510)
Income tax related to amounts transferred	1,702	1,702
	<u>(6,808)</u>	<u>(6,808)</u>
Effective portion of changes in fair value of foreign currency forward exchange contracts	(51,169)	(52,990)
Income tax related to amounts transferred	10,234	10,599
	<u>(40,935)</u>	<u>(42,391)</u>
Effective portion of changes in fair value of sugar future option contracts	(31,165)	(31,165)
Income tax related to amounts transferred	6,233	6,233
	<u>(24,932)</u>	<u>(24,932)</u>
Effective portion of changes in fair value of sugar future contracts	(23,055)	(23,055)
Income tax related to amounts transferred	4,611	4,611
	<u>(18,444)</u>	<u>(18,444)</u>
<b>Balance as at October 31, 2021</b>	<u>(93,339)</u>	<u>(94,795)</u>

For the year 2022 and 2021, the Group recognized losses from changes in fair value as above amount of Baht 29.66 million and Baht 91.12 million, respectively, in the statement of comprehensive income in full amount.

### 36.2 Hedging related to the distribution of sugar

The Group entered into sugar future contracts and sugar futures option contracts and foreign currency forward exchange contracts. The main objective is for hedging from exporting sugar. The Group has forecast export sales based on the information that is probable in the future, such as the projected the quantity of sugar cane and sugar production in the next production season, history of market share in sugar cane procurement of the Group and export sale contracts that have already been committed before the end of the period, etc.

The Company had gradually hedged in accordance with the sugar futures contracts and the foreign currency forward contracts of Thailand Cane and Sugar Corporation (TCSC). The price of sugar of TCSC receives from selling for export raw sugar from the amount of sugar that has been allocated according to the Cane and Sugar Board's determination to produce and deliver part of the sugar in each factory to TCSC of sellers will determine the cost of sugar cane for every sugar factory in Thailand in each year of production. The hedging is made to reduce the risk in the gross profit of sugar distribution. In other words, hedging is for sugar and sugar cane prices.

#### (A) Risk from commodity price of fluctuation (sugar)

The Company and its subsidiaries in Thailand have entered into sugar future contracts and sugar future option contracts that are based on the expected export sales in the next 12 months. The Company has a policy to hedge in the range of 70% - 90% of hedge or actual transactions. Such derivative contracts generally have a term consistent with the duration of the sugar futures contracts of TCSC, which generally have a contract term of not more than 16 months.

As at October 31, 2022 and 2021, outstanding balances under sugar future option contracts with the details are as follows:

	Foreign currency	Unit : Million			
		Consolidated/Separate Financial Statements		Fair value	
		Contract value			
		2022	2021	2022	2021
Futures purchases contracts	USD	42.33	11.63	41.98	11.63
Futures sales contracts	USD	109.37	29.04	118.09	28.19

As at October 31, 2021 (2022 : Nil), outstanding balances under sugar future contracts with the details are as follows:

			Unit : Million
Consolidated/Separate Financial Statements			
As at October 31, 2021			
<u>Sold quantity</u>	<u>Bought quantity</u>	<u>Contract exchange rate</u>	<u>Fair value gain (loss)</u>
Million Pound	Million Pound	USD per Pound	Million Baht
103.04	-	0.70 - 1.10	(31.16)



## (B) Foreign currency risk

The Company and its subsidiaries in Thailand have entered into foreign currency forward exchange contracts and foreign currency option contracts in accordance with the Group's policy to manage foreign currency risk associated with sales expected to occur over a period of 12 months. The Group have a hedging policy in accordance with the foreign currency forward contracts of TCSC. In the past, most of them were in the range of 60% - 80% of the actual risks or transaction and have a contract term of not more than 12 months. The derivative contracts were executed in accordance with the Group's policy by entering into derivative contracts through a subsidiary.

As at October 31, 2021, the Company and its subsidiaries have outstanding foreign currency forward contracts amounting USD 114.50 million in an average rate of 32.72 Baht/USD. The remaining term of the contract is in the range of 180 - 355 days and there are financial liabilities arising from fair value measurement of Baht 59.00 million.

As at October 31, 2022, the Company and its subsidiaries have outstanding foreign currency forward contracts amounting USD 192.22 million in an average rate of 34.41 Baht/USD. The remaining term of the contract is in the range of 180 - 355 days and there are financial liabilities arising from fair value measurement of Baht 514.63 million.

As at October 31, 2022 (2021 : Nil), outstanding balances under foreign currency option contacts with the details are as follows:

Consolidated/Separate Financial Statements As at October 31, 2022				Unit : Million
Sold quantity Million USD	Bought quantity Million USD	Contract exchange rate USD per Baht	Fair value loss Million Baht	
4.00	-	37.00 - 38.60	(2.08)	

## 36.3 Hedging foreign currency and interest rate risk

The Company entered into cross currency and interest rate swap contracts to mitigate risks from rising interest rates and exposure to fluctuations in US dollar currency exchange rates of a US dollar borrowing contract with a floating interest rate. The borrowing and derivative contracts were entered into with the same financial institution including the maturity period of both the principal and interest is the same period.

As at October 31, 2022 and 2021, outstanding balances under cross currency and interest rate swap contracts with the details are as follows:

Consolidated/Separate Financial Statements As at October 31, 2022						
Contract	Maturity	Amount to pay Notional amount	Interest rate	Amount to receive Notional amount	Interest rate	Fair value gain Million Baht
Long-term borrowings	March 2024	USD 41.47 million	Libor 6M+1.96%	Baht 1,300 million	2.85%	309.13

Consolidated/Separate Financial Statements As at October 31, 2021						
Contract	Maturity	Amount to pay Notional amount	Interest rate	Amount to receive Notional amount	Interest rate	Fair value gain (loss) Million Baht
Short-term borrowings	February 2022	USD 17.96 million	Libor 6M+0.46736%	Baht 600 million	1.03%	(4.80)
Long-term borrowings	March 2024	USD 46.47 million	Libor 6M+1.96%	Baht 1,450 million	2.85%	95.77

### 36.4 Financial risk management

The Group's management (the Company and its subsidiaries) assesses the risks, monitors and manages the financial risks associated with the Group's operations by analyzing the risks according to the level and size of the risks. These risks include market risk, foreign currency risk, interest rate risk, price risk, credit risk and liquidity risk.

The Group considers mitigate the effects of risk primarily by using financial instruments including financial derivatives that are suitable for hedging. There is no policy to hold or issue any financial instruments for speculation or trading.

#### Market risk

The Group has market risks demonstrates the main financial risk from changes in foreign currency forward rates, interest rate risk and commodity (sugar) price risk. The Group has entered into various derivative financial instruments to manage exposure, including:

- Forward foreign currency contracts to hedge US dollar exchange rate risks arising from exports.
- Sugar futures contracts and sugar futures option contracts to reduce the price risk of the products sold.

#### Foreign currency risk

Risk on exchange rates for the Company and its subsidiaries are mainly involved with sales of goods and import of machineries which are transactions denominated in foreign currencies. As at October 31, the significant assets and liabilities denominated in foreign currencies of the Company and its subsidiaries which the risk on exchange rates have not been hedged are as follows:

Currency	Consolidated Financial Statements				Separate Financial Statements			
	2022		2021		2022		2021	
	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
USD	2.51	1.18	2.26	0.96	31.04	-	29.72	-
YEN	-	6.50	-	4.65	-	-	-	-
RIEL	191.23	9.92	184.13	8.46	-	-	-	-
LAK	83.37	3,366.84	71.03	1,391.61	-	-	-	-

As at October 31, 2022 and 2021, the Company and its subsidiaries entered into forward foreign currency contracts.

### Analysis of foreign currency sensitivity

The effect on the Group's profit before tax is due to changes may be occur. If the reasonably possible change by 5% in exchange rates of the Thai Baht for all other variable are fixed. The profit for the years ended October 31, 2022 and 2021 will be changed are as follows:

	Consolidated		Unit : Million Baht	
	Financial Statement		Separate	
	2022	2021	2022	2021
Effect on profit before tax in the statement of profit or loss				
THB against USD				
- Weakened	2.56	2.17	59.27	49.56
- Strengthened	(2.56)	(2.17)	(59.27)	(49.56)
THB against YEN				
- Weakened	(8.24)	(6.71)	-	-
- Strengthened	8.24	6.71	-	-
THB against RIEL				
- Weakened	8.36	7.21	-	-
- Strengthened	(8.36)	(7.21)	-	-
THB against LAK				
- Weakened	(36.72)	(21.35)	-	-
- Strengthened	36.72	21.35	-	-

This information is not a forecast or prediction of future market conditions and should be used with care.

### Interest rate risk

The Company and its subsidiaries have derived from the interest rate risk arising from future fluctuations in market interest rates, which will affect upon the Company and its subsidiaries' operating results and cash flows. However, the Group manage risk on interest rate by using various methods including the loans allocation to gain appropriate balance between fixed and floating interest rate loans and compatible to different activities of the Group with the details mainly as follows:

	Unit : Thousand Baht				Total
	Consolidated Financial Statements				
	As at October 31, 2022				
	Fixed Interest Rate		Floating Interest Rate		
Within 1 year	More than 1 year	More than 5 years	Interest Rate		
<b>Financial Assets</b>					
Deposits at banks - Savings accounts	-	-	-	62,224	62,224
Deposits at banks - Fixed accounts	267	-	-	-	267
Loans for cane plantation development	123,362	58,406	9,594	775	192,137
Short-term loans to farmers	487,239	-	-	7,860	495,099
Long-term loans to others	14,600	34,800	-	-	49,400
Other long-term investments	-	-	6,800	-	6,800
Total	625,468	93,206	16,394	70,859	805,927
<b>Financial Liabilities</b>					
Short-term borrowings from financial institutions	4,731,071	-	-	-	4,731,071
Short-term borrowings from related parties	8,100	-	-	-	8,100
Long-term debentures	-	-	2,648,672	-	2,648,672
Long-term borrowings	2,535,000	6,759,404	-	-	9,294,404
Lease liabilities	12,314	22,122	-	-	34,436
Total	7,286,485	6,781,526	2,648,672	-	16,716,683

Unit : Thousand Baht

**Consolidated Financial Statements**

As at October 31, 2021

	Fixed Interest Rate			Floating Interest Rate	Total
	Within 1 year	More than 1 year to 5 years	More than 5 years		
<b>Financial Assets</b>					
Deposits at banks - Savings accounts	-	-	-	46,248	46,248
Deposits at banks - Fixed accounts	267	-	-	-	267
Loans for cane plantation development	106,478	75,987	16,076	836	199,377
Short-term loans to farmers	462,643	-	-	5,742	468,385
Long-term loans to others	13,297	44,000	-	-	57,297
Other long-term investments	-	-	6,777	-	6,777
Total	582,685	119,987	22,853	52,826	778,351
<b>Financial Liabilities</b>					
Short-term borrowings from financial institutions	5,382,775	-	-	-	5,382,775
Short-term borrowings from related parties	7,100	-	-	-	7,100
Long-term debentures	2,999,158	-	2,648,443	-	5,647,601
Long-term borrowings	1,589,240	3,681,960	85,180	-	5,356,380
Lease liabilities	9,988	18,577	-	-	28,565
Total	9,988,261	3,700,537	2,733,623	-	16,422,421

Unit : Thousand Baht

**Separate Financial Statements**

As at October 31, 2022

	Fixed Interest Rate			Floating Interest Rate	Total
	Within 1 year	More than 1 year to 5 years	More than 5 years		
<b>Financial Assets</b>					
Deposits at banks - Savings accounts	-	-	-	6,948	6,948
Loans for cane plantation development	37,000	41,170	8,751	-	86,921
Short-term loans to farmers	241,870	-	-	-	241,870
Short-term loans to subsidiaries and others	193,233	-	-	-	193,233
Long-term loans to subsidiaries and others	645,600	800,800	1,180,000	-	2,626,400
Total	1,117,703	841,970	1,188,751	6,948	3,155,372
<b>Financial Liabilities</b>					
Short-term borrowings from financial institutions	2,550,000	-	-	-	2,550,000
Short-term borrowings from subsidiaries and related parties	1,056,100	-	-	-	1,056,100
Long-term debentures	-	-	2,648,672	-	2,648,672
Long-term borrowings	2,285,000	6,009,404	-	-	8,294,404
Lease liabilities	42,319	228,189	-	-	270,508
Total	5,933,419	6,237,593	2,648,672	-	14,819,684

Unit : Thousand Baht

**Separate Financial Statements**

As at October 31, 2021

	Fixed Interest Rate			Floating Interest Rate	Total
	Within 1 year	More than 1 year to 5 years	More than 5 years		
<b>Financial Assets</b>					
Deposits at banks - Savings accounts	-	-	-	5,843	5,843
Loans for cane plantation development	41,798	53,877	13,644	-	109,319
Short-term loans to farmers	232,664	-	-	-	232,664
Short-term loans to subsidiaries and others	934,416	-	-	-	934,416
Long-term loans to subsidiaries and others	113,297	1,402,000	1,000,000	-	2,515,297
Total	1,322,175	1,455,877	1,013,644	5,843	3,797,539
<b>Financial Liabilities</b>					
Short-term borrowings from financial institutions	3,156,000	-	-	-	3,156,000
Short-term borrowings from subsidiaries and related parties	409,100	-	-	-	409,100
Long-term debentures	2,999,158	-	2,648,443	-	5,647,601
Long-term borrowings	1,532,000	3,453,000	-	-	4,985,000
Lease liabilities	39,138	267,015	-	-	306,153
Total	8,135,396	3,720,015	2,648,443	-	14,503,854

*Analysis of interest rate sensitivity*

The effect on the Group's profit before tax is due to changes may be occur. If the reasonably possible change by 1% in interest rates for all other variable are fixed. The profit for the years ended October 31, 2022 and 2021 will be changed are as follows:

	Consolidated Financial Statement		Unit : Million Baht Separate Financial Statements	
	2022	2021	2022	2021
Effect on profit before tax in the statement of income				
- Decrease in interest rate by 1% Profit before tax increase	0.56	0.60	0.56	0.48
- Increase in interest rate by 1% Profit before tax decrease	(0.56)	(0.60)	(0.56)	(0.48)

This information is not a forecast or prediction of future market conditions and should be used with care.

*Commodity prices fluctuation risk*

Group of companies in the production and distribution of sugar business in Thailand

As mentioned in Note 36.2, the Group operates derivatives to hedge sugar prices, which is consistent with the sugar price hedging transaction of TCSC due to the selling prices of exporting sugar and the exchange rate that TCSC actually sells in each production year will be calculated as part of the cost of sugarcane that the sugar mill has to pay to the farmers in each year for the Group in Thailand engaged in the production and distribution of sugar in Thailand.

Initially, the Group entered into the sugar futures contracts in the future market based on the sugar futures price, sales volume and termination period as per the actual sales by TCSC. The Group hedged for the undelivered sales contracts as well as the forecasted export sales in the following year. When the Group enters into the sales contracts with customers, the Group will close the above futures contract positions.

At present, there are no such hedging contracts made by the foreign subsidiaries.

*Analysis of commodity price sensitivity*

The effect on the Group's profit before tax is due to changes may be occur. If the reasonably possible change by 5% in commodity price for all other variable are fixed. The profit for the years ended October 31, 2022 and 2021 will be changed are as follows:

	Consolidated Financial Statement		Unit : Million Baht Separate Financial Statements	
	2022	2021	2022	2021
Effect on profit before tax in the statement of profit or loss				
- Increase in price of sugar Profit before tax increase	435.10	174.07	266.52	112.68
- Decrease in price of sugar Profit before tax decrease	(435.10)	(174.07)	(266.52)	(112.68)

This information is not a forecast or prediction of future market conditions and should be used with care.

#### Credit risk

Credit risk is the potential financial loss resulting from the failure of a customer or a counterparty to settle its financial and contractual obligations to the Group as and when they fall due.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on customers requiring credit over a certain amount. At the reporting date, there were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statements of financial position.

#### Liquidity risk

The Group has monitored liquidity risk by using overdrafts, promissory notes, loans, debentures and leases. The Group has the ability to access a wide range of funding sources sufficiently and manages risks by controlling short-term and long-term liabilities to maintain the balance of debt repayments as appropriate for investment types and business operations.

### 36.5 Fair value measurements

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. The fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset and liability.

Financial assets and financial liabilities measured at fair value.

Fair value of financial assets and financial liabilities which are measured at fair value and their fair value hierarchy level classification as at October 31, 2022 and 2021 were summarized as follows:

Financial assets/ financial liabilities	Consolidated financial statements		Separate financial statements		Fair value hierarchy	Valuation techniques and key inputs for fair value measurement
	Fair value as at October 31, 2022 2021 (Thousand Baht)		Fair value as at October 31, 2022 2021 (Thousand Baht)			
<u>Financial assets</u>						
1. Time deposits with maturities of more than 3 months but not more than 12 months	267	267	-	-	Level 3	Amortized cost and effective interest method.
2. Marketable equity securities	198,371	165,309	198,371	165,309	Level 1	Use of quoted market prices in an active market for such assets of liabilities.
3. Investment in non-marketable equity securities	23,492	797	23,022	327	Level 3	Fair value of investment in non-marketable equity securities which is determined by net asset value.
4. Non-marketable debt securities	6,800	6,777	-	-	Level 3	Fair value of non-marketable debt securities which is determined by net asset value.
5. Cross currency and interest rate swap contracts	309,132	90,966	309,132	90,966	Level 2	The estimated discounted cash flows is from future cash payment and future cash receive which is discounted by observable yield curve.
6. Sugar future contracts	345,963	-	345,963	-	Level 2	Discounted cash flow and adjust commodity price yield curves.
<u>Financial Liabilities</u>						
1. Foreign currency forward exchange contracts	514,632	58,996	514,632	58,996	Level 2	The estimated discounted cash flow The estimated future cash flows is from forward foreign currency exchange rates (from observable forward foreign currency exchange rates at the end of the reporting period) and contract forward rates, a discounted at market rate.
2. Foreign currency option and Sugar future option contracts	4,045	60,067	4,045	60,067	Level 2	Discounted cash flow and adjust commodity price yield curves.
3. Sugar future contracts	-	28,395	-	28,395	Level 2	Discounted cash flow and adjust commodity price yield curves.
4. Interest rate swap contracts	38,900	-	38,900	-	Level 2	The estimated discounted cash flows is from future cash payment and future cash receive which is discounted by observable yield curve.

These financial assets and financial liabilities are presented as part of other current financial assets and other current financial liabilities, respectively, in the statements of financial position.

Financial assets and financial liabilities not measured at fair value.

Fair value of financial assets and financial liabilities which are not measured at fair value and their fair value hierarchy level classification as at October 31, 2022 and 2021 was summarized as follows:

Unit : Thousand Baht

	Consolidated financial statements				
	2022		2021		Fair value hierarchy
	Carrying amount	Fair value	Carrying amount	Fair value	
<b>Financial assets</b>					
Cash and cash equivalents	254,845	254,845	224,064	224,064	Level 3
Trade and other current receivables	1,058,208	1,058,208	1,064,094	1,064,094	Level 3
Short-term loans	633,849	633,849	588,435	588,435	Level 3
Trade and other non-current receivables	100,202	100,202	147,364	147,364	Level 3
Long-term loans	112,787	112,787	136,624	136,624	Level 3
<b>Financial liabilities</b>					
Short-term borrowings from financial institutions	4,731,071	4,731,071	5,981,934	5,981,934	Level 3
Trade and other current payables	1,076,780	1,076,780	1,064,171	1,064,171	Level 3
Current portion of debentures	-	-	2,999,158	2,969,046	Level 2
Current portion of long-term borrowings from financial institutions	2,535,000	2,535,000	1,739,240	1,739,240	Level 3
Short-term borrowings from related parties	8,100	8,100	7,100	7,100	Level 3
Debentures	2,648,672	2,372,641	2,648,443	2,486,997	Level 2
Long-term borrowings from financial institutions	6,759,404	6,759,404	5,167,209	5,167,209	Level 3

Unit : Thousand Baht

	Separate financial statements				
	2022		2021		Fair value hierarchy
	Carrying amount	Fair value	Carrying amount	Fair value	
<b>Financial assets</b>					
Cash and cash equivalents	62,445	62,445	7,093	7,093	Level 3
Trade and other current receivables	1,472,304	1,472,304	930,707	930,707	Level 3
Short-term loans	1,117,703	1,117,703	1,322,175	1,322,175	Level 3
Trade and other non-current receivables	44,576	44,576	64,025	64,025	Level 3
Long-term loans	2,030,721	2,030,721	2,469,521	2,469,521	Level 3
<b>Financial liabilities</b>					
Short-term borrowings from financial institutions	2,550,000	2,550,000	3,755,159	3,755,159	Level 3
Trade and other current payables	677,806	677,806	638,610	638,610	Level 3
Current portion of debentures	-	-	2,999,158	2,969,046	Level 2
Current portion of long-term borrowings from financial institutions	2,285,000	2,285,000	1,682,000	1,682,000	Level 3
Short-term borrowings from subsidiaries and related parties	1,056,100	1,056,100	409,100	409,100	Level 3
Debentures	2,648,672	2,372,641	2,648,443	2,486,997	Level 2
Long-term borrowings from financial institutions	6,009,404	6,009,404	4,853,069	4,853,069	Level 3

Valuation technique for financial assets and financial liabilities not measured at fair value of the Company and the subsidiaries are as follows:

Cash and cash equivalents, temporary investment, trade and other current receivables and short-term loans - the carrying amounts stated in the statements of financial position approximate their fair values due to the relatively short-term maturity of these financial instruments. Fair values of trade and other non-current receivables do not have significantly different from the carrying values stated in the statements of financial position.



The carrying amounts of long-term loans carrying interest at rates approximating the market rate, in the statement of financial position approximates their fair value.

Short-term borrowings from financial institutions, trade and other current payables, current portion long-term borrowings, short-term borrowings from subsidiaries and related parties, and other current liabilities - the carrying amounts stated in the statements of financial position of these financial liabilities approximate their fair values because of the short-term period to maturity of these financial instruments.

The carrying amounts of long-term borrowings from financial institutions with fixed and floating interest rate carrying interest at rates approximating the market rate, in the statement of financial position approximates their fair value.

Fair value of debentures is based on market price at the reporting date.

	Consolidated / Separate Financial Statement		Fair value Hierarchy	Valuation technique of fair value
	Carrying amount Million Baht	Fair value Million Baht		
<b>As at October 31, 2022</b>				
<b>Financial liabilities</b>				
Long-term debentures	2,649	2,373	Level 2	Calculated from the closing price of the last Bond Market Association Thailand at the last day.
<b>As at October 31, 2021</b>				
<b>Financial liabilities</b>				
Long-term debentures	5,648	5,456	Level 2	Calculated from the closing price of the last Bond Market Association Thailand at the last day.

### 37. PROVIDENT FUND

The Company and 8 subsidiaries and their employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. For the years ended October 31, 2022 and 2021, the Group and their employees monthly contributed to the fund at the rate of 2% - 15% for both years. The fund, which is managed by Bangkok Capital Fund Management Co., Ltd. and Ayudhya Fund Management Co., Ltd., respectively, will pay the employees upon their termination in accordance with the fund rules. For the years ended October 31, 2022 and 2021, the Company and its subsidiaries contributed in amounts of Baht 21.88 million and Baht 24.08 million, respectively, in the consolidated financial statements and the Company contributed in amounts of Baht 8.16 million and Baht 9.35 million, respectively, in the separate financial statements.

### 38. PRIVILEGES OF BENEFITS FROM PROMOTED INVESTMENT

A domestic subsidiary received 3 investment promotion certificates from the Board of Investment of Thailand (BOI) under the Investment Promotion Act B.E. 2520. The benefits includes the exemption from income tax for profit for the year derived from operations of promoted businesses for the period of 8 years, commencing from the date of first receiving operation revenue of promoted businesses. The details are as follows:

Certificate No.	Sections Privilege	Date	Promoted activity types	Commenced date of revenues generated	Expire date
1432(2)/2552	25, 26, 28, 31(1), 31(2), 31(3), 31(4), 34, 35(1), 35(2) and 35(3)	June 24, 2009	- Production of electricity, power steams and water for manufacture	November 30, 2010	November 29, 2018
1349(2)/2556	25, 26, 28, 31(1), 31(2), 31(3), 31(4), 34, 35(1), 35(2) and 35(3)	Mach 15, 2013	- Production of electricity, power steams and water for manufacture	January 21, 2014	January 20, 2022
61-0170-1-00-1-0	25, 26, 28, 31(1), 31(2), 31(3), 31(4) and 34	February 12, 2018	- Production of electricity, power steams and water for manufacture	Income not yet derived	

Furthermore, in accordance with the Promotion Certificate No. 1432(2)/2552, and 1349(2)/2556, the subsidiary receives the privilege at 50% income tax reduction of the regular rate for the period of 5 years commencing from the expiration date of income tax exemption and under all Promotion Certificates, the subsidiary is granted privilege for exemption of import duties for approved machinery and exemption from income tax on dividend on profit from promoted businesses during the period in which the subsidiaries is granted exemption from corporate income tax.

### 39. EVENTS AFTER THE REPORTING PERIOD

- 39.1 The Board of Directors meeting no. 1/2022-2023 held on December 23, 2022, passed the resolution to approve the sale of shares of the associates (which are the subsidiaries of Thai Sugar Terminal Public Company Limited), consisting of shares of T S Warehouse Co., Ltd., T S Oil Industry Co., Ltd., T S Transport and Logistics Co., Ltd. and shares of T S G Trading Co., Ltd. to Thai Sugar Terminal Public Company Limited, total amounting Baht 55.54 million.
- 39.2 The Extraordinary General Meeting of Shareholders No. 1/2022 of KSL Material supplies Co., Ltd. (a subsidiary) held on September 20, 2022, passed the resolution to decrease its registered capital totaling amount of Baht 360.00 million from Baht 480.00 million to the new registered capital amount of Baht 120.00 million by reducing issued ordinary shares to 12,000,000 shares at the par value of Baht 10.00. The subsidiary has registered with the Department of Business Development on November 8, 2022.

### 40. APPROVAL OF THE FINANCIAL STATEMENTS

These financial statements have been approved for issuance by the Company's Board of Directors on December 23, 2022.

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## Attachment 1 Details of Directors, Executives, Controlling Persons and Company Secretary In 2022 (As of 31 October 2022)

### The Board of Directors



Mr. Manu Leopaiprote  
Chairman independent director



Mr. Chamroon Chinthammit  
Director / Chief Executive Officer



Mr. Pornsin Thaemsirichai  
Director



Mr. Sukhum Tokaranyaset  
Director

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The Board of Directors



Mr.Thawatchai Rojanachotikul  
Director



Mrs. Intira Sukhanindr  
Director



Ms.Duangdao Chinthammit  
Director



Mr. Chalush Chinthammit  
Director/ President

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The Board of Directors



Mr.Somchai Chinthammit  
Director



Ms.Duangkae Chinthammit  
Director



Mr. Chanachai Chutimavoraphand  
Director



Mr. Somchat Chinthammit  
Director

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The Board of Directors



Mr. Tachpong Pakornsiriwongse  
Director



Mr. Chatri Chinthammit  
Director



Mr. Trakarn Chunharojrit  
Director



Pol. Gen. Boonpen Bumpenboon  
Independent director

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The Board of Directors



Mr. Sitti Leelakasamelek  
Independent director



Mr. Warapatr Todhanakasem  
Independent director



Ms. Nongluck Phinainitisart  
Independent director



Mrs. Anchalee Pipatanasern  
Independent director

## Details of Directors, Executives, Controlling Persons and Company Secretary In 2022 (As of 31 October 2022)

<b>1. Mr. Manu Leoparote</b> Age 79 years Director qualified as an independent director	
<p><b>Position</b></p> Independent director Chairman of the Board of Directors <p><b>Date of Appointment as a Director</b></p> - 18 March 2004 <p><b>Education/Training</b></p> <ul style="list-style-type: none"> <li>- Honorary Degree of Doctor of Business Administration, Thammasat University, Thailand</li> <li>- M.Sc. (Economics) University of Kentucky, USA</li> <li>- B.Sc. in Economics (Honours), Thammasat University</li> <li>- Diploma Industrial Development, Nagoya, Japan</li> <li>- Diploma, National Defence College Class 34</li> </ul> <p><b>Expertise</b></p> <ul style="list-style-type: none"> <li>- Strategic Planning &amp; Risk Management</li> <li>- Corporate Governance</li> <li>- Government &amp; Government Relations</li> </ul> <p><b>Director Training</b></p> <ul style="list-style-type: none"> <li>- Diploma of Chairman 2000, Class 3/2001, Thai Institute of Directors Association</li> <li>- Director Accreditation Program (DAP) 30/2003, Thai Institute of Directors Association (IOD)</li> </ul>	<p><b>Board Member/Management in Other Listed Company (5)</b></p> Since 2017, Chairman, SVOA PCL Since 2011, Chairman, TMC Industrial PCL Since 2010, Chairman, Jubilee Enterprise PCL Since 2010, Chairman, ARIP PCL Since 2004, Chairman, Polyplex (Thailand) PCL <p><b>Position in Other Company/Organization/Institution (3)</b></p> Since 2004, Affiliate KSL Sugar Factories <ul style="list-style-type: none"> <li>- New Krung Thai Sugar Factory Co., Ltd.</li> <li>- Tamaka Sugar Industry Co., Ltd.</li> <li>- New Kwang Soon Lee Sugar Factory Co., Ltd.</li> </ul> <p><b>Shareholding (Ordinary Shares) (as of 31 October 2022)</b></p> <ul style="list-style-type: none"> <li>- Own: (None)</li> <li>- Held by Spouse or minor children : (None)</li> </ul> <p><b>Family Relationship among Directors and Executives</b></p> (None)



2. Mr. Chamroon Chinthammit	
Age 72 years	
<p><b>Position</b></p> <p>Director /Chief Executive Officer (Authorized signatory) / Chairman of the Executive Board</p> <p><b>Date of Appointment as a Director</b></p> <p>- 26 February 2004</p> <p><b>Education/Training</b></p> <p>- Honorary Degree of Doctor of Arts (Geosocial-Based Management), Srinakharinwirot University</p> <p>- BBA in Faculty of Commerce and Accountancy (Honours), Chulalongkorn University</p> <p><b>Expertise</b></p> <p>- Business Management</p> <p>- Strategic Planning &amp; Risk Management</p> <p>- Corporate Governance</p> <p><b>Director Training</b></p> <p>- Director Accreditation Program (DAP) 17/2004, Thai Institute of Directors Association (IOD)</p> <p>- Diploma of Chairman 2000, Class 10/2004, Thai Institute of Directors Association (IOD)</p> <p><b>Board Member/Management in Other Listed Company (1)</b></p> <p>Since October 2017, Director, BBGI PCL</p> <p><b>Position in Other Company /Organization/Institution (19)</b></p> <p>Since 1996, Affiliated KSL sugar companies</p> <ul style="list-style-type: none"> <li>- New Krung Thai Sugar Factory Co., Ltd.</li> <li>- Tamaka Sugar Industry Co., Ltd.</li> <li>- New Kwang Soon Lee Sugar Factory Co., Ltd.</li> </ul> <p>Since 2004, Director, KSL Sugar Holding Co., Ltd.</p> <p>Since 2006, Chairman, KSL Agro and Trading Co., Ltd.</p>	<p>Since 2006, Chairman, Koh Kong Sugar Industry Co., Ltd.</p> <p>Since 2006, Chairman, Savannakhet Sugar Corporation</p> <p>Since 2003, Chairman, Khon Kaen Sugar Power Plant Co., Ltd.</p> <p>Since 2002, Chairman, KSL Export Trading Co., Ltd.</p> <p>Since 2000, Chairman, Thai Fermentation Industry Co., Ltd.</p> <p>Since 1989, Director, Raja Product Co., Ltd.</p> <p>Since 2000, Director, Raja Porcelain Co., Ltd.</p> <p>Since 1987, Chairman, Chengteh Chinaware (Thailand) Co., Ltd.</p> <p>Since 1997, Director, Thai Sugar Millers Co, Ltd.</p> <p>Since 1996, Chairman, KSL Real Estate Co., Ltd.</p> <p>Since 1993 Director CHAVANANTHAKIJ CO., LTD.</p> <p>Since 1989, Director, Chamroonvadhana Co., Ltd.</p> <p>Since 1989, Director, Champion Fermentation Co., Ltd.</p> <p>Since 1976, Director, National Enterprises Co., Ltd.</p> <p><b>Shareholding (Ordinary Shares) (as of 31 October 2022)</b></p> <p>- Own: 113,075,331shares (2.56%)</p> <p>- Spouse: M.L.Charuvadhana Chinthammit 52,775,901 shares (1.20%)</p> <p><b>Family Relationship among Directors and Executives</b></p> <p>- Brother-in-Law of person number 3 (Mr.Pornsir Thaemsirichai)</p> <p>- Brother of person number 6 (Mrs. Intira Sukhanindr)</p> <p>- Brother of person number 7,9 and 10 (Ms.Duangdao Chinthammit , Mr.Somchai Chinthammit , Ms.Duangkae Chinthammit )</p> <p>- Uncle of person number 8,11 and 12 (Mr. Chalush Chinthammit, Mr. Chanachai Chutimavoraphand, Mr.Chatrri Chinthammit )</p> <p>- Father of person number 22 and 27 (Mr.Piripon Chinthammit , Mrs. Kanyarat Sumitra)</p>

**3. Mr. Pornsin Thaemsirichai**

Age 77 years

**Position**

Director and Executive Director (Authorized signatory)

**Date of Appointment as a Director**

- 26 February 2004

**Education/Training**

- Honorary Degree of Doctor of Philosophy (Business Management), Ramkhamhaeng University
- MBA., The University of Southern Queensland, Australia
- MS in Engineering North Dakota State University, USA.
- B.Eng. in Civil Engineering, Chulalongkorn University

**Expertise**

- Business Management
- Strategic Planning & Risk Management
- Food & Beverage

**Director Training**

- Director Accreditation Program (DAP) 18/2004, Thai Institute of Directors Association (IOD)
- Director Certification Program (DCP) 50/2004, Thai Institute of Directors Association (IOD)

**Board Member/Management in Other Listed Company(1)**

Since 2013, Director, Sahamit Machinery PCL

**Position in Other Company /Organization/Institution (7)**

Since 1983, Affiliated KSL sugar companies

- New Krung Thai Sugar Factory Co., Ltd.
- Tamaka Sugar Industry Co., Ltd.
- New Kwang Soon Lee Sugar Factory Co., Ltd.

- Since 2010, Chairman, Koh Kong Plantation Co., Ltd.

- Since 2007, Director, Savannakhet Sugar Corporation

- Since 2006, Director, Koh Kong Sugar Industry Co., Ltd.

- Since 2003, Director, Khon Kaen Sugar Power Plant Co., Ltd.

**5-year Past Experiences and / or Remarkable position**

2003 - October 2019, Managing Director, Khon Kaen Sugar Power Plant Co., Ltd.

**Shareholding (Ordinary Shares) (as of 31 October 2022)**

- Own: 29,390,196 Shares (0.67%)

- Spouse:

Ms.Montanut Thaemsirichai 30,688,231 Shares (0.69%)

**Family Relationship among Directors and Executives**

-Brother-in-Law of person number 2 (Mr.Chamroon Chinthammit)

4. Mr. Sukhum Tokaranyaset	
Age 75 years	
<p><b>Position</b> Director and Executive Director (Authorized signatory)</p> <p><b>Date of Appointment as a Director</b> - 26 February 2004</p> <p><b>Education/Training</b> - Vocational Certificate Kitti Commerce College</p> <p><b>Expertise</b> - Accounting - Finance - Food &amp; Beverage</p> <p><b>Director Training</b> - Director Accreditation Program (DAP) 18/2004, Thai Institute of Directors Association (IOD)</p> <p><b>Board Member/Management in Other Listed Company</b> (None)</p> <p><b>Position in Other Company /Organization/Institution (14)</b> Since 2004, Affiliated KSL sugar companies - New Krung Thai Sugar Factory Co., Ltd. - Tamaka Sugar Industry Co., Ltd. - New Kwang Soon Lee Sugar Factory Co., Ltd.</p>	<p>Since 2015, Chairman, Raja Transfer Co., Ltd.</p> <p>Since 2006, Director, Koh Kong Sugar Industry Co., Ltd.</p> <p>Since 2006, Director, KSL Agro and Trading Co., Ltd.</p> <p>Since 2002, Director, KSL Export Trading Co., Ltd.</p> <p>Since 2002, Director, KSL Real Estate Co., Ltd.</p> <p>Since 2002, Director, Champion Fermentation Co., Ltd.</p> <p>Since 2000, Director, TFI Green Biotech Co., Ltd.</p> <p>Since 2000, Vice Chairman, Raja Porcelain Co., Ltd.</p> <p>Since 2000, Director, Thai Fermentation Industry Co., Ltd</p> <p>Since 1987, Vice Chairman, Chengteh Chinaware (Thailand) Co., Ltd.</p> <p>Since 1989, Executive Director, Raja Product Co., Ltd.</p> <p><b>Shareholding (Ordinary Shares) (as of 31 October 2022)</b> - Own: 77,000 Shares (0.002%) - Held by Spouse or minor children : (None)</p> <p><b>Family Relationship among Directors and Executives</b> (None)</p>

5. Mr. Thawatchai Rojanachotikul	
Age 69 years	
<p><b>Position</b> Director and Executive Director (Authorized signatory)</p> <p><b>Date of Appointment as a Director</b> - 26 February 2004</p> <p><b>Education/Training</b> - BBA in Business Administration, Auckland Technical institute, New Zealand</p> <p><b>Expertise</b> - Business Management - Food &amp; Beverage - Marketing &amp; Business Development</p> <p><b>Director Training</b> - Director Accreditation Program (DAP) 17/2004, Thai Institute of Directors Association (IOD)</p> <p><b>Board Member/Management in Other Listed Company</b> (None)</p>	<p><b>Position in Other Company /Organization/Institution (11)</b> Since 1996, Affiliated KSL sugar companies - New Krung Thai Sugar Factory Co., Ltd. - Tamaka Sugar Industry Co., Ltd. - New Kwang Soon Lee Sugar Factory Co., Ltd Since 2006, Director, KSL Agro and Trading Co., Ltd. Since 2002, Director, TFI Green Biotech Co., Ltd. Since 2000, Director, and Deputy Managing Director (DMD) Thai Fermentation Industry Co., Ltd. Since 1998, Director, KSL Export Trading Co., Ltd. Since 1989, Director, Champion Fermentation Co., Ltd. Since 1989, Director, KSL Real Estate Co., Ltd. Since 1987, Director, Chengteh Chinaware (Thailand) Co., Ltd.</p> <p><b>Shareholding (Ordinary Shares) (as of 31 October 2022)</b> - Own: 55,937,112 Shares (1.27%) - Spouse: Ms.Korakot Rojanachotikul 3,166,748 Shares (0.07%)</p> <p><b>Family Relationship among Directors and Executives</b> (None)</p>

6. Mrs. Intira Sukhanindr	
Age 75 years	
<p><b>Position</b> Director and Executive Director (Authorized signatory)</p> <p><b>Date of Appointment as a Director</b> - 25 June 2010</p> <p><b>Education / Training</b> - Certificate of Secretary, Melbourne, Australia</p> <p><b>Expertise</b> - Business Management - Food &amp; Beverage - Marketing &amp; Business Development</p> <p><b>Director Training</b> - Director Accreditation Program (DAP) 50/2006, Thai Institute of Directors Association (IOD)</p> <p><b>Board Member/Management in Other Listed Company (1)</b> Since 2005, Director, Sub Sri Thai Warehouse PCL</p>	<p><b>Position in Other Company /Organization/Institution (7)</b> Since 2010, Affiliated KSL sugar companies</p> <ul style="list-style-type: none"> <li>- New Krung Thai Sugar Factory Co., Ltd.</li> <li>- Tamaka Sugar Industry Co., Ltd.</li> <li>- New Kwang Soon Lee Sugar Factory Co., Ltd.</li> </ul> <p>Since 2010, Director, KSL Agro and Trading Co., Ltd.</p> <p>Since 2010, Director, Khon Kaen Sugar Power Plant Co., Ltd.</p> <p>Since 2004, Director, Thai Fermentation Industry Co., Ltd.</p> <p>Since 2003, Director, Champion Fermentation Co., Ltd.</p> <p><b>Shareholding (Ordinary Shares) (as of 31 October 2022)</b> - Own: 25,471,699 shares (0.58%) - Held by Spouse or minor children : (None)</p> <p><b>Family Relationship among Directors and Executives</b> - Elder Sister of person number 2 (Mr.Chamroon Chinthammit)</p>

7. Ms. Duangdao Chinthammit	
Age 64 years	
<p><b>Position</b></p> <p>Director and Executive Director (Authorized signatory)</p> <p>Nomination and Remuneration Committee</p> <p>Vice President - Human Resources</p> <p><b>Date of Appointment as a Director</b></p> <p>- 26 February 2004</p> <p><b>Education/Training</b></p> <ul style="list-style-type: none"> <li>- Master of Science, Agricultural Economics, University of Saskatchewan, Canada</li> <li>- Bachelor of Science, Computer Information System, Western Michigan University, USA.</li> <li>- Bachelor of Business Administration, Faculty of Economics and Business Administration, Kasetsart University</li> <li>- SD Forum 2/2017: Sustainability Strategy Key Blueprint for Business Growth, SET</li> </ul> <p><b>Expertise</b></p> <ul style="list-style-type: none"> <li>- Human Resources Management</li> <li>- Corporate Governance</li> <li>- Marketing &amp; Business Development</li> </ul> <p><b>Director Training</b></p> <ul style="list-style-type: none"> <li>- Director Certification Program (DCP) 71/2006, Thai Institute of Directors Association (IOD)</li> <li>- Director Accreditation Program (DAP) 17/2004, Thai Institute of Directors Association (IOD)</li> </ul>	<p><b>Board Member/Management in Other Listed Company (1)</b> Since 2005, Director, Sub Sri Thai Warehouse PCL</p> <p><b>Position in Other Company /Organization/Institution (6)</b></p> <p>Since 2004, Affiliated KSL sugar companies</p> <ul style="list-style-type: none"> <li>- New Krung Thai Sugar Factory Co., Ltd.</li> <li>- Tamaka Sugar Industry Co., Ltd.</li> <li>- New Kwang Soon Lee Sugar Factory Co., Ltd.</li> </ul> <p>Since 2006, Director, KSL Agro and trading Co., Ltd.</p> <p>Since 2004, Director, KSL Sugar Holding Co., Ltd.</p> <p>Since 1999, Director, KSL Real Estate Co., Ltd.</p> <p><b>Shareholding (Ordinary Shares) (as of 31 October 2022)</b></p> <ul style="list-style-type: none"> <li>- Own: 99,799,954 Shares (2.26%)</li> </ul> <p><b>Family Relationship among Directors and Executives</b></p> <ul style="list-style-type: none"> <li>- Younger Sister of person number 2 (Mr.Chamroon Chinthammit)</li> </ul>

8. Mr. Chalush Chinthammit	
Age 53 years	
<p><b>Position</b></p> <p>Director and Executive Director (Authorized signatory) / President / Risk Management Committee</p> <p><b>Date of Appointment as a Director</b></p> <ul style="list-style-type: none"> <li>- 26 February 2004</li> </ul> <p><b>Education / Training</b></p> <ul style="list-style-type: none"> <li>- MBA in Finance and Banking, Mercer University, USA.</li> <li>- BBA in Finance and Banking, Assumption University</li> <li>- Capital Market Academy Program 10</li> <li>- Certificate, Executive Program on Energy Literacy for a Sustainable Future (TEA), Class 6, Thailand Energy Academy</li> <li>- Top Executive in Industrial Development and Investment, Class 3, Institute of Business and Industrial Development (IBID)</li> <li>- Business Revolution and Innovation Network (BRAIN) Class 2, The Federation of Thai Industries</li> </ul> <p><b>Expertise</b></p> <ul style="list-style-type: none"> <li>- Diversification</li> <li>- Marketing &amp; Business Development</li> <li>- Corporate Governance</li> </ul> <p><b>Director Training</b></p> <ul style="list-style-type: none"> <li>- Director Accreditation Program (DAP) 21/2004, Thai Institute of Directors Association (IOD)</li> </ul> <p><b>Board Member/Management in Other Listed Company (5)</b></p> <ul style="list-style-type: none"> <li>- Since 2014 , Board of Director/Audit Committee/Member of Nomination and Remuneration Committee/Member of Corporate Governance Committee Since , Master Ad Public Company Limited</li> <li>- Since 2007, Director and Executive Director, TS Flour Mill PCL</li> </ul>	<p><b>Position in Other Company /Organization/Institution (20)</b></p> <p>Since 2004, Affiliated KSL sugar companies</p> <ul style="list-style-type: none"> <li>- New Krung Thai Sugar Factory Co., Ltd.</li> <li>- Tamaka Sugar Industry Co., Ltd.</li> <li>- New Kwang Soon Lee Sugar Factory Co.,Ltd.</li> </ul> <p>Since 2021, Director KHUN CHUAN Company Limited</p> <p>Since 2018, Director, Bangchak Bioethanol Co., Ltd</p> <p>Since 2016, Director, WSP Logistics Co., Ltd.</p> <p>Since 2015, Director and Chairman of the Audit Committee, Dhanarak Asset Development Co., Ltd.</p> <p>Since 2006, Director, KSL. Agro and Trading Co., Ltd</p> <p>Since 2006, Director, Koh Kong Plantation Co., Ltd.</p> <p>Since 2006, Director, Savannakhet Sugar Corporation</p> <p>Since 2006, Director, KhonKaen Sugar Power Plant Co., Ltd.</p> <p>Since 2004, Director, KSL Green Innovation PCL.</p> <p>Since 2002, Director, KSL Export Trading Co., Ltd.</p> <p>Since 2001, Director, Thai Sugar Miller Co., Ltd.</p> <p>Since 1997, Director, Onnuch Construction Co., Ltd.</p> <p>Since 1997, Director and Chairman, Colossal International Co., Ltd.</p> <p>Since 1997, Director, MMP Corporation Co., Ltd.</p> <p>Since 1997, Director, Chengteh Chinaware (Thailand) Co., Ltd.</p> <p>Since 1996, Director, KSL Real Estate Co., Ltd.</p> <p><b>5-year Past Experiences and / or Remarkable position</b></p> <p>2014 - 1 August 2019, Director and Executive Director, Mudman PCL</p> <p>1996 - 1 July 2019, Managing Director, KSL Real Estate Co., Ltd.</p> <p><b>Shareholding (Ordinary Shares) (as of 31 October 2022)</b></p> <ul style="list-style-type: none"> <li>- Own: 43,279,926 Shares (0.98%)</li> </ul>

<ul style="list-style-type: none"><li>- Since 2007, Director, Thai Sugar Terminal PCL</li><li>- Since October 2017, Director, BBGI PCL</li><li>- Since 2020, Director, Triton Holding PCL</li><li>- Since 2019, Director, Kerry Express (Thailand) PCL</li></ul>	<ul style="list-style-type: none"><li>- Minor children: Ms.Chollapim Chinthammit 374,000 Shares (0.01%)</li></ul> <p><b>Family Relationship among Directors and Executives</b></p> <ul style="list-style-type: none"><li>- Nephew of person number 2 (Mr.Chamroon Chinthammit)</li></ul>
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9. Mr. Somchai Chinthammit	
Age 70 years	
<p><b>Position</b> Director and Executive Director</p> <p><b>Date of Appointment as a Director</b> - 26 February 2004</p> <p><b>Education/Training</b> - Certificate Mini MBA, Thammasat University - Diploma, Computer College, Germany</p> <p><b>Expertise</b> - Business Management - Food &amp; Beverage - Finance</p> <p><b>Director Training</b> - Director Accreditation Program (DAP) 17/2004, Thai Institute of Directors Association (IOD)</p> <p><b>Board Member/Management in Other Listed Company</b> (None)</p> <p><b>Position in Other Company /Organization/Institution (5)</b> Since 1996, Affiliated KSL sugar companies</p> <ul style="list-style-type: none"> <li>- New Krung Thai Sugar Factory Co., Ltd.</li> <li>- Tamaka Sugar Industry Co., Ltd.</li> </ul>	<ul style="list-style-type: none"> <li>- New Kwang Soon Lee Sugar Factory Co.,Ltd</li> </ul> <p>Since 2003, Director, Khon Kaen Sugar Power Plant Co., Ltd.</p> <p>Since 1981, Director, Thai Fermentation Industry Co., Ltd.</p> <p><b>5-year Past Experiences and / or Remarkable position</b> 2008 – 15 May 2020</p> <p>Director, TS Flour Mill PCL</p> <p>Director, Thai Sugar Terminal PCL</p> <p>Director, TS Warehouse Co., Ltd.</p> <p>Director, TS G Trading Co., Ltd.</p> <p>Director, TS Oil Industry Co., Ltd.</p> <p>Director, TS Transport and Logistic Co., Ltd.</p> <p>Director, KSL Green Innovation PCL.</p> <p><b>Shareholding (Ordinary Shares) (as of 31 October 2022)</b></p> <ul style="list-style-type: none"> <li>- Own: 96,475,726 Shares (2.19%)</li> <li>- Spouse: Ms.Somjit Somsukcharoen 279,206 shares (0.01%)</li> </ul> <p><b>Family Relationship among Directors and Executives</b></p> <ul style="list-style-type: none"> <li>- Younger Brother of person number 2 (Mr.Chamroon Chinthammit)</li> </ul>

10. Ms. Duangkae Chinthammit	
Age 67 years	
<p><b>Position</b></p> <p>Director and Executive Director / Assistant Vice President - Office of President</p> <p><b>Date of Appointment as a Director</b></p> <p>- 26 February 2004</p> <p><b>Education/Training</b></p> <p>- Diploma from Katinka School, United Kingdom - Certificate Modern Managers Program (MMP), Chulalongkorn University</p> <p><b>Expertise</b></p> <p>- Business Management - Finance - Human Resources Management</p> <p><b>Director Training</b></p> <p>- Director Accreditation Program (DAP) 17/2004, Thai Institute of Directors Association (IOD)</p> <p><b>Board Member/Management in Other Listed Company(1)</b></p> <p>Since 2005, Director, Sub Sri Thai Warehouse PCL</p>	<p><b>Position in Other Company /Organization/Institution (6)</b></p> <p>Since 1996, Affiliated KSL sugar companies</p> <ul style="list-style-type: none"> <li>- New Krung Thai Sugar Factory Co., Ltd.</li> <li>- Tamaka Sugar Industry Co., Ltd.</li> <li>- New Kwang Soon Lee Sugar Factory Co.,Ltd</li> </ul> <p>Since 2004, Director, KSL Sugar Holding Co., Ltd.</p> <p>Since 1993, Director, Chavananthakij Co., Ltd.</p> <p>Since 1976, Director, National Enterprises Co., Ltd.</p> <p><b>Shareholding (Ordinary Shares) (as of 31 October 2022)</b></p> <p>- Own: 99,733,643 Shares (2.26%)</p> <p><b>Family Relationship among Directors and Executives</b></p> <p>- Younger Sister of person number 2 (Mr.Chamroon Chinthammit)</p>

11. Mr. Chanachai Chutimavoraphand	
Age 50 years	
<p><b>Position</b> Director and Executive Director (Authorized signatory)</p> <p><b>Date of Appointment as a Director</b> - 1 April 2017</p> <p><b>Education/Training</b> - Bachelor of Law, Chulalongkorn University - Master Degree of Business Administration, Tennessee University, U.S.A. - Master Degree of Arts, Business Law, Chulalongkorn University - Bachelor Degree, Electrical Engineering, Chulalongkorn University - Orientation Course - CFO Focus on Financial Federation of Accounting Professions - CFA Charter holder, Association for Investment Management and Research (AIMR)</p> <p><b>Expertise</b> - Accounting - Finance - Legal &amp; Tax</p> <p><b>Director Training</b> - Director Accreditation Program (DAP) 37/2005, Thai Institute of Directors Association (IOD)</p> <p><b>Board Member/Management in Other Listed Company (3)</b> Since October 2017, Director BBGI PCL Since 2000, CEO, Thai Sugar Terminal PCL Since 2000, Director and Executive Director, TS Flour Mill PCL</p>	<p><b>Position in Other Company /Organization/Institution (10)</b> Since 2004, Affiliated KSL sugar companies - New Krung Thai Sugar Factory Co., Ltd. - Tamaka Sugar Industry Co., Ltd. - New Kwang Soon Lee Sugar Factory Co., Ltd. Director, Munkong Sayam Business Co., Ltd. Director, BB Capital Co., Ltd Since 2016, Director, WSP Logistics Co., Ltd Since March 2014, Director, KSL Real Estate Co., Ltd. Since 2006, Director, Koh Kong Sugar Industry Co., Ltd. Since 2006, Director, Savannakhet Sugar Corporation Since 1996, Director, Onnuch Construction Co., Ltd.</p> <p><b>5-year Past Experiences and / or Remarkable position</b> 2003 – 2016 Director, KSL CHEMICALS COMPANY LIMITED 2002 – 2019 Director, KSL Green Innovation PCL.</p> <p><b>Shareholding (Ordinary Shares) (as of 31 October 2022)</b> - Own:115,355,499 shares (2.62%) - Held by Spouse or minor children : (None)</p> <p><b>Family Relationship among Directors and Executives</b> - Nephew of person number 2 (Mr.Chamroon Chinthammit)</p>

12. Mr. Chatri Chinthammit	
Age 49 years	
<p><b>Position</b></p> <p>Director (Non - Executive Director)</p> <p><b>Date of Appointment as a Director</b></p> <p>- 26 February 2004</p> <p><b>Education/Training</b></p> <ul style="list-style-type: none"> <li>- Master of Science, Computer Science, Bellevue University, USA.</li> <li>- BBA in Economics, University of The Thai Chamber of Commerce</li> </ul> <p><b>Expertise</b></p> <ul style="list-style-type: none"> <li>- Information Technology</li> <li>- Business Management</li> <li>- Marketing &amp; Business Development</li> </ul> <p><b>Director Training</b></p> <ul style="list-style-type: none"> <li>- Director Accreditation Program (DAP) 21/2004, Thai Institute of Directors Association (IOD)</li> <li>- TLCA Executive Development Program (EDP)1/2008, by TLCA</li> <li>- Successful FORMULATION &amp; Execution Program (SFE) 9/2010, Thai Institute of Directors Association (IOD)</li> </ul>	<p><b>Board Member/Management in Other Listed Company</b></p> <p>(None)</p> <p><b>Position in Other Company /Organization/Institution (4)</b></p> <p>Since 2004, Affiliated KSL sugar companies</p> <ul style="list-style-type: none"> <li>- New Krung Thai Sugar Factory Co., Ltd.</li> <li>- Tamaka Sugar Industry Co., Ltd.</li> <li>- New Kwang Soon Lee Sugar Factory Co.,Ltd</li> </ul> <p>Since 2000, Deputy Managing Director - Software Department, KSL IT Center Co., Ltd.</p> <p><b>Shareholding (Ordinary Shares) (as of 31 October 2022)</b></p> <ul style="list-style-type: none"> <li>- Own: 57,467,546 Shares (1.30%)</li> </ul> <p><b>Family Relationship among Directors and Executives</b></p> <ul style="list-style-type: none"> <li>- Nephew of person number 2 (Mr.Chamroon Chinthammit)</li> </ul>

13. Mr. Somchat Chinthammit	
Age 64 years	
<p><b>Position</b></p> <p>Director (Non - Executive Director)/ Corporate Governance Committee</p> <p><b>Date of Appointment as a Director</b></p> <p>- 26 February 2004</p> <p><b>Education/Training</b></p> <ul style="list-style-type: none"> <li>- MIM in Marketing, Thammasat University</li> <li>- MBA./Marketing, Chulalongkorn University</li> <li>- B.Eng in Mechanical, King Mongkut's University of Technology Thonburi</li> </ul> <p><b>Expertise</b></p> <ul style="list-style-type: none"> <li>- Food &amp; Beverage</li> <li>- Marketing &amp; Business Development</li> <li>- Corporate Governance</li> </ul> <p><b>Director Training</b></p> <ul style="list-style-type: none"> <li>- Director of Accreditation Program (DAP) 17/2004, Thai Institute of Directors Association (IOD)</li> <li>- Directors Certification Program (DCP) 55/2005, Thai Institute of Directors Association (IOD)</li> <li>- Audit Committee Program (ACP) 8/2005, Thai Institute of Directors Association (IOD)</li> </ul> <p><b>Board Member/Management in Other Listed Company(1)</b></p> <p>Since 2005, Independent Director and Audit Committee, UOB Kay Hian Securities (Thailand) PCL</p>	<p><b>Position in Other Company/Organization/Institution(9)</b></p> <p>Since 2004, Affiliated KSL sugar companies</p> <ul style="list-style-type: none"> <li>- New Krung Thai Sugar Factory Co., Ltd.</li> <li>- Tamaka Sugar Industry Co., Ltd.</li> <li>- New Kwang Soon Lee Sugar Factory Co.,Ltd</li> </ul> <p>Since 2018, Director, Chinongsawat Co., Ltd.</p> <p>Since 2005, Director, Boathouse Huahin Co., Ltd.</p> <p>Since 2005, Managing Director, Top Blend International Co., Ltd.</p> <p>Since 1989, Director, Phongwilai Co., Ltd.</p> <p>Since 1988, Director, Deputy Managing Director, Bangkok Inter food Co., Ltd.</p> <p>Since 1988, Managing Director, Thai Flour Industry Co., Ltd.</p> <p><b>Shareholding (Ordinary Shares)(as of 31 October 2022)</b></p> <ul style="list-style-type: none"> <li>- Own: 22,907,921 Shares (0.52%)</li> <li>- Spouse: Ms.Darunee Lertdamronglak 2,194,852 Shares (0.05%)</li> </ul> <p><b>Family Relationship among Directors and Executives</b></p> <p>(None)</p>

14. Mr. Tachpong Pakornsiriwongse	
Age 72 years	
<p><b>Position</b> Director and Executive Director</p> <p><b>Date of Appointment as a Director</b> - 26 February 2004</p> <p><b>Education/Training</b> - Certificate in Financial Management, Chulalongkorn University</p> <p><b>Expertise</b> - Business Management - Food &amp; Beverage - Marketing &amp; Business Development</p> <p><b>Director Training</b> - Director Accreditation Program (DAP) 21/2004, Thai Institute of Directors Association (IOD)</p> <p><b>Board Member/Management in Other Listed Company</b> (None)</p>	<p><b>Position in Other Company /Organization/Institution (5)</b> Since 2004, Affiliated KSL sugar companies</p> <ul style="list-style-type: none"> <li>- New Krung Thai Sugar Factory Co., Ltd.</li> <li>- Tamaka Sugar Industry Co., Ltd.</li> <li>- New Kwang Soon Lee Sugar Factory Co.,Ltd</li> </ul> <p>Since 2007, Director, KSL Sugar Holding Co., Ltd.</p> <p>Since 2004, Director, Koh Kong Plantation Co.,Ltd</p> <p><b>Shareholding (Ordinary Shares) (as of 31 October 2022)</b></p> <ul style="list-style-type: none"> <li>- Own: 158,162 Shares (0.004%)</li> <li>- Held by Spouse or minor children : (None)</li> </ul> <p><b>Family Relationship among Directors and Executives</b> (None)</p>

15. Mr. Trakarn Chunharojrit	
Age 82 years	
<p><b>Position</b></p> <p>Director and Executive Director</p> <p><b>Date of Appointment as a Director</b></p> <p>- 26 February 2004</p> <p><b>Education/Training</b></p> <p>- Certificate in Accounting</p> <p><b>Expertise</b></p> <p>- Food &amp; Beverage</p> <p>- Government &amp; Government Relations</p> <p>- Corporate Governance</p> <p><b>Director Training</b></p> <p>- Director Accreditation Program (DAP) 17/2004, Thai Institute of Directors Association (IOD)</p> <p><b>Board Member/Management in Other Listed Company</b></p> <p>(None)</p>	<p><b>Position in Other Company /Organization/Institution (7)</b></p> <p>Since 2004, Affiliated KSL sugar companies</p> <ul style="list-style-type: none"> <li>- New Krung Thai Sugar Factory Co., Ltd.</li> <li>- Tamaka Sugar Industry Co., Ltd.</li> <li>- New Kwang Soon Lee Sugar Factory Co., Ltd.</li> </ul> <p>Since 2006, Director, KSL Agro and Trading Co., Ltd.</p> <p>Since 2003, Director, Khon Kaen Sugar Power Plant Co., Ltd.</p> <p>Since 1997, Director,</p> <p style="padding-left: 40px;">Chengteh Chinaware (Thailand) Co., Ltd.</p> <p>Since 1989, Director, KSL Real Estate Co., Ltd.</p> <p><b>5-year Past Experiences and / or Remarkable position</b></p> <p>2003 - June 2016, Director, KSL Material Supplies Co., Ltd.</p> <p><b>Shareholding (Ordinary Shares) (as of 31 October 2021)</b></p> <ul style="list-style-type: none"> <li>- Own: 13,621,766 Shares (0.31%)</li> <li>- Spouse:</li> </ul> <p>Mrs.Rattana Chunharojrit 444,720 Shares (0.01%)</p> <p><b>Family Relationship among Directors and Executives</b></p> <p>(None)</p>

16. Pol. Gen. Boonpen Bumpenboon	
Age 77 years	
Director qualified as an independent director	
<p><b>Position</b></p> <p>Independent Director/ Chairman of Nomination and Remuneration Committee /Corporate Governance Committee</p> <p><b>Date of Appointment as a Director</b></p> <ul style="list-style-type: none"> <li>- 26 February 2004</li> </ul> <p><b>Education/Training</b></p> <ul style="list-style-type: none"> <li>- MPA./ Public Administration, NIDA</li> <li>- Diploma, National Defence College (37)</li> <li>- LL.B., Sukhothai Thammathirat University</li> <li>- BBA in Public Administration, Royal Police Cadet Academy</li> </ul> <p><b>Expertise</b></p> <ul style="list-style-type: none"> <li>- Government &amp; Government Relations</li> <li>- Corporate Governance</li> <li>- Strategic Planning &amp; Risk Management</li> </ul> <p><b>Director Training</b></p> <ul style="list-style-type: none"> <li>- Director Accreditation Program (DAP) 11/2004, Thai Institute of Directors Association (IOD)</li> </ul> <p><b>Board Member/Management in Other Listed Company (1)</b></p> <p>Since 18 December 2013, Independent Director, The Platinum Group PCL</p>	<p><b>Position in Other Company /Organization/Institution (2)</b></p> <p>Since 2006, Council of State Office of the Council of State</p> <p>Since 14 October 2005, Independent Director, Sahaphandh Construction PCL</p> <p><b>Shareholding (Ordinary Shares) (as of 31 October 2022)</b></p> <ul style="list-style-type: none"> <li>- Own: (None)</li> <li>- Held by Spouse or minor children : (None)</li> </ul> <p><b>Family Relationship among Directors and Executives (None)</b></p>



<b>17. Mr. Sitti Leelakasamelek</b> Age 69 years Director qualified as an independent director	
<b>Position</b> Independent Director/Chairman of Audit Committee Risk Management Committee <b>Date of Appointment as a Director</b> - 26 February 2004 <b>Education/Training</b> - BA in Accounting, Chulalongkorn University <b>Expertise</b> - Accounting - Finance - Marketing & Business Development <b>Director Training</b> - Director Accreditation Program (DAP) 11/2004, Thai Institute of Directors Association (IOD) - Audit Committee Forum 2014, Thai Institute of Directors Association (IOD) <b>Board Member/Management in Other Listed Company</b> (None)	<b>Position in Other Company /Organization/Institution</b> (None) <b>5-year Past Experiences and / or Remarkable position</b> Since 2014 - 28 September 2018, Deputy Chief Executive Officer,Noble Development PCL. Since 1994 - 28 September 2018, Vice Chairman, Noble Development PCL. Since 1991 - Nov 2014, Executive Vice President- Support Line1, Noble Development PCL. Since 2013 - 26 April 2019, Director, S&P Property Management Co., Ltd. Since 2012 - 26 April 2019, Director, N.K.Energy Conservation Co., Ltd. Since 2005 - 26 April 2019, Director, Ban Suk Sabai Co., Ltd. Since 1995 - 26 April 2019, Director,Continental City Co.,Ltd. <b>Shareholding (Ordinary Shares) (as of 31 October 2022)</b> - Own: (None) - Held by Spouse or minor children : (None) <b>Family Relationship among Directors and Executives</b> (None)

<b>18. Mr. Warapatr Todhanakasem</b> Age 73 years Director qualified as an independent director	
<p><b>Position</b></p> Independent Director/ Chairman of Corporate Governance Committee/ Audit Committee <p><b>Date of Appointment as a Director</b></p> <ul style="list-style-type: none"> <li>- 26 February 2010</li> </ul> <p><b>Education/Training</b></p> <ul style="list-style-type: none"> <li>- Ph.D. in Business Economics University of Illinois, Urbana-Champaign, USA</li> <li>- M.S. in Economics University of Illinois, Urbana-Champaign, USA.</li> <li>- M.B.A. in Finance Kellogg School of Management, Northwestern University, Evanston, Illinois, USA.</li> <li>- B.Econ.(1st Class Honor) Thammasat University</li> <li>- LL.B. Thammasat University</li> <li>- Capital Market Academy Program, Class 5</li> <li>- The Executive Director Course of Process of Judgment, Class 15</li> <li>- Certificate, Executive Program on Energy Literacy for a Sustainable Future (TEA), Class 9</li> <li>- Institute of Metropolitan Development Class 4</li> <li>- TEPCOT Class 2</li> </ul> <p><b>Expertise</b></p> <ul style="list-style-type: none"> <li>- Corporate Governance</li> <li>- Finance</li> <li>- Strategic Planning &amp; Risk Management</li> </ul> <p><b>Director Training</b></p> <ul style="list-style-type: none"> <li>- Directors Certification Program DCP 0/2000, Thai Institute of Directors Association (IOD)</li> </ul>	<ul style="list-style-type: none"> <li>- The Executive Director Course EDC 1/2012, Thai Institute of Directors Association (IOD)</li> <li>- Certificate of International Corporate Governance, Yale University, U.S.A.</li> <li>- Director Certificate Program, Australian Institute of Corporate Directors (Class Train the Trainers), Bangkok</li> </ul> <p><b>Board Member/Management in Other Listed Company (5)</b></p> Since 1 January 2022 Chairman, Moshi Moshi Retail Corporation Public Company Limited Since 2020, Independent Director, Audit Committee and Nomination and Remuneration Committee Standard Chartered Bank (Thai) PCL, Since June 2013, Director, True Corporation PCL Since August 2012, Director, Amata VN PCL Since 2009, Chairman and Independent Director, Prinsiri PCL <p><b>Position in Other Company /Organization/Institution</b></p> Since Jun 2012, President, Institute of Research and Development for Public Enterprises of Thailand (IRDP) <p><b>Shareholding (Ordinary Shares) (as of 31 October 2022)</b></p> <ul style="list-style-type: none"> <li>- Own: (None)</li> <li>- Held by Spouse or minor children : (None)</li> </ul> <p><b>Family Relationship among Directors and Executives</b></p> (None)

<b>19. Ms. Nongluck Phinainitisart</b> Age 63 years Director qualified as an independent director	
<p><b>Position</b></p> Independent Director/Chairman of Risk Management Committee/Audit Committee/Nomination and Remuneration Committee <p><b>Date of Appointment as a Director</b></p> <ul style="list-style-type: none"> <li>- 26 February 2010</li> </ul> <p><b>Education/Training</b></p> <ul style="list-style-type: none"> <li>- Doctorate Degree in Electrical Engineering, Chulalongkorn University</li> <li>- Master Degree in Electrical Engineering, University of Missouri, U.S.A.</li> <li>- Bachelor Degree in Electrical Engineering, Chulalongkorn University</li> <li>- Executive Program, Harvard University, USA</li> <li>- Stanford Executive Program 2013</li> </ul> <p><b>Expertise</b></p> <ul style="list-style-type: none"> <li>- Strategic Planning &amp; Risk Management</li> <li>- Marketing &amp; Business Development</li> <li>- Business Management</li> </ul> <p><b>Director Training</b></p> <ul style="list-style-type: none"> <li>- Director Accreditation Program (DAP) 4/2003, Thai Institute of Directors Association (IOD)</li> <li>- Director Certification Program (DCP) 71/2006, Thai Institute of Directors Association (IOD)</li> </ul>	<p><b>Board Member/Management in Other Listed Company (1)</b></p> Since 1 September 2019, Director and Executive Director, Mudman PCL <p><b>Position in Other Company /Organization/Institution</b></p> (None) <p><b>Shareholding (Ordinary Shares) (as of 31 October 2022)</b></p> <ul style="list-style-type: none"> <li>- Own: (None)</li> </ul> <p><b>Family Relationship among Directors and Executives</b></p> (None)

<b>20. Mrs. Anchalee Pipatanasern</b> Age 70 years Director qualified as an independent director	
<p><b>Position</b></p> Independent Director/Audit Committee Corporate Governance Committee <p><b>Date of Appointment as a Director</b></p> <ul style="list-style-type: none"> <li>- 29 September 2017</li> </ul> <p><b>Education/Training</b></p> <ul style="list-style-type: none"> <li>- Continuing Education Program in AIS, University of Texas at Austin, USA.</li> <li>- MS. (Accounting), Thammasat University</li> <li>- BBA. (Accounting) (second class Honours), Thammasat Business School, Thammasat University</li> <li>- Thammasat Leadership Program (for social) Class2, Thammasat University</li> </ul> <p><b>Expertise</b></p> <ul style="list-style-type: none"> <li>- Accounting</li> <li>- Finance</li> <li>- Corporate Governance</li> </ul> <p><b>Director Training</b></p> <ul style="list-style-type: none"> <li>- Director Certification Program (DCP) 124/2009, Thai Institute of Directors Association (IOD)</li> <li>- Audit Committee and Continuing Development Program (ACP) Class30/2010, Thai Institute of Directors Association (IOD)</li> <li>- Advanced Audit Committee Program (Advanced ACP) 2/2010, Thai Institute of Directors Association (IOD)</li> <li>- Role of Chairman 25/2011, Thai Institute of Directors Association (IOD)</li> </ul>	<ul style="list-style-type: none"> <li>- Board Matters and Trends (BMT) 7/2019 ,Thai Institute of Directors Association (IOD)</li> </ul> <p><b>Board Member/Management in Other Listed Company (3)</b></p> <ul style="list-style-type: none"> <li>Since 2010, Audit Committee/Independent Director, AIRA Capital PCL</li> <li>Since 2009, Audit Committee/Independent Director, AIRA Securities PCL</li> <li>Since 2009, Chairman of Audit Committee/ Independent Director, Prinsiri PCL</li> </ul> <p><b>Position in Other Company /Organization/Institution (2)</b></p> <ul style="list-style-type: none"> <li>Since 2012, Subcommittee, University Council on Finance and Property, Thammasat University</li> <li>Since 2012, Committee of Real Estate Business Program, Thammasat Business School, Thammasat University</li> </ul> <p><b>5-year Past Experiences and / or Remarkable position</b></p> <ul style="list-style-type: none"> <li>2008 – 2010, Head, Department of Accounting, Thammasat Business School, Thammasat University</li> <li>2004 – 2007, Vice Rector for Finance, Thammasat University</li> </ul> <p><b>Shareholding (Ordinary Shares) (as of 31 October 2022)</b></p> <ul style="list-style-type: none"> <li>- Own: (None)</li> <li>- Held by Spouse or minor children : (None)</li> </ul> <p><b>Family Relationship among Directors and Executives</b></p> (None)

21. Mr. Theera Sanguandeeekul	
Age 71 years	
<p><b>Position</b> Vice President - Sugar Production</p> <p><b>Education/Training</b></p> <ul style="list-style-type: none"> <li>- MSc.Chemical Engineering ,University of Wisconsin, Madison, USA</li> <li>- Executive MBA , Kasetsart University</li> <li>- Bsc.Chemistry, Faculty of Science, Chulalongkorn University</li> </ul>	<p><b>Board Member/Management in Other Listed Company</b> (None)</p> <p><b>Position in Other Company /Organization/Institution (5)</b></p> <ul style="list-style-type: none"> <li>Since 2007, Director, Koh Kong Sugar Industry Co., Ltd.</li> <li>Since 2006, Director, Savannakhet Sugar Corporation</li> <li>Since 2003, Director, Royal Place Realty Co., Ltd.</li> <li>Since 1992, Director, Chareonlarp Development Co., Ltd.</li> <li>Since 2010, Director, Royal Residence Development Co., Ltd.</li> </ul> <p><b>Shareholding (Ordinary Shares) (as of 31 October 2022)</b></p> <ul style="list-style-type: none"> <li>- Own: 1,650,000 Shares (0.04%)</li> <li>- Held by Spouse or minor children : (None)</li> </ul> <p><b>Family Relationship among Directors and Executives</b> (None)</p>

22. Mr. Piripon Chinthammit	
Age 42 years	
<p><b>Position</b> Vice President - Raw Material Supply</p> <p><b>Education/Training</b></p> <ul style="list-style-type: none"> <li>- Master Degree in Business Administration (Organization Leadership), University of Findlay, Ohio, U.S.A.</li> <li>- Bachelor Degree in Business Administration (Marketing), Bangkok University</li> <li>- Competency For Executive Management, 2018</li> <li>- Key Successors Development Program, 2017</li> <li>- Leadership Development Program, 2016</li> <li>- Energy Literacy for the world, 2015</li> </ul> <p><b>Board Member/Management in Other Listed Company</b></p> <p>(None)</p> <p><b>Position in Other Company /Organization/Institution(8)</b></p> <p>Director, Koh Kong Sugar Industry Co., Ltd.</p>	<p>Director, Savannakhet Sugar Corporation</p> <p>Director, KSL Real Estate Co., Ltd.</p> <p>Director, WSP Logistics Co., Ltd.</p> <p>Director, KSL Agro and Trading Co., Ltd.</p> <p>Since January 2019, Director, Thai Sugar Millers Co., Ltd.</p> <p>Since April 2019, Director, Thai Sugar And Bioenergy Producers Association (TSEA)</p> <p>Since 10 August 2022, Director,</p> <p style="text-align: center;">Office of Cane and Sugar Board</p> <p><b>Shareholding (Ordinary Shares) (as of 31 October 2022)</b></p> <ul style="list-style-type: none"> <li>- Own: 93,847,124 shares (2.13%)</li> <li>- Spouse :</li> <li>Ms. Wikanda Chinthammit 64,900 shares (0.001%)</li> </ul> <p><b>Family Relationship among Directors and Executives</b></p> <ul style="list-style-type: none"> <li>- Son of person number 2</li> <li>(Mr. Chamroon Chinthammit)</li> </ul>

23. Mr. Sommanus Potisat	
Age 60 years	
<p><b>Position</b></p> <p>Vice President - Office of President</p> <p><b>Education/Training</b></p> <ul style="list-style-type: none"> <li>- B.Sc. in Economics, Thammasat University, 1983</li> <li>- Master of Business Administration (Marketing), Chulalongkorn University, 1986</li> </ul> <p><b>Director Training</b></p> <ul style="list-style-type: none"> <li>- Director Certification Program (DCP) 105/2008, Thai Institute of Directors Association (IOD)</li> </ul>	<p><b>Board Member/Management in Other Listed Company</b></p> <p>(None)</p> <p><b>Position in Other Company /Organization/Institution (2)</b></p> <p>Since 1 November 2019, Managing Director,</p> <p style="text-align: center;">Khon Kaen Sugar Power Plant Co., Ltd.</p> <p>Since 22 January 2019, Director Thai Sugar Millers Co., Ltd.</p> <p><b>Shareholding (Ordinary Shares) (as of 31 October 2022)</b></p> <ul style="list-style-type: none"> <li>- Own : (None)</li> <li>- Held by Spouse or minor children : (None)</li> </ul> <p><b>Family Relationship among Directors and Executives</b></p> <p>(None)</p>

<b>24. Ms. Wanna Areeprayoonkij</b> Age 40 years old	
<b>Position</b> Senior Manager Accounting (supervising accounting) <b>Education / Training</b> - Master's degree of Account, Kasetsart University - Bachelor of Accounting University of the Chamber of Commerce	<b>Work experience/ Listed Company</b> (None) <b>Work experience/ Company Limited</b> (None) <b>Shareholding (Ordinary Shares) (as of 31 October 2022)</b> (None) <b>Relation among family within company</b> (None)
<b>25. Mr. Chartchai Poowong</b> Age 52 years old	
<b>Position</b> Internal Audit Supervisor <b>Education / Training</b> - BACHELOR BUSINESS ADMINISTRATION ACCOUNTING KASEM BUNDIT UNIVERSITY -PROFESSIONAL INTERNAL AUDITOR OF THAILAND (CPIAT 21) - TOOLS AND TECHNIQUES FOR THE AUDIT MANAGER - INTERNAL QUALITY ASSESSMENT	- AUDITING INFORMATION SYSTEM - RISK BASED AUDIT - VALUE ADDED BUSINESS CONTROL THE RIGHT WAY TO MANAGE RISK <b>Work experience/ Listed Company</b> (None) <b>Work experience/ Company Limited</b> (None) <b>Shareholding (Ordinary Shares) (as of 31 October 2022)</b> (None) <b>Relation among family within company</b> (None)

<p><b>26. Mrs. Kanyarat Sumitra</b> Age 47 years</p>	
<p><b>Position</b> Company Secretary/Manager- Company Secretary and Legal Office</p> <p><b>Date of Appointment as a Company Secretary</b> - 15 January 2021</p> <p><b>Education / Training</b> - Bachelor of Science in Chemistry, Chulalongkorn University - Master of Science in Finance University of Denver, Denver, Colorado, USA - Master of Science in Information Technology University of Denver, Denver, Colorado, USA - Company Secretary Program (CSP120/2021) by Thai Institute of Directors (IOD) - Professional Development Program for Company Secretary by Thai Listed Companies Association (TLCA) - Corporate Sustainability Strategy Class 4/2022 by The Securities Exchange of Thailand (SET)</p>	<p><b>Board Member/Management in Other Listed Company</b> (None)</p> <p><b>Position in Other Company /Organization/Institution (2)</b> Since 2020, Director, KSL Real Estate Co., Ltd. Since 2021, Director, Khun Chuan Co., Ltd.</p> <p><b>Shareholding (Ordinary Shares) (as of 31 October 2022)</b> - Own: 54,287,944 shares (1.23%) - Held by Spouse: Mr. Nitat Sumitra: 16,890,120 (0.38%) - minor children : (None)</p> <p><b>Family Relationship among Directors and Executives</b> - Daughter of person number 2 (Mr. Chamroon Chinthammit)</p>



## Attachment 2 Directors in subsidiaries and Affiliated companies of Khon Kaen Sugar Industry PCL. as of October 31, 2022

Name - Surname		Position	Subsidiaries and Associates															
			Khon Kaen Sugar Industry PCL.															
				1	2	3	4	5	6	7	8	9	10	11	12	13	14	
1.Mr.Manu	Leopairote	Chairman/Independent Director	X	X	X													
2.Mr.Chamroon	Chinthammit	Director / Chief Executive Officer	//	//	//	X	X	X	X	X		X						/
3.Mr.Pomsin	Thaemsirichai	Director / Executive Director	//	//	//		/			/	X							
4.Mr.Sukhum	Tokaranyaset	Director / Executive Director	//	//	//	/		/	/			/						
5.Mr.Thawatchai	Rojanachotikul	Director / Executive Director	//	//	//	/		/	/	/								
6.Mrs.Intira	Sukhanindr	Director / Executive Director	//	//	//		/		/									
7.Ms.Duangdao	Chinthammit	Director / Executive Director / Nomination and Remuneration Committee	//	//	//			/	/									
8.Mr.Chalush	Chinthammit	Director / Executive Director/Risk Management Committee/President	//	//	//	/	/	/	/	/	/	/	/	/	/	/	/	/
9.Mr.Somchai	Chinthammit	Director / Executive Director	//	//	//		/											
10.Ms.Duangkae	Chinthammit	Director / Executive Director	//	//	//													
11.Mr.Chanachai	Chutimavoraphand	Director / Executive Director	//	//	//		/	/	/	/		/	/		//	/		
12.Mr.Chatri	Chinthammit	Director	/	/	/													
13.Mr.Somchat	Chinthammit	Director /CG Committee	/	/	/													
14.Mr.Tachpong	Pakornsiriwongse	Director / Executive Director	//	//	//						/							
15.Mr.Trakarn	Chunharojrit	Director / Executive Director	//	//	//		/	/	/									
16.Pol.Gen.Boonpen	Bumpenboon	Independent Director/Chairman of Nomination and Remuneration Committee/CG Committee																
17.Mr.Sitti	Leelakasemlerk	Independent Director/Chairman of Audit Committee/Risk Management																
18.Mr.Warapatr	Todhanakasem	Independent Director/Chairman of CG Committee/Audit Committee/																
19.Ms.Nongluck	Phinainitsart	Independent Director/Chairman of Risk Management Committee/Audit																
20.Mrs.Anchalee	Pipatanasern	Independent Director/Audit Committee/CG Committee																
21.Mr.Theera	Sanguandeekul	Vice President								/		/						
22.Mr.Piripon	Chinthammit	Vice President						/	/	/	/		/					
23.Mr.Sommanus	Potiat	Vice President																

**NOTE :**

1)Symbols and Position

x Chairman, / Director, // Executive Director

## 2) Name of Subsidiaries and Associates

**Name of Subsidiaries**

- 1 Tamaka Sugar Industry Co., Ltd.
- 2 New Krung Thai Sugar Factory Co., Ltd.
- 3 New Kwang Soon Lee Sugar Factory Co., Ltd
- 4 KSL Export Trading Co., Ltd.
- 5 Khon Kaen Sugar Power Plant Co., Ltd.
- 6 KSL Real Estate Co., Ltd.
- 7 KSL Agro and Trading Co., Ltd.
- 8 Savannakhet Sugar Corporation
- 9 Koh Kong Plantation Co., Ltd.
- 10 Koh Kong Sugar Industry Co.,Ltd.
- 11 WSP Logistics Co., Ltd.
- 12 KHUN CHUAN Company Limited

**Name of Associates**

- 13 Thai Sugar Terminal PCL.
- 14 BBGI PCL.

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## Attachment 3 Details of Internal Audit Supervisor

MR. CHARTCHAI POOWONG

EDUCATION : BACHELOR BUSINESS ADMINISTRATION ACCOUNTING KASEM BUNDIRT UNIVERSITY

WORK EXPERIENCE :2547 – CURRENT INTERNAL AUDIT MANAGER KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY  
EXPERIENCE IN INTERNAL AUDIT FOR KRUNG THAI PROPERTY DEVELOPMENT CO .,LTD  
2546 – 2547 AND PHATRA INSURANCE PUBLIC COMPANY 2536 – 2544

TRAINING : PROFESSIONAL INTERNAL AUDITOR OF THAILAND  
(CPIAT 21)  
TOOLS AND TECHNIQUES FOR THE AUDIT MANAGER  
INTERNAL QUALITY ASSESSMENT  
AUDITING INFORMATION SYSTEM  
RISK BASED AUDIT  
VALUE ADDED BUSINESS CONTROL THE RIGHT WAY TO MANAGE RISK

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## Attachment 4 Details of Appraised value of assets

In 2022, Khon Kaen Sugar Industry Public Company Limited and its subsidiaries have engaged an independent professional appraiser to perform a revaluation of investment property and operating land, as have adopted the accounting policies is fair value method, to reflect the current existing value of assets. The appraisal value of assets by an appraiser using the market approach and income approach, make an investment property as at October 31, 2022 have totaling amount Baht 6,297 million and have gain on fair value adjustments of investment property in the total amount of Baht 121.30 million.

Note : The Company disclosed the appraised value of assets, consisted of :

Types and characteristics of assets	Appraisal (Million Baht)	Name of who role appraiser	Name of operational control or the main appraiser	Objective	The reporting date
Investment Property					
- Land	4,272	UK VALUATIONS & AGENCY CO., LTD.	Mrs. UDOMSRI NATHIKANCHANALAB Qualified Senior Valuer 026 Mr. NATEE TANGTIDTHAM Qualified Senior Valuer 346	Public	September 30, 2022
- Building	2,025	UK VALUATIONS & AGENCY CO., LTD.	Mrs. UDOMSRI NATHIKANCHANALAB Qualified Senior Valuer 026 Mr. NATEE TANGTIDTHAM Qualified Senior Valuer 346	Public	September 30, 2022

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## Attachment 5 Unabridged policy and guidelines on corporate governance and unabridged code of business conduct prepared by the Company.

### Corporate Governance Policy and Code of Conduct

Khon Kaen Sugar Industry Public Company Limited has defined a policy on good corporate governance as a guideline that all directors, management team and employees shall comply with such policy in order to promote KSL to be an efficient company in business, good corporate governance and transparency. KSL has announced good corporate governance principles and prepared Corporate Governance Policy and Code of Conduct manual as a guideline for the directors, executives and all employees to acknowledge and perform their duties. The manual was published on the KSLGROUP website for all relevant information, see more details at the below link;

<https://www.kslgroup.com/index.php/th/>

### The Board of Directors

The Company plans the Board of Directors' meetings throughout the year, generally with more than six meetings per year to consider the main agendas regulated each year. However, if there is an important agenda, the Chairman of the Board of Directors will call a meeting for that important agenda which will be notified in advance, not less than the period specified by law. In 2021, the Board of Directors held a total of 7 meetings.

The powers, duties, and responsibilities of the Board of Directors are defined by reference to the Public Limited Companies Act, the Securities and Exchange Company Act, the regulations of the Stock Exchange of Thailand, and the Company's Articles of Association.

#### **Scopes, Powers, and Duties of the Board**

Previously, the powers and duties of the Board of Directors were stipulated in the Corporate Governance Policy Section 5. Subsequently, the Board of Directors at the meeting No. 7/2016-2017 dated 29 September 2017 agreed upon and approved the Board Charter which shall come into force from 1 October 2017. This Charter defines the duties of the Board of Directors to be reviewed under the Virtuous Corporate Governance Principles for Listed Companies 2017 as follows:

(1) Manage the business by creating sustainable value for the Company, that is, for the Company to have satisfying performance, operate the business with ethics and responsibility to stakeholders, eliminating or reducing the negative impact on society and the environment, and adapt to various changing factors

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(2) Establish business objectives and goals of the entity on the basis of creating a sustainable business while taking into account, the impact on society and the environment, direct the implementation of the objectives, goals, strategies, and annual plans to success of arranged goals.

(3) Ensure that the business has a Board of Directors with composition and qualifications consistent with the principles of virtuous corporate governance through transparent and efficient recruitments. Have developments of skills and knowledge for performing duties responsibly. Establish a framework and mechanism for overseeing policies and operations of subsidiaries and businesses in which the company invests. Appoint necessary and appropriate sub-committees.

(4) Ensure that the Company has the President and senior executives suitable for the implementation of the Company's goals. Set up development of senior management as well as a systematic succession.

(5) Promote innovations that create value for businesses and conduct business with social awareness and environmental responsibility.

(6) Ensure that there is a standard in risk management and internal control system that responds to the achievement of long-term objectives and goals of the Company, including the prevention of unofficial disclosure of sensitive information that may occur through information technology. Provide policies and guidelines for managing conflicts of interest and related transactions, anti-corruption, channels for complaints, and evidence concerning fraud and corruption.

(7) Ensure that financial creditworthiness is maintained and the preparation of financial reports and information disclosure is transparent and under the law.

(8) Support the participation of shareholders in crucial matters and maintain the right to receive information from shareholders through appropriate and timely channels.

The above eight roles and duties can categorize as guidelines and several other guidelines referred to the “Principles of Good Corporate Governance: Code of Conduct for the Listed Board of Directors” developed by the Securities and Exchange Commission.

## **Duties of Directors and sub-committees**

### **1. Audit Committee**

The Audit Committee consists of not less than three directors, of which the chairman and all directors must be independent directors. At least one member of this committee must have knowledge and experience in reviewing financial statements. The audit committee must have the qualifications prescribed by the Stock Exchange of Thailand and the Capital Market Supervisory Board. The Audit Committee has a term of office of three years and can be reappointed as an audit committee but not more than three consecutive terms unless the Board of Directors deems it appropriate to hold the position. The Audit Committee has three years per term of office and can be reappointed

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as an Audit Committee member. However, the maximum duration is three consecutive terms unless the Board of Directors deems it appropriate to continue holding the position. The Audit Committee has the scope of powers and duties as stipulated in writing of the Audit Committee Charter.

**Scope of Duties and Responsibilities**

1. To review that the Company has accurate and sufficiently disclosed financial reports.
2. To review that the Company has internal controls and internal audit activities appropriately and effectively, including considers sufficiency of manpower budget and independency of the internal audit department as well as the Audit Committee's consent on appointment, rotation, promotion, and termination the head of internal audit department, including other departments who are also responsible for internal audit activities.
3. To review the risk management operations of the Company. The effects may occur at a level acceptable in order to prevent fraud and corruption.
4. To review that the Company is complied with the Securities and Exchange Act and Regulations of the SET or other laws that related to the Company's industry.
5. To select, propose for appointment and termination of independent person as the Company's auditor, including consider the remuneration. The Audit Committee shall hold a meeting with the auditor without management participation at least once a year.
6. To consider compliance of connected or conflict of interest transactions, including significant asset acquisitions and disposals in accordance with the Laws and Regulations of SET and SEC in order to assure that the transactions are reasonable and provide the best interest to the Company.
7. To report activities of the Audit Committee in the Company's annual report. The report shall be signed by the Chairman of the Audit Committee and should be included at least the following information:
  - 7.1 Comments on completeness and reliability of the Company's Financial Reporting
  - 7.2 Comments on sufficiency of the Company's internal control systems
  - 7.3 Comments on compliance with Securities and Exchange Act, Regulations of SET and SEC and other related laws to the Company's industry
  - 7.4 Comments on appropriation of the auditor
  - 7.5 Comments on conflict-of-interest transaction
  - 7.6 Number of Audit Committee meetings and member's participation
  - 7.7 Overall comments or observation regarding practices of the Audit Committee in accordance with the

Audit Committee Charter



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7.8 Other statements that shareholders or general investors should be informed under the scope of authorities and responsibilities of the Audit Committee as assigned to the Audit Committee by the Board of Directors.

8. To perform any assignment by the Board of Directors that agreed upon by the Audit Committee

9. While the Audit Committee are performing duties and responsibilities, the Audit Committee shall report within a reasonable period of time to the Board of Directors for corrective action if the Audit Committee observed the following transactions or events that may have material impacts to the financial status and performance of the Company

9.1 Conflict of interest transaction

9.2 Fraud or misappropriation might occur or there is significant weakness in the internal control system

9.3 Violation to the laws of SET, SEC or announcements of SET or other laws relating to the Company's industry

If the Board of Directors or relevant executives do not correct the aforementioned matters in due time, any Audit Committee member may further report the finding to the Securities and Exchange Commission and the Stock Exchange of Thailand.

## **2. Remuneration Committee and the Nomination Committee**

The Company has designated the Remuneration Committee and the Nomination Committee to be the same committee consisting of not less than three directors. The chairman of the board and other directors, together with more than half of the board, are independent directors. The Nomination and Remuneration Committee has three years per term of office and can be reappointed as the Nomination and Remuneration Committee. However, the maximum duration is three consecutive terms unless the Board of Directors deems it appropriate to continue holding the position. The Nomination and Remuneration Committee has the scope, powers, and duties as stipulated in writing of the Nomination and Remuneration Committee Charter.

Anywise, the Nomination and Remuneration Committee has not appointed any person to be an advisor to the Nomination and Remuneration Committee since the Board consists of independent directors who can express their opinions independently under relevant rules. Their outlooks bring knowledge, experience, and expertise to provide valuable suggestions in business operations.

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### Scope of Duties and Responsibilities

#### 1. Nomination

1.1 define qualifications of the directors to be consistent with the structure, size and compositions of various committees established by the Board of Directors so as to ensure transparency and expectation of the Board of Directors by considering the knowledge, experience, expertise, freedom and time to contribute to directorship;

1.2 select and nominate persons qualified to be directors for the Board of Directors' consideration to nominate to the Shareholders' meeting for appointment provided that the selection method, verification of qualifications as regulated by laws and related authorities including consent to be appointed are to be prescribed;

1.3 select and nominate persons qualified to be members in the Board of Directors and other sub-Committees to replace the members whose office terms have ended to the Board of Directors for consideration.

#### 2. Remuneration

2.1 consider or review pattern, criteria and procedures to consider remuneration so as to suit the duties and responsibilities of the Board of Directors and other sub-Committees and submit for approval from the Board of Directors and the Shareholders' meeting respectively provided ;

2.2 review data relating to remuneration of other companies in the same and similar industry yearly;

2.3 disclose names of directors, attendance and remuneration in all types in the Company's Annual Report as well as the brief Charter and remuneration criteria.

#### 3. Risk Management Committee

The Risk Management Committee comprises not less than three committee members, provided that Chairman and other committee members altogether being more than half of the Committee must be independent directors. The Risk Management Committee has an office term of three years each time, and they can be re-elected, but they shall not hold office for more than three consecutive terms, except where deemed suitable by the Board of Directors. The Risk Management Committee has the scope of powers and duties as prescribed in the Charter of the Corporate Governance Committee.

### Scope of Duties and Responsibilities

1. Develop policies to be considered by the Board of Directors regarding the overall corporate risk management that covers the Company's major risks, such as market risk, liquidity risk, management risk, investment risk, and reputation risk.

2. Design strategies in line with risk management policies to monitor and evaluate the corporate risk amount, as well as maintain the appropriate risk level.
3. Review the adequacy of risk management policies and system, as well as effectiveness of the system and policies practiced.
4. Provide recommendations in line with policies and strategies determined by the Board of Directors and present those recommendations to the Board.

#### **4 Corporate Governance Committee**

The Corporate Governance Committee comprises not less than three committee members, provided that Chairman and other committee members altogether being more than half of the Committee must be independent directors. The Corporate Governance Committee has an office term of three years each time, and they can be re-elected, but they shall not hold office for more than three consecutive terms, except where deemed suitable by the Board of Directors. The Corporate Governance Committee has the scope of powers and duties as prescribed in the Charter of the Corporate Governance Committee.

#### **Scope of Duties and Responsibilities**

1. Consider and propose corporate governance policy, business ethics and other policies relating to the corporate governance to the Board of Directors;
2. Consider and propose practices of the Company, Board of Directors, executives, personnel and other relevant parties which are consistent with the corporate governance policy, business ethics and other policies relating to the corporate governance to the Board of Directors;
3. Monitor and supervise as well as create understanding to the Board of Directors and management for the sake of performance pursuant to the governance policy, business ethics and governance practices;
4. Review the corporate governance policy and practices at least once a year by comparison with international standard or other appropriate standards;
5. Appoint a Secretary to the Corporate Governance Committee, sub-committees or working groups with suitable duties and responsibilities;
6. Perform other duties as assigned by the Board of Directors.

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## Attachment 6 Report of Corporate Governance Committee

In 2021/2022, the Corporate Governance Committee held altogether 3 meetings, whereby 100 percent of the committee members attended the meetings, to perform its duties according to the scope of responsibilities specified in the Corporate Government Committee's Charter, the results of which were then reported to the Board of Directors every time, which can be summarized as follows:

- Reviewed the Charter of the Corporate Governance Committee, social responsibility policy, and reviewing business ethics.
- Reviewed the Company's operations at the annual general meeting of shareholders in accordance with the law, rules, and best practices. This includes giving shareholders the right to propose matters to be included in the meeting agenda and nominate persons to be considered for election as directors.
- Considered and monitored the Company's operations in line with the good corporate governance principles for listed companies in 2017 and the Company's corporate governance policy.
- Considered, followed up, and acknowledged a report of activities in alignment with the Anti-Fraud and Corruption Policy and the preparation of documents submitted for the 3rd CAC certification as in the actual submission (Re - Run) because the Company must carry out the documentation to renew the 3rd certification in September 2022. The Office of Risk Management and the Office of Internal Audit therefore included items to be performed in the annual activity plan 2021/2022. When the processing of risk assessment on fraud and corruption and the working paper are completed, they will be presented to the Corporate Governance Committee before submitting the documents for the certification renewal.
- Reviewed the self-assessment form of the directors and committee as a whole and individually.
- Considered the meeting dates of the Corporate Governance Committee for the year 2023.
- Acknowledged the plan of compliance with the Company's Personal Data Protection Act (PDPA) because it comes into effect on June 1, 2022, and there are some things to be aware of regarding the directors' compliance with the data protection law. The directors can disclose or use personal information of other persons that they have learned only under the objectives that the Company has informed the data subjects or as required by law. If the directors use or disclose other personal information to third parties that is not in accordance with the objectives informed to the data subjects or without their consent or as required by law, it may result in the Company and/or authorized directors acting on behalf of the Company being prosecuted according to the law. They may be subject to civil, criminal and administrative penalties.
- Acknowledged the report on the amendment of the public limited companies law (No. 4, 2022).
- Acknowledged that the Company received an assessment at an "Excellence" level from the 2021 corporate governance survey of Thai listed companies and recommendations for improving corporate governance under the 2021 CGR Project organized by the Thai Institute of Directors.
- Acknowledged 100% of the quality assessment results of the 2022 Annual General Meeting of Shareholders.

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### Report of Risk Management Committee

The Board of Directors is well aware of the importance of risk management which affects its business operations and the established targets. In order to create confidence and reliability to the investors and the stakeholders regarding the Company's operations, therefore, the Risk Management Committee, which comprises committee members who have good understanding of the business, is appointed to perform the duties of directing and reviewing the risk management framework of the Company according to the roles in the Charter of the Risk Management Committee, and then proposes guidelines on suitable risk management to the Management, while at the same time promoting risk management at all levels of the entire organization in line with international standards.

In 2022, the Risk Management Committee held 5 meetings altogether, the significant points of which can be summarized as follows:

1. The Committee supervised and considered the policy and the management of main risks of the Company to ensure that they were suitable and in line with the direction of business operation, strategic plans, and targets of the organization under changing circumstances.

2. The Committee reviewed risk criteria and approved main risk issues of the Company and the risk management plan of 2022 under risk appetite, by imposing concrete and practicable mitigation plan.

3. The Committee reviewed risk working team and educated and encouraged cooperation for overall risk management by providing systematic assessment and analysis of risk likelihood both in normal situation and in critical circumstances to ensure the complete risk survey over all procedures of operation.

4. Criteria for screening and giving opinions on the agenda to invest in large investments This will cause risks and rules to control like a supervisor. It provides advice on the downsides of making business decisions for the best investment, value for money, cost, opportunity cost, helping drivers and checking table conditions as they should be. before presenting to the company considering granting permission

5. The Committee monitored the result of risk management quarterly by setting risk indicators for surveillance and proposed recommendations to the management for improvement of management by taking into consideration the organizational risks as part of setting strategies and goals.

6. The Committee reported the result of risk management of the Company to the Board of Directors for acknowledgment continuously and regularly.

The Risk Management Committee is committed to perform its duties so that the Company has good governance and good management and to ensure that the Company shall operate with efficiency to achieve the established the Company's goals.

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### Report of Audit Committee

The Audit Committee is appointed under a resolution of the Board of Directors and comprises 4 committee members who are independent directors. In 2022, the Audit Committee held five meetings. The purpose of the meeting was to focus on reviewing the adequacy and efficiency of the internal control system, effectiveness of operations and risk management, reliability of financial report and compliance with the law and related regulations of the company, in which the meeting attendance is shown below.

All 4 committee members possess good expertise and experience in accounting, finance, law and business. Particularly, Mr.Sitti Leelakasamelek and Associate Professor Anchalee Pipatanasern fulfill the required knowledge and experience in reviewing the trustworthiness of financial reports. All committee members are well qualified, pursuant to the requirements of the Office of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET), to perform their various duties.

The Audit Committee duly performs its duties in compliance with the Charter of the Audit Committee and as assigned by the Board of Directors, by placing importance to the reviewing of financial reports, related transactions, and internal auditing works. The Committee also promotes and encourages the Company to comply with the best practices of listed companies so that the Company achieves good corporate governance, good risk management, and effective internal control. The issues which were considered by the Audit Committee in the past year are summarized as follows:

#### **1. Review of Financial Reports**

The Audit Committee duly reviewed the quarterly financial statements and the annual financial statements of 2022 of the Company and its subsidiaries, covering all material issues relating to the accounting policy and the financial statements. The Committee also had discussion with the external auditors, the Management, and the Internal Audit Office, to ensure that the preparation of financial reports and the notes therein was done and disclosed correctly and completely according to law and the financial reporting standards. The Audit Committee had an opinion that the financial statements, which were reviewed and audited by the external auditors without reservation, was prepared in accordance with the Thai Financial Reporting Standards and contained accurate, complete, correct, transparent and reliable information with sufficient disclosure therein. The Committee did not discover any misstatements which would materially affect the financial reports. Moreover, the Audit Committee also held meetings with the external auditors without the presence of the Management so as to ensure that the auditor performed his duties freely and independently in giving opinions, acquiring and examining required information for preparing the financial statements, disclosing material matters in accordance with the relevant laws and relevant financial reporting standards as well as beneficial to investors and users of the financial reports.

#### **2. Review of Connected Transaction and Transaction which might result in Conflict of Interest**

The Audit Committee reviewed the financial reports and significant financial activities of the Company and its subsidiaries with attention to connected transactions or transactions which might cause conflict of interest by justifying the compliance with law and regulations of the Securities Exchange of Thailand. The Committee instructed the personnel concerned to report the transactions on quarterly basis and disclosed the information to SET timely. The Committee had opinion that the reported transactions in 2019 were normal business under general commercial conditions without conflict of interest and were fair, reasonable, beneficial to the Company and in full

conformity with the regulations of SET. The Committee found that the disclosure of information was correct and sufficient and discovered no any misstatement.

### **3. Review of Good Corporate Governance, Compliance with Related Laws and Regulations**

The Audit Committee had duly reviewed the compliance under the policy on corporate governance and ethics of the Company, including the compliance with related laws and regulations including the Securities Commission Act, regulations proclaimed by SET and laws related to the Company's business. It was found that the directors, the executives and the staff conducted the compliance in all respects. The Committee considered and found that the Company had appropriate and effective corporate governance procedures. The Company provided channels for complaints so that the staff, customers and other stakeholders could give information or clues concerning fraud, misconduct or defiance of business ethics and established a functional unit to handle the complaints with transparency and appropriateness.

Received a certification as a member of Thailand's Private Sector Collective Action Coalition against Corruption (CAC) which is the Company's 2nd renewal of the certification, the Audit Committee paid more attention to the governance on anti-fraud and corruption. It assigned the Internal Audit Office to review the compliance with the Company's Manual on Anti-Fraud and Corruption and reported to the Committee. The Committee considered the normal practices were appropriate and efficient for transparent business operation and found no material issues of violation against any laws and regulations.

### **4. Review of Risk Management**

The Audit Committee also considered and reviewed the policy and practices, pursuant to the risk management principles of the Company and its subsidiaries, to ensure that the Company had appropriate and effective risk management procedures. The review on risk at organization level was considered in accordance with the COSO-ERM Guidelines. The Committee also monitored assessment of risks which might occur from changing circumstances or business environment so as to assess risk factors which might have short-term and long-term impact upon business operation.

The Risk Management Committee is responsible for setting up a risk management policy framework and monitoring the Company's risk management on a quarterly basis. The Audit Committee give the opinion that the Company has an appropriate risk management system with sufficient efficiency in accordance with the Company's policy and strategic plans, including consistency in the changes of the environment and various situations both inside and outside the company.

### **5. Review of Internal Control System**

The Audit Committee supervised and reviewed the sufficiency of internal control system to ensure that the internal auditing activities were conducted with appropriateness, effectiveness and independence. The Committee approved the annual risk-based audit plan that was prepared pursuant to the analysis of material risks; and considered the assessment result of internal control system through "Assessment of Internal Control System Form" introduced by the Securities and Exchange Commission which was made within the framework of the Committee of Sponsoring Organizations of Treadway Commission before reporting to the Board of Directors and disclosing the outcome in Report Form 56-1 and the Annual Report.

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The Audit Committee reviewed and monitored the audit outcome of the Internal Audit Office regularly on quarterly basis so as to assess the practices and work quality of the Office whether they followed the approved audit plans and internal control standards. The Committee concluded that the internal control system was appropriate and efficient enough for the business operation and bore no material issues which might affect the normal business of the Company.

#### **6. Selection and Appointment of the External Auditors**

The Audit Committee has a duty to select and propose for appointment the external auditors and audit fee by taking into account the performance, scope of work, experience, capability and work quality of the external auditors in the previous year, status of the auditors, material limitations and relevant regulations of the Stock Exchange of Thailand to ensure that the external auditors were independent and non-partisan as well as the appropriateness of audit fee comparing to the scope of work.

The Committee reviewed the performance of the auditors of Deloitte Touche Tohmatsu Jaiyos Audit Company Limited in the previous financial year together with the proposed audit fee for the year 2021-2022. The Committee found the performance of the auditors satisfactory as they possessed capability, good experience and understanding of the Company's business and performed the task in accordance with professional auditing standards with independence and timely delivery of work. Therefore, the Committee recommended that the Board of Directors agree to seek approval of the Shareholders' Meeting to appoint the named auditors, all of Deloitte Touche Tohmatsu Jaiyos Audit Company Limited, as the Company's auditors for the year 2021-2022 and to accept the audit fee as reviewed by the Committee.

In summary, the Audit Committee carried out its duties and responsibilities as stated in the Audit Committee Charter, employing their diverse expertise, care, prudence, and adequate independence while providing recommendations for the equitable benefit of stakeholders. The Audit Committee's opinion is that KSL's financial reports are accurate and credible, and also fully consistent with generally accepted accounting practices. KSL's operations were in full compliance with all applicable laws and business obligations in conducting businesses under its objectives. Furthermore, KSL had implemented good corporate governance and put in place adequate risk management, suitable and effective internal control, and efficacious internal audit systems.



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### Report of Nomination and Remuneration Committee

The Board of Directors appoints the Nomination and Remuneration Committee which consists of

The Committee has a major duty to recruit and select persons who have appropriate qualifications to be directors in the Board of Directors or Committees of the Board. The duties of the Committee include the regular review of structure, size and composition of the Board of Directors, making guidelines to assess the Board of Directors' performance and remuneration of the directors to propose to the Board of Directors. During 2021-2022, the Committee held four meetings that included the following agenda.

1. Recruiting persons to replace the resigning directors and the directors who completed their term in office by taking into account knowledge, capability, experience, diversification in the structure of the Board and formulating a Board Skill Matrix to be considered with the recruitment and selection.

2. Considering remuneration and bonus for directors and committee members by surveying such remuneration granted by leading listed companies in the same industry and similar size and business nature including that surveyed by the Thai Institute of Directors and taking into account duties and responsibilities of the directors as well as the Company's performance result. The Committee found it appropriate to propose the remuneration and bonus at the same amount as that of the previous year for the next year.

3. Considering training and development plan for directors
4. Considering succession plans of high-level executives
5. Monitoring the performance and the progress of the Company's goals.
6. Considering the Annual Working Plan of the Committee.
7. Competency Assessment for Director and Committee.

In brief, the Committee had fully performed its principal duties as stated in the Charter of the Committee in the past year.

As of 31 October 2022, the Board of Directors consisted of 20 directors, in which 6 of them were independent directors (one independent director resigned during the year and the selection was in the process), 4 persons were non-executive directors and 10 persons were executive directors. The Committee found the composition appropriate for the Company's characteristics. As for the matter of remuneration of directors, executive directors and committee members that was shown in Directors' and Executives' remuneration, the Committee assessed the rate as appropriate. The proposed remuneration had then got approval from the Board of Directors.