

**Minutes of 2017 Annual General Meeting, 1/2018  
Khon Kaen Sugar Industry Public Company Limited**

**Tuesday, February 20, 2018**

**Grand Ballroom, 3<sup>rd</sup> Floor, Century Park Hotel, No. 9 Ratchaprarob Road,  
Victory Monument, Dindaeng, Bangkok**

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The meeting commenced at 9:35 AM.

Mr. Manu Leopaiprote is the Chair of the meeting.

The Chair reported that there were 271 shareholders physically present and 150 shareholders' proxies attending the meeting making the total of 121 shareholders representing 3,442,995,485 shares. Hence, there are more than 25 shareholders and shareholders' proxies and the total number of shares represented account for 78 percent, which is more than one third of the 4,410,232,619 total corporate shares that had been purchased and met the Company's quorum requirement. The Chair proceeded with the opening of the 2017 Annual General Meeting, 1/2018.

Directors and executives present at the meeting:

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|-------------------------------------|--|
| 1. Mr. Manu Leopaiprote             | Chairman of the Board of Directors and Independent Director          |
| 2. Mr. Chamroon Chinthammit         | Chief Executive Officer and President                                |
| 3. Mr. Pornsin Thaemsirichai        | Director and Senior Vice President - Office of Innovation            |
| 4. Mr. Sitti Leelakasemrurk         | Independent Director and Chairman of the Audit Committee             |
| 5. Mr. Chalush Chinthammit          | Director and Vice President - President's Office                     |
| 6. Mr. Sukhum Tokaranyaset          | Director and Senior Vice President - Accounting and Finance          |
| 7. Mr. Thawatchai Rojanachotikul    | Director and Senior Vice President - Administration                  |
| 8. Pol. Lt. Gen. Boonpen Bumpenboon | Independent Director   |
| 9. Mr. Chanachai Chutimavoraphand   | Director and Vice President- Accounting and Finance                  |
| 10. Mr. Karun Kittisataporn         | Independent Director   |
| 11. Mr. Warapatr Todhanakasem       | Independent Director/ Chairman of the Corporate Governance Committee |
| 12. Ms. Anchalee Pipatnanasern      | Independent Director   |
| 13. Mr. Somchat Chinthammit         | Director   |
| 14. Mr. Tachpong Pakornsiriwongse   | Director   |
| 15. Ms. Intira Sukhanindr           | Director and Senior Vice President- Business Development             |
| 16. Ms. Nongluck Phinainitisart     | Independent Director   |
| 17. Ms. Duangdao Chinthammit        | Director and Vice President - Human Resources                        |
| 18. Ms. Duangkae Chinthammit        | Director and Assistant Vice President – President's Office           |
| 19. Mr. Somchai Chinthammit         | Director and Assistant Vice President – President's Office           |
| 20. Mr. Chatri Chinthammit          | Director   |
| 21. Mr. Trakarn Chunharojrit        | Director   |

Director requesting a leave of absence from the meeting:

-None-

Persons participating in the meeting:

1. Mr. Dhajjai Subhapholsiri

Company Secretary and Legal Office/ Company Secretary - Vice President

Auditors from Deloitte Touche Tohmatsu Jaiyos Audit Co., Ltd.

1. Mr. Niti Juangsidniran

2. Ms. Chanthira Chantrachaiyachoti

3. Mr. Nipat Silapakul

4. Ms. Nuttida Jitwattanasuk

The Company Secretary and Legal Office -Vice President (Mr. Dhajjai Subhapholsiri) informed the shareholders of meeting format and voting rules as follows:

1. The meeting is recorded on audio and video media, and may be used by the Company as evidence.
2. Documents used in the 2017 Annual General Meeting, 1/2018, were posted on the corporate website, and the Stock Exchange of Thailand was informed regarding the matter on January 18, 2018.
3. Through the corporate website, the Company had invited all shareholders to propose meeting agenda items and nominate qualified individuals for the director election, from November 3, 2017 to December 31, 2017. However, neither proposals for director nominees nor meeting agenda items were submitted to the Company.
4. Procedure for counting votes cast by shareholders:
  - (4.1) Vote Casting:
    - 1) Voting shall be done openly. One share shall represent one vote. The AGM resolution shall consist of the following votes:
      - In ordinary circumstances, the majority of votes cast by shareholders attending the meeting and eligible to vote shall be deemed as a resolution. In the case of a tie, the Chair of the meeting shall cast the final vote.
      - In other circumstances where the law or Company's regulations prescribe differently from ordinary circumstances, the proceedings shall be in accordance to such prescriptions. The Chair shall inform the shareholders before voting on each of the particular agenda items.
    - 2) For each agenda item, a shareholder shall be entitled to either cast an approval vote or disapproval vote, or to abstain from voting. A share shall not be divided for casting different votes.
    - 3) For proxy voting, proxies shall cast votes as defined by the proxy grantors in proxy forms only.
  - (4.2) Vote Counting: To save time and in accordance with normal meeting procedure, if no shareholder cast a disapproval vote or abstain from voting then the meeting shall consider the agenda approved. When a shareholder wishes to cast a disapproval vote or abstain from voting for a particular agenda, he/she must raise his/her hand and cast his/her vote in an

appropriate form provided by relevant personnel. The company will count the votes by deducting the disapproval vote and the abstain vote from the total number of votes (shares) present at the meeting.

It should be noted that the company will count the vote for each agenda item based on the number of shareholders (and their relevant number of votes) present at the time each agenda is reviewed at the meeting. The total number of votes for each agenda will differ as shareholders join or leave the meeting hall. After everyone casted their votes, the company will count and report the results immediately.

To ensure compliance with good practice for shareholders' meetings of listed companies, during vote counting in this meeting the following representatives were asked to serve in the meeting committee and as witnesses to the counting:

1. Ms. Nuttida Jitwattanasuk                      Deloitte Touche Tohmatsu Jaiyos Audit Co., Ltd

**(4.3) Announcement of Voting Results**

The voting results will be announced for each agenda. In case there are delays in counting the vote for a particular agenda, the Chair will proceed to the next meeting agenda and announce the voting result of the previous agenda as soon as it becomes available.

5. In case a shareholder wishes to make an inquiry, he/she must raise his/her hand. Once the Chair of the meeting invite the shareholder to make the inquiry or comment, he/she should inform his/her full name for the meeting record.
  
6. Please be informed that the invitation to visit the New Krung Thai Sugar Factory at BoPloy district, Kanchanaburi province (Bio-Refinery Complex) for the year 2018 has been sent to shareholders by mail along with the invitation to the Annual General Shareholder meeting. Shareholders who are interested in participating on this one day trip on Friday 16 March 2018 must sign and return the form to the company. In the event that there are more shareholders interested in visiting the factory than the company had planned for, the company will randomly select the shareholders who had not visit the factory before and send a letter of confirmation for selected shareholders.

The Chair requested that the meeting begin considering various matters according to the meeting agenda as follows:

**Agenda 1: To Acknowledge the Operating Results of the Company for the Year 2017**

The Chair asked the Chief Executive Officer and President (Mr. Chamroon Chinthammit) , Director and Senior Vice President - Office of Innovation (Mr. Pornsin Thaemsirichai) , Director and Vice President – President's Office (Mr. Chalush Chinthammit) and Company Secretary and Legal Office -Vice President (Mr. Dhajjai Subhapholsiri) to present the operating results of the company for the year 2017

The Implementation of the Annual General Meeting of Shareholders for the Year 2016, No. 1/2017 on February 24, 2017

Company Secretary and Legal Office - Vice President (Mr. Dhajjai Subhapholsiri) presented the implementation of the Annual General Meeting of Shareholders for the Year 2016, No. 1/2017 on February 24, 2017 as follows:

Agenda 1: To acknowledge the Operating Results of the Company for the year 2016

The meeting acknowledged

Agenda 2: To consider and approve the audited statement of financial position and profit and loss statements for the year ended October 31, 2016

The meeting approved.

Agenda 3: To consider and approve the allocation of profit for dividend payment and legal reserve

The meeting approved. The payment of dividend for the Year 2016 in form of cash dividend of THB 0.10 per share, of the amount not exceeding THB 441,023,262. The Company allocated the profit as legal reserve which is not less than ten percent of the registered capital.

Agenda 4: To elect directors in replacement of those whose terms have ended.

The meeting re-elected 7 directors whose terms have ended for another term.

Agenda 5: To consider and approve directors' remunerations

The meeting approved. The Company proceeded to pay remuneration to directors according criteria specified by the meeting:

1. Remuneration for Chairman – not exceeding THB 540,000 per year
2. Remuneration for Chairman of the Audit Committee – not exceeding THB 540,000 per year
3. Remuneration for Director – not exceeding THB 540,000 per year
4. Meeting allowances for Chairman of other committees attending – 7,200 THB/ meeting
5. Meeting allowances for committee members attending – 6,000 THB/ meeting

Agenda 6: To consider and approve the appointment of auditor and audit fee for the year 2017

The meeting approved. The Company appointed Deloitte Touche Tohmatsu Jaiyos Audit Co., Ltd as auditor for the year 2017 at the fee of 2,550,000 Baht.

Agenda 7: Other Matters (The answer questions of shareholders)

Operating Results for the year 2017 of Khon Kaen Sugar Industry Public Company Limited and subsidiaries

Chief Executive Officer and President (Mr. Chamroon Chinthammit) informed the meeting of the Company's vision, missions and operating results as follows.

Vision We are Natural Energy Innovation for All

Missions

1. Create income for farmers through efficient processes and high quality agricultural yields.
2. Continuous improvement on technology and R&D to efficiently increase agricultural yields.
3. Create an environment that mutually benefits our partners of success.
4. Develop down-stream businesses to maximize the usage of raw materials, byproducts, and other resources.

The Company's environmental care business concept (Zero Waste) is meant to bring sugar cane as the principal raw material to production process to produce sugar as main products for sale and derivative raw materials to create value, such as molasse, filter cake and bagasse etc. to produce ethanol, natural gas and organic fertilizer.

In the previous year 2017, the operating result revealed diminishing figure, mainly from these causes:

1. The lowering of sugar world market price. At year end 2016 to the beginning of 2017, the world market price of sugar was adjusted to 19-23 cents/lbs before dropping rapidly to 13-15 cents/lbs because (1) profit making of funds and (2) anticipation of oversupply in 2018 to exceed consumption around 5 million tons; nonetheless, world sugar stock will maintain at 40% which is normal due to two consecutive year of off balance sugar stock.

2. The drought in 2015 caused the reduction of volume of crushed sugar cane in 2016 and 2017. In 2017, the sugar cane for crushing reduced 10% from the previous year.

The reduction of sugar cane for crushing had impact upon:

Sugar business

- (1) Cost of production per unit increases due to fixed cost.
- (2) The cost of raw material (sugar) increases due to limited supply.

Ethanol business

- (1) The cost of raw material (molasse) increases.
- (2) The raw material (molasse) was insufficient and the external supply was needed

Electricity business

The volume of bagasse as fuel and other kinds of fuel had to be additionally procured.

In 2017, the volume of ethanol sale reduced 2% to 83.60 million litres, comparing to the year 2016 at 85.4 million litres. Molasse from external source was purchased to make up with the reducing volume of molasse produced within the group.

The volume of electricity sold to the Electricity Authority reduced 2% to 268,893 MW-HR, comparing with the year 2016 at 275,105 MW-HR. Biomass from external source was purchased to compensate the reducing volume of bagasse produced within the group.

Significant changes during the previous year

Director and Vice president- President's Office (Mr. Chalush Chinthammit) informed the meeting of the significant changes in the previous year as follows.

1. The amalgamation of a subsidiary with Bangchak group

The Company had cancelled the listing in the Stock Exchange of Thailand of KSL Green Innovation PLC, an ethanol production unit of the group.

The Company resolved to amalgamate a newly established company which held 99.99% shareholding in KSL Green Innovation PLC with BBP Holdings Co., Ltd, a subsidiary of Bangchak Corporation PLC.

The new amalgamated company was named BBGI Co., Ltd and had paid-up capital at 2,534 million Baht. It would perform as a holding company to invest in manufacturing and sale of bio-based products.

Expected Benefits

(1) The new Company would hold shares in a group of companies manufacturing bio-fuel which had the largest domestic market share. The production capacity would be 1,710,000 litres per day, dividing into 90,000 litres per day of ethanol and 810,000 litres per day of bio-diesel.

(2) The new company could diversify risk arising from price fluctuation of principal raw materials, cassava, molasse and palm oil including reduce risk of ethanol and bio-diesel sale. The company, therefore, would have a position to generate stable profit.

(3) The new company would gain benefits from sharing of information, management techniques and problem solutions so as to increase potential and work efficiency.

(4) The new company was meant to be the flagship company to invest in and operate bio-based products and would be listed in the Stock Exchange of Thailand.

2. Restructuring of sugar industry

On 11 October 2016, the Cabinet approved the Plan for restructuring the whole sugar industry so as to be consistent with the country's obligations and agreement under the World Trade Organization with the goals to reduce governmental subsidy and to mitigate trade disputes between Thailand and Brazil. On 15 January 2018, the government applied a special authority to float the sugar price in domestic market by

(1) terminating domestic sugar quota,

(2) terminating the price fixing of domestic sugar price to comply with the world market mechanism.

Trends of business operation in 2018

The Chief Executive Officer and President (Mr. Chamroon Chinthammit) informed the meeting regarding the trends of business operation in 2018 as follows.

Sugar business The operation should be better due to increasing volume of crushed sugar cane.

Bio-based fuel (amalgamated business)

(1) For ethanol business, the price of molasse as a principal raw material was expected to decrease.

(2) For bio-diesel business, the price of raw materials would decrease and there was no stock loss.

Electricity business It was anticipated that the volume of fuel would be enough for targeted production and the cost of raw material would decrease.

Future Plan

KSL group

KSL group had no major investment in 2018 and would focus on efficiency and effectiveness and optimization of machinery the group had invested in recent years.

Joint investing companies in BBGI

(1) Expansion of ethanol production at Namphong, Khon Kaen by increasing production capacity form 150,000 litres per day to 350,000 litres per day

(2) Expansion of ethanol production at Boploy, Kanchanaburi by increasing production capacity form 200,000 litres per day to 300,000 litres per day

(3) Investment in Biohub (during feasibility study)

Innovation in KSL group

Director and Senior Vice President- Innovation Office (Mr. Pornsin Taemsirichai) informed the meeting regarding the creation of innovation in KSL group as follows.

(1) The Company established the Innovation Office in 2017 to perform the missions under the Company's vision. In 2017, the Company had the KSL Innovation Awards 2017 Project in order to promote the creativity value among employees.

(2) The work submitted to the contest is divided into categories of software and hardware of three levels, namely, conceptual level, prototype level and commercialized level.

(3) In 2017, the employees submitted a number of projects to contest and the committee selected 18 projects to receive the awards. The Innovation Awards 2017 Event was organized in order that the awarded project owner could present their works to colleagues and executives and the Company presented the awards to the award winners. Some project works were actually used by the Company and some shall be developed further.

Corporate Social Responsibility (CSR)

The Company Secretary/ Vice President- Office of Company Secretary and Legal (Mr. Dhajjai Subhapholsiri) presented the operation in the part of corporate social responsibility of KSL group by informing that the group emphasized on the activities within the community of cane farmers with the target to elevate life quality of such communities such as the followings.

Sufficiency Economy to Community

The group of companies participated in the elevation of life quality in various communities within the area that the companies operated their business and the adjacent areas by applying the Sufficiency Economy Principles of the late King Bhumipol Adulayadej to the communities for more than 10 years, such as, the dissemination of Sufficiency Economy knowledge to create careers suitable to the communities such as bio-fertilizer, vegetable growing, animal feeding, mushroom planting, money saving, expense control, etc.

At present, these activities were conducted by the Sufficiency Economy Learning Centers that were chosen from a number of centers which the Company had previously supported. Last year, there were more than 30,000 trainees and visitors to these centers.

Sufficiency Economy to Factory

• This was the Potential Development Project made for the employees through the Sufficiency Economy Learning Centers which involved

• The activities were chosen by the employees to fit their interest, e.g. animal feeding, mushroom planting, vegetable growing, etc. so as to reduce family expense and increase family income.

Anti-Corruption

(1) The Company was certified a member of the Private Sector Collective Action Coalition Against Corruption (CAC)

(2) The Risk Management Office would assess risk from fraud and corruption each year by applying COSO-ERM rules and provide Manual for Risk Management on Fraud to prevent and monitor the risk.

(3) The Risk Management Office would monitor and assess the practice according to the anti-corruption policy quarterly and the Office of Internal Audit would conduct the audit annually.

(4) Workshops for employees regarding the policy and practice in respect of anti-corruption and fraud

- The Risk Management Office together with the Procurement Department had invited suppliers to acknowledge the Company's policy and practice and persuade them to join the anti-corruption scheme.

- The Risk Management Office organized a workshop for employees on 20 July 2017 – 18 August 2017

Other matters relating to corporate social responsibility, such as

(1) The Company was chosen by Thaipat Institute as one of 100 companies that were outstanding in terms of sustainable business operation (ESG 100 Universe)

(2) KSL became one of 123 investible securities recommended by the Thai Governance Fund by being selected by the Committee prescribing Securities and Criteria for investment of the Thai Governance Fund.

(3) Award for Entrepreneur that maintains Thai labor Standard for 10 consecutive years granted by the Department of Welfare and Labor Protection.

(4) 3RS Award granted by the Department of Industrial Work, Ministry of Industry.

The meeting acknowledged the Operating Results of the Company for the Year 2015.

**Agenda 2: To consider and approve the audited statement of the financial position and profit and loss statements for the year ended October 31, 2017.**

The Chair informed the meeting that, in accordance with the Public Limited Company Act B.E 2535 (1992), the Company had made an annual financial report for the year ending October 31, 2017 that was audited and certified by appointed accountant and approved by the Audit Committee and Board of Directors, details as shown in the annual report which had been sent to the shareholders in advance. The Chair asked the Director and Vice President of Accounting and Finance (Mr. Chanachai Chutimavoraphand) to present the financial statements.

The Director and Vice President- Accounting and Finance (Mr. Chanachai Chutimavoraphand) reported to the meeting for consideration the details of balance sheet, profit and loss statements of Khon Kaen Sugar Industry Public Company Limited and its subsidiaries as follows:

	Consolidated financial statement		Separated financial statement	
	Year2017	Year2016 (restated)	Year2017	Year2016 (restated)
Total assets	THB 42,991 Million	THB 38,375 Million	THB 28,976 Million	THB 25,018 Million
Total liabilities	THB 24,898 Million	THB 21,724 Million	THB 19,249 Million	THB 16,197 Million
Total revenues	THB 15,623 Million	THB 16,911 Million	THB 8,416 Million	THB 9,864 Million
Profit before interest and income tax expenses	THB 3,180 Million	THB 2,521 Million	THB 2,143 Million	THB 772 Million
Net profit	THB 1,970 Million	THB 1,426 Million	THB 1,312 Million	THB 234 Million
Earnings per share	THB 0.447	THB 0.323	THB 0.297	THB 0.053

Mr. Wicha Chokephongphun (shareholder) asked whether, in case of amalgamation between the newly-established subsidiary of the Company which held 99.99 % shares in KSL Green



Innovation Public Company Limited with BBP Holding which is a subsidiary of Bangchak Corporation Public Company Limited, the shareholders of KSL would be entitled to the shares of the new company

Director and Vice President- Office of Managing Director (Mr. Chalush Chinthammit) replied that it was preliminarily planned that the shareholders of KSL would be allocated with shares in the new company in proportion of the shareholding of KSL in the new company.

Mr. Chatrchai Mongkolphun (shareholder) asked (1) as the Company had indicated the increasing trend of sugar production in 2018, why the operation result would not be different from that in 2017 and (2) whether the floating of domestic sugar price would have impact upon farmers and sugar cane growing.

Chief Executive Officer and President (Mr. Chamroon Chinthammit) replied that the reason why it was anticipated that the operation result in 2018 would not be different from the previous year because the floating sugar price policy was not clear yet and the world market sugar price was still low at 13-15 cents/lbs. However, the expected increase of sugar production would lower the cost of production as well as the volume of sugar cane in Wang Sapung would benefit the crushing capacity of the expanded factory. Nonetheless, the cost of transportation was high as the factory was far away from Laem Chabang Port. Accordingly, although it was anticipated that the 2018 year would see the increasing volume of sugar cane and sugar production, the operation result would likely to be the same as the previous year due to the aforementioned reasons but the revenue from ethanol and electricity businesses would be higher.

Director and Vice President- Office of Managing Director (Mr. Chalush Chinthammit) added that the sugar price floating policy would not have adverse effect upon the farmers but the farmers would turn to grow other crops such as rice and casava if those crops gained better price. It would be noted that the price of those other crops would fluctuate in each season while the growing of sugar cane would last for three years with one crop.

Mr. Sakchai Sakulsrimontri (shareholder) asked about the statement of financial positions as follows.

1. Why and where both the separate and consolidated financial statements were adjusted in 2016.

2. Referring to page 107 in the Annual Report, why the item of Gain on sales of investments in subsidiaries in the consolidated and the separate financial statements are not equal and why the separate financial statement showed loss in profit (loss) from foreign exchange.

3. Referring to page 149 in the Annual Report, why the item “Less Allowance for impairment of investments” was deducted at the amount of more than 1,000 million baht.

4. Referring to page 153 in the Annual Report, why the value of land, building and warehouse (Investment property) was adjusted so high.

Director and Vice President- Accounting and Finance (Mr. Chanachai Chutimaworapun) replied as follows.

1. the reason for adjustment of the consolidated and separate financial statements was due to the change of account standard in respect of the booking of agricultural product which affected the statement of financial position. This was about the categorization of accounting item. The Annual Report showed details at page 121.

2. The consolidated financial statement showed the retained earnings that included the cost of shares while the separate financial statement showed the actual investment of the Company. As for the profit (loss) from foreign exchange, the separate financial statement showed huge loss because of the appreciation of Thai Baht against US Dollars resulting in the loss of foreign investment.

3. The reason why the Company had to deduct approximately 1,000 million Baht as the provision for lowering value of investment money was because there had been no premium in sugar sale anymore and there was an assessment of discounted cash flow and the appraisal value of the machinery by taking the higher valuation to be the indicator of the allowance for impairment of investments. In 2018, the same assessment would apply but the result was unlikely to be different from 2017.

4. The adjustment of investment property which included land, building and warehouse, was due to the accounting standard which required annual appraisal. The higher adjusted price was due to the value of some pieces of land and some buildings which were close to the sky train route.

Mr. Chatrchai Mongkolphun (shareholder) asked about the future operation of the sugar mills in foreign countries, particularly in Cambodia.

Replied that the sugar mill in Lao had better operation result because the Company promoted the local farmers to grow sugar cane. The quality of the sugar cane was good and the volume was big enough for the mill to crush more than the previous year. As for the sugar mill in Cambodia, the rainy condition caused poor quality of sugar cane and the mill had to buy sugar cane from long distance sources which bore costly transportation. The solution would be to support the local farmers to grow more sugar cane and to diminish the loss.

Mr. Thara Chonpranee (shareholder) asked about the amalgamation issue as follows.

1. Why KSLGI Co., Ltd. which had the registered capital of 832 million Baht held 99.99% shares in KSL Green Innovation Co., Ltd. which had the registered capital of 610 million Baht.

2. Why BBGI Co., Ltd. which was an amalgamated entity between KSLGI Co., Ltd. and BBP Holding Co., Ltd. had registered capital at 2,532 million Baht and had investment by cost method at 3,244 million Baht and equity method.

3. Why the book value of BBGI Co., Ltd. was used to calculate the volume of shares instead of using the 10 Baht par value.

4. Referring to page 107 in the Annual Report 2017, why gain on disposal of investment in subsidiary in the separate financial statement is more than the investment in BBGI Co., Ltd.

Director and Vice President- Accounting and Finance (Mr. Chanachai Chutimaworapun) replied the inquiries as follows.

1. The financial advisor recommended the establishment of a new company (KSLGI Co., Ltd.) in order to solve the application for a new license which already held by the old company by the new company would hold 99.99% in KSL Green Innovation Co., Ltd. The reason why the registered capital 610 million Baht of the old company was calculated 832 million Baht of KSLGI Co., Ltd. was due to the regulation of the Revenue Department regarding the internal restructuring of a company that a company had to sell shares at the book value. At that time, KSL Green Innovation Co., Ltd had its book value at 832 million Baht; therefore, the transaction had to be based on that price and the new company had the registered capital of 832 million Baht accordingly.

2. BBGI Co., Ltd. had the registered capital of 2,532 million Baht because it was the sum of the registered capital of BBP Holding Co., Ltd. and KSLGI Co., Ltd. which amalgamated becoming the new registered capital in accordance with the Civil and Commercial Code. The booking of investment was booked at fair value method by discounted cashflow approach at 3,244.87 million Baht. Details was shown in the note to the financial statement no. 4 and no. 11

3. The allocation of BBGI shares would be made by first summing the registered capital of KSLGI and BBH and allocating the shares pursuant to the discounted cashflow which resulted in the shareholding of KSL at 40% and BCP at 60% accordingly. The amalgamation was tax-exempted. The par value would be 10 or 1 Baht would further depend on the decision of the BBGI's Board of Directors at the steps of allocating the IPO shares.

4. The Company had 40% shareholding which was less than BCP. The accounting standard had no specific rule as to the booking in case of this amalgamation. The accounting approach would regard the less shareholding company as the seller and the more shareholding portion as the buyer. KSL was regarded the seller and the sale value according to the discounted cashflow was 3,244.87 million Baht. In comparison with the accounting cost booked by KSL, a profit was incurred. In the consolidated financial statement, the accounting cost was the investment cost plus retained earnings while the separate financial statement, the accounting cost was merely the investment cost. Therefore, the gain on sales of investments in subsidiaries in the two financial statements saw different figures.

There were no further questions from the shareholders. The Chair asked the shareholders to cast their vote for Agenda 2 which must have the majority of vote from shareholders present and voting. The abstain vote will not be counted.

**The meeting resolution:** The meeting adopted the balance sheets and profit and loss statements for the year ending October 31, 2017 with the majority votes cast by the shareholders who attended the meeting and voted.

Approved by	3,445,105,256	votes	100.00 %
Disapproved by	-	votes	- %
Abstained by	-	votes	- %
Voided ballot	-	votes	- %

(Shares of attendees, both in person and by proxy, in total of 3,445,105,256 shares)

**Agenda 3: To consider and approve the allocation of profit for dividend payment and legal reserve**

The Chair requested Director and Vice President - Accounting and Finance (Mr. Chanachai Chutimavoraphand) to present the details to the meeting.

The Director and Vice President - Accounting and Finance (Mr. Chanachai Chutimavoraphand) stated that the Company's dividend payment policy required the Company to distribute dividends of not less than 50 percent of the net profit of the separate financial statements after deducting tax expenses and legal reserves. The payment would be made if there were no other necessary reasons prohibiting it and if the dividend payment did not significantly affect the Company's normal business operations. Examples of factors considered before dividend payment was made included the Company's operating results, financial standing, liquidity and expansion plans. The dividend payment shall be approved by the Company's shareholders and/or the Board of Directors. For dividend payments from subsidiaries companies to Khon Kaen Sugar Industry Public Company Limited will depends on the liquidity, cash flow, and the need to use cash of each business without any set minimum.

According to the Company's operating results and financial standing in 2017, Khon Kaen Sugar Industry Public Company Limited's net profit is THB 1,311,983,454 (separate financial statements). The Board of Directors deems it appropriate to make dividend payment in the forms of cash for the Year 2017 in the ratio of 0.05 THB or 16.81% of net profit in separate financial statement or equal to 11.19% of net profit in consolidated financial statement. The dividend payment shall be paid from net profit in 2017 and from the Company's accumulative profit which bears 0 percent tax of net profit. This dividend payment does not follow the Company's policy because of the investment in sugar factory in Wangsaphung approximately 3,000 million baht and less sugar cane production than expectation. Therefore, the Company considers to pay dividend in form of cash and shares for the year 2017.

The record date for shareholders entitled to dividend shall be March 2, 2018 and the dividend payment shall be made on March 16, 2018. The Company allocates the profit as legal reserve which is not less than ten percent of the registered capital.

#### Summary of Dividend Payment from Year 2015-2017

Details of Dividend Payment	2017	2016	2015
1. Net profit (million Baht) of consolidated financial statement	1,970	1,426	815
2. Net profit (million Baht) of separated financial statement	1,311	234	820
3. Volume of Shares	4,410,232,619	4,410,232,619	4,009,312,407
4. Dividend per share (Baht : share)	0.05	0.10	0.1055555556
5. Total dividend payment (million Baht)	220.51	441.02	423.21
6. Percentage of dividend to net profit (percent of consolidated financial statement)	11.19	30.92	51.90
7. Percentage of dividend to net profit (percent of separated financial statement)	16.81	188.24	51.60
8. Legal reserve (million Baht)	-	-	20.046

Mr. Chatrchai Mongkolphun (shareholder) asked why the Company paid dividend from the net profit and retained earnings which bore 0% juristic person tax instead of paying dividend from the profit which bore more than 0% so that the shareholders could use tax credit benefit.

Director and Vice President- Accounting and Finance (Mr. Chanachai Chutimaworapun) replied that most portion of profit in 2017 came from the subsidiaries operating electricity business and ethanol business which had tax privileges from the Board of Investment.

Miss Siriporn Siripaiboon (shareholder) asked why the Company paid less dividend than last year despite the net profit showed more profit.

Director and Vice President- Accounting and Finance (Mr. Chanachai Chutimaworapun) replied the net profit in 2017 was mostly the accounting profit deriving from the amalgamation which was non-cash.

There were no other questions from shareholders. The Chair asked the shareholders to consider the agenda and vote. This agenda require majority of votes from the shareholders who attend the meeting and have voting rights. Abstain vote will not be included.

**The meeting resolution:** The meeting approved the allocation of profit for dividend payment for the year 2017 in forms of cash. Cash dividend will be paid at 0.05 Baht/share or not more than 220.51 million Baht in total or 16.81 percent of the net profit of separated statement (equal to 11.19 of net profit of consolidated financial statement).

The dividend shall be paid from net profit in 2017 and accumulated profit of the Company which bears 0 percent tax of net profit which depends on the Company's policy to pay dividend not less than 50 percent of the net profit of separated financial statement less tax and legal reserve. All dividends shall bear withholding tax as prescribed by law. The Company allocates the profit as legal reserve which is not less than ten percent of the registered capital.

The record date for shareholders entitled to dividend shall be March 2, 2018 and the dividend payment shall be made on March 16, 2018.

The meeting approved this agenda with majority of votes of the shareholders who attend the meeting and have voting rights.

Approved by	3,445,592,101	votes	99.8286	%
Disapproved by	5,904,552	votes	0.1713	%
Abstained by	-	votes	-	%
Voided ballot	-	votes	-	%

(From Agenda 3, total of shareholders attending which presented in person and by proxies 3,445,637,101 shares)

**Agenda 4: To approve reappointment of corporate directors retiring by rotation**

The Chair informed the meeting that to comply with the Public Limited Companies Act and the Company's Articles of Association, Section 3, Clause 14 that states that "at every Annual General Meeting, one-thirds (1/3) of the directors shall retire. If the number cannot be divided into three (3) parts exactly, the number nearest to one-thirds shall retire. The directors retiring in the first year and second year following the registration of the Company shall be drawn by lots. In every subsequent year, the directors who have been in office longest shall retire. A retiring director may be re-elected." For 2017 Annual General Meeting of Shareholder, there were 7 directors whose terms have ended as follows:

1) Mr. Sukhum Tokaranyaset	Director
2) Ms. Duangdao Chinthammit	Director
3) Mr. Sitti Leelakasamelek	Independent Director
4) Mr. Warapatr Todhanakasem	Independent Director
5) Ms. Duangkae Chinthammit	Director

- 6) Ms. Anchalee Pipatnanasern Independent Director  
 7) Mr. Trakarn Chunharojrit Director

Additionally, through the corporate website, the Company had invited all shareholders to nominate qualified person for the director election in line with regulations posted on the website. However, there were no directors nominated.

The Nomination and Remuneration Committee took into account suitability and the benefit of the Company's operations. It deemed to be appropriate that the 7 directors mentioned above be reappointed. The Committee requested that the shareholders' meeting consider the proposal and vote on each individual director.

There were no other questions from shareholders. The Chair asked the shareholders to consider the agenda and vote. This agenda require majority of the votes from the shareholders who attend the meeting and have voting rights. Abstain vote will not be accounted.

**The meeting resolution:** The meeting re-appointed 7 corporate directors retiring by rotation to resume their responsibilities with the majority of votes from the shareholders who were present and voting as follows:

4.1) Mr. Sukhum Tokaranyaset		Director		
Approved by	3,444,752,669	votes	99.9745	%
Disapproved by	879,432	votes	0.0255	%
Abstained by	5,000	votes	-	%
Voided ballot	-	votes	-	%

4.2) Ms. Duangdao Chinthammit		Director		
Approved by	3,390,850,084	votes	98.4099	%
Disapproved by	54,787,017	votes	1.5901	%
Abstained by	5,000	votes	-	%
Voided ballot	-	votes	-	%

4.3) Mr. Sitti Leelakasamelek		Independent Director		
Approved by	3,443,716,537	votes	99.9444	%
Disapproved by	1,915,564	votes	0.0556	%
Abstained by	5,000	votes	-	%
Voided ballot	-	votes	-	%

4.4) Mr. Warapatr Todhanakasem		Independent Director		
Approved by	3,444,461,069	votes	99.9658	%
Disapproved by	1,176,032	votes	0.0341	%
Abstained by	5,000	votes	-	%
Voided ballot	-	votes	-	%

4.5) Ms. Duangkae Chinthammit		Director		
Approved by	3,445,408,001	votes	99.9935	%
Disapproved by	224,100	votes	0.0065	%

(TRANSLATION)

Abstained by	5,000	votes	-	%
Voided ballot	-	votes	-	%

4.6) Ms. Anchalee Pipatanasern		Independent Director		
Approved by	3,445,592,101	votes	99.9998	%
Disapproved by	40,000	votes	0.0012	%
Abstained by	5,000	votes	-	%
Voided ballot	-	votes	-	%

4.7) Mr. Trakarn Chunharojrit		Director		
Approved by	3,445,368,001	votes	99.9923	%
Disapproved by	264,100	votes	0.0077	%
Abstained by	5,000	votes	-	%
Voided ballot	-	votes	-	%

After the meeting had reappointed the 7 directors, the Chair invited the reappointed directors back to the meeting room.

**Agenda 5: To consider and approve remuneration for directors**

The Chair asked Company Secretary and Legal Office - Vice President (Mr. Dhajjai Subhapholsiri) to present the details of the agenda.

The Company Secretary and Legal Office - Vice President (Mr. Dhajjai Subhapholsiri) explained to the meeting that the Nomination and Remuneration Committee and the Board put into consideration suitability and benefits in relation to the Company's operations. The directors' work scopes and responsibilities had increased since then in terms of electricity generation, alcohol and sugar businesses overseas. The Nomination and Remuneration Committee and the Board of Directors, thus, had resolved that the meeting consider the following remuneration for corporate directors as follows:

- 1) Remuneration of Chairman: not exceeding THB 540,000 per year
- 2) Remuneration of Chairman of the Audit Committee: not exceeding THB 540,000 per year
- 3) Remuneration of Director: not exceeding THB 450,000 per year
- 4) Meeting allowances for attending Chairman of other Committees: not exceeding THB 7,200 per person
- 5) Meeting allowances for attending member of other Committees: not exceeding THB 6,000 per person

There were no further questions from the shareholders. The Chair requested the meeting vote for Agenda 5, the allowances for the corporate directors, emphasizing that the votes must account for no less than two third of the total shareholders present.

**The meeting resolution:** The meeting approved the remuneration and meeting allowances for corporate directors as follows:

- 1) Remuneration of Chairman: not exceeding THB 540,000 per year
- 2) Remuneration of Chairman of the Audit Committee: not exceeding THB 540,000 per year
- 3) Remuneration of Director: not exceeding THB 450,000 per year
- 4) Meeting allowances for attending Chairman of other Committees: not exceeding THB 7,200 per person
- 5) Meeting allowances for attending member of other Committees: not exceeding THB 6,000 per person

The meeting approved this agenda with the number of votes not less than 2/3 of the number of all the shareholders present as follows:

Approved by	3,444,949,490	votes	99.9800	%
Disapproved by	682,611	votes	0.0199	%
Abstained by	5,000	votes	0.0001	%
Voided ballot	-	votes	-	%

**Agenda 6: To consider and approve appointment of the Company's auditor and the auditor's fee for the Year 2018**

The Chair asked the Director and Chairman of the Audit Committee (Mr. Sitti Leelakasamelurk) to present details for this agenda.

Director and Chairman of the Audit Committee (Mr. Sitti Leelakasamelurk) informed the meeting that by virtue of Section 120 of the Public Company Act B.E. 2535, the Shareholders' meeting is required to appoint the auditor and to fix the audit fee annually. The same auditor may be appointed each year. Besides, the Notification of the Securities Exchange Board No. KorJor 39/2548 Re: Criteria, Conditions and Reporting Method regarding the Disclosure of Financial Status and Operating Results of the Company issuing Securities (No. 20) prescribes a company to rotate the auditor in case the same auditor has performed his/her duty for 5 consecutive accounting years; provided that the rotation does not require a new auditing firm. The company may appoint other auditors in that auditing firm to replace the ex-auditor.

1. Appoint Deloitte Touche Tohmatsu Jaiyos Audit Co., Ltd. as the Company's auditor for the Year 2018 with the following auditors:

<u>Name</u>	<u>CPA Number</u>	<u>Year of Auditing the Company's Accounting</u>
1) Ms. Juntira Juntrachaichoat	6326	-
2) Ms. Duangrudee Choochart	4315	-
3) Mr. Choopong Surachutikarn	4325	-
4) Mr. Yongyuth Lertsurapibul	6770	-



2. Approve the audit fee at the amount of THB 2,650,000.- The fees include the audit service for the Company's consolidated financial statements and separated financial statements for the accounting period ending October 31, 2018.

Table indicating audit fees for comparison

Items	Financial statements in three quarters	Annual financial statements	Total
Year 2017 (1 November 2016 to 31 October 2017) Deloitte Touche Tohmatsu Jaiyos Audit Co., Ltd.	THB 1,170,000.-	THB 1,380,000.-	THB 2,550,000.-
Year 2018 (1 November 2017 to 31 October 2018) Deloitte Touche Tohmatsu Jaiyos Audit Co., Ltd.	THB 1,200,000.-	THB 1,450,000.-	THB 2,650,000.-

There were no further questions from the shareholders. The Chair requested the meeting vote for Agenda 6 the appointment of auditor and auditor's fee for the year 2018, the, emphasizing that the votes must account for majority votes of the shareholders who attend the meeting and cast their votes.

**The meeting resolution:** The meeting approved 1) the appointment of Deloitte Touche Tohmatsu Jaiyos Audit Co., Ltd. as the Company's auditor for the Year 2018 with the following auditors: 1) Ms. Juntira Juntrachaichoat (CPA 6326) or, 2) Ms. Duangrudee Choochart (CPA 4315) or, 3) Mr. Choopong Surachutikarn (CPA 4325) or, and 4) Mr. Yongyuth Lertsurapibul (CPA 6770) ; and 2) approved auditor's fee of 2,650,000 Baht for the year 2018 with majority votes of the shareholders who attend the meeting and cast their votes as follows:

Approved by	3,445,627,798	votes	99.9999	%
Disapproved by	4,303	votes	0.0001	%
Abstained by	5,000	votes	-	%
Voided ballot	-	votes	-	%

**Agenda 7: To consider any additional matter**

Miss Maliwan Chittreeyatitham (shareholder) asked the following questions.

1. What was the use of the land located at Bangkae.
2. Why the Company had to build many factories in different areas.

3. How the sugar price floating policy had advantages or disadvantages to the Company.
4. Could the Company grow other economic crops instead of sugar cane in Cambodia.

Chief Executive Officer and President (Mr. Chamroon Chinthammit) replied as follows.

1. The Bangkae land was bought 40-50 years ago for storing sugar.
2. The building of factory in different areas was to access the growing areas of sugar cane which benefited the transportation cost.
3. The sugar price floating policy did not affect the Company because most sugar production around 80% was export at world market price and approximately 20% was sold domestically. The policy would benefit the farmers and the factories.
4. There was alternative crops such as eucalyptus to be used as fuel wood for the factory in Cambodia.

Mr. Chatrchai Mongkolphun (shareholder) asked about the investment trend in 2018 of the Company.

Chief Executive Officer and President (Mr. Chamroon Chinthammit) replied that the Company had no major investment plan in 2018.

Mr. Suriyon Chitrapnan (Proxy) asked the following questions.

1. What is the proportion of sugar production of different types.
2. Whether the sugar price floating policy had any effect upon the Company.
3. Whether the Company would produce super refined sugar.

Director and Vice President- Office of Managing Director (Mr. Chalush Chinthammit) replied as follows.

1. The proportion from the highest was the refined sugar for export, white sugar and raw sugar respectively. As for the brown sugar, there was low demand of the market now.
2. The sugar price floating policy would benefit the Company because the Company could sell more domestically as there was no longer the limited quota.
3. The Company was studying the feasibility of the super refined sugar production subject to the condition that the Government still controlled the price structure of sugar despite the application of sugar price floating policy.

There were no further questions and matters suggested by the shareholders. The Chair thanked all the shareholders for taking the time to attend the meeting.

Currently, the total that there were 337 shareholders physically present and 193 shareholders' proxies attending the meeting making the total of 144 shareholders representing 3,445,637,101 shares. And the total number of shares represented account for 78 percent,

The Chair closed the meeting at 11:15 AM.

(TRANSLATION)

(Mr. Manu Leopaïrote)  
Chairman of the Board of Directors

(Mr. Dhajjai Subhapholsiri)  
Company Secretary