"OUR REMARKABLE JOURNEY:
THE LONG PATH TO SUCCESS"

Report for the year /
Annual Report 2023
(Form 56-1 One Report)

KTIS
More Than Sugar

"Every straw with care
For everyone's world"

cherr
BY KTIS

Available at
CHERR.CO

Highlights

That make our straw unique

100% Food Safety
GMP standard and quality control in every processes

100% Degradable
Durable and biodegradable

100% User Experience
100% users confidence from strength and odorless

Contribute Back to Farmers
We improve farmers quality of life for the best bagasse

Save More Trees in Every Sip
Each straw reduces deforestation

Durability
No decay best for hot, cold and smoothie drinks

Durability
Quality control under GMP standard

Odorless for the best flavor
Made from food grade bagasse that we take care of, to be suitable with variety of drinks

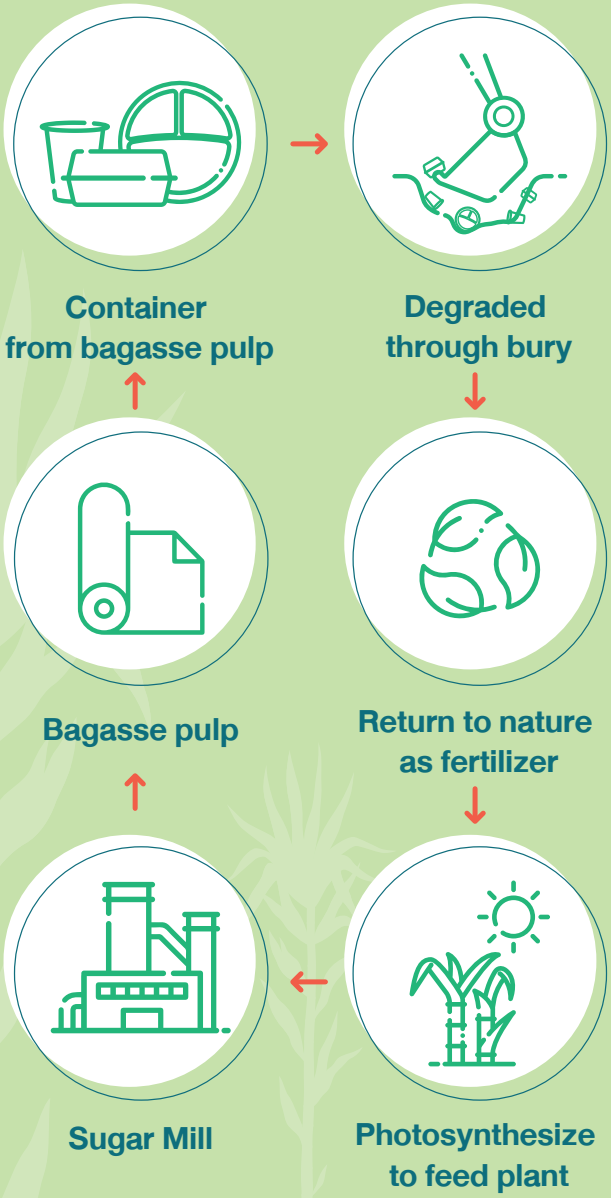
30 days 100% biodegradable
Return to nature through bury under absolute product circular concept

Environment Pulp and Straw Co., Ltd.
133 Sinobrit Building Fl 9 Vibhavadi Rangsit Road Samsennai Phayathai Bangkok 10400
02-247-0924 cherr.sales@ktisgroup.com www.cherr.co

CHARMÉ
ชาร์มเม่

"Cherish the earth and Care you"

"Green Innovation for sustainable development"



Feature

- Made from 100% bagasse
- Safe for consumers' health
- Microwavable
- No leakage, hot and cold containers
- Biodegradable

Environment Pulp and Packaging Co., Ltd.

133 Sinobrit Building Fl 9 Vibhavadi Rangsit Road Samsennai Phayathai Bangkok 10400

02-247-0924 epac.sales@ktisgroup.com @charm.co

KNAS PLUS

Tender and Safe
For everyone's sanitary

Made from high quality alcohol With the standard of GHP HACCP

- Pure alcohol from 100% molasses
- Clean and no washing required
- Germ-free with sanitizing alcohol KNAS PLUS
- Reduce dirty accumulation For hand sanitary
- Moisture, tender and safe
- Portable and worry free

- Every drop is well distilled with 7 distill process
- KNAS Plus for hand sanitary with no washing
- KNAS Plus reduces germ accumulation
- KNAS Plus with natural odor and hand caring
- No perfume which may cause allergy

KTIS Bio Ethanol Co., Ltd.
133 Sinobrit Building Fl 10 Vibhavadi Rangsit Road Samsennai Phayathai Bangkok 10400
02-644-8388 062-3107737 alcovid19@ktisgroup.com

The journey on 2nd decade of listed company,

The journey on 5th decade of farmer sucess and social sustainability.

Corporate Philosophy

The sustainability of KTIS is dependent on the success of sugarcanes farmers.

Vision

KTIS Group is a leading organization with an outstanding world-class identity. It has maintained good governance, integrated closely with agricultural and industrial industry, maintained social awareness, added values and quality to sugar and its by products, and utilized clean and eco-friendly energy to sustain stability.

Mission

- The company operates its businesses with keen knowledge and experiences, creative ideas and professionalism in order to generate innovation and value to its products and services ranging from upstream to downstream.
- The company creates a sustainable source of raw materials in order to support a fully integrated business network for the production of high-quality products as well as the generation of clean and eco-friendly biomass energy.
- The company conducts its business with high ethics and integrity while maintaining good governance in both existing and new business investments for valuable return in both financial and non-financial forms back to the community, investors, customers, employees, farmers and stakeholders.

Contents

	Pages
Vision, Missions, Objectives and Strategy of the Company's Business Operation	6
Significant Changes and Developments	11
Financial Highlights	15
Message from the Chairman of Board of Directors	17
Messages from the Chief Executive Officer - KTIS Group	19

Part 1 : Business Operations and Operating Results

Structure and Business Operation	21
Risk Management	70
Sustainability Oriented Business Drive	80
Management Discussion and Analysis : MD&A	99
General Information and other Significant Information	107

Part 2 : Corporate Governance

Corporate Governance Policy	114
Corporate Governance Structure and Key Information about the Board of Directors, the Board of Sub-Committees, Executives, Employees and other	128
Key Operating Performance Report of Corporate Governance	150
Internal Control and Cross Transaction	169

Part 3 : Financial Statements

Financial Statements	186

Attachment

Attachment 1	272
Attachment 2	294
Attachment 3	296
Attachment 4	297
Attachment 5	298
Attachment 6	299

Corporate Culture

Corporate Culture means the practice that members in organization have continuously been imitating and eventually become uniqueness of organization. It began from the connection and combination between members' perspective, value, belief, norm and action of the individuals, group, organization, policy and the objectives of organization, technology, group's condition, success of organization until it is universally accepted by the members in organization. KTIS Group has determined value as the corporate culture which have continuously been practicing, so called "7 Cultures of Awareness".

1

Diligence, Endurance, Commitment to the Success

Under the competitive circumstances and continuously rapid change in all aspects, all employees shall be responsible for performing their tasks to achieve the goal with diligence and endurance, using knowledge and ability in full potentiality, and committed to dedicatedly perform for the achievement of work.

Creation of Innovation

2

The operation of agricultural business industry involves both the major products and by-products. The focus on the creation of innovation is therefore essential to uphold the value of products and encourage the employees to be open-minded and seeking for new knowledge at all times, in order to be united in action for creating the innovation with the new idea to add value and create sustainable worthiness.

3

Familiness

All employees under KTIS Group are in the same family and supposed to support each other according to the rules, disciplines and conducts of KTIS Group as well as moving forward together with a firm and sustainable growth of KTIS Group.

Commitment to the Corporate Governance Principle

4

Aim on the employees to perform their tasks with diligence, loyalty, honest, transparency, fairness, awareness and ethics in profession, secure the confidentiality, benefits and properties of the Company's group as well as strictly behave, at all times, according to the guidance of both conducts, and the rules and regulations of KITS Group and laws.

5

Knowledge Empowerment and Self Development

KTIS Group emphasizes on empowering knowledge for the employees in all sections and levels in order to promote the self development of the employees to always be ready for dealing with the change of business operation.

Sugarcane Farmers Support and Care as if a Family Member

6

Sugarcane is an essential raw material for KTIS Group's business operation. In the course of building the firmness and sustainability of KTIS Group, all employees shall contribute in supporting and caring the sugarcane farmers as if they are one of our family members in which generosity and support are indispensable in order to be ready to move together towards to the growth according to the KTIS Group's slogan which is said "Sugarcane farmers' wealth is KTIS Group's firmness".

7

Corporate Social and Environmental Responsibility

All employees are required to be aware of responsibility to the environments and societies, and shall be united in action among the employees as well as being well-cooperative to the communities and all related person to preserve the environments to be according to the standards and regulations, shall not cause pollution in all aspects. Apart from the omission of destroying the environments, all employees are required to mutually nourishing for the better environments, and in the meantime, shall simultaneously attending care for the communities and societies. The KTIS Group's growth must be progressed together with the creation and preservation of good environments as well as creating the benefits and values to the members of societies at all times.

Business Goals

The Company is committed to continuous development to build a solid foundation for its sustainable growth and development and to become a leading organization in vertical integration from Agricultural products to Industrial products by expanding our internal and external business links. The Company aim to create a superior value chain for the Company's businesses which include sugar and sweetener production, biomass power generation, ethanol production, bagasse pulp production, and bio soil conditioner production. All of the Company's products and by-products are eco-friendly and safe for consumers.

Business Goals

1. Leader of Cane Business

The Company initiated a wide range of activities with an aim of developing the upstream businesses. Such activities include the cane breeding selection, the application of cane plantation management technology, the technical training for cane farmers, the development of farming tools and machineries, the use of soil conditioner which is a by-product in order to strengthen in security of supplies used in the production process.

2. Leader of Sugar Business

The Company has consistently invested in the sugar production business. Thanks to its massive production capacity, the Company commercially benefits from the economies of scale driven by its production effectiveness, lower costs of energy, and added value of products. Raw sugar is processed into high quality refined sugar and liquid sucrose for the food industry. This is an example of how the Company adds value to its products and reflect the Company's leadership in the sugar industry.

3. Leader of Bio Energy Business

With the expansion of its biomass power plant business, the Company has a large-scale electricity production capacity and earned extra income from its power generation business. Bagasse, which is a by-product of the sugar production process and complement the integrated value chain of our industrial and agricultural businesses.

4. Leader of Eco-friendly packaging Business

The Company has allocated investment to the development of bagasse pulp products into high-quality and food-grade packages to add value to the Company's business and the society at large.

5. Leadership of Ethanol Business

For value-added creation, the Company uses molasses to produce fuel-grade and industrial-grade ethanol; and enhances its ethanol production process to effectively generate and make use of bio gas and powder yeast which are by-products from the ethanol production. As a result, the Company's production and business chains are fully integrated and eco-friendly at every step, and contributes to the Company's leadership in this business.

6. Leadership in Bio Soil Conditioner and Bio Fertilizer Business

By-products from the sugar, paper pulp and ethanol production processes are developed into valuable bio soil conditioner products which are good to enrich the soil quality, the farmers can save farming costs and increase the productivity effectively.

Journey to Sustainable Growth

1. Research and Development

The Company has invested in research and development initiatives, focusing on the cane breed improvement, and the development of energy crops, production technologies and machinery to sustain its growth momentum and leadership in the business complex through the diversification of products in consistent with the word "More Than Sugar". The company's portfolio includes the cane business, agricultural business, sugar and sweetener manufacturing business, biomass power business, and biomass product business.

2. Development of Cane Farmers, Cane Farmer Network, and Raw Material Source

The Company has substantially invested in technical and R&D projects with a view to enhance the knowledge of cane farmers and the members of farmer network. In addition, the Company extended financial support to cane farmers to boost productivity in terms of the cane output per rai and the plantation area expansion. In addition to creating greater job opportunities for agricultural workers, the Company has also introduced and integrated advanced farming technologies to develop agriculture to new horizon. Farmers are encouraged to work as partners who help each other.

3. Personnel Development

Human resources are one of its greatest assets for the Company and employees at all levels are continuously provided with learning opportunities which can help sharpen their functional skills and complement technique. Employees are encouraged to invent and be involved in innovation projects. As a part of its proactive human resources management process, the Company has worked with local and central educational institutes to offer opportunities to learn skills and knowledge relevant to the Company's business to students to build a pool of qualified candidates.

Journey to Professional Integrity and Corporate Governance

1. Corporate Transparency

The Company has in place the Corporate Governance Handbook and has properly disclosed relevant information in accordance with applicable requirements in the spirit of transparency and integrity. As a result, every step of the Company's processes is verifiable. The Company respects all of its stakeholders which include shareholders, executives, investors, employees, farmers, clients, suppliers, contractors, communities, governmental agencies, etc. In addition, the Company's activities have been regularly audited by internal auditors and external auditors who are independent.

2. Contribution to Social, Educational and Environmental Development

The Company has put importance to activities which contribute to the development of the society, education, and environment, and has encouraged relevant parties to join such activities. The Company's corporate social responsibility programs such as "The Home, Temple, School and Factory Participation Program" which the participated local temples, communities and schools will be trained proper sugar cane farming knowledge. The society will be more wealthy from sugarcane and breeding species. "The Green Village Program" will also bring benefits for the participated farmers and communities by joining hands in the fire prevention from burning cane during harvesting season. From the program the farmers will get better price by selling unburned cane. The factory will get better cane quality and also the reduction of pollution from smoke of fire on society etc.

3. Promotion of Health and Occupational Safety

The wellness, life quality, and safety of the employees and surrounding communities are one of the Company's main focuses which the Company has to strictly comply with the Health and Safety Law. Additional to the Law, the Company set up the teams to visit the community leaders, the religious leaders, including the nearby schools, and provide periodic medical check-up services to the residents of nearby communities. These activities has become the Company normal and continuous practice.

History and Milestones

Kaset Thai International Sugar Corporation Public Company Limited ("the Company"), formerly known as Kaset Thai Sugar Industry Company Limited, and companies in KTIS group are founded by Mr. Jaroon and Mrs. Hathai Siriviriyakul. With more than 54 years of professional experience in sugar business, KTIS group has extended into integrated sugar production business.

In 2013, the Company has converted into a public limited company and increased its registered capital from Baht 3,274,573,000 to Baht 3,888,000,000. In 2014, the Company has been listed on the Stock Exchange of Thailand which Baht 3,860,000,000 has been paid up and the security symbol "KTIS" on the Stock Exchange of Thailand. In 2015, the Company has increased its registered capital to Baht 3,888,000,010 and paid up capital Baht 3,860,000,010.

At the beginning, the group's sugar business was limited only to a sugar distribution in Nakhonsawan province. In 1967, Mr. Jaroon Siriviriyakul and a group of local distributors in Nakhonsawan province jointly acquired Mahakun Industry Company Limited, which has a sugar factory with the production capacity of 500 tons per day as a core asset, and renamed the Company "Ruampol Enterprise Company Limited ("RPE"). With continuous improvement and development, the Company's crushing capacity has increased from 500 tons of cane per day to 15,000 tons of cane per day.

1981

In 1981, the Company acquired Thai Identity Sugar Factory Company Limited (TIS) and has continuously increased the production capacity of TIS's sugar plant to the level of 18,000 tons of cane per day.

In 1988, the Company further acquired Kaset Thai Sugar Company Limited which then had the production capacity of 6,000 tons of cane per day. To strengthen the financial structure and liquidity position of Kaset Thai Sugar Company Limited, our leadership has forged business partnership with UT Group Partnership Limited, a Singapore-based company, in 2008 to establish Kaset Thai Sugar Industry Company Limited which has incorporated sugar factory of Kaset Thai Sugar Company Limited in its umbrella and has further expanded its production capacity to stand today as the world's largest sugar factory with the capacity of 55,000 tons of cane per day.

In 2003, the Siriviriyakul family expanded into downstream business by establishing a joint venture with Permsinpattana Company Limited and 2 Singapore-based companies, i.e. King Wan Corporation Limited and Xylem Investment Partnership Limited. The JV was named Environmental Pulp and Paper Company Limited ("EPPCO") to produce bleached pulp from bagasse which is a by-product of the sugar production process. EPPCO can produce up to 100,000 tons of bleached pulp annually.

2004

In 2004, the Siriviriyakul family founded a new company, namely Ekarat Pattana Company Limited ("EPC") under a joint venture with King Wan Industries Partnership Limited, Far East Distillers Partnership Limited and Sinotac Group Partnership Limited which are Singaporean entities to produce and sell ethanol from molasses. EPC has the production capacity of 230,000 liters per day. In 2017, changed its name to KTIS Bio Ethanol Company Limited. ("KTBE").

2010 In 2010, the Siriviriyakul family commenced a new project that utilizes bagasse, a by-product from sugar production, for electricity generation. Kaset Thai Bio Power Company Limited ("KTBP") was established to run a 60MW biomass power plant which has commercially operated on 7 October 2013.

2011 In 2011, the Siriviriyakul family furthered the advancement by recycling filter cake from sugar production process and vinasse from the biogas and ethanol production process into bio soil conditioner products. Kaset Thai Bio Fertilizer Company Limited ("KTBF") was established as a wholly-owned subsidiary of EPC in order to expand its integrated sugar business. KTBF has commercially operated and has the production capacity 15,000 tones of powder per year, 6,150 tons of pellets per year and 200,000 m^3 of water per year. In 2017, changed its name to KTIS Bio Fertiliser Company Limited ("KTBF").

2012 To foster business growth through enhanced cane productivity and quality, in 2012 the Company furthered its cane farming and harvesting by purchasing 40 John Deere cane harvesters from T.K. Equipment Company Limited, an authorized dealer of John Deere in Thailand. As a condition under the cane harvester purchase agreement, John Deere will provide us training and consultation on the maintenance, repair, and development of our farming tools and equipment in order to increase the crop productivity of our farmers and in turn supply for our business operations.

2013 In 2013, the Board and the shareholders' meeting approved the Company's acquisition of Thaiekaluck Power Company Limited ("TEP") to operate a 50MW biomass power plant with bagasse provided directly by TIS. In addition, the Company has established Ruampol Bio Power Company Limited ("RPBP") to operate a 50MW biomass power plant with bagasse provided directly by Ruampol factory.

The Board and the shareholders' meeting also approved the establishment of Sapsirikaset Company Limited ("SSK") to be in charge of the acquisition of lands to support KTIS group's business expansion. In 2013, SSK has purchased a total of 2,629-1-16 rais from parties not related to the Company.

In 2013, Sumitomo Corporation and Nissin Sugar Company Limited entered into the investment agreement to purchase the Company's ordinary shares worth up to Baht 2,650.0 million via 3S Holding Company Limited. As the companies are globally renowned trader and sugar manufacturer, the Company expects that the trilateral synergy will help strengthen the Company's competitiveness in the global market and business expansion in the Southeast Asia region.

In 2013, the Board approved the establishment of (1) Lopburi International Sugar Company Limited ("LIS"). In 2019, changed its name to Environment Pulp and Packaging Co., Ltd. (EPAC) (2) Lopburi Bioethanol Company Limited ("LBE") In 2020, changed its name to KTIS Bio Natural Company Limited. ("KTBN") and (3) Lopburi Biopower Company Limited ("LBP") In 2020, changed its name to Environment Pulp and Straw Company Limited ("EPAS").

2014 In 2014, the Board approved the establishment of (1) KTIS Biogas Power Company Limited ("KBGP") to support the power business expansion, and (2) KTIS Bio Power Company Limited ("KBE") to support the ethanol and biomass power business.

2015 In 2015, the Board of Directors approved the establishment of: (1) Kaset Thai Wiwat Co., Ltd. ("KTW") to support KTIS Group's asset management, and (2) KTIS Research and Development Co., Ltd. ("KTIS R&D") to support KTIS Group's businesses and its growth aspiration.

2017 In 2017, KTIS began to enhance sugarcane harvest capacity by creating the long term procurement of sugarcane harvester and relevant support from CNH Industrial (Thailand) Co., Ltd. The project involved the large amount purchase of sugarcane harvesters Case IH A8000 and A8010, and the support of such purchase includes simulator for training, high horsepower tractor for sugarcane harvesters application, technical and products training, part consignment and standby reparation service.

2019 In 2019, the Board of Directors approved (1) KTIS Bio Ethanol Company Limited ("KTBE"), a subsidiary of the Company to jointly invest with Global Green Chemical Public Company Limited in the project (Nakhonsawan Biocomplex : NBC) for eco-friendly chemical business which is located in Takhli district Nakhon Sawan Province under the joint invested subsidiary named GGC KTIS Bio industrial Company Limited (GBKI) (2) joint investment with Eurasia Light Industry Equipment Manufacturing Company Limited ("EAMC"), a machine manufacturer for container production from bagasse pulp and distributor of container from bagasse in China. Container production plant from bagasse with a production capacity of 50 tons per day is under a joint invest entity named Environment Pulp and Packaging Company Limited ("EPAC"), a subsidiary of the Company which is a project company.

2020 In 2020, KTIS Bio Ethanol Company Limited. was authorized by the department of Excise to use its alcohol in the production of sanitizing alcohol, and received the license to produce sanitizing alcohol from Thailand's Food and Drug Administration. Therefore, the Company has launched the new product which is sanitizing alcohol in forms of liquid and gel. The new product was massively donated to many organizations and was sold to the public with the fair price in the crisis of Covid-19 pandemic.

Events and major activities in the year 2023

1 February 2022

The senior executives from KTIS participated the foundation stone laying ceremony for the construction of Ingeo™ PLA production site in Thailand at Nakhonsawan Biocomplex, with the participation of Nakhonsawan governor.

27 July 2022

The study group from joint program of US Grain Council, Department of Energy Philippines and PPT group visited KTBE's ethanol production process in order to study ethanol industry in Thailand.

18 October 2022

KTIS's representative has signed the memorandum of understanding with Evercomm the Singaporean sustainable technology expert and Bureau Veritas the certification organization, the purpose is to set up the pathway to Net Zero organization and create the business opportunity from carbon credit, with the participation of Thailand's vice prime minister, minister of commerce and Singapore second minister of trade and industry .

6 January 2023

KTIS Research and Development Co., Ltd. has completed the research and development for new sugarcane breeds to increase productivity and sweetness. It also applied for registration with Department of Agriculture for 5 species which are Ruamphol 1, Ruamphol 2, Kasetthai 1, Kasetthai 2 and Thai Eckaluck.

11 August 2023

The board of directors resolved to approve the appointment of the committee in charge of sustainability by merging with the "Nomination and Remuneration Committee" and changed its name to the "Nomination, Remuneration and Sustainability Committee", therefore, there would be sib-committee to oversee the group's sustainability's work.

16 August 2023

KTRD's representative has signed the memorandum of understanding for academic cooperation with Office of Cane and Sugar Board to jointly develop the knowledge about production and agricultural machine technology, which will support and promote the sugarcane and sugar business' sustainable growth and environmental friendliness.

29 August 2023

KTIS's representative has signed the memorandum of understanding for academic cooperation with Maewong Technical College for the dual vocational program.

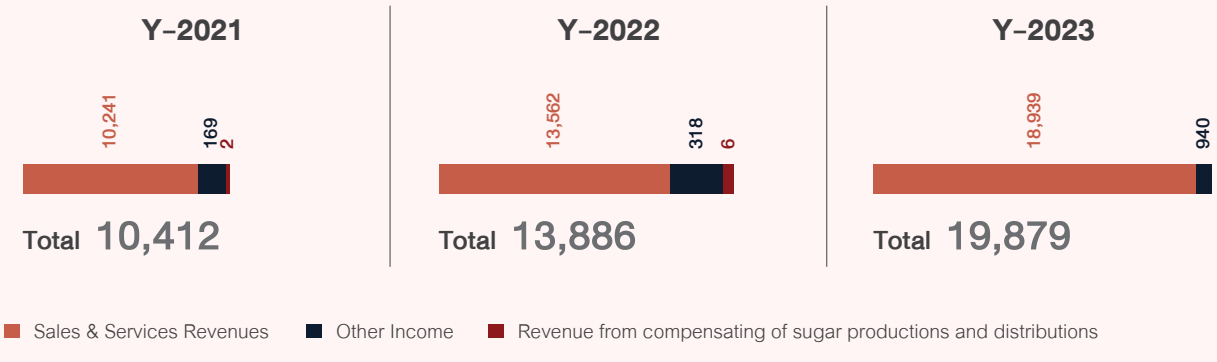
Financial Highlights

	2021	2022	2023
Income Statements (Million Baht)			
Sales & Services Revenues	10,240.6	13,561.9	18,939.1
Sugar	6,520.9	9,793.5	14,306.7
Molasses	491.8	572.0	726.3
Electricity	725.3	847.3	1,432.8
Ethanol	990.1	1,024.0	1,131.7
Pulp	699.7	429.5	414.4
Others	812.8	895.5	927.3
Revenue from the Cane and Sugar Fund under the project to support sugar cane planters and sugar plants	2.2	6.3	0.0
Other Income	169.3	318.0	939.7
Total revenue	10,412.2	13,886.2	19,878.8
Net profit	(1,114.4)	(862.0)	1,939.4
Balance Sheet (Million Baht)			
Total Assets	15,758.3	15,172.3	14,997.0
Current Assets	4,652.3	4,552.2	5,203.0
Non-Current Assets	11,106.0	10,620.1	9,794.0
Total Liabilities	8,580.9	9,194.9	7,128.6
Current Liabilities	6,507.2	6,935.2	4,987.6
Non-Current Liabilities	2,073.7	2,259.8	2,141.0
Total Shareholders' Equities	7,177.4	5,977.4	7,868.4
Ratio (Times)			
Current Ratio	0.71	0.66	1.04
D/E	1.20	1.54	0.91

3 Years Financial Highlight

Total Revenues

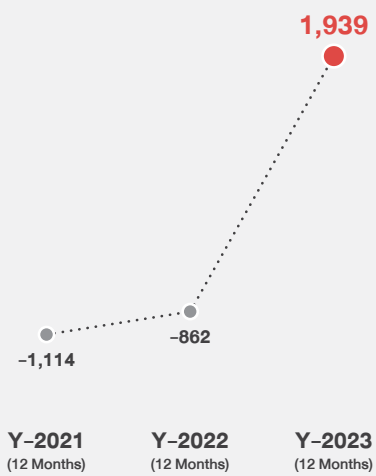
(Baht million)



Sales & Services Revenues Other Income Revenue from compensating of sugar productions and distributions

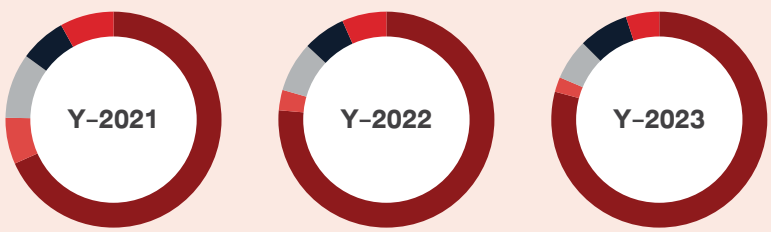
Net Profit

(Baht million)



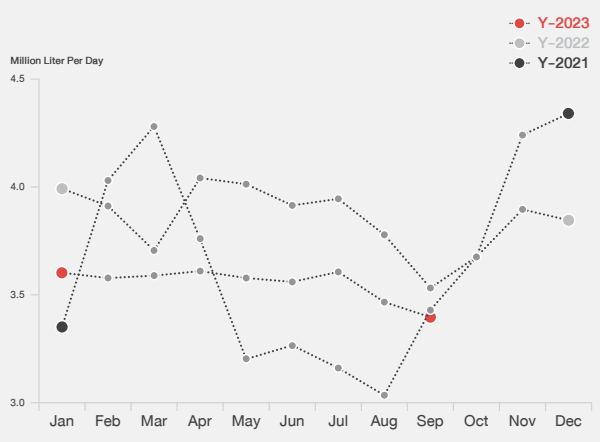
Sales & Service Revenue

(Baht million)

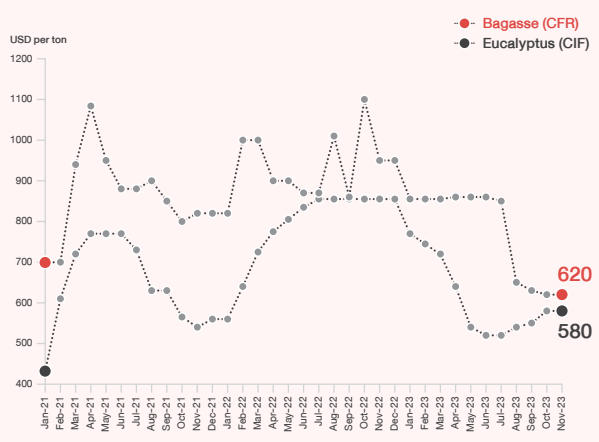


Y-2021		Y-2022		Y-2023	
Sugar & Molasses	68.5%	Sugar & Molasses	76.4%	Sugar & Molasses	79.4%
Paper Pulp	6.8%	Paper Pulp	3.2%	Paper Pulp	2.2%
Ethanol	9.7%	Ethanol	7.6%	Ethanol	6.0%
Electricity	7.1%	Electricity	6.2%	Electricity	7.6%
Others	7.9%	Others	6.6%	Others	4.9%

Ethanol Consumption Development



Prices of Bagasse Pulp



Message from board of directors chairman

I would like to thank all stakeholder who have been well working with the board of directors, On behalf of the board of directors, I would like to state that in KTIS upcoming 2nd decade in stock market, the board of directors still adheres to its own duty for the benefit of shareholders and all stakeholders with the determination, as always.

Mr. Pricha Attavipach
Chairman

The super power countries' economic situation has largely affected the business operation around the world in previous year. The interest rate increase from many countries' central banks and economic stagnation have affected Thai business's export. Meanwhile, Thailand's economy has been on the recovery track and positively affected domestic consumption. So that the board of directors has determined KTIS policy to control and manage risks relevant to foreign economic downturn, and look for an opportunity from domestic recovery. The policy also includes taking care of stakeholders specially sugarcane farmers under this circumstance, such as the assistance to procure farm in put with reasonable price and the yield production development by using appropriate technology in terms of price and qualification.

Moreover, the important economic and social event of Thailand in previous year is the organization of APEC 2023 summit. In such event, there has been the recognition of Bangkok Goal on BCG economy. APEC economic zone shall explore approaches such as the bio-circular-green (BCG) economy model that integrates three economic approaches, where technology and innovation are used to create value, reduce waste, advance resource efficiency, and promote sustainable business models. Such model also conforms with KTIS business expansion under BCG model. The board of directors is confident that KTIS has selected the appropriate business model under current circumstance, as such business model conforms with business model recognized by the largest economic zone.

The previous production season was the year that Thailand sugar industry successfully thrived due to the increase of sugarcane caused by weather includes the cooperation between government, farmers and sugar mills. The cooperation which controlled the harvest for fresh and clean sugarcane which helps sugar mills received high quality raw material with reasonable cost. Moreover, the domestic and international circumstance have increased the sugar price international market cause by situations in other major sugar exporters such as the draught and problem about export logistic management in Brazil and the management for domestic consumption in India. The higher income from international sugar price returns to KTIS important stakeholder which is sugarcane farmers in term of sugarcane price (whom the law mandates to receive 70% of sugar export income), employees in term of bonus and shareholders in term of profit. The cooperation of all stakeholder in sugarcane and sugar industry is the major cause of such success. The operation of biological business also still performed well under many volatilities in macro level such as energy price, the increase of substitute goods price, the volatility of farm in put, KTIS group also explored for the opportunities to create value addition to biological business by product development and the preparation of Nakhonsawan bio complex to be ready within schedule.

In term of board of directors operation, the board has envisioned the mission about sustainability in business operation, and to conform with Stock Exchange of Thailand and relevant agencies guideline. Therefore the board has assigned the nomination and compensation committee to be responsible for the monitor of KTIS group's sustainability mission, and rename such committee to be the nomination, compensation and sustainability to comprehend the new assignment.

An upcoming 28th April 2024 will be 10th year anniversary which Kaset Thai International Sugar Corporation PLC. under the name of KTIS has entered into listed company in Stock Exchange of Thailand. Throughout these 10 years all directors have been working to develop company's business potential together with the promotion of corporate governance and sustainability to society and nation. I would like to thank all stakeholder who have been well working with the board of directors, On behalf of the board of directors, I would like to state that in KTIS upcoming 2nd decade in stock market, the board of directors still adheres to its own duty for the benefit of shareholders and all stakeholders with the determination, as always.

Mr. Parphan Siriviriyakul
Chief Executive Officer – KTIS Group

Lastly, on the second decade of listed company, I and all KTIS group employees will work by focusing on the success together with the sustainability driven by good governance, so that KTIS group will be an organization that investors always trust in and society always confide in.

Massage from CEO group 2023

KTIS group has succeeded in the previous year, especially in sugar industry. Last year the group could procure the sugarcane amount which is significantly higher than the last two year, and which is high quality sugarcane. It caused the higher amount of sugar and ethanol produced per ton sugarcane for this year. And, it also decreased the production cost. Such success could not happen without the cooperation from our farmers who have been trying to plant and maintain sugarcane under last year's supportive weather condition, and also harvested sugarcane thoroughly which increased sugarcane yield in aspects of quality and quantity. KTIS group is proud to be part of such success which comes from comprehensive support throughout the process of plantation from the land preparation to after harvest maintenance. KTIS group insisted that it shall always substantially provide such support to farmers who are our important stakeholders. In aspect of sugar business, we could well manage our sugarcane-based factories' machinery operation, by jointly plan the raw material management plan between KTIS sugar factory and GKBI ethanol factory that increased the efficiency in logistic and well decreased farmers' logistic cost. Moreover, the price factor of sugar business also positively affected the company's operation both sugar price and molasses amount. KTIS has systematically managed sale price and exchange rate risk ,therefore, it could sell products from sugar business with the price appropriate under current situation, while also manage to provide enough raw material for bio business operation.

Bio business operation could perform well under current limitation, which is that raw material must be fully efficiently allocated and the prices that fluctuated from world economic. To mitigate the effect from such factor, KTIS, therefore, determined to create value added to bio business' products to reduce risk that would occur from price fluctuation. The examples are the study to produce customized bagasse pulp container for industrial customers and the bio plastic production which is supported by the government under the cabinet resolution dated 13 June 2023 subject the acknowledgement of the guideline to promote the industrial use of ethanol except in fuel and spirits industry.

For the proceed of Nakhonsawan Biocomplex in the previous year, it has passed the major milestone which was Natureworks Asiapacific Co., Ltd.'s foundation stone laying ceremony for the construction of factory which located in Nakhonsawan Biocomplex, which was held in last February. This milestone is in accordance with the second phase of the project which is the invitation of foreign direct investment in BCG business. Once this project is completed, KTIS would have opportunity to sell utility and provide necessary services to such bio plastic factory through GGC KTIS Bio Industrial Co., Ltd. which is the subsidiary.

I, on behalf of KTIS employees especially the farm division's employees, would like to thank to the attempt and dedication of all farmers in previous year, who have supported high quality raw material to KTIS group. Moreover, I would like to thank all employees and stakeholders that have been doing their duty with full effort in the previous year.

Throughout 10 years that KTIS group has been listed in stock exchange, I would like to thank to all employees' attempt and dedication to develop the group to become good listed company, especially in aspects of business model development, the management to create stability to farmers and sustainability to society. And, I would like to thank to farmers who have been providing good raw material for KTIS group for 40 years. Lastly, on the second decade of listed company, I and all KTIS group employees will work by focusing on the success together with the sustainability driven by good governance, so that KTIS group will be an organization that investors always trust in and society always confide in.

Structure and Business Operation

Policies and Overall Picture of Business Operation

Business Overview

The Company and companies in KTIS group operate a fully-integrated sugar production and distribution business as No. 3 leader in Thailand. In addition to 3 sugar factories, of which 2 are owned by the Company and 1 is leased, the Company also has ethanol plant, bleached bagasse pulp plant, bagasse pulp mold plant, power plant and bio soil conditioner plant.

The Company's businesses can be divided into 2 fields:

1. Sugar Production and Distribution Business

The Company produces sugar and distributes its sugar products to domestic and international customers through KTIS, TIS and KTIS (Branch 3). Sugar products of the Company are refined sugar, white sugar and raw sugar.

2. Downstream Business

By-products such as molasses and bagasse from the Company's sugar production process lead to many downstream business opportunities as listed below:

1. Bleached Bagasse Pulp and Pulp Mold Production and Distribution Business

The Company operates bleached bagasse pulp production and distribution business through EPPCO. The group's pulp factory is located near the Company's sugar plant and can produce pulp from bagasse which is a by-product from the sugar production process. EPPCO has 3 types of bleached pulp products: dry pulp, wet pulp and packaging products from bagasse pulp (Pulp Mold).

2. Ethanol Production and Distribution Business

The Company operates ethanol production and distribution business through KTBE and uses molasses derived from the group's sugar factories as a primary raw material. At present, KTBE manufactures and distributes 2 different grades of ethanol products: industrial alcohol and fuel alcohol.

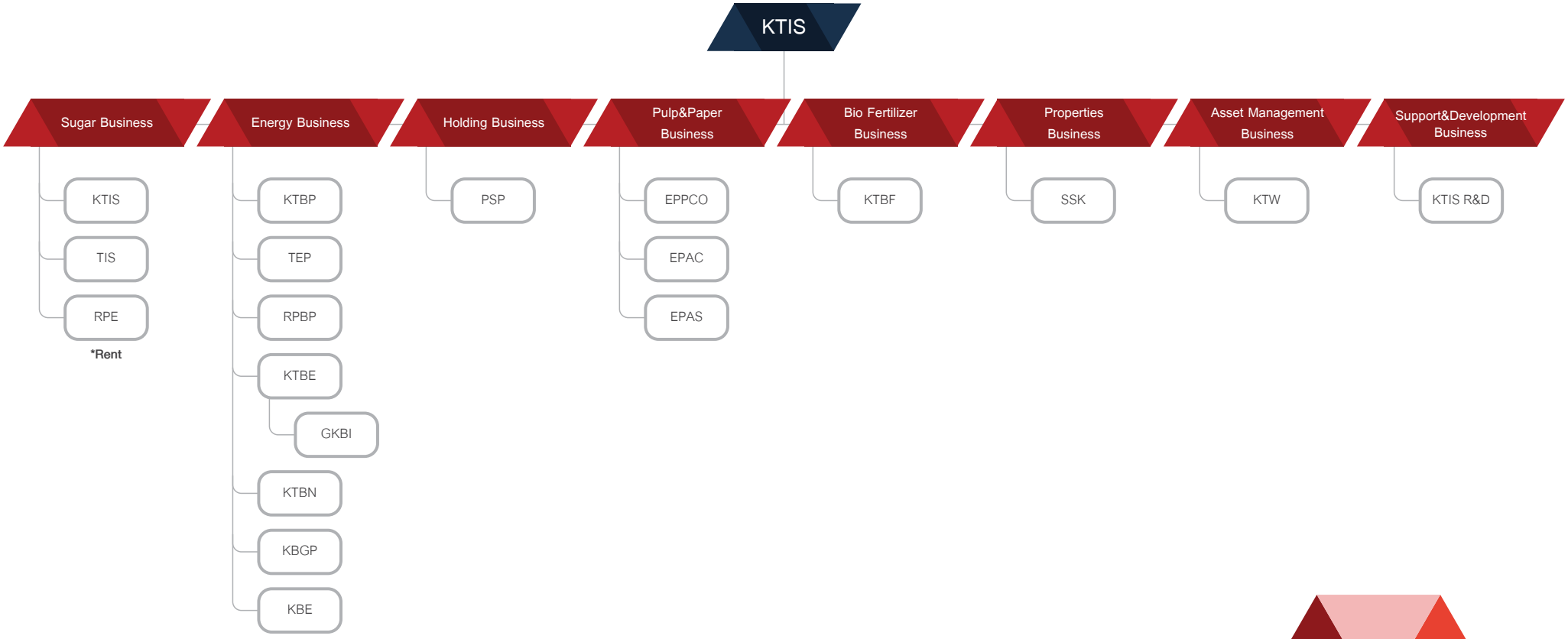
3. Electricity Generation and Sale Business

At present, the Company's sugar factories and bleached bagasse pulp factories are equipped with electricity and steam generating modules which use bagasse, a byproduct from production processes, as primary feedstock. The electricity and steam generated are used in the production processes of our 3 sugar factories and other factories. The surplus electricity is sold to the Electricity Generating Authority of Thailand (EGAT) and the Provincial Electricity Authorities (PEA) under the power purchase agreements (PPAs). KTBP, TEP and RPBP have also been established to operate the 60MW, 50MW and 50MW biomass power plant which are currently in commercial operation.

4. Bio Soil Conditioner, Bio fertilizer Production and Distribution Business

The Group produces bio soil conditioner production, bio fertilizer and distribution business through KTBF and uses recycling filter cake from sugar production process and sludge from the biogas and ethanol production process to be raw materials in bio soil conditioner and bio fertilizer products. KTBF has 2 types of bio soil conditioner products: powder and pellet.

Corporate Business Structure



Nature of Business

Revenue Structure

In 2023, the Company's income from sugar production and distribution was 79.4% of total revenues from sales and services of the Company, Moreover, the business income from the by-products of paper, pulp, ethanol and fertilizer 31.5 % of the Company's sales and services. Details for 3 years were as follows:

	2021		2022		2023	
	Revenue (MB)	%	Revenue (MB)	%	Revenue (MB)	%
1. Sugar and molasses sales revenue						
Domestic	5,415.6	52.9	4,940.9	36.4	9,559.2	50.5
International	1,597.0	15.6	5,424.7	40.0	5,473.8	28.9
Total sugar and molasses sales revenue	7,012.7	68.5	10,365.5	76.4	15,033.0	79.4
2. Pulp sales revenue						
Domestic	96.8	0.9	97.8	0.7	138.0	0.7
International	602.9	5.9	331.7	2.4	276.4	1.5
Total pulp sales revenue	699.7	6.8	429.5	3.2	414.4	2.2
3. Ethanol sales revenue						
Domestic	990.1	9.7	1,024.0	7.6	1,131.7	6.0
International	-	-	-	-	-	-
Total ethanol sales revenue	990.1	9.7	1,024.0	7.6	1,131.7	6.0
4. Other sales revenue						
Electricity sales revenue	725.3	7.1	847.3	6.2	1,432.8	7.6
Revenue from other sales and services	812.8	7.9	895.5	6.6	927.3	4.9
Total other sales revenue	1,538.1	15.0	1,742.8	12.9	2,360.1	12.5
Total revenue	10,240.6	100.0	13,561.9	100.0	18,939.1	100.0

Source: The Company's financial statements.

Information about products

Sugar : Production and Distribution Business

Product Feature and Business Innovation

1. Raw Sugar Raw sugar crystals are dark brown in color and the color index of raw sugar ranges above 601 ICUMSA . This type of sugar must be purified and processed into white sugar or refined sugar and cannot be consumed directly. This type of sugar also needed to be purified to become white sugar or refined sugar before consumption.

2. White Sugar) White sugar is raw sugar that has been purified to remove impurities in sugar crystals. Its color is lighter than raw sugar, either light brown or white, and ranges from 46 - 400 ICUMSA. This type of product is typically used in soft drinks and convenience food businesses as well as household consumption.
3. Refined Sugar Refined sugar is raw sugar that, similarly to white sugar, has been processed to remove impurities in sugar crystal. Refined sugar has a higher level of purity that white sugar and is crystal white in color with the color index of 0 - 45 ICUMSA. This type of product is suitable for industries which required sugar with high purity index such as pharmaceutical industry and beverage and energy drinks industry.
4. Special Sugar (Natural Sugar) The sugar that contains different qualification from refined, white and raw sugar. This sugar can vary in any form except syrup, and used as the raw material
5. Liquid Sucrose The raw sugar that is put in to meting process then decolorized and purified. The intense of liquid sucrose is monitored in Brix scale which is the percentage per sugar weight in the solution. Liquid sucrose is suitable to be used in soda industry and energy drink to save cost, reduce time of the sugar melting process before the production.

Details of the Company's sugar products are shown in the table below:

Product	Color (ICUMSA)	Polarization[2] (%)	Moisture (%)
1. Raw Sugar	above 601	Not less than 98.00	Not exceeding 0.6
2. White Sugar	46 - 400	Not less than 99.50	Not exceeding 0.04
3. Refined Sugar	0 - 45	Not less than 99.80	Not exceeding 0.04
4. Natural Sugar	201 - 1,000	Not less than 99.20	Not exceeding 0.04
5. Liquid Sucrose	0 - 35	-	-

Source: KTIS.

Remark: [1]ICUMSA is the unit to measure colorless of sugar products, the high purity sugar shall contain low colorless.

[2]Polarization is the amount of sucrose such as 99.5% means in 100 percentage of sugar is 99.5 percentage of sucrose. The high polarization means higher sucrose contained which means high quality sugar.

Marketing and Competition

(1.) The Company's competition Policy and Product Distribution

Approximately 80% of the Company's customers are industrial sector who need sugar for goods production. Industrial customers always contracted with the Company yearly with high volume. Industrial industry is the major target of the Company. The other 20% of customers are retail sector which the volume varies by the sale price and the distribution is made by the distributors at the sugar mills.

The Company has launched 1kg. pack and 500 g. pack of sugar under a brand "Wan Lamoon" (Tenderly Sweet) which packaged by the newly procured machinery. Therefore, it could ensure the high quality delivered to the customers. Now there is in the progress to contract the distribution channels in modern trade and convenient store, there is also the testing distribution in sugar mill's nearby areas and Nakhonsawan province to research the market's reaction.

1. In the production year 2021/2022, Thailand has 57 sugar mills which produced 10.156 million ton whose market share is exhibited as follows:

Producer	Number of Sugar Factory of Each Producer	Sugar Output (Ton)	Market Share (%)
Mitr Phol Sugar Group	7	2,360,574.81	21.35%
Thai Roong Ruang Sugar Group (1)	6	1,219,536.22	11.03%
Korat Industry Sugar Group (KI)	2	812,675.69	7.35%
Kaset Thai International Sugar (KTIS)	3	799,706.48	7.23%
Khon Kaen Sugar Group	5	750,921.05	6.79%
Thai Roong Ruang Sugar Group (2)	4	601,297.34	5.44%
Cristalla Sugar Group	3	557,282.76	5.04%
Wangkanai Sugar Group	4	504,841.94	4.56%
Khonburi Sugar Group	2	474,226.39	4.29%
Eastern Sugar Group	2	421,332.90	3.81%
Thai Kanchanaburi Sugar Group	2	365,758.71	3.31%
Mitr Kaset Sugar Group	2	239,186.72	2.16%
Rayong Sugar Group	2	193,485.50	1.75%
Ratchaburi Sugar Group	2	168,586.22	1.52%
Others	11	1,589,611.30	14.37%
Total	57	11,059,024.03	100.00%

Source: 2022/2023 Cane and Sugar Production Report as of the End of Cane-Crushing Period (Updated), Office of Cane and Sugar Board.

2. The distribution amount in 2022/2023 from October 2022-Septembder 2023 as follows:

Group	Actual sold amount	Sale percentage
Mitr Phol Sugar Group	672,280.50	25.75%
Thai Roong Ruang Sugar Group(1)	374,911.68	14.36%
Thai Roong Ruang Sugar Group (2)	184,629.54	7.07%
Kaset Thai International Sugar (KTIS)	179,397.95	6.87%
Khon Kaen Sugar Group	176,265.76	6.75%
Korat Industry Sugar Group (KI)	149,598.01	5.73%
Cristalla Sugar Group	122,004.23	4.67%
Wangkanai Sugar Group	117,586.66	4.50%
Eastern Sugar Group	70,926.02	2.72%
Khonburi Sugar Group	68,301.31	2.62%

Group	Actual sold amount	Sale percentage
Thai Kanchanaburi Sugar Group	44,751.07	1.71%
Rayong Sugar Group	42,641.04	1.63%
Mitr Kaset Sugar Group	30,634.65	1.17%
Ratchaburi Sugar Group	25,597.12	0.98%
Others	351,302.18	13.46%
Total	2,610,827.73	100.00%

Source: Office of cane and sugar administration's distribution report.

The summary and expectation of sugarcane situation of 2022/2023

The production year 2022/2023 is expected that the sugarcane amount shall increase due to high amount of rainfall, includes the increase of plantation areas due higher incentive from the world market sugar price increase. The previous year, the group has crushed the sugarcane of 6.3 million ton and produced 6.3 bags of sugar. It is expected that the sugarcane amount of the production year 2022/2023 in this December will increase 5% due to high amount of nationwide sugarcane, which returns to normal of 100-110 million ton.

The procurement of products and services

KTIS group operates sugar mills whose locations are in the areas suitable for sugarcane plantation of lower-northern and upper-central Thailand. Therefore, the raw material has been secured, encouraged and sufficiently procures to each mill capacity of 3 sugar mills which are:

1. Kaset Thai International Sugar Corporation located at 1/1 Moo 14 Tambon Nong Pho Amphur Takhli Nakhonsawan Province with sugarcane crushing capacity of 40,000 ton per day.
2. Thai Identity Sugar located at 42/1 Moo 8 Banhad Sueten Tambon Kung Tapao Amphur Muang Uttaradit Uttaradit Province with sugarcane crushing capacity of 16,000 ton per day.
3. Kaset Thai International Sugar Corporation Branch 3 located at 1 Moo 7 Tambon Ban MaKlua Amphur Muang Nakhonsawan Nakhonsawan Province with sugarcane crushing capacity of 18,000 ton per day.

3 sugar mills currently have the total sugar production capacity 73,400 ton per day which consists of raw sugar, white sugar, refined sugar and liquid sucrose.

World market : Sugar is one of the world's most important commodity. The largest sugar producer which are Brazil, Indian, European Union, Thailand and China. In the last year's planation season, Asia region is the second largest sugar producer accounted to 40% of world's total sugar production in the production year 2022/2023. Thailand is the third largest sugar producer but its domestic consumption is quite low compare to the production, therefore Thailand could vastly export sugar and becomes world second largest sugar exporter.

Major Changes in Global Sugar Market in Past Decade

The Impact of Coronavirus (COVID-19) on Macroeconomic Stability

Sugar Trade Liberalization in Brazil when the sugar trade liberalization was first introduced and the controls were eventually relinquished in Brazil, it had caused structural changes to Brazilian sugar industry and signification increase in the country's sugar exports. As Brazil is the largest exporter in the world market, any factors effect Brazilian sugar industry, will have material impact on the global sugar market such as the movement of Brazilian Real, Brazil's sugar and ethanol policies by Petrobras etc. Since 2018 Brazilian producer has been trying to maximize ethanol production due to world sugar price drop. On the other hands weaker Brazilian Real lower the dollar value of ethanol parity.

Low Sugar Production in EU Countries, but restart sugar export from 2017 In 2004, the World Trade Organization (WTO) ruled that EU's sugar subsidies violated the General Agreement on Tariffs and Trade (GATT) and thus cut its support for EU's sugar production. Therefore, EU's revised sugar Quota system and it limit sugar production and export.

Sweet Tax In Thailand sweet tax was installed in October 2017, and Philippines and Malaysia also introduced sweet tax in January 2018 and in July 2019 respectively. Since 2016, WTO recommends to install sweet tax system in order to reduce soft drinks consumption, which leading to obesity. After that USA and Mexico started to install in part of the countries. And so far, India and UK have installed the sweet tax as well. In addition to this, especially in ASEAN, some other countries are considering about this kind of sweet tax system. Which movement might damper the expanding sugar consumption.

Higher Investment in Commodity Markets by Funds and Speculators During the past 10 years, funds and speculators have increased their investment in commodity markets, especially agricultural commodities and sugar commodities. This has intensified the sugar price volatility and influence from non-fundamental factors, such as macro market, technical indicators, currencies, and ethanol parity.

S&P Global Commodity Insights estimate global sugar supply and demand for the 2023-24 season at 2.7 million mt, down from 4.8 million mt estimated in July. The most significant revision was a drop of 1 million mt in India's sugar production, mainly due to dry weather. Sugar production estimate for Mexico also decreased by 357,000 mt due to drought conditions. Besides, there could still be a further downside for both countries if poor weather continues. In the case of Mexico, the forecast anticipates continuing dry weather until September.

Bleached Bagasse Pulp and Pulp Mold : Production and Distribution Business

The Company operates bleached bagasse pulp production and distribution business through EPPCO which has the production capacity of approximately 100,000 tons per year. The factory is currently the only mill that can produce bleached bagasse pulp which is a by-product from the Company's sugar production process. EPPCO has 2 types of pulp products : dry pulp, wet pulp and packaging products from bagasse pulp (Pulp Mold).

1. Dry Pulp

Dry pulp is made from bagasse with a moisture content of about 10-12%. It weighs about 250 kilogram per bale and has a brightness of no less than 80% ISO with TAPPI dirt count of less than 10 ppm. Dry pulp could be stored for long period. EPPCO distributes dry pulp both domestic and export and such product is a core product of bleached bagasse pulp business.

2. Wet Pulp

Wet pulp is made from bagasse with moisture content of about 50.-52.0%. It weighs about 225 kilograms per bale but has the same brightness and TAPPI dirt count as dry pulp. It can be used more easily than dry pulp in a paper manufacturing process because of its higher moisture content, which saves time in the re-boiling process. However, wet pulp has a shorter storage period than dry pulp and incurs higher transportation costs. Thus, EPPCO distributes wet pulp only to domestic customers. Currently, there is no wet pulp production since the raw material limitation. However, in future, the company has a plan to use slurry as raw material for pulp mold factory (EPAC) which is KTIS's subsidiary.

Pulp Mold : Production and Distribution Business

1. Packaging products from bagasse pulp (Pulp Mold)

Pulp Mold used 100% bleached bagasse pulp produced at EPPCO factory as raw material to produce different types of food packaging products without wood pulp or recycle pulp or other material. The products are bio-degradation which are Eco friendly products consistent with the demand trend for products that save the environment in both domestic market and worldwide. The products will add value to EPPCO bagasse pulp.

Environment pulp and packaging Co., Ltd. (EPAC) is currently under the building construction and machinery installation is completed and now in testing and commissioning stages. There has been some production trial and some distribution of goods domestically, and export some goods to test market's response to the quality of products. The result from customers is good and there has been gradual purchase order. The machinery's improvement needs to be conducted to reach its full capacity, Such completion is expected to be completed in quarter 4 of 2023.

Project Information

Project Information Products : Food container made of bagasse pulp

Location : Tambon Nongpho, Amphur Takli, Nakhonasawan

Production capacity : 15,000 ton per year or 600-700 million pieces per year by full capacity production

Registered capital : 650 million Bath

BOI's promotion : Corporate income tax exemption for 3 years from the first date of revenue recognition

Project feature

Product : The product is biodegradable and environment friendly which is in the high international and domestic demand for the environmental saving products.

The products in the beginning are the general used products with more variety of patterns in additional to the pattern produced by EPPCO. The future plan is to develop the potential of this project and its staff to be capable to produce customized products which shall appropriately fulfill the customers' demand.

Raw material : 100% made of bagasse pulp delivered by EPPCO which is a subsidiary of KTIS. Therefore, it is the raw material security for long run.

The location of the project is next to EPPCO's plant and there is also the plan to arrange the tube to deliver slurry from EPPCO's plant to EPAC plant, which shall highly reduce the raw material logistic cost and increase the price competitiveness.

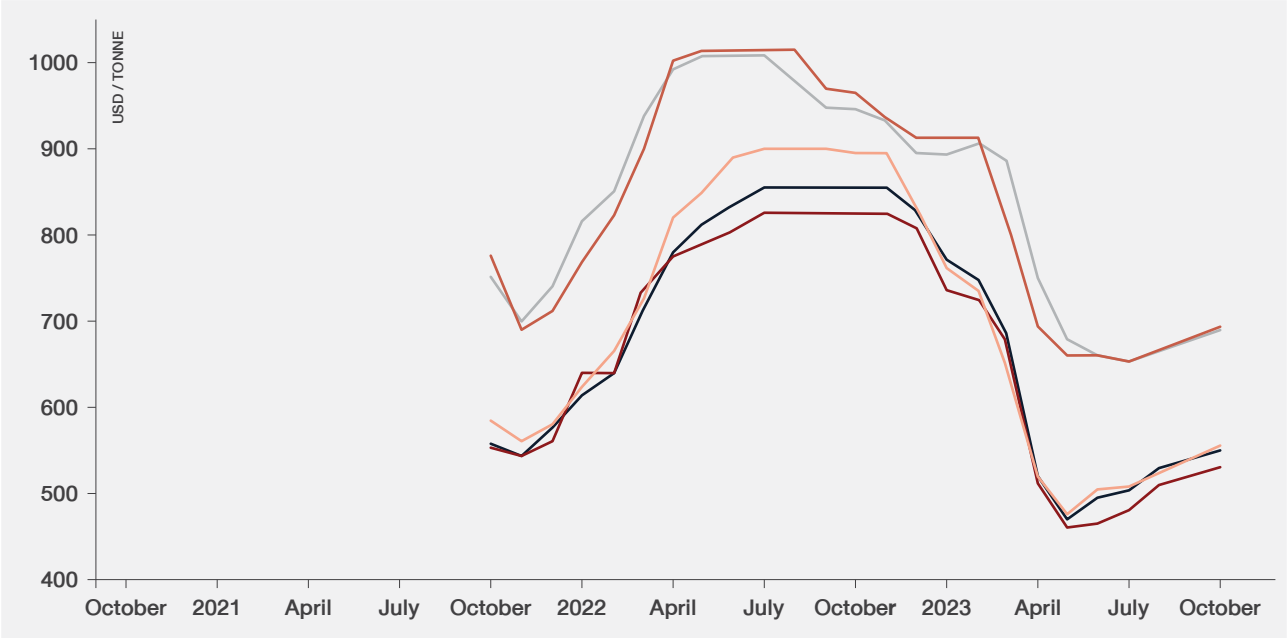
Bleached Bagasse Pulp Business

Bleached Bagasse Pulp : Market Conditions and Competition

1. International industry's circumstances

In 2023, the world economic is still in regression and stagnation, FED's interest increase and the Russian-Ukraine geopolitical conflicted from 24th February and EU sanction, on energy, trade and financial imposed to Russia has increase energy cost worldwide. Such incident increase production and transportation cost, together with US-China trade barrier which still has no certain solution. Moreover the high inflation worldwide which increased commodities price. Further the conflict between China and Taiwan has also escalated.

In 2022 the pulp and paper industry's circumstances are in the downside like the worldwide economic regression which caused the huge decrease of pulp price to stimulate more demand since the end of 2022, and sever weakened in the first half of 2022. There has been upside in quarter 3 of 2023 and expected to be much upside in quarter 4 of 2023 onward.



Source PPI ASIA dated 15 October 2023

The average price of short fiber pulp in quarter 3 of 2023 is at $495-530 per ton which decreased from quarter 3 of 2022 at $850-860 which decreased at $300-310 per ton, and the sale price is expected to increased from quarter 4 of 2023 onward. For 2024 price, it is expected to increase further but may not ne as high as the peak of 2022.

The other factor which increase pulp price is the consequence from energy price issue and raw material price issue in production arising from the counter-measure in trade barrier form super power countries. It caused supply chain to stagnate and increase production cost as well.

The demand for bagasse pulp in 2024 still gradually exists in food container industry and environment friendly industry, which is the advantage derived from health and environment conservation measures which keep expanding. As well as other paper products that received benefit from environment regulation being imposed after the relief of many countries' pandemic control measure. The reduction of foam and plastic containers will be more strict and increase the demand for bagasse pulp in the long run.

The situation of pulp paper selling price in September 2023

The imported to China pulp price in September 2022 which includes short fiber wood pulp and long fiber pulp has increased from September 2022 due to the economic recession, higher energy and logistic cost together with the decrease of paper and pulp plants production affected by economy. Such circumstance should continue in 2023-2024.

The imported to China short fiber pulp has decreased from CIF price $ CIF 850-860 per ton in September 2022 down to CIF price $540-560 per ton in September 2023. And, the imported to China long fiber pulp has decreased from CIF price $940-950 per ton in September 2022 up to CIF price $675-710 per ton in September 2023.

The imported to other east Asia countries wood pulp, the short pulp has decreased from CIF price $ 875-925 per ton in September 2022 down to CIF price $ CIF 550-560 per ton in September 2023. The long fiber pulp has decreased from CIF price $940-970 per ton in September 2022 down to CIF price $680-700 per ton in September 2023.

Wood pulp world price (CIF)	September 2022 ($/ton)	Wood pulp world price (CIF)	Decrease ($/ton)
Imported to China short fiber	850 - 860	540 - 560	300 - 310
Imported to China long fiber	940 - 950	675 - 710	230 - 275
Imported to other east Asia countries short fiber	875 - 925	550 - 560	315 - 375
Imported to other east Asia countries long fiber	940 - 970	680 - 690	260 - 280

Source PPI ASIA dated 15 October 2023

Expectation of paper pulp's world market situation in 2024

The paper pulp's world market in 2024 is expected to improve due to the relief of Covid-19 control measure worldwide, the normal life and return to office. The increased leisure tends to increase which shall increase the use of pulp and paper. However, the unsettled armed conflict and trade conflict of superpowers shall be the negative factor to slowdown general economic, trade and industry in 2023.

However, the positive factor mat come from the expansion of countries clusters such as BRICS, which tends to economically expand to Asian region. It shall highly increase the trade and investment expansion in the region, that shall cause more demand of paper pulp for paper packaging for delivery.

The other positive factor which occurred after the Covid-19 pandemic has affected the investment expansion in pure fiber made food packaging industry in other countries apart from China such as Vietnam, India and European countries and USA, as the population have realized the sanitary to prevent infection. The environment and public health policy of many countries who adjusted for future spreading shall positively affect the paper pulp and bagasse pulp container industry.

There is no plan for pulp production expansion in 2023, due to the demand of paper pulp still steady throughout 2022. And, the current production capacity us enough for the current demand. The demand of paper pulp in this region is expected to increase gradually in 2023, and the price in world market shall steady throughout the coming year.

2. Domestic paper pulp situation

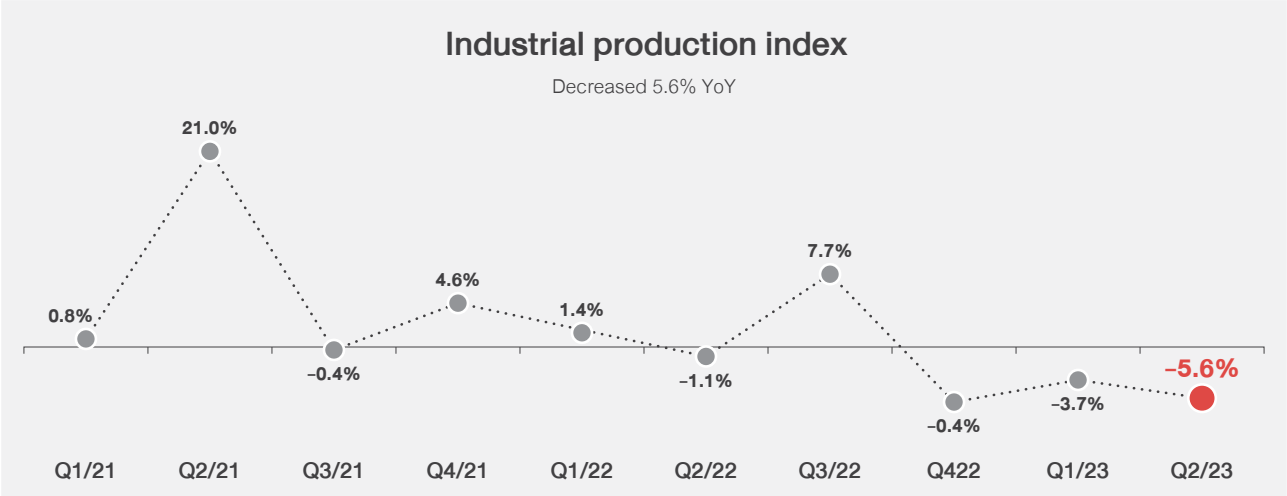
Summary of Thai industrial economic in Q2/2023

The economic industry situation of Q2/23 as focuses on manufacturing production index (MPI) slightly decreased about 5.6% compared with Q1/23 which could increase about 3.7% since the consequence of that export productions' recession. However, the tourism industry still performed well especially food and beverage. The major industry was recessing in quarter 2 of 2023 is such as hard drive.

Due to the fragile world economic, it affected the purchasing power and investment. Iron and steel purchase has been decreased since the purchaser would like to observe the market, and the demand for steel in downstream industries has increase with economic recession of rubber industries countries. As the world economic recovery is not so clear, it affected the purchasing power especially China who is Thailand's major trade partner. The industry that has well expanded in the quarter 2 of 2023 is automobile, since the market expansion in all segments. However, domestic market has slowed down due to strict loan approval of bank together with increased interest rate, the increase of sugar demand comes with the economic recovery and more sugarcane amount than last year.

Industrial trend of Q3/2023

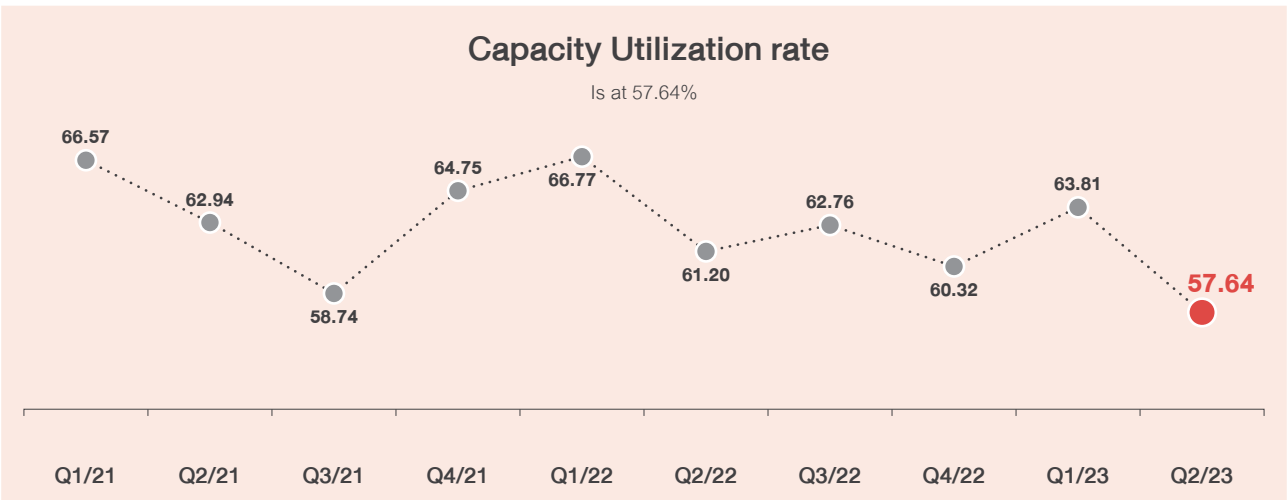
- **Iron and steel** : it is expected to decreased a bit compared to the same period of the last year, due to raw material rice in world market tends to decrease. It makes consumers slowed down their consumption and would affect steel demand, However, if there is a gradual construction of infrastructure and continuing supportive policy from government, it shall be major factor for domestic iron industry expansion.
- **Electric appliance** : it is expected that the production index would expand at 2.5% and the export would expand at 3%, since Covid-19 pandemic and inflation have relieved. The world economy is in recovery trend in countries who are the major importers from Thailand. However, the monitor of negative factors to export is still necessary such more strict environment policy.
- **Electronic** : it is expected that the production index would decrease at 5-10% due to the operators have to bear higher production cost, the scarcity of raw material in semiconductors industry. Further some electronic goods such as IC still has some products inventory to be distributed. However, electronic parts are necessary to information technology development and IT infrastructure products, so the demand for electronic parts in world market still exists and expands continuously about 1-3% due to price increase of major goods such as IC. However, there is an issue about US, China and Taiwan relationship which may affect supply chain in electronic industry such as US chip technology export control and the strategy adjustment of China's semiconductor strategy.
- **Automobile** : the expectation of Q3/2023 is the automobile production of 490,000 units which is 50-55% for domestic distribution and 45-50% for export.
- **Motorcycle** : the expectation of Q3/2023 is the automobile production of 440,000 units which is 80-85% for domestic distribution and 15-20% for export.
- **Pulp, paper and printing** : It is expected that paper and printing which uses container would expand with domestic consumption and the packaging for export. The paper pulp would expand especially in export to China which is a continuing expansion since the beginning of the year. The printing is expected to continuously slowed down.
- **Wood and furniture** : the domestic production amount of furniture still slowed down from last year amount which was high due to domestic consumers demand which stay still. In term of export of wood and furniture, it is expected to expand again especially in wood and wood palette with the trend is in higher demand.
- **Rubber and rubber products** : the primary processed products (rubber sheet, block rubber and condense rubber liquid) is still slowed down due to the decreased foreign demand. But in term of tries and rubber gloves, it is expected that there will be the expansion die to the production to meet domestic and foreign demand. The rubber gloves production is expected to increase after 4 quarters decline.
- **Jewelry and ornament** : the production of jewelry and ornament is expected to slow down since the decrease of foreign demand caused by world economic decline and directly affected by energy price in Europe, inflation and interest rate increase and geopolitical conflict. The factors would decrease the export and production. Although there is uncertainty of jewelry and ornament consumption in world market, but the daily use and environment friendly ornament still expands due to consumers' preference. Moreover, there is supportive factors from growing tourism, jewelry exhibitions and Thai baht weakening, this factors would support exporters' competitiveness and will encourage export and production.
- **Food** : The production index and export are expected to decline compared to last year's same quarter due to trading countries' economy recession. However, tourism still shows a good sign including demand from import and demand of sugar is increasing.



Source: Office of industrial economy

In Q2/2023 the industrial index is at 90.14 decreased from previous quarter (101.33) 11.05% and decreased from the previous year's same quarter (95.47) 5.6%. The industries which decrease the index from previous quarter are sugar production, automobile production and rubber's production.

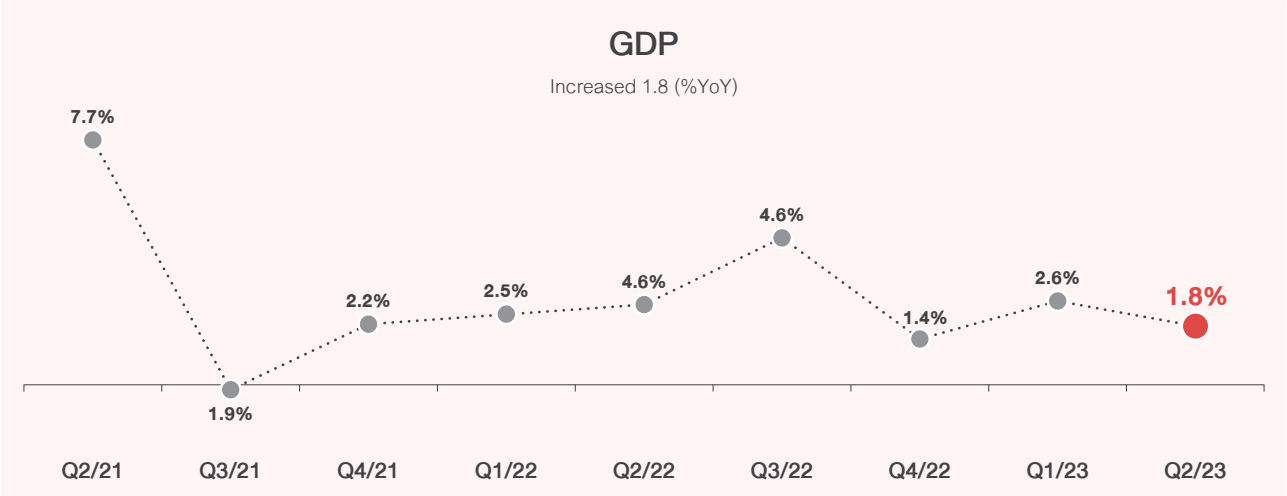
The industries which decrease the index from the previous year's same quarter are computer production, steel production and rubber's production.



Source: Office of industrial economy

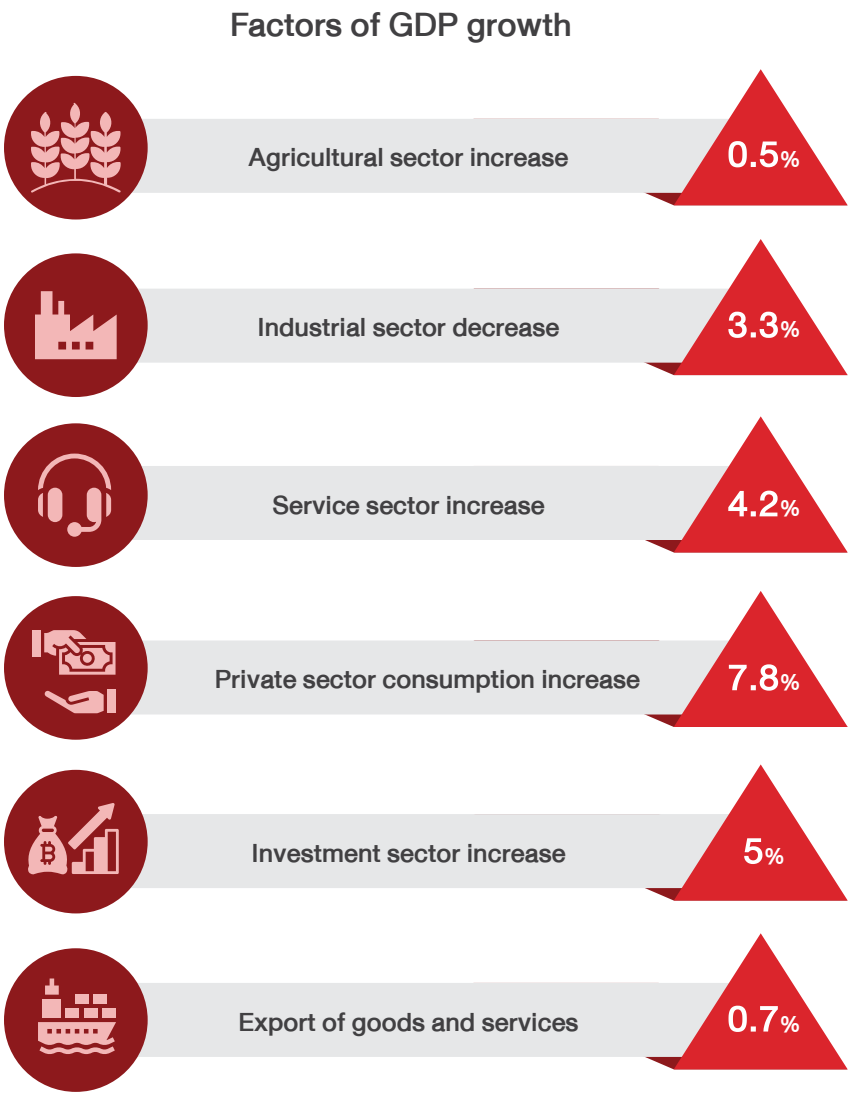
In Q2/2023 the capacity utilization rate is at 57.64 decreased from previous quarter (63.81%) and decreased from the previous year's same quarter (61.20%). 5The industries which decrease the index from previous quarter are sugar production, automobile production and rubber's production.

The industries which decrease the capacity utilization rate from the previous year's same quarter are computer production, steel production and rubber's production.



Source: The National Economic and Social Development Council

GDP in Q2/2023 increased 1.8%, the increase slowed down after the last quarter which increased 2.6% and decreased when compared with last year's same period which increased 2.5%.

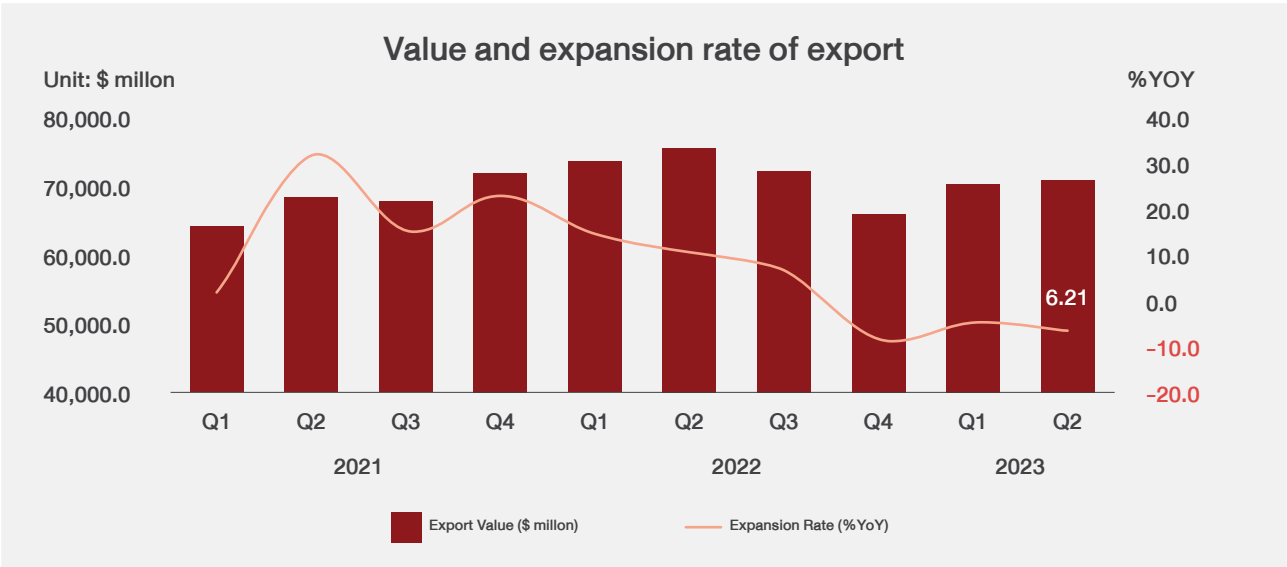


Thailand's international trade

Thailand's international trade in Q2/2023 decreased 6.53% YoY due to the world economy slow down, the prolonged geopolitical conflict and the consequence of many countries' strict money policy, the high interest rate and inflation. However, the trading countries' economy still expand with the recovery of world demand and support from tourism.

Thailand's international trade in Q2/2023 value is $145.043 billion which is the export value of $70.890 billion and declined 6.9% YoY which was trade deficit of $3.263 billion.

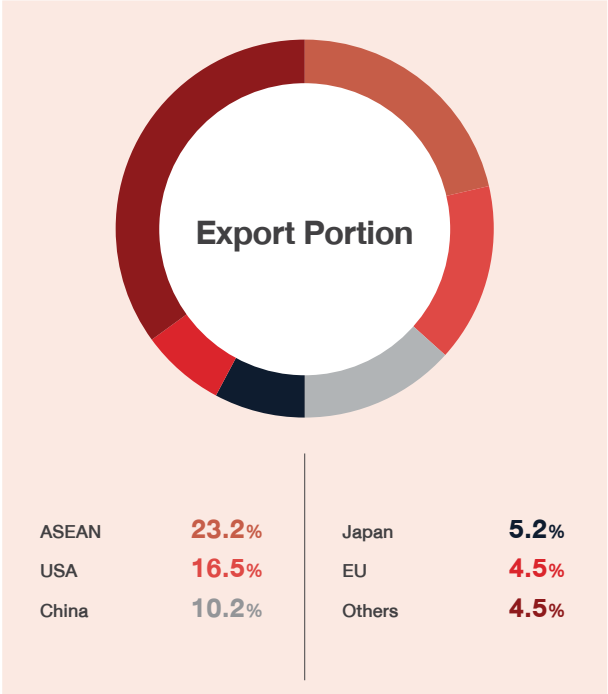
Export Structure



Source: Ministry of Commerce

Thailand export value of Q2/2023 is $70.890 billion, decreased 6.21 % YoY. The main categories are agriculture whose value is $7.984 billion decreased 5.47% YoY, agricultural industry whose value is $5.815 billion decreased 7.49 % YoY, Mining and fuel whose value is $2.811billion decreased 28.16 % YoY.

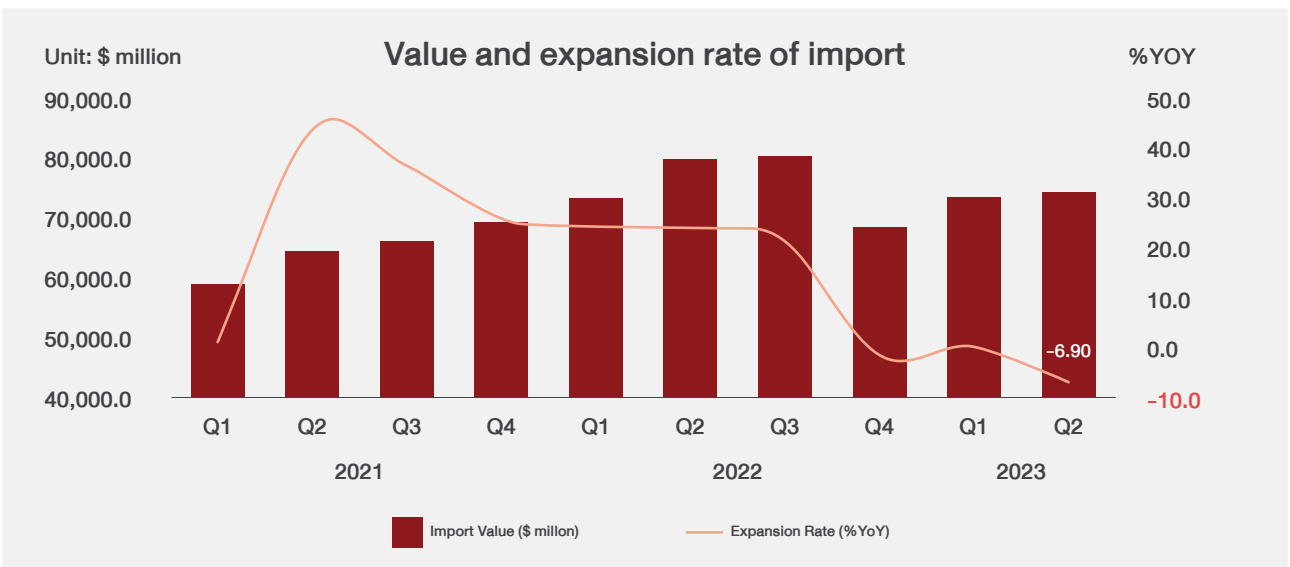
Export Market



In Q2/2023, Thailand exported to 5 major trade partners with 62.34% which are ASEAN, USA, China, Japan and European Union (27 countries). The export to other trade partners is 37.66 % of all export.

- The export portion to ASEAN, USA, China, Japan and European Union (27 countries) are 23.2%, 16.5%, 14.2%, 8.5 and 7.7% orderly.
- The total export value is $70.890 billion, decreased 6.21% YOY. The export to European Union is the highest decrease (27 countries) is the highest decreased of 16.34%, further ASEAN which decreased 15.24%, USA decreased 3.28%, Japan decreased 2.29% and China decreased 0.64% orderly.

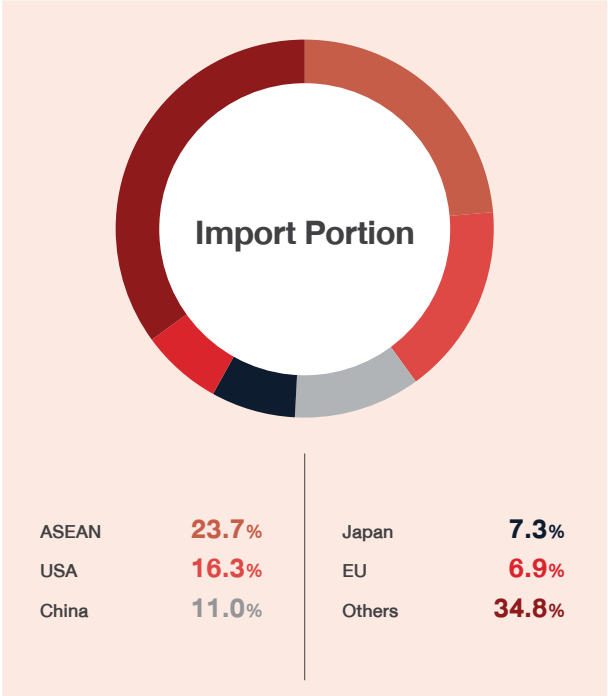
Import Structure



Source: Ministry of Commerce

Thailand import value of Q2/2023 is $74.153billion, decreased 6.90 % YoY. The main categories which changes are energy whose value is $14.493billion decreased 12.89 % YoY, capital goods whose value is $17.541billion expanded 1.8% YoY, Raw material and instant goods whose value is $29.658billion decreased 12.50% YoY, consumption goods whose value is $7.841billion decreased 2.6% YoY, vehicle and logistic equipment whose value is $3.675billion expanded 26.3% YoY and military goods whose value is $942.75 million expanded 0.97% YoY.

Import Market



In Q2/2023, Thailand's major import markets includes 5 economic zones of ASEAN, Japan, European Union (27 countries) and USA is 65.18%. The export to other trade partners is 34.82% of all export. The import markets that increase YOY are European Union (27 countries) 15.13%, USA 11.38%. The import markets that decrease YOY are ASEAN, Japan and China which are 14.09, 10,82 and 4.33 orderly, with following detail.

- The import portion from China, Japan, ASEAN, European Union (27 countries) and USA is 23.7%, 16.3%, 11.0%, 7.3% and 6.9% orderly.
- Thailand's total import value is $74.153 billions decreased 6.90% YOY, ASEAN is the highest decreased of 14.09%, followed by Japan which decreased 10.82%, China which decreased 4.33% while European Union (27 countries) is the highest increase of 15.13% followed by USA which is 11.38%.

World Economy Q2/2023

World economy in Q2/2023 has continuously expanded with the domestic consumption and service and tourism recovery. The pressure from inflation has slowed down and the ease of supply pressure caused many central banks to maintain and slow down the increase of interest rate. However, the conflict between USA and China has escalated and affected industrial sector and export in China to slow down by US trade barrier. ASEAN export also decreased with trading countries economy's slow down and the recovery limitedly progresses.

Summary of major countries economy indicator Q2/2023

Quarterly Growth (%YoY)

	GDP	Inflation	MPI	Export	Unemp.Rate	Policy Rate
USA	▲ 2.6	▲ 4.1	▼ -0.1	▼ -6.6	At 3.6	At 5.00 - 5.25
China	▲ 6.3	▲ 0.1	▲ 4.5	▼ -5.4	At 5.2	At 3.55
Japan	▲ 2.0	▲ 3.4	▲ 1.1	▼ -4.0	At 2.6	At -0.10
Malaysia	▲ 2.9	▲ 3.7	▼ -0.2	▼ 14.6	At 3.5	At 3.0
Vietnam	▲ 4.1	▲ 2.4	▼ -0.03	▼ -12.2	At 2.3	At 3.0
Thailand	▲ 1.8	▲ 1.1	▼ -5.6	▼ -6.2	At 1.1	At 2.0

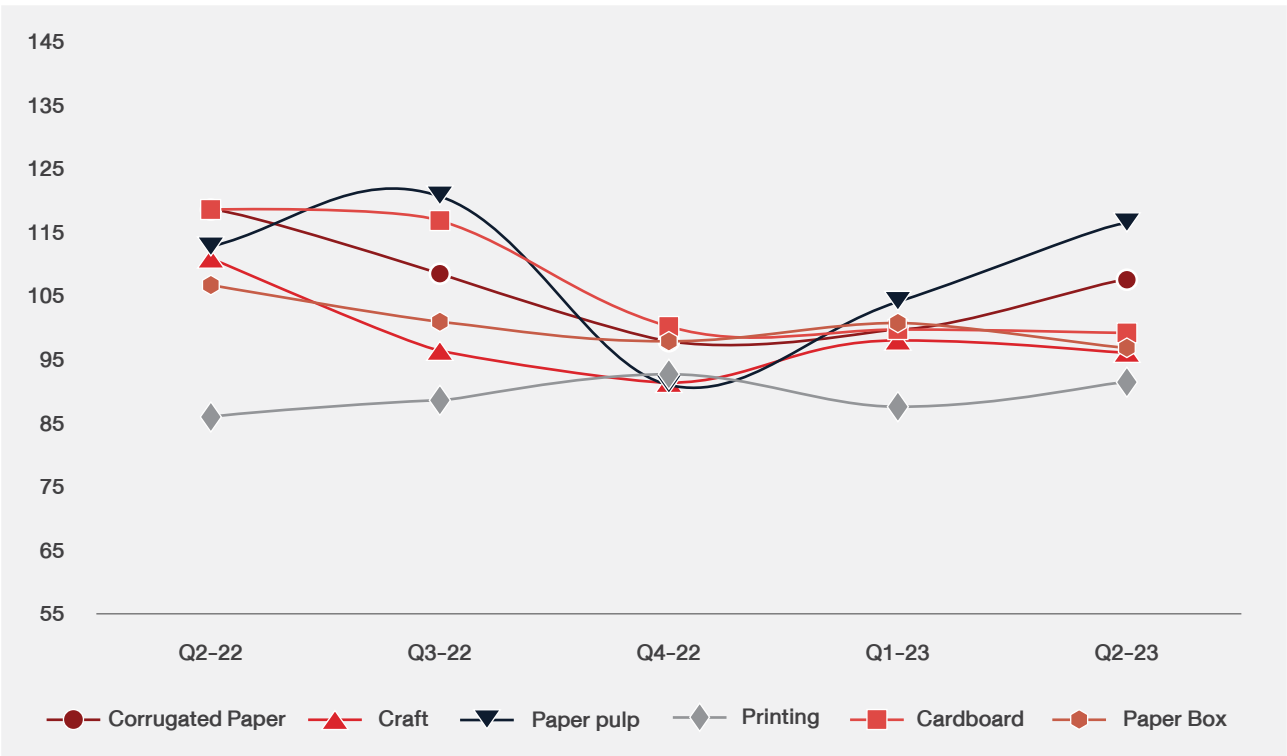
Source: ceidata, https://www.nesdc.go.th, https://tradingeconomics.com

World economy in 2023 trends to slow down which is the consequence of goods price pressure and continuous policy interest increase. It affects domestic demand and world trade still tends to confront limitation arising from geopolitical conflict especially USA and China, China and Taiwan, Ukraine and Russia which is prolonged and uncertain, inflation and strict fiscal policy of many countries. However, world economy in the second half of the year tens to recover from last year's same period and from previous quarter. The causes are (1) the decrease of world's oil demand after many central banks announcement of continuous interest rate increase. (2) USA oil reserve has increased 10.55 YOY and (3) China economy which is the biggest oil importer seems to recover later than expected.

Pulp, paper and printing industry

In Q2/2023, the industrial production index compared QoQ is +0.75%, when compared YoY is -6.09%. For the export compared QoQ is -4.37% when compared YoY is +6.07%. For the import compared QoQ is +2.67% when compared YoY is -4.01%.

Pulp and paper industrial production index



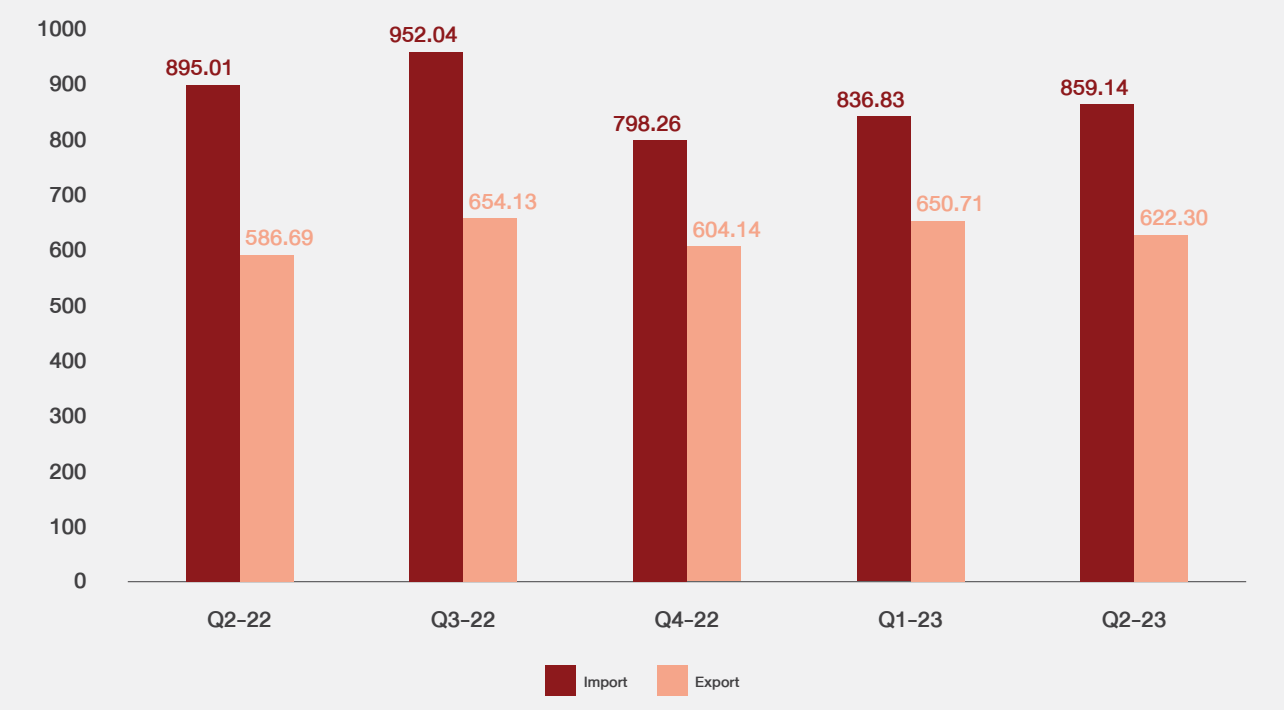
Source: Office of industrial economy

Production

In Q2/2023 paper and paper product production compared QOQ, the index slightly increased at +0.75% in paper pulp, craft, corrugated, printing. But when compare YOY, the index decreased at -6.09 in cardboard, craft, corrugated and paper box except printing that still expands continuously in domestic and export, which the major purchase order comes from China and ASEAN. in 2022, MPI of the industry decline 0.64% and 4.10% YOY for the export of packaging paper of boxes.

Import and export

Paper pulp, paper and printing export and import



Source: Office of industrial economy

In Q2/2023, the export of paper pulp and paper products value amounted to $622.30 million which increased 4.37% QoQ from the decrease of paper and paper product of 5.67% and printing of 23.43% respectively. But when compared YOY the export value increased 6.07% from the increase of paper pulp of 55.00% which 95% of pulp export is export to China. While the paper and paper products decreased 6.99%. The major export markets are Vietnam, India and Indonesia. The printing also decreased 14.01% and the major export markets are Hong Kong, Myanmar and USA.

The export of paper pulp and paper product in Q2/2023 value amounted of $859.14 million, which increased when compare YOY 2.67% due to domestic production decrease and need to import some products, especially paper pulp, paper or recycled card board. But when compared YOY, the import decreased 4.01%. The paper and paper products and printing decreased 13.05% and 6.05% respectively. While the paper pulp and paper products increased 7.16%.

Trend in Q3/2023

The trend Q3/2023 is expected that paper and paper product which used for container production will increase with domestic consumption and the use for goods. The expansion would comprehend the whole supply chain for the paper pulp export will expand especially to China, which expand continuously from the beginning of the year. The printing is expected to slow down.

3. Bagasse pulp market situation 2023, and trends in 2024

Bagasse pulp market situation in 2023

Although in 2023 the global economic is still in regression and stagnation due to geopolitical conflict which caused war in Europe and Middle East and leads to high inflation and energy price, but the demand for bagasse pulp has been stable continuously for food and eco friendly packaging. Such incident caused by many countries, lock down measure which shift consumers' behavior to online shopping. The E-commerce and delivery businesses have been growing vastly.

However, the short fiber pulp price has decreased highly, and caused some pulp mold manufacturers in China to increase the ration of Eucalyptus short fiber mixture with China-made bagasse pulp which is cheaper to reduce cost of production. While the energy cost has increased and affected the company's bagasse pulp market. But the customers who purchase from EPPCI still want good quality bagasse pulp and traceable, together with safety certified documents from EPPCO.

The bagasse allocated from sugar mills in 2022/2023 production year is close to previous year, therefore, the pulp production in 2023 is close to previous year. The company encounters the problem of maintain current customers and has to highly increase sale price, especially the China market which is the major market.

Non-Chinese customers still have a high demand for bagasse pulp but slow down the purchase due to economy stagnation which is caused by high inflation and high energy price. These are factors that slow down bagasse pulp sale.

In term of company selling price, in 2023, the Company has increased the bagasse pulp price to be suited the world market situation and production cost. The price was adjusted from FOB average price $836 per ton in September 2022 to FOB average price $850 per ton in September 2023. There are purchase order from current customers which still continuously need bagasse pulp but slow down due to world economic.

EPPCO bagasse pulp market estimation in 2024

In 2023, the trend of bagasse pulp industry is expected to improve in accordance with worldwide paper industry which begins to return to normal production capacity and includes the expansion of investment in eco-friendly packaging to suit with e-commerce and food delivery business which will require more bagasse pulp packaging.

The negative factor of the war caused energy price to increase and affect the production and logistic cost both land and sea freight, which is expected to continue. The sale price of bagasse pulp is expected to increase with energy cost in 2024.

The expected bagasse allocated to EPPCO from KTIS sugar for the production year of 2022/2023 shall be close to that of 2023/2024 which is significantly less than actual capacity. EPPCO is expected to product the bagasse pulp approximately 24,000 ton that will cause the cost to be high and become less price competitive.

However, the positive factor of EPPCO is the unique quality of bagasse pulp from Chinese made bagasse pulp. It is the cleanliness and better fiber quality which will strengthen customers' instant products. The Company will focus on the market that demands high quality pulp and can afford high price pulp such as the producers of packaging for Hi-End goods such as high-quality mobile phones, computer accessories and food packaging which focuses on the use of bagasse pulp. Therefore, EPPCO has emphasized the quality control to maintain this advantage and provides service to maintain current customers.

- EPPCO bagasse pulp international market situation

The main EPPCO's export market is still China (80% of EPPCO's export capacity) which still expands. In term of pulp mold for hi-end products demand is still high and expected that the demand for bagasse pulp is still high through 2024-2025. Although the Chinese bagasse pulp sale price is cheaper but EPPCO bagasse pulp still receives trust due to high quality and continuous demand. If the company could control the quality and makes a good pricing, it could still maintain market share in China under the situation of limited pulp. For other countries' market, there have been investment for bagasse pulp plant in many countries such as India, Vietnam, Malaysia, Europe and Central America which shall make demand for bagasse pulp high in 2024.

- EPPCO bagasse pulp Thailand market situation

Domestic customers are the current customers. But in 2022-2023, when EPAC begins to operate as planned, it shall require the bagasse of 10,000 ton which is 40% of EPPCO expected production in the production year of 2023/2024 and increase in the next year. Therefore, the amount of bagasse pulp enters into market in the next year will decrease. In the first year and increase in the later year which shall decrease the amount of bagasse pulp sale.

In summary, in 2024, the demand for bagasse pulp still continuously increases both domestic and export, due to many countries' environment policy and the open for economic recovery and the promotion to use econ friendly packaging and healthiness worldwide. This is the positive factors which shall expand eco-friendly product manufacturers both domestic and abroad, includes the expansion of KTIS expansion of pulp mold production capacity.

- Thailand paper pulp production situation

Thailand has major paper pulp producers as follows :

Producer	Production capacity (thousand ton)	Raw material
Double A	427	Eucalyptus
Phoenix Pulp & Paper	252	Eucalyptus
Panjapol Pulp Industry	71	Eucalyptus
Thai Paper	290	Eucalyptus
EPPCO	100	Bagasse
Fiber Pattana	20	UHT box
EcoFriendly Thai	5	Recycle pulp
Total	1,165	

Source 2020 - 2022 Directory of the Thai Pulp and Paper Industries Association (TPPIA)

EPPCO competition strategy

1. Reliable Raw Material Source

Reliable Raw Material Source EPPCO has a strong raw material security as its could securely procure bagasse in the high volume. This security will ensure the customers that EPPCO bleached bagasse pulp products will always be ready to sell to them up on the demand. This security is also EPAC's raw material security which shall begin its pulp mold production in the fourth quarter of 2023.

2. Low Cost of Raw Materials

EPPCO has lower production costs, compared to other pulp manufacturers, largely thanks to the short distance between EPPCO factory and the Company's factories being EPPCO's suppliers. The delivery of supply through conveyor belt system instead of trucks will lead to substantially save transportation costs. However, the raw material allocated from KTIS sugar mills depends on the amount of sugarcane crushed in each year. It depends on each year's weather condition, amount of rainfall, the plantation area. In the production year of 2023/2024, EPPCO is expected to receive the raw material with the amount close to the last year's. So, its production cost will be high since it cannot operate in full capacity.

3. Environmental Friendliness

Bleached bagasse pulp of EPPCO is virgin pulp which is made from bagasse and thus is environmentally friendly. The increasing environmental awareness has led to the rise in demand for EPPCO's eco-friendly products. EPPCO's bleached bagasse pulp factory is the first pulping factory that is awarded the ISO 22000 food safety accreditation and the GMP&HACCP certification from SGS (Thailand) Co.,Ltd. which guarantee that its products are safe for consumption and can be used as raw material for food packaging production.

Bleached Bagasse Pulp: Distribution Channel

1. Domestic Distribution

EPPCO distributes bleached bagasse pulp directly to industrial customers on a monthly basis or as agreed with customers. Strategic customers of EPPCO include major leading paper product manufacturers in Thailand using eco-friendly pulp in their operations such as SCG Paper Plc., Kimberly-Clark (Thailand) Co., Ltd., and Biodegradable Packaging for Environment Co., Ltd.

Moreover, in 2023, EPPCO has to deliver bagasse pulp approximately 8,000 tons to EPAC for the production of pulp mold which will result in less export amount.

2. Export distribution

Generally, distribution of bleached bagasse pulp to international markets is made through brokers. Our sales through spot contracts comprise approximately 80.0% of our total export sales while the remaining 10.0% is under long-term contracts. To mitigate associated risks, our selection of brokers is based on their ability to penetrate markets which have strong pulp demands and their credibility. The other 10% is a direct sale to paper manufacturers. EPPCO's management team has implemented proactive marketing activities such as participation in trade expos to attract new customers. Sales through brokers enable EPPCO to determine the price and quantity of the product it intends to sell at its discretion, without having to negotiate with the end customers. EPPCO's revenue is primarily from international sales which accounted for approximately 70-78% of its total revenue during the year.

The production cost in 2023-2024 is expected to be high due to limited raw material and export goods due to the reservation of raw material for EPAC. EPPCO needs to focus the export market exclusively for the customers that demands high quality pulp and can afford high price pulp such as the producers of packaging for Hi-End goods such as high-quality mobile phones, computer accessories, food packaging, products which focus on the use of bagasse pulp.

Pulp Mold Business

2023/2024 Pulp mold market situation

In Q2 and 3 of 2023, the businesses return to operation and people return to normal life style. More travel and leisure increased which increased the demand of eco friendly packaging, especially the bagasse pulp packaging, still continuously grows, together with growth of e-commerce and ecologism tourism which emphasized on the use of eco-friendly packaging. The changes in consumer's behavior, especially the increase of food packaging use after the pandemic, has caused the take home food packaging demand increase, and is expected to continuously increase with the growth of worldwide food delivery business.

The big bagasse pulp mold manufacturers are located in China still sell their product with low price due to lower production cost. For other countries such as India, the small factories with cheaper pulp mold production cost for domestic sale, especially in many states which ban the use of foam and plastic. Malaysian and Vietnamese pulp mold manufacturers are small industries with small production capacity and mostly use wood pulp.

The major markets for biodegradable packaging are USA and European countries, there has been expansion of market into the countries that begin to focus on environment conservation policy.

In Thailand, the demand for packaging has been growing continuously and business return to normal. The increase of business and the tourism. There is also a benefit from government and private sector encouragement which proceed the growth of eco-friendly packaging domestic market in 2023 and trend to growth in 2024.

for Environment Co., Ltd. (under trademark "Gracz"), SCG packaging PLC. (under trademark "Fest") and Sugarcane Eco Ware Co., Ltd. which is under Buriram Sugar group.

KTIS group has initiated the construction of bagasse pulp made for food packaging plant under the entity of Environment Pulp and Packaging Co., Ltd. (EPAC) with the daily capacity of 50 ton. It is made to suit with the domestic and international demand. The plant is expected to begin the production and distribution in Q4 of 2023.

EPAC strategy

1. Reliability in raw material procurement

EPPCO which is a subsidiary of KTIS could produce the good quality bagasse pulp and could sufficiently deliver to serve EPAC demand in long run. The future development could also increase the amount of bagasse pulp to suit with the production and demand of EPAC.

2. Low Cost of Raw Materials

EPAC has low material cost compared to other producers, since EPPCO has the location next to EPAC's location. So, the transportation of raw material by the small truck has the low logistic cost. The inventory stock of raw material could be made in the low amount which also reduce the procurement and stock cost.

EPAC has the future plan to construct the pipe to deliver slurry from EPPCO to EPAC. The transportation of wet bagasse pulp under EPPCO production period. The transportation cost will decrease since the wet bagasse pulp cost is cheaper than dry bagasse pulp cost. Therefore, EPAC will have low cost and could be price competitive.

3. Environmental Friendliness

Bagasse pulp mold of EPPCO is virgin pulp which is made from bagasse without the mixture of other pulp such as wood pulp and recycle paper. Therefore, EPAC product is the food containers that are save for the consumers. The products are also biodegradable which is in the trend of environment saving, and has more demand in future.

EPAC also emphasizes the requirement of customers. The Company also applied for many standard certification which are the ISO 22000 food safety accreditation GMP, HACCP , DIN , FDA and BRC from international standard company to ensure the customers trust.

Outstanding feature of EPPCO products described in the table which compares many products

	Plastic	Styrofoam	Pulp
1. Use in oven and 1000 watts microwave oven for 5 minutes	?	✗	✓
2. 100% biodegradable within 45 days	✗	✗	✓
3. Long term perceivable	✓	✓	✓
4. Production without toxic substance	✗	✗	✓
5. Production with low level of energy	✗	✓	✓
6. Production without residue, waste and waste water	✗	?	✓
7. Tolerate the temperature from -40°c to 250°c	?	✗	✓
8. Contain hot water up to 150°c	?	✗	✓
9. Environment friendly	✗	✗	✓
10. No cancer substance contained in the products	✗	✗	✓
11. Good perception for the organization	✗	✗	✓

Pulp Mold Pulp mold distribution channel

In 2023-2024, EPAC has targeted the distribution ration to be the domestic sale 5-10% and export sale 90-95%, since the consumers have the high awareness and demand for pulp mold products. Many regulations also become effective which cause high demand from foreign country. EPAS has planned to develop the variety of products up to 23 patterns in the first stage of production to suit with the future growth of both domestic and foreign demand.

1. Export sale

As the majority of the environment friendly packaging is European countries and the USA, therefore, the export marketing needs to depend on expert sale agent and distributor who could distribute with high volume. Since the agent could efficiently access to the distributors and customers, for both OEM product and company's brand.

In 2023, EPPCO could sale pulp mold abroad at the average price of $2,250 per ton which is the sale from the test run operation whose quality is acceptable to customers.

The sale preparation in 2024 for EPAC pulp mold is expected to be sold at $2,250-2,300 per ton. EPAC has been working with foreign Distributor Agent to prepare for sale of manufactured goods.

2. Domestic sale

Environment friendly packaging distributed domestically comes from both domestic producers and importer. The domestic consumption volume is not current high due the products price is much more expensive than plastic and foam. There is also the competition form alternative products such as paper and bio-plastic packaging.

Price is till the main factor that drive the demand of the products due to currently there is no relevant law. Therefore, current domestic customers are the group with environment awareness. The price competition is expected to be intensive which the company has expected that its sale price shall not be less than 80,000 Baht per ton, upon conditions of each customer.

Factors about quality, hygiene and safety are factors that the company focuses to communicate to customers for their decision to purchase goods.

The future volume of products is expected to be high due to new generation consumer with the new normal life style and environment awareness.

1. Distribution channel

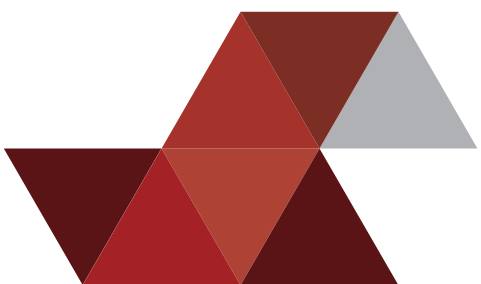
The Company has variety of domestic pulp mold distribution channels as follows :

1. Sale to big distributor (Big C, Makro, Lotus, TOP, The Mall, Central Department Store, Seven Eleven) under its own brand and/or produce for distributors' house brand.
2. Sale to packaging wholesale distributor in each province and to nationwide agent system.
3. Direct sale to government and private organization such as hospitals, schools, universities.
4. Retail sale in online marketing platforms for personal consumers. The Company has already register with platforms for future plan such as Shopee and Lazada.

2. Other marketing plan

The Company has already prepared other marketing plan as follows :

1. Selling price determination the marketing unit has studied selling price of currently available products of all producers to determine competitive and affordable price.
2. Sale promotion: the preparation for goods exhibition after lockdown is already made to promote the recognition of the Company and the products when the plants begins its operation. The special price offer will also be made to let the consumers know the products.
3. The advertisement the Company has advertise this project through many medias. The Company's executive has conveyed the advertisement to let the consumers know the story and commitment of the Company to produce environment friendly products. The advertisement of products and the education about the products is made to the consumers as well.



Some of the products patterns which EPAC will produce in 2023-2024

EPAC has created the mold for 23 patterns of products which are required by the domestic and export market. Now it is under the process for food safety system arrangement and application of relevant authorities to ensure the safety to the consumers, EPAC also has already filed the trademark application under the trademark CHARME' with the ministry of commerce, and is ready to proceed the marketing a planned. There has been the preparation for working system for distribution that is made on time with planning. The test run production and distribution is made in Q2/2023 onward and the production is expected to reach its full capacity in Q4/2023.

Best for You - Best for the World - Best for Everyone

Ethanol : Production and Distribution Business

Characteristic of products or services and business development

The Company operates ethanol production and distribution business through KTIS Bioethanol Co., Ltd. (KTBE) and uses molasses derived from the Company's sugar factories as a primary raw material with the maximum production capacity of 230,000 liters per day or 75,900,000 liters per year. Presently, it produces and distributes only industrial alcohol (Quality equivalent to pharmaceutical grade) and fuel alcohol.

99.5% Fuel ethanol is used as the raw material from domestic oil trader, that goes along with the government policy to promote the renewable energy and decrease the import of foreign fuel and crude oil. KTBE's major customers, defined as "traders" under Section 7 , are PTTOR Plc., Thai Oil Plc. and Shell Company of Thailand etc. The revenue from domestic fuel ethanol sale accounts to 100% of the revenue from ethanol sale as of 30th September 2023.

KTBE's 95.5% industrial ethanol has been certified by GMP and HACCP food material standard from SGS (Thailand) Limited. Moreover, 96% pharmaceutical ethanol has been certified by Thai Industrial Standard 640 book 1-2553 from Thai Industrial Standard institute, Ministry of Industry. The variety of products helps increase the domestic and international competitiveness, since it differentiates KTBE from other Thai ethanol plants which can only fuel ethanol for domestic sale.

KTBE also possesses the facility to support ethanol export, it could export through the distributors to the end users for the export of 95.5% fuel ethanol, 99.5% ethanol.

Due to the Covid-19 pandemic, the Excise Department has issued the regulation about the procedure, method and condition of zero tax for Converted Alcohol over 80 degrees for hand sanitizer until 31st December 2023. KTBE has developed 70% alcohol hand gel and 75% alcohol spray to distribute and donate under the brand KNAS and KNAS Plus. However, the sale of alcohol hand sanitizer resulted in 1-2% of total ethanol production capacity. Apart from ethanol which is the major product,

KTBE also has dried powered yeast for livestock feeding such as pigs, chickens, cows and fish. It was developed from intensified yeast residue which is a by-product from ethanol fermentation. The dried powder yeast is a Source of high protein for livestock, helps accelerate growth, develop digestion and increase food consumption. The major customers are nearby chicken farms.

Remark [1] Under Section 7, Chapter 1 Fuel Trade and Transportation of the Fuel Trade Act B.E. 2543, fuel traders whose total fuel trade volume, either in a particular fuel type or all types combined, equals 100,000 metric tons per year or higher, or fuel traders of only liquefied petroleum gas whose total trade volume equals 50,000 metric tons per year or higher must hold license granted by the Minister.

Market and Competition

Domestic industry situation Thailand's fuel ethanol capacity production in 2023 is expected to decrease a bit from to 1.4 billion liters, due to government support to promote the increase the use of electric vehicles, which correlates to the decrease of the domestic consumption.

The reference domestic price increase with the increasing raw material price. The average Thai ethanol price is 29.10 Baht per liter increased from the last year's same period. Thai domestic price in next quarter is expected to increase from the last year's same period due to the increasing price of raw material from sugarcane and cassava price.

In 2023 (data as of January 2022), Thailand has operating ethanol plants of 27 plants with the registered production capacity of 6.905 million liter per day with following producers.

The situation of ethanol production capacity in Thailand (as of January 2022),

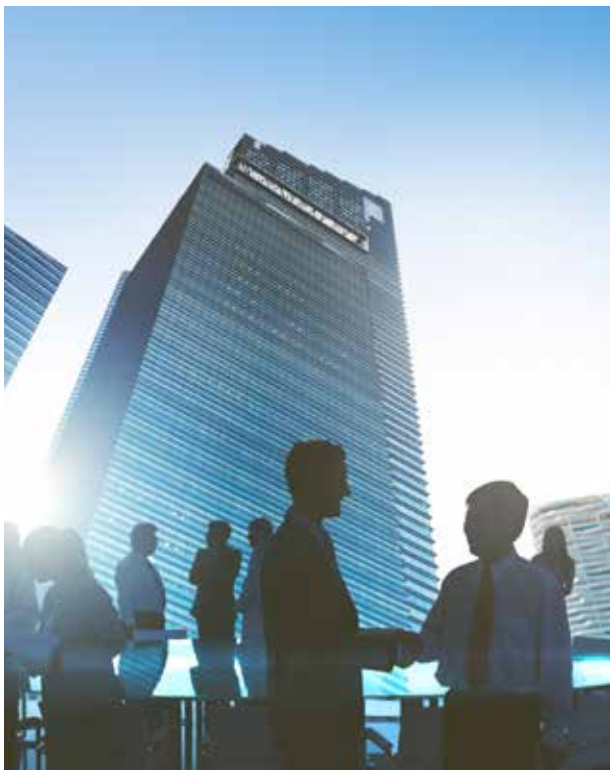
Producer	Capacity registered with the Excise Department (liter/day)	Raw material
1. GGC KTIS Bio Industrial Co., Ltd.	600,000	Molasses
2. Mitr Phol Biofuel Co., Ltd. (Chaiyabhum)	500,000	Molasses
3. E 85 Co., Ltd.	500,000	Cassava/Starch
4. Ubol Bio Ethanol Co., Ltd. (Public)	400,000	Cassava/Chip
5. Thai Agro Energy Co., Ltd.	350,000	Chip/Molasses
6. Upvenger Co., Ltd. phase 1	340,000	Chip
7. Mitr Phol Biofuel Co., Ltd.(Kuchinarai/Kalasin) Upvenger Co., Ltd.	320,000	Molasses
8. Thai Rungruang Power Co., Ltd.	300,000	Molasses
9. KSL Green Innovation Co., Ltd. (Public) (Bor Ploy)	300,000	Molasses
10. Tai Ping Co., Ltd.	300,000	Cassava
11. KI Ethanol Co., Ltd.	250,000	Molasses
12. KTIS Bio Ethanol Co., Ltd.	230,000	Molasses
13. Others	2,515,000	
Total current capacity	6,905,000	

Source: Department of Alternative Energy Development and Efficiency

KTBE realized that there is more competition in current power industry, KTBE has created the policy to promote the marketing continuously to expand the customers to foreign customers. The example is the participation in the domestic and international meeting and training of ethanol producers to increase the chance to meet the customers and traders, which is the creation of customers growth.

KTBE's distribution channel consists of 2 parts which are:

1. 99.5% industrial grade ethanol for government, entrepreneurs and public for the production of hand sanitizer or the distribution.
2. 70% alcohol sanitizer gel and 75% alcohol sanitizer spray, under the brand KNAS and KNAS Plus which is directly distributed, through the agent and contracted suppliers.



After the Department of Excise has authorized to use ethanol in hand sanitizer production, the demand has been increasing as purported. The demand for alcohol from ethanol plants with the public health purpose is as follows:

Month	Ethanol from the plants (Liter)			
	Hand sanitizer		Cleaning product	
	Not for sale	For sale	Not for sale	For sale
September 2022	7,200	575,000	12,000	-
October 2022	4,750	318,800	300	40,700
November 2022	10,200	245,200	-	-
December 2022	13,500	458,400	5,500	-
January 2023	-	411,900	-	-
February 2023	2,240	289,200	5,500	-
March 2023	2,000	146,450	-	-
April 2023	200	117,400	-	-
May 2023	3,000	148,600	5,200	-
June 2023	7,800	145,200	1,350	40,000
July 2023	-	24,200	5,000	-
August 2023				
Total	50,890	2,880,350	34,350	80,700

Source Department of Excise, Ministry of Finance.

The policy to invest in the subsidiaries and joint-company

With the government policy to promote Bioeconomy, KTBE has jointly invest with CCG Biochemical Co., Ltd. which is a subsidiary of Global Green Chemical PLC. The project is Nakhonsawan Biocomplex or NBC in the entity named "GGC KTIS Bio Industrial Co., Ltd." or GKBI. The project consists of 2 phases which are:

Phase 1 composes of the construction of sugarcane crushing site which has the capacity of 24,000 ton per day, the construction of ethanol plant which has the capacity of 600,000 liter per day (approximately 186 million liter per year) and steam and electricity generator which has the capacity of 85 megawatts of electricity and 475 ton per hour of steam. It is expected that the project could commercially operate within Q1 of 2022. The investment value for the construction is 7,500 million Baht. Currently, this project is on commercial commission phase.

Phase 2 is an investment in utility for Polylactic Acid (PLA) bioplastic factory of Nature Works Asia Pacific Co., Ltd. which is a subsidiary of NatureWorks LLC. Such project is conducted by GKBI, and its shares are held by CCG Biochemical Co., Ltd. (GGC Bio) and KTBE which is 100% subsidiary of KTIS. Phase 2 is now under construction, and is expected to complete commercial commission with quarter 3 of 2024. Such project conforms with the company's strategy to create and become the leading developer of comprehensive biocomplex to achieve the long term goal in bioplastic business. It also helps support and create value to agriculture goods by technology and innovation, and also drives the business with sustainability together with the development under Thailand BCG model.

Remark [1] Under Section 7, Chapter 1 Fuel Trade and Transportation of the Fuel Trade Act B.E. 2543, fuel traders whose total fuel trade volume, either in a particular fuel type or all types combined, equals 100,000 metric tons per year or higher, or fuel traders of only liquefied petroleum gas whose total trade volume equals 50,000 metric tons per year or higher must hold license granted by the Minister.

Electricity : Generation and Distribution Business

KTIS group has operated electricity generation business from biomass powerplant with production capacity of 392.22 MW. with electricity sale agreement of 182.5 MW. consists of Small Power Producer (SPP) and Very Small Power Producer (VSPP), under these following subsidiaries:

Kaset Thai International Sugar Corporation PLC. (KTIS)

The power plant is located at Amphur Takli Nakhosawan Province. The company conducted sugar production business and sell byproducts electricity to Provincial Electricity Authority (PEA) under Kaset Thai Co., Ltd in 2009. Later in 2011, the company conducted the business under the name Kaset Thai Industry Co., Ltd. and got listed in Stock Exchange of Thailand in 2013 under the name Kaset Thai International Sugar Corporation PLC (KTIS) until present. There are 2 electricity sale agreements which are 8 MW. and 3 MW. in forms of Feed-in Tariff and Adder. There is also electricity sale agreement with branch 3 which is 2.5 MW. in form of Feed-in Tariff.

Thai Identity Sugar Co., Ltd. (TIS)

The power plant is located at Amphur Muang Uttaradit Province and started the operation in 1981 by selling electricity to Electricity Generation Authority of Thailand (EGAT). In 2011, Provincial Electricity Authority (PEA) opened to purchase electricity in Adder basis, TIS, therefore, has transferred to agreement with PEA with electricity sale of 3 MW in form of non-firm from biomass fuel until now.

Kaset Thai Bio Power Co., Ltd. (KTBP)

KTBP is the group's first SPP power plant, it is established to sell electricity for the group's subsidiaries and sell the remaining to Electricity Generation Authority of Thailand (EGAT). The electricity sale agreements is 60 MW. in form of non-firm from biomass fuel. The commercial sync date was on 7th October 2013 by using the bagasse left over from sugar business as the main fuel. It also supports farmers to decrease sugarcane and leaves burning by innovation and technology that could use sugarcane leaves as fuel which also support government policy to decrease sugarcane burning which decreases greenhouse gas and PM 2.5 particle dust.

Thai Ekaluck Power Co., Ltd. (TEP)

TEP is 2nd power plant founded in 2015 and is located at Amphur Muang Uttaradit Province. It has a production capacity of 50 MW, with electricity sale agreements with EGAT of The commercial sync date was on 7th October 2016, and also sells electricity to TIS.

Ruamphol Bio Power Co., Ltd. (RPBP)

RPBP is 3rd power plant founded in 2016 and is located at Amphur Muang Nakhonsawan Province. It has a production capacity of 50 MW, with 2 electricity sale agreements with EGAT of 25 MW and 13 MW in form of non-firm from biomass with Adder.

Environment Pulp and Paper Co., Ltd. (EPPCO)

EPPCO is bleached bagasse pulp factory is located at Amphur Takli Nakhonsawan Province, it has electricity and steam generation unit and use the generated electricity internally. It also installed solar rooftop electrcitiy generation with capacity of 998.58 kWp.

KTIS Bio Ethanol Co., Ltd.

The company was formerly named Eckarat Pattana Co., Ltd. and is located at Amphur Takli Nakhonsawan Province. It has production capacity of 3 MW, it has electricity and steam generation unit and use the generated electricity internally. In 2017, the company was renamed to "KTIS Bio Ethanol Co.,Ltd." The company also installed solar rooftop electricity generation with capacity of 0.04056 ME. The total capacity is 3.26056 MW.

GGC KTIS Bio Industrial Co.,Ltd. (GKBI)

KTIS group has cooperated with Global Green Chemical PLC (GGC) to invest un Nakhosawan Biocomplex project under the company named GGC KTIS Bio Industrial Co., Ltd. The company operates sugarcane crushing and produce ethanol from sugarcane juice. It has electricity generation capacity of 85 MW./H. In 2022, apart from using electricity internally, the company also received the electricity purchase offer from EGAT at 30 MW.

Further, the company received benefit from tax 50% reduction in 2022. KTBP tax benefit will end on 6th October 2029, TEP tax benefit will end on 6th April 2028 and RPBP tax benefit will end on 22nd March 2029.

Market and competition

Domestic Industry

The ministry of energy is making the new power development plan (PDP 2022) between 2022-2037 which these principles:

Focus on security

The electricity generation system must be flexible for energy transformation which will transform energy from fossil based to renewable based.

Appropriate electricity cost

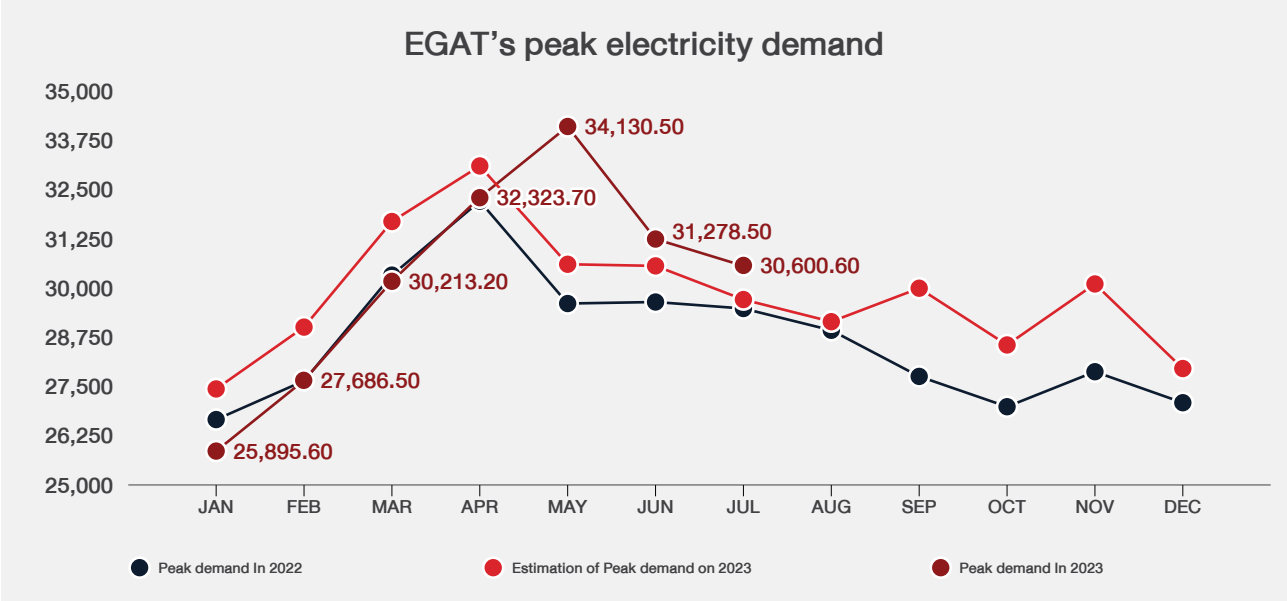
By awareness about environment impact, limiting CO_2 emission to conform with goals in Carbon neutrality and Net zero emission plan.

Increase of efficiency in electricity system

In aspects of electricity generation and consumption, bringing smart grid technology and green tariff to support direct sale and purchase of electricity from renewable energy.

Domestic electricity demand

In 2023 (January to July), the peak demand of electricity in EGAT system was 34,130.50 MW in May 2023 and the peak demand of electricity in July 2023 was 30,600.60 MW on 7th July 2023 at the time of 22.22, which decreased for 677.90 MW or decreased 2.17%.



Remark : As of July 31, 2023, the peak electricity demand for EGAT occurred on July 17, 2023, at 22.22.

Source: External Communication Center Communication and Public relation Department EGAT

Domestic Capacity Production

Electricity production development plan of Thailand 2018-2037 the first revision (PDP 2018 Revision 1) composes of electricity production capacity from 3 electricity authorities in the end of 2037 is totally 77,211 MW. The electricity production capacity at the end of 2017 is 46,090 MW. which is the total capacity of new power plants of 56,431 MW. and there has been the discharge of old power plants capacity during 2019-2027 of 25,310 MW.

Electricity production plan of Thailand 2018-2037 is 56,431 MW. with following detail:

Categorization by types of power plants

	MW	Percentage
Renewable energy power plants	18,833	33.37
Community's power plants	1,933	3.43
Pumped storage power plant	500	0.89
Co-generation power plant	2,112	3.74
Combined cycle power plant	15,096	26.75
Coal/lignite power plant	1,200	2.13
New/replaced power plant	6,900	12.23
Purchase from abroad	5,857	10.38
Energy conservation	4,000	7.09
Total	56,431	

Categorization by producers

As of the end of June 2023, the available electricity production is 48,798.79 MW. excluding the very small producers as follows:

	MW	Percentage
Electricity Generating Authority of Thailand	16,237.02	33.27
Independent Power Producer (IPP)	17,023.50	34.88
Small Power Producer (SPP)	9,303.37	19.07
Purchase from abroad	6,234.90	12.78
Total	48,798.79	

The electricity production ratio from Sources of fuel

Fuel category	Accumulated from Jan–Jul 2023	
	Amount (Million KW/hour)	Percentage
Natural gas	73,973.71	60.68
Coal (lignite included)	24,318.42	19.88
Renewable energy (hydro and others)	20,430.04	16.70
Fuel oil	389.24	0.32
Diesel oil	2,755.23	2.25
Others (Laos, Malaysia, Lumtakomg)	448.21	0.37
Total	122,314.85	

Remark Very Small Power Producer (VSPP) not included

The electricity production by renewable energy ratio

Renewable energy	Unit	Target at 2037	2021	2022	Target 2023
Solar	MW	12,139.00	3,015.29	3,135.16	3,551.62
Floating Solar	MW	2,725.00	45.00	45.00	45.00
Biomass	MW	5,790.00	3,646.47	3,765.46	3,830.14
Wind	MW	2,989.00	1,545.33	1,545.32	1,686.82
Biogas	MW	1,565.00	635.39	651.99	979.98
Local garbage	MW	900.00	388.52	371.09	900.00
Industrial garbage	MW	75.00	-	34.43	19.40
Small hydro plants	MW	308.00	191.75	191.75	187.85
Large hydro plants	MW	2,920.00	2,918.40	2,918.40	2,919.66
Etc.	MW	-	0.30	0.30	0.30
Total	MW	29,411.00	12,386.45	12,658.91	14,120.77

Competition Strategy

Apart from the development of electricity production process to increase the Company's efficiency, the factor of fuel in production is vital for the competition, since biomass powerplants major fuel is bagasse derived from sugar production. Therefore, the Company has the policy to renovate the machinery to reduce energy consumption for more bagasse remains. Moreover, the Company has been promoted the increase of sugarcane production both vertically and horizontally. Meanwhile the government has made the policy to reduce burnt cane amount mandated by the cabinet resolution dated 11 June 2019. There is more sugarcane leaf derived from fresh sugarcane harvest, and sugarcane leaf is also the fuel for powerplants. The subsidiary of the Company also studies the plantation of alternative energy plant to be the fuel in future, which is benefit to both sugarcane farmers and the Company by generating more income from electricity sale.

Distribution channel

The Company generates electricity and steam then sell to plants in the group, and produce electricity to sell to EGAT and PEA as per electricity purchase agreement of each company.

Detail of electricity sale agreement with Provincial Electricity Authority (PEA)

Project	KTIS	KTIS (3)	TIS
Contract No.	VSPP-PEA 097/2008 VSPP-PEA 106/2010	VSPP-PEA 103/2008	VSPP-PEA 096/2008
Date of contract	9 January 2009 15 December 2010	31 October 2008	9 January 2009
Commercial Operation Date	25 January 2009 6 June 2011	3 October 2009	25 January 2009
Capacity	50.00 MW.	32.50 MW.	21.50 MW.
Period	Feed-in Tariff Contract Period of 10 years 2 months 14 days (Ends 24 May 2026) 5 years and automatically renew for 5 years of each renewed period	Feed-in Tariff Contract Period 10 years 3 months 22 days (Ends 2 July 2026)	55 years and automatically renew for 5 years of each renewed period

Detail of electricity sale agreement with Electricity Generation Electricity Authority (Egat)

Project	KTBP	RPBP	TEP
Contract No.	PPA-SPP/NF-2012-001	PPA-SPP/NF-2016-001 PPA-SPP/NF-2016-004	PPA-SPP/NF-2015-001
Date of contract	31 January 2012	8 August 2016 27 December 2016	17 March 2015
Commercial Operation Date	7 October 2013	23 March 2017 15 January 2020	7 April 2016
Capacity	60.00 MW.	50.00 MW.	50.00 MW.
Period	5 years and automatically renew for 5 years of each renewed period	5 years and automatically renew for 5 years of each renewed period	5 years and automatically renew for 5 years of each renewed period

Source of fuel

When the production season comes, sugar mills under KTIS group shall bring the bagasse, which is left from sugar production, and deliver, to be used as fuel, to Kaset Thai Bio Power Co., Ltd. Thai Eckaluck Power Co., Ltd. and Ruamphol Bio Power Co., Ltd. under the fuel sale and purchase agreement.

Bio Soil Conditioner and Bio Fertilizer

Production and distribution business

KTIS Bio Fertilizer Co., Ltd. or KTBF operate the business of fertilizer production and distribution, using the by product from the group's plants such as filter cake from sugar production, sludge from paper pulp production to be bio fertilizer's raw material. Moreover, the Company also has the special chemical fertilizer which is customized to suit with soil condition around the sugar mills to help sugarcane farmers to gain the good sugarcane yield from the good fertilizer.

KTBF plant located at Amphur Takli, Nakhonsawan province which is nearby the group's other factories. It gains the high efficiency in raw material management and reduce the logistic cost. Further, the Company's bio fertilizer is registered under brand "Phaya Kachasarn" (The great elephant). The Company produced 2 types of bio fertilizer which are power bio fertilizer with 50,000 capacity per year and pellet bio fertilizer with 10,000 capacity per year.

Market and Competition

Military conflict and chain disruption have caused the fluctuation of chemical fertilizer price in world market last year. According to Thailand 4.0 policy which focuses on adding the value to Thailand's economic plants, it is the good opportunity that farmers would turn to use more bio fertilizer. the Company implement the promotion by encourage the use of both bio and special chemical fertilizer to reduce farmers' fertilizer cost fertilizer, which shall increase the yield and preserve soil condition to be sustainably suitable for sugarcane plantation.

Competition Strategy

KTBF has set the target and policy which focus on the Company's contracted farmers, by getting the standard fertilizer with cheap price will help them gain more income. KTBE has these following policies:

- The Company and farmers jointly analyze the bio soil amendment to identify which KTBF's products are suitable for their plantation.
- As raw materials used in the bio soil amendment production are Sourced among the Company, the products are sold at cheap price. Farmers can thus reduce their costs and increase productivity.
- The Company treats the packaging as a priority, uses colored sacks and double seals for better durability.
- The Company offers delivery services for its bio soil amendment products.
- The company has continuously developed the proper fertilizer spreaders which suits the areas and held plant touring programs for the targeted farmers to see the production process and provide knowledge for proper products usage.
- Run the demonstration farms so that the farmers are able to see the productivity resulted from the usage of bio soil amendment products.
- The Company advertises its products and activities through advertising media and local radio stations,
- The Company conducts the products requirement surveys from contracted farmers in order to make production plan.
- The Company has many research projects coordinated with the Institute of Science and Technology of Thailand for developing the production standards to create the customer confidence.

Distribution channel

- Contracted sugarcane farmers

Currently KTBF is distributing bio and chemical fertilizer to the group's sugar mill to redistribute to the contracted farmers in forms of the support of plantation raw material or the promotion in form of advance payment for sugarcane. It was made to ensure that that the farmers could use good quality fertilizer in their planation, and once the sugarcane production grows it will return to the group sugar mills which will create the benefit to farmers and other subsidiary of the Company.

Moreover, some appropriate sugarcane growing sectors are selected be distribution centers to facilitate the fast abd comprehensive fertilizer to farmers.

- Third party customers

Apart from selling bio fertilizer to the group's companies, KTBF also sell bio fertilizer to third party in Nakhonsawan province and nearby area, which contains variety of agriculture such as cassava, rice, melon, organic vegetable. This approach will help farmers have the chance use the good quality fertilizer and creates brand recognition.

Market and competition situation

Fertilizer is one of the important industry of Thailand which is agriculture country. It is also has the critical role to increase farmers' productivity.

Currently, the government sector such as the Ministry of Agriculture has educated the farmers to jointly use bio fertilizer with chemical fertilizer, which was a popular choice in the past. The benefit is the improvement of soil condition and reduction of farming cost. In these upcoming years, the bio fertilizer has become well known widely and the organic agriculture has received the attention from health concerned customers which continue to increase and the effect from Ukraine and Russia conflict which are major Sources of chemical fertilizer. These factors are positive to bio fertilizer market.

The fertilizer producers, both bio and chemical fertilizer, have the variety in the production such as quality, formula and price. Therefore, the farmers have many choices. At first, the price would be the major decision factor but latter when the farmers become satisfied with specific brand, they will become loyal customers to such brand. Therefore, KTBF focuses competition strategy of production cost control, advertisement and demonstration farm.

Production procurement

KTBF has the powder bio fertilizer production capacity of 50,000 ton per year and pillette bio fertilizer of 10,000 ton per year. The majority raw material is the group by products which provide a security of raw material and a sufficiency to current demand. Therefore, KTBF never has any problems in production or major raw material scarcity, the production plan has been made to serve the customers demand periodically.

Currently KTBF has contract the authorized chemical fertilizer producers to produce fertilizer for the Company. The price check and comparative check to select are made to select the best producer in accordance with the Company's procurement system.

Future plan

Currently, the production plan of KTBF is mostly based on the demand of contracted farmers with the company's sugar mills, and the third party customers demand is the pillette and bagged bio fertilizer. However, KTBF has a policy to continuously develop the product quality and create the distribution channel to other customers apart from sugarcane farmers such as rice plantation and orchard includes some food industry customers who will have their own plantation.

Support Business

KTIS Research and Development Co., Ltd. (KTRD) was founded in 2015 with the initial registered capital of 1 million Baht. KTRD later increased its registered capital up to 10 million Baht on 27 December 2016, and up to 20 million Baht on 26 January 2018, of which 100% of its total shares held by KTIS.

KTRD's VISION

KTRD aims to support KTIS's businesses, its growth, efficiency and sustainability in 3 aspects of developments, namely raw materials, production processes, and products.

During 2016-2023 KTRD has been contracted by companies under KTUS group for 35 research projects with the budget of 101 million Baht. The research and development on raw material focuses on sugarcane breed development such the project to develop KTIS group new sugarcane breeds which are appropriate to the environment, contain local pest and disease tolerance and the good regerminate capability. In 2023, the company expected to deliver the new breeds to farmers to increase productivity and quality and create raw material security to KTIS group and downstream industries. Moreover, there are researches that focus on the group's waste value adding development under zero waste policy such as the project to study the influence of factory's soil and waste water to the plantation of taramba and Napier grass. The project studies the use of used industrial water in plantation which reduces costs of water logistic and also use the product of plantation as the power plant's raw material.

The future plan of KTRD is to focus on the intragroup services such as the soil, fertilizer and water quality laboratory, sugarcane and sugar quality laboratory, the clean sugarcane reproduction under tissue culture method with white leaf disease diagnosis and bio-refinery laboratory. Moreover, it also carries out the group's patent registration and maintain and development of current researches.

The researches contracted with KTIS group are to research and develop sugarcane breeds which are suitable for lower-northern area of Thailand and selects the potential breeds to be registered with the department of agriculture under the name of owner and promote to contracted farmers. It will create raw material security for KTIS' sugar mills and downstream industries as planned. The registered breeds are:

1. Ruamphol 1 scientific name: Saccharum officinarum 'Ruampol 1' derived from breed development by the between sugarcane Uthong 4 and sugarcane TBy26-1255
2. Ruamphol 2 scientific name: Saccharum officinarum 'Ruampol 2' derived from breed development by the between sugarcane K97-27 and sugarcane TBy20-1300
3. Kasetthai 1 scientific name: Saccharum officinarum 'Kasetthai 1 ' derived from breed development by the between sugarcane Uthong 4 and sugarcane TBy26-1255
4. Kasetthai 2 scientific name: Saccharum officinarum 'Kasetthai 2' derived from breed development by the between sugarcane Uthong 4 and sugarcane TBy26-1255
5. ThaiEkaluck 1 scientific name: Saccharum officinarum 'ThaiEkaluck 1' derived from breed development by the between sugarcane BL22 and sugarcane TBy26-1255

Joint research with government and private sectors in 2022/2023 (1 projects with the total budget of 1 million baht)

1. Development of Products from Biomass Ash of Biomass Power Plants and Bioethanol towards Zero Waste - Circular Economy: Nakhon Sawan BioComplex Project

Work of research projects applied for funding government and private sectors in 2023/2024 (2 projects with the total budget of 10.97 million/baht)

1. Feasibility study of pilot scale synthesis of iso-amyl acetate using reactive distillation technique
2. The development of agricultural waste sugarcane leaves to biomass fuel briquettes and an energy property measurement system using near-infrared spectroscopy techniques

List of Assets used for Business Operation

Core Operating Assets of the Company and its subsidiaries

As of September 30, 2023, the Company and its subsidiaries have core operating assets, as followings:

Items	Net Book Value (THB Million)	Ownership	Encumbrance
1. Land and land improvement 10,369 rai 3 Ngan 91.37 square wah.	722.38	owner	Partly as Collateral Loan
2. Building and buildings improvements	1,636.17	owner	Partly as Collateral Loan
3. Machinery and tooling	3,488.61	owner	Partly as Collateral Loan
4. Motor Vehicles	78.32	owner	-
5. Furniture, fixtures and office equipment	50.28	owner	-
6. Motor vehicles	488.15	owner	-
7. Assets under installation	675.21	owner	-
Total	7,139.14		

Remark: Items 1-4 are partly as collateral with the financial institutions for short and long term loans.

Leasehold right of land

List of land leasehold rights of the Company and its subsidiaries as of September 30, 2023

1. Leasehold of Kaset Thai International Sugar Corporation PLC for sugarcane plantation, the leasehold covers 196 plots with total area of 4,257 rai, 3 ngan, 37.60 square wa, under 3 years lease. The leased land located at Amphur Takhli, Amphur Nong Phikun, Amphur Noen Makok, Amphur Khao Kala, Amphur Nong Pho, Amphur Tak Fa, Amphur Wang Man, Amphur Rai Phatthana, Amphur Takhli, Amphur Paisali, Amphur Tak Fa, Amphur Mueang Nakhon Sawan, Amphur Phayuha Khiri, Amphur Wat Sing, Amphur Manorom in Nakhon Sawan Province and Chainat Province. The owner of the leased land is Poom Pattana Business Co., Ltd.
2. Leasehold of Kaset Thai International Sugar Corporation PLC. for ash dumping, parking lots and water treatment pools, the leasehold covers 25 plots, total area of 406 rai , 2 ngan, 59.90 square wa, under one year lease. The leased land located at Amphur Takhli, Manorom in Nakhon Sawan Province and Chainat Province. The owner of the leased land is Poom Pattana Business Co., Ltd.
3. Leasehold of Kaset Thai International Sugar Corporation PLC. for a filter cake dumping , the leasehold covers 3 plots ,total area of 25 rai, 3 ngan, 19 square wa, under 3 years lease. The leased land located at Amphur Takhli, in Nakhon Sawan Province. The owner of the leased land is Agro Ethanol Co., Ltd.

4. Leasehold of Kaset Thai International Sugar Corporation PLC. for a sugarcane plantation , the leasehold covers 15 plots, total area of 202 rai, 1 ngan, 21 square wa, under 3 years lease. The leased land located at Amphur Takhli, in Nakhon Sawan Province. The owner of the leased land is Agro Ethanol Co., Ltd.
5. Leasehold of Kaset Thai International Sugar Corporation PLC. for a sugarcane plantation, the leasehold covers 7 plots, total area of 106 rai, 2 ngan, 8 square wa, under 3 years lease. The leased land located at Amphur Takhli in Nakhon Sawan Province. The owner of the leased land is E.P.C. Power Co., Ltd.
6. Leasehold of Kaset Thai International Sugar Corporation PLC. for the Wet Land area, the leasehold covers 14 plots, total area 181 rai, 2 ngan, 74 square wa, under 3 years lease. The leased land located at Amphur Takhli, Amphur Manorom in Nakhon Sawan Province and Chainat Province. The owner of the leased land is E.P.C. Power Business Co., Ltd.
7. Leasehold of Kaset Thai International Sugar Corporation PLC. for sugarcane plantation, the leasehold covers 3 plots, total area 56 rai 1 ngan 52 square wa, under 3 years lease. The leased land located at Amphur Tak Fa in Nakhon Sawan Province. The owner of the leased land is Kaset Thai Sugar Co., Ltd.
8. Leasehold of Kaset Thai International Sugar Corporation PLC. for sperm pond, the leasehold covers 2 plots, total area 4 rai 87 square wa, under 3 years lease. The leased land located at Amphur Takhli in Nakhon Sawan Province. The owner of the leased land Suebsiri Sawat Co., Ltd.
9. Leasehold of Kaset Thai International Sugar Corporation PLC. for sugarcane plantation, the leasehold covers 14 plots, total area 117 rai, 3 ngan, 68.30 square wa, under one year lease. The leased land located at Amphur Manorom in Chainat Province. The owner of the leased land is Siriviriyakul Co., Ltd.
10. Leasehold of Kaset Thai International Sugar Corporation PLC. for the location of Kaset Thai International Sugar Corporation Factory, Branch 3, the leasehold covers 53 plots, total area 173 rai 1 ngan 3.20 square wa, under 30 years lease. The leased land located at Amphur Takhli, Amphur Nong Phikun, Amphur Noen Makok, Amphur Khao Kala, Amphur Mueang Nakhon Sawan in Nakhon Sawan Province. The owner of the leased land is Ruampol Enterprise Business Co., Ltd.
11. Leasehold of Kaset Thai International Sugar Corporation PLC., Branch 3 for sugarcane plantation, the leasehold covers 15 plots, total area 1,039 rai 3 ngan 76.30 square wa, under 3 years lease. The leased land located at Amphur Krok Phra, Amphur Mueang Nakhon Sawan, Amphur Kao Liao in Nakhon Sawan Province. The owner of the leased land is Ruampol Enterprise Co., Ltd.
12. Leasehold of Kaset Thai International Sugar Corporation PLC., Branch 3 for parking lot for collecting sugar cane leaves, the leasehold covers 3 plots, total area 1 rai 62 square wa, under one year lease. The leased land located at Amphur Mueang Nakhon Sawan in Nakhon Sawan Province. The owner of the leased land is Ruampol Enterprise Business Co., Ltd.
13. Leasehold of Kaset Thai International Sugar Corporation PLC., Branch 3 for parking lot for collecting sugar cane leaves, the leasehold covers 1 plot, total area 5 rai 61 square wa, under one year lease. The leased land located at Amphur Mueang Nakhon Sawan in Nakhon Sawan Province. The owner of the leased land is Ruampol Enterprise Business Co., Ltd.
14. Leasehold KTIS Bioethanol Co., Ltd. for the Wet Land area, the leasehold covers 25 plots, total area 742 rai 5 square wa, under one year lease. The leased land located at Amphur Takhli, Amphur Manorom in Nakhon Sawan Province and Chainat Province. The owner of the leased land is Poom Pattana Business Co., Ltd.
15. Leasehold KTIS Bioethanol Co., Ltd. for the Wet Land area, the leasehold covers 7 plots, total area 158 rai, 2 ngan, 79 square wa, under 3 years lease. The leased land located at Amphur Takhli, Amphur Manorom in Nakhon Sawan Province and Chainat Province. The owner of the leased land is E.P.C. Power Co., Ltd.
16. Leasehold KTIS Bioethanol Co., Ltd. for utility operations, the leasehold covers 1 plot, area 48 rai 44 square wa, under 30 years lease. The leased land located at Amphur Takhli in Nakhon Sawan Province. The owner of the leased land is Suebsiri Sawat Co., Ltd.
17. Leasehold of Environment Pulp & Paper Co., Ltd. for Wet Land area, a pile of bagasse, the leasehold covers 30 plots, total area 348 rai, 61.31 square wa, under 3 years lease. The leased land located at Amphur Takhli, Amphur Manorom in Nakhon Sawan Province and Chainat Province. The owner of the leased land is Poom Pattana Business Co., Ltd.

18. Leasehold of Environment Pulp & Paper Co., Ltd. for bile storage pond, a pile of bagasse, the leasehold covers 8 plots, total area of 55 rai, 1 ngan, 80 square wa, under 30 years lease. The leased land located at Amphur Takhli, in Nakhon Sawan Province. The owner of the leased land is Poom Pattana Business Co., Ltd.
19. Leasehold of Environment Pulp & Paper Co., Ltd. for The raw water pool and the receiving area, the leasehold covers 15 plots, total area 168 rai, 2 ngan, 84.84 square wa, under 3 years lease. The leased land located at Amphur Takhli, Phayuha Khiri in Nakhon Sawan Province. The owner of the leased land is Agro Ethanol Co., Ltd.
20. Leasehold of Environment Pulp & Paper Co., Ltd. for water pumping plant and pumping pipes, the leasehold covers 4 plots, total area 14 rai 94 square wa, under 3 years lease. The leased land located at Amphur Phayuha Khiri in Nakhon Sawan Province. The owner of the leased land is Ruampol Enterprise Co., Ltd.
21. Leasehold of Environment Pulp & Paper Co., Ltd. for water pumping plant and pumping pipes, the leasehold covers 1 plot, total area 3 ngan, 45 square wa, under 30 years lease. The leased land located at Amphur Phayuha Khiri in Nakhon Sawan Province. The owner of the leased land is Ruampol Enterprise Co., Ltd.
22. Leasehold of KTIS Bio Fertiliser Co., Ltd. for raw material heap area, the leasehold covers 4 plots, total area 73 rai, 2 ngan, 16 square wa, under 3 years lease. The leased land located at Amphur Takhli in Nakhon Sawan Province. The owner of the leased land is Poom Pattana Business Co., Ltd.
23. Leasehold of KTIS Bio Fertiliser Co., Ltd. for the location of KTIS Bio Fertiliser Factory, the leasehold covers 2 plots, total area 6 rai, 2 ngan, 50 square wa, under 30 years lease. The leased land located at Amphur Takhli in Nakhon Sawan Province. The owner of the leased land is Poom Pattana Business Co., Ltd.
24. Leasehold of Environment Pulp and Packaging Co., Ltd. for is the location of Environment Pulp and Packaging Factory, the leasehold covers 14 plots, total area 106 rai 97 square wa, under 30 years lease. The leased land located at Amphur Takhli in Nakhon Sawan Province. The owner of the leased land is Poom Pattana Business Co., Ltd.
25. Leasehold of Thai Identity Sugar Co., Ltd. for sugarcane plantation, the leasehold covers 154 plots, total area 3,774 rai 1 ngan 77.20 square wa, under 3 years lease. The leased land located at Amphur Phrom Phiram, Amphur Si Satchanalai, Amphur Sawankhalok, Amphur Mueang, Amphur Tron, Amphur Wat Bot, Amphur Thong Saen Khan in Phitsanulok Province, Sukhothai and Uttaradit Province. The owner of the leased land is Poom Pattana Business Co., Ltd.
26. Leasehold of Thai Identity Sugar Co., Ltd. for sugarcane plantation, the leasehold covers 13 plots, total area 420 rai, 8.70 square wa, under 3 years lease. The leased land located at Amphur Phrom Phiram, Amphur Thong Saen Khan, Amphur Wat Bot, Amphur Thong Saen Khan, Amphur Sawankhalok in Phitsanulok Province, Uttaradit Province and Sukhothai Province. The owner of the leased land is Poom Pattana Business Co., Ltd.
27. easehold of Thai Identity Sugar Co., Ltd. for parking area for sugarcane trucks and filter cakes, the leasehold covers 4 plots, total area 27 rai, 3 ngan, 28 square wa, under 3 years lease. The leased land located at Amphur Mueang Amphur Si Satchanalai in Uttaradit Province and Sukhothai Province. The owner of the leased land is Poom Pattana Business Co., Ltd.
28. Leasehold of GGC KTIS Bio-Industrial Co., Ltd. for use as a business area, the leasehold covers 14 plots, total area 115 rai, 3 ngan, 64.1 square wa, under 30 years lease. The leased land located at Amphur Takhli, in Nakhon Sawan Province. The owner of the leased land is Poom Pattana Business Co., Ltd.
29. Leasehold of GGC KTIS Bio-Industrial Co., Ltd. for use as a business area, the leasehold covers 12 plots, total area 143 rai, 2 ngan, 57.8 square wa, under 30 years lease. The leased land located at Amphur Takhli, in Nakhon Sawan Province. The owner of the leased land is Poom Pattana Business Co., Ltd.
30. Leasehold of GGC KTIS Bio-Industrial Co., Ltd. for use as a business area, the leasehold covers 54 plots, total area 768 rai, 2 ngan, 0.50 square wa, under 30 years lease. The leased land located at Amphur Takhli, in Nakhon Sawan Province. The owner of the leased land is Agro Ethanol Co., Ltd.

31. Leasehold of GGC KTIS Bio-Industrial Co., Ltd. for used as the entrance and exit of the Company, the leasehold covers 2 plots, total area 24 rai, 3 ngan, 16.60 square wa, under 29 years 2 months lease. The leased land located at Amphur Takhli, in Nakhon Sawan Province. The owner of the leased land is Agro Ethanol Co., Ltd.
32. Leasehold of GGC KTIS Bio-Industrial Co., Ltd. for use as raw water wells and pipelines, the leasehold covers 4 plots, total area 25 rai, 2 ngan, 18.10 square wa, under 28 years 5 months lease. The leased land located at Amphur Takhli, in Nakhon Sawan Province. The owner of the leased land is Agro Ethanol Co., Ltd.
33. Leasehold of GGC KTIS Bio-Industrial Co., Ltd. for use as a business area, the leasehold covers 33 plots, total area 468 rai, 2 ngan, 50.80 square wa, under 30 years lease. The leased land located at Amphur Takhli, in Nakhon Sawan Province. The owner of the leased land is Agro Ethanol Co., Ltd.
34. Leasehold of Kaset Thai International Sugar Corporation PLC. for sugarcane plantation, the leasehold covers 105 plots with total area of 2,007 rai, 1 ngan, 99 square wa, under 2 years 7 months lease. The leased land located at Amphur Takhli, in Nakhon Sawan Province and Chainat Province. The owner of the leased land is Poom Pattana Business Co., Ltd.
35. Leasehold of Kaset Thai International Sugar Corporation PLC., Branch 3 for sugarcane plantation, the leasehold covers 1 plots, total area 32 under 3 years lease. The leased land located at Amphur Pho Thale, in Phichit Province. The owner of the leased land is Ruampol Enterprise Co., Ltd.
36. Leasehold of GGC KTIS Bio-Industrial Co., Ltd. for use as a business area, the leasehold covers 2 plots, total area 17 rai, 1 ngan, 16.19 square wa, under 29 years 3 months lease. The leased land located at Amphur Takhli, in Nakhon Sawan Province. The owner of the leased land is Poom Pattana Business Co., Ltd.
37. Leasehold of GGC KTIS Bio-Industrial Co., Ltd. for use as a business area, the leasehold covers 2 plots, total area 20 rai, 2 ngan, 70.96 square wa, under 29 years 3 months lease. The leased land located at Amphur Takhli, in Nakhon Sawan Province. The owner of the leased land is Agro Ethanol Co., Ltd.

Intangible assets

Asset	Objective
Computer software	Computer program for work, which includes accounting software program, farmland record and sugar production, etc.

Trademarks

Trademark	Objective	Registration Date
	Used as a trademark for refined sugar, sugar and raw sugar.	27 February 2013
	Used as a trademark for refined sugar. White sugar Raw sugar and syrup.	16 June 2016
	Used as a trademark for Chemical fertilizers, organic chemical fertilizers.	21 September 2017
	Used as a trademark for Chemical fertilizers, organic chemical fertilizers.	21 September 2017
	Used as a trademark for Soil stabilizer.	21 September 2017
	Used as a trademark for Organic fertilizers, organic chemical fertilizers, chemical fertilizers.	4 July 2018
	Used as a trademark for Bagasse Pulp Paper Straws.	3 March 2022
	Used as a trademark for hand sanitizer alcohol.	22 July 2022

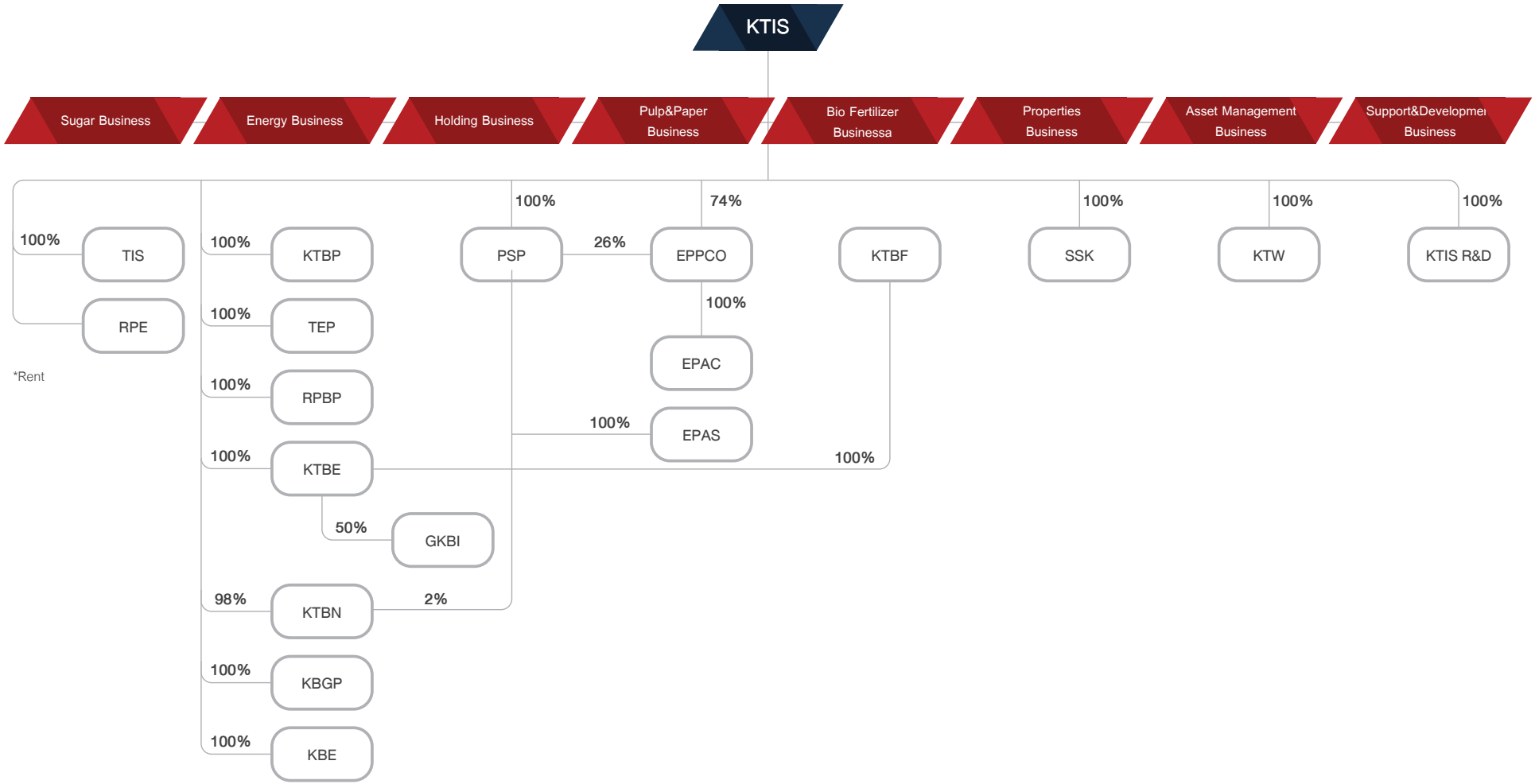
Promotion privileges

By virtue of provisions of the Industrial Investment Promotion act of B.E. 2520, the subsidiaries were granted privileges by the Board of Investment which included exemption from payment of income tax for certain operations. The details of each privilege are as follows:

1. Certificate No.	1095(1)/ 2012	1557(1)/ 2015	59-1195- 0-00-1-0	59-0348- 0-13-2-0	59-0268- 0-00-2-0	63-0968- 1-00-1-0	60-1022- 0-00-1-0	64-0666- 1-00-1-0
2. Promotional privileges for	Electricity generating from biomass and stream	Electricity generating and stream production from biomass	Packaging for foods (Biodegradable)	Electricity generating and stream production from biomass	Biogas	Packaging from hygienic paper	Biological fertilisers	Straws from bagasse
3. The significant privileges are								
1) Exemption of corporate income tax for net income from promotional privileges and exemption of income tax on dividends paid from the profit of the operations throughout the period in which the corporate income tax is exempted	8 years	8 years	8 years	8 years	8 years	3 years	8 years	3 years
2) A fifty percent reduction of the normal rate of corporate income tax on net income derived from the promoted operations for a period of five years after the expiration of the above corporate income tax exemption period.	Received	Received	Not received	Not received	Not received	Not received	Not received	Not received
4. Date of first earning operation income	7 Oct 2013	7 Jul 2016	13 Oct 2016	13 May 2017	Not yet Commence	21 Oct 2022	Not yet Commence	13 Oct 2020

Remark The Company has no income from BOI-promoted operations.

Shareholding Structure



Presently, the Company had invested in 16 subsidiaries and leases fixed assets from Ruampol Enterprise Co., Ltd. (RPE) as detailed following : (As at September 30, 2023)

Subsidiary	Type of Business	Shareholding (%)	Registered capital	Paid-up capital
Thai Identity Sugar Factory Co., Ltd. (TIS)	Sugar production and distribution	100.0	3,600,000,000	3,600,000,000
KTIS Bioethanol Co., Ltd. (KTBE)	Molasses-based ethanol production and distribution	100.0	256,000,000	256,000,000
Environment Pulp and Paper Co., Ltd. (EPPCO)	Production and distribution of bleached bagasse pulp and Pulp Mold	100.0[1]	2,400,000,000	2,400,000,000
Environment Pulp and Packaging Co., Ltd. (EPAC)	Production and distribution of Pulp Mold	100.0 through EPPCO	650,000,000	650,000,000
Kaset Thai Bio Power Co., Ltd. (KTBP)	Electricity generation	100.0	1,260,000,000	1,260,000,000
Thaiekaluck Power Co., Ltd. (TEP)	Electricity generation	100.0	350,000,000	350,000,000
Ruampol Bio Power Co., Ltd. (RPBP)	Electricity generation	100.0	395,000,000	395,000,000
KTIS Bio Fertiliser Co., Ltd. (KTBF)	Production and distribution of bio soil conditioner and bio fertilizer products	100.0 through KTBE	35,000,000	35,000,000
Permsinpattana Co., Ltd. (PSP)	A holding company which holds 26.0% shares of EPPCO	100.0	317,000,000	317,000,000
Sapsirikaset Co., Ltd. (SSK)	Land acquisition to support the group's business expansion	100.0	108,000,000	108,000,000
KTIS Bio Natural Co., Ltd. (KTBN)	Ethanol production and distribution	100.0[2]	50,000,000	12,500,000
Enviroment Pulp and Straw Co., Ltd. (EPAS)	Production and distribution of bleached Pulp Mold and Straw	100.00 through PSP	2,000,000	2,000,000
KTIS Biogas Power Co., Ltd. (KBGP)	Electricity generation and sale	100.0	1,000,000	1,000,000
KTIS Bio Energy Co., Ltd. (KBE)	Ethanol production and distribution	100.0	20,000,000	20,000,000
Kaset Thai Wiwat Co., Ltd. (KTW)	Support company's asset management	100.0	61,000,000	61,000,000
KTIS Research and Development Co., Ltd. (KTIS R&D)	Support company's businesses and its growth aspiration.	100.0	20,000,000	20,000,000
GGC KTIS Bio Industrial Co., Ltd. (GKBI)	Joint venture in bio industry promotion zone	50.00 through KTBE	3,315,000,000	2,886,000,000

Remark [1] Directly holds 74.0% of the total shares and directly holds 26.0% of the total shares through Permsinpattana Co., Ltd.

[2] Directly holds 98.0% of the total shares and directly holds 2.0% of the total shares through Permsinpattana Co., Ltd.

Shareholders

As at September 30, 2022, major shareholders of the Company as following:

No.	Name	No. of Shares	% of Total Shares
1	Hathai Jaroon Ek Holding Co., Ltd. [2]	1,360,800,000	35.25
2	3S Holding Company Limited [1]	972,000,010	25.18
3	Bank Of Singapore Limited	243,138,600	6.30
4	Mr. Sirapak Siriviriyakul	190,698,000	4.94
5	Dbs Bank Ltd.	128,000,000	3.32
6	Mrs. Nawarat Wangpreedalertkul	127,249,126	3.30
7	Mr. Sirapat Siriviriyakul	120,892,900	3.13
8	Mr. Poomrerk Wangpreedalertkul	114,646,200	2.97
9	Group Of King Wan Corporation Limited	112,341,000	2.91
	King Wan Corporation Limited	87,267,000	2.26
	King Wan Industries Pte. Ltd.	25,074,000	0.65
10	Mr. Poomrata Wangpreedalertkul	62,492,000	1.62
	Total	3,432,257,836	88.92

Remark: [1] The registered capital and paid up capital of 3S Holding Co., Ltd. consists of 9,724,670 shares at par value of THB.100.00 per share or THB 972,467,000 At September 30, 2023, major shareholders of the Company as following (exclude Treasury Stock).

No.	Name	No. of Shares	% of Total Shares
1	Hathai Jaroon Ek Holding Co., Ltd.[2]	9,724,668	99.9
2	Mr. Parphan Siriviriyakul	1	0.0
3	Ms. Siraarpa Siriviriyakul	1	0.0
	Total	9,724,670	100.0

[2] The registered capital and paid up capital of Hathai Jaroon Ek Holding Co., Ltd. consists of 909 shares at par value of THB. 25,000,000 per share or THB 22,725,000,000 At September 30, 2022, major shareholders of the Company as following (Exclude Treasury Stock).

No.	Name	No. of Shares	% of Total Shares
1	Ms. Nathaya Siriviriyakul	133	14.6
2	Ms. Siraarpa Siriviriyakul	93	10.2
3	Mr. Prin Siriviriyakul	77	8.5
4	Mr. Sirapak Siriviriyakul	69	7.6
5	Mr. Sirapat Siriviriyakul	69	7.6
6	Mr. Poomlerk Wangpreedalertkul	65	7.2
7	Mr. Poomrata Wangpreedalertkul	63	6.9
8	Mr. Prasong Siriviriyakul	54	5.9
9	Ms. Saisiri Siriviriyakul	53	5.8
10	Mr. Prach Siriviriyakul	50	5.5
11	Mr. Pun Siriviriyakul	50	5.5
	Other	133	14.7
	Total	909	100.0

Agreement between the majority shareholders on the matter impacting the issuance and offer for sale of the securities or the management of Company on which the Company has countersigned.

None

Securities of the Company

As at September 30, 2023, the Company had registered capital Baht 3,888,000,010 and paid-up capital Baht 3,860,000,010. The registered capital is ordinary shares of 3,888,000,010 shares with par value Baht 1 per share.

Other Securities

None

Dividend Policy

It is the Company's policy to pay out dividend at a minimum of 50% of its net profit according to the Company's separate financial statements, after the deduction of all legal reserves and provisions pursuant to the Company's Articles of Association and applicable laws, unless prohibited by necessities or loan agreements. Such dividend payment, according to the Board's judgment, shall not have material effects on normal business operations of the Company and shall be for the best interest of the shareholders. Annual dividend payments shall be proposed through the Board to the shareholders' meeting for approval whereas the interim dividend payment shall be subject to the Board's approval and reported to a subsequent shareholders' meeting for acknowledgment. The Company may propose to shareholders' to approve the non-payment of dividend in order to allocate the funds to investment projects as and where appropriate.

The Company's subsidiaries have the policy to pay dividend at a minimum of 50% of their net profit according to their financial statements, after the deduction of corporate income tax, statutory reserves and all other provisions. Considerations will also be given to their cash flow, financial status, liquidity position and investment plans at a particular period. Among companies in KTIS group.

Details of dividends	2021	2022	2023 (Proposed)
1. Net Profit (Baht)	(561,672,416)	(970,950,867)	1,035,376,457
2. Number of shares	-	-	-
1) Number of shares at interim dividend			
2) Number of shares at the annual dividend.	3,860,000,010	3,860,000,010	3,860,000,010
3. Total dividend per share (Baht : Share)	-	-	-
1) Interim dividend (Baht : Share)			
2) Annual dividend (Baht : Share)	0.10	-	0.10
4. Total dividends paid (Baht)*	386,000,001	-	386,000,001
5. Dividend Payout Ratio	-	0%	-

Risk Management

The determination and way of risk management

Kaset Thai International Sugar PLC and its subsidiaries prioritize the importance of risk management activities as an immunity against uncertainty occurred from organization's surrounding, and as tools to achieve organization objectives and goal. And, further it leads to sustainability and long term growth in accordance with COSO Erm 2017 and good governance principles.

From many varieties of changes which are complicated and unpredictable, climate change is the one with macro effect and is international important agenda. Meanwhile the sugarcane situation in Thailand, which us the major material of Thailand sugar industry, is getting better due to rainfall amount. The sugarcane yield and amount are increasing from last year which decrease the scarcity of raw material. But, the heavy rainfall before the beginning of crushing season also negatively affect the efficiency and continuity of sugarcane logistic due to inaccessibility of harvesters into plantation caused by moisture. It also affected the contamination of sugarcane to increase beyond standard. The Covid-19 situation also caused the Company to impose strict preventive measure to all staff and relevant person to prevent the spreading in factories. Further, armed conflict of Ukraine and Russia has affected worldwide manufacturing sector due to being sources of energy to many industries and affected the cost of energy in logistic sector. The Company has anticipated the effect from such situation shall affect the production and logistic cost, raw material cost and longer lead time and tries to manage the risk to be in the limited scope.

The precise analysis and anticipation, the determination of business activities that would be affected by major risk to standardize risk management plan have focused on the prevention of major risk event. It also determined the protocol to handle with the occurrence of major risk event to mitigate the consequences, and to create the confidentiality among the stakeholders under changing uncertainty. It also seeks an opportunity in value adding with business using production technology which shall increase the efficiency and quality as required by customers.

The board of directors has assigned KTIS group's risk management committee to be a monitoring and control the risk management in accordance with the board of directors 's annual operation plan, and also to provide advices and proposal to develop framework and protocol of risk management which could respond to changes in time, and to create maximum utilization of business goal achievement. term of company's macro view. The result of risk management shall be reported to the board of directors on quarterly basis.

The arrangement of the Company's annual risk management plan started from the survey of organization, the analyze and identification of risk which occurred from changing surrounding in different context. The there was an integration of risk throughout the organization (Risk Profile), assessment of risk level for prioritization, categorization of risk and arrange into focused risk which significantly affect the achievement of business goal. The risk owner shall analyze the root cause to proper create mitigation plan for effective operation. And also emphasize the emerging risk in future which shall affect the long run business.

The determination to create risk management culture of the Company is designated to be goal of risk management policy by encouraging the education and implementation of risk management among staff as tools of all level's management, and communicate understanding about occurring risk events to all level of staff to create awareness and conscience about risk management in organization.

Risk Management Policy and Plan

Kaset Thai International Sugar Corporation PLC and its subsidiaries prioritize the risk management which is a fundamental of business sustainability under the rapidly changing business environment, to build confidence to all stakeholders, to prevent the loss or damage occurred from the unpredictable certainty. While it also seeks the chance to add value to the business by technology in adding efficiency in production and management to achieve the organization's objective and goal, in accordance with international standard. The important risk management is as follows :

1. Risk management concept and process are critical component of all business process and management structure, in the organization and business unit level. The review and improvement of risk management and policy must be periodically conducted or once the significant changes occurred, to improve the efficiency in risk management continuously.
2. The operation of all business unit must be activities that contain sufficient and comprehensive monitor, to make the risk management remains in the acceptable level that shall result in the company's achievement in all level of business goal.
3. The Company supports and encourages the use of a risk management as a critical tool in management. The training and communication to all levels of staff is to create the understanding of potential risk, and to create the awareness and realization about risk to become corporate culture.
4. All subsidiaries, business units, executives and employees have the duty to comply with the risk management policy and process, including the working report, the review and improvement efficiency in risk management.

Risk Management Structure

The group's risk management structure specifies the responsible units in charge with risk management, the monitor and reporting system for risk management in 3 levels covers both policy and operation level.

1. **Corporate level** is in charged by the group's risk management committee. It composes of the chairman appointed from an independent director, Group CEO, Senior executives and independent directors assigned by the Board of Directors. It has a role to administer risk management plan. Such plan is under the annual operation plan to create integrated connection and conformity with the group's strategy.
2. **Business unit/sector level** is in charged by the Operation Risk management committee (ORM) which is assigned to administer the risk management in accordance with business sector's annual risk management plan. It operates under the scope and policy for risk management that determined by risk management committee in corporate level.
3. **Department level** is in charged by its manager who administers risk management under the role and responsibility of each department. The risk management measure and plan in business sector level is used to determined operation plan or control measure in department level.

Risk management tool and monitor

The Company conducted a survey and analysis of changes in organization's environment (Environmental Scanning), Risk Identification and Risk Evaluation that may affect the business goal achievement. The gathering of important risk (Corporate Risk Profile), the root cause analysis, to determine the appropriate control measure and risk management plan will help reduce the chances of risk, it also limits or mitigate the consequence of risk to be in limited scope or to be minimized. Meanwhile, Key Risk Indicator (KRI) is determined to show the efficiency of risk management in each period. It is also the benefit in tracking process. If the consequences deviate from the determined, the review and improvement shall be made on time. Further, the Company also prioritize the newly emerging risk which shall significantly affect long run business.

Risk Management Culture

The Company has determined the creation of risk management culture in its risk management policy. The culture is the encouragement of the use of risk management as a critical tool for daily operation management, the training and communication to all levels of staff to create the understanding of potential risk, and to create the awareness and realization about risk to become corporate culture of the whole organization. The detail of activities are as follows :

1. The communication to the target group of employees, by the communication of risk management policy and concept, the opinion and the comment from the risk management committee in forms of training, knowledge sharing, monthly meeting to summarize the operation.
2. The monitor of risk management in business sector level is conducted on monthly basis. The company's achievement of risk management is also be presented to the risk management committee on quarter basis.
3. The monitor and recheck of risk focus progress in each period when there is a warning sign of the occurrence of such risk in near future.

Risk factors of 2023

The risk of foreign exchange's volatility

In the past year, the exchange rate has been severely fluctuated and directly affected the Company's business operation, since the 60% of the Company derived from the export of sugar and downstream business.

The cost of sugar cane which is the major raw material of the sugar industry is determined by Thai Sugar cane and Sugar Co., Ltd. (TCSC) through its export of sugar. The export price composes of selling price and dollar exchange rate. The income after expenses from the sale of sugar made by TCSC and other sugar mills shall be distributed to the sugar cane farmers and the sugar mills in the proportion of 70:30 respectively in the form of sugar cane price. Therefore, the exporting sugar mills at least must fix the export price and the exchange rate at equal rate to TCSC's rate which is the benchmark, so the actual income of the sugar mill shall not be less than the benchmarked income, so that the actual net income shall not be less than the income used in the calculation for distribution to sugar cane farmers. If it fails to sell at the price equal to TCSC sale price, the company shall bear the higher cost than it should bear.

The Company realized such risk, therefore it has established the financial risk management committee to monitor and determine the framework and plan financial management to protect the risk that may occur. The financial tools are implemented such as forward contract, option contract including natural hedge by repayment of foreign currency debt by the same currency derived from machinery import.

Moreover, the Company also monitors and analyzes an economic movement and other factors that may affect the exchange rate, result of exchange rate risk management that may be positive or negative to the company's annual operation. It comes in form of profit or loss derived from differences between the receipt and payment of foreign exchange contract and the exchange rate at the day of goods delivery. The Company has carefully been cautious in the risk management of exchange rate without the act of speculation.

Risk from the volatility of sugar prices in the world market

Sugar is the highly price volatile commodity, due to the movement of sugar price in world market that varies from many factors such as weather, production, consumption, demand-supply of producer and consumer countries, the speculation of the fund in future market, the world economic fundamental factors. This year USA Federal Reserve (FED) approved many times increase of policy interest. It caused interest rate to 4.00-4.50% , and is expected to reach 5% at the end of the year. Later it is expected to decrease 3.9% in 2024. Moreover, there is a factor of fuel price which composes of ethanol made from sugarcane juice and molasses for automobile's fuel.

The volatility of sugar price in world market directly effects the Company's export sale volume. The domestic sale volume is not affected directly by world market condition, but indirectly affected the sugarcane price. If the sugar price decreases, the sugarcane farmers will be demotivated to plant and the plantation areas also decrease or reduce the sugarcane maintenance.

To reduce volatility from sugar price in world market, the Company has made the pricing policy that will price in accordance with quota B which shall be used to calculate the cost of sugar production. Moreover, the Company also has the limitation measure to limit the effect from sugar pricing within the acceptable scope. The working committee, which composes of experienced experts in export sale, is set up to make an export sale in the balance basis with no reliance on any decision made by any single person. The working committee also keeps up with the world sugar price trend in future market, world economic, the movement of oil price that affects sugar price include the monitor of production, daily consumption demand supply and remaining sugar amount. However, the dependence on the revenue from sugar business always affected by world sugar price's high volatility. To reduce such uncertainty, the Company has adjusted its direction and business strategy to invest in the projects that could advance its potential such as bio mass power plants to reduce the risk from the Company's revenue from sugar business.

Risk from trade measures of trading partner countries

The changes in Japan's tax policy, quota, regulation and trade convention membership always affects the revenue from the Company's main export market. Once Japan completed the trade agreement with Australia, there has been the decrease of J-spec sugar import and import Hi-pol raw sugar from Australia instead.

To serve the changing demand of customers, the Company has improved the machine so that it can produce more Hi-pol raw sugar and reduce the production ratio of J-spec sugar to serve the market demand. The Company also sold more super refined sugar than normal refined sugar in order to get a higher price.

To determine the prevention of consequences that may occur, the Company arranges the situation assessment and keeps updating news of trading countries from many sources. Therefore, the Company could work efficiently and remain resilient.

The risk from changes of government policy that affected the sugar business

When the Covid-19 pandemic began to relieve, government issued the policy to open up by fully promoted tourism. It has unexpectedly caused the high demand of domestic consumption, the direct and indirect domestic consumption in 2023 is expected to be more than 2.06 million ton. The market competition for this year is few, since the export market price is higher than domestic price about 3-4 Baht per kg. And, the exchange rate is in the level that satisfies exports. Therefore, the company could keep the domestic sugar sale not to be more than last year and prevent the industrial customers from sugar scarcity, and focuses on export more quantity.

The risk from changes and uncertainty of government policy

Sugar Business

The recent policy to decrease sugarcane burning to solve environment problems has imposed many measures in forms of support and punishment, and could not achieve the government's expected goal. In the production year 2022/2023, Thailand had total sugarcane in the industry of 93.89 million ton with the amount of burnt sugarcane of 30.87 million ton or 32.78% which is higher than the production year 2021/2022. The main cause is the shortage of harvesting labor and the amount of harvesters which is not in balance with sugarcane amount. Another cause is the accident. Further the fresh sugarcane harvest has higher cost and the plantation cost (fertilizer, pest control, logistic) also increased. While the government also lack of certainty about the support measure for farmers who harvest fresh sugarcane. Such factors caused the increase of burnt sugarcane higher than the production year 2021/2022.

For the production year 2022/2023, the Office of Cane and Sugar has driven the policy to sole sugarcane burning problem. The support measure is to provide low interest loan with farmers to access to agricultural machinery use in the plantation and water management. Moreover, there is also the support measure to agricultural machinery entrepreneurs. There is also an idea to impose more severe punishment by money deduction from farmers at 90 Baht per ton and from sugar mills at 39 Baht per ton for the production year 2023/2024, and in the production year 2024/2025 the increase of deduction from farmers at 120 Baht per ton and sugar mills at 51 Baht per ton. In the production year 2025/2026 the increase of deduction from farmers at 150 Baht per ton and sugar mills at 64 Baht per ton. Such punishment is not accepted by both farmers and sugar mills companies because it is to severe measure.

The company's arrangement focuses on publicization support and encourage farmers to continuously harvest fresh sugarcane to sugar mills. Moreover, the company has increased the amount of sugarcane harvesters in every year to support farmers from labor shortage.

Ethanol business

Department of Energy has reviewed and made a new draft of renewable and alternative energy (AEDP 2022). Such plan has adjusted the portion of renewable and green energy to be more than previous plan to achieve Carbon Neutrality. It is to increase the mixture of biofuel in road logistic sectors, using E20 as the main energy in benzine sector, promote sustainable air fuel and promote other renewable energy sources such as hydrogen within 2057. This is the positive factor to business goal achievement of the company in the future. This year, the company has decreased its sale of ethanol for logistic sector according to the decreased raw material.

The Excise Department has extended the period of zero tariff for alcohol over 80 degree to be produced for hand sanitizer up to 31st December 2023.

From such risk of changing government policy, the company, as a member of Thai Ethanol Producer Association, has met with the relevant authorities such as Office of Energy Plan and Policy, Department of Renewable Energy and Energy Conservation to ask for the increase of domestic ethanol use to suit with domestic production capacity through retail petroleum price mechanism and the income and support budget from Fuel Fund to support gasohol E20 to be basic fuel, and to cancel gasoline 91. The company also met Department of Excise to ask for permission to sell alcohol over 80 degrees for industrial use, while searched for distribution channel for 95.5% industrial ethanol for government sectors, business and people. The hand sanitizer production is made in gel form of 70% alcohol and in spray form of 75% alcohol under brand KNAS and KNAS Plus which is directly distributed, through agents and suppliers.

However, if the situation if ethanol in Thailand could not be as expected, the company has a plan to produce high quality ethanol for export again. The company used to export ethanol for many times by using relationship with international traders which will be other channel to increase income in this intensive price competition in domestic market.

Risk about ESG

Work safety and wellness

The Company and its subsidiaries have realized the importance of health and safety of staff and stakeholder. Therefore, it emphasized that the work shall be conducted correctly under relevant regulation about health, work safety from the raw material management in plantation to distribution process. To ensure customers and all stakeholders about goods quality and system of work safety regulation compliance., the Company also determined the measure to strictly take care of safety issues through all sectors from staff, contractors, visitors, drivers of sugarcane trucks and delivery trucks and all relevant person. The Company also arranged the recreation with knowledge to create staff participation and actual awareness of work safety.

The company has escalated the safety and wellness management to become corporate culture of safety including the gradual review and assessment of the safety and wellness management, and designate this issue to be one of risk that requires preventive measures that increase efficiency and effectiveness. The result helps the company being awarded the working place with distinguish safety, wellness and working environment in provincial level from Department of Welfare and Labor Protection for continuing 3 years from 2011 to 2013.

The emerging risk of technology advancement

Today, the information technology is critical part of everyone's life, which caused the convenience in communication but also comes with risk as well. Therefore, the company determined to develop and use information technology to connect stakeholder such as customers, farmers or communities that attend the company's events. It is a chance to increase business opportunity together with social responsibility by developing, training, using suggestion, prevention from media's danger and the technology channel that used by stakeholders both persons inside and outside company.

The company realized about the importance of data protection and information technology security, so this issue is designated to be organization's important risk. It also determined policy about information technology policy to be in accordance with business development process, continuous prevention and threat detection of cyber security. It also created awareness in proactive basis for staff to comply with policy standard and procedure, and also provide suggestion about correct and appropriate compliance with computer law.

Risk from the procurement for sugarcane with the required quality and quantity

In the production year of 2022/2023, the sugarcane amount in the industry is about 93.88 million ton which decreased from the previous year that had been about 92.07 million ton and increased 1.97%. Once compared to sugarcane amount of Kaset Thai sugar factory which was 3.959 million ton increased from the previous year of 3.421 million ton which increased 15.73%. Such increase is partly contributed by rainfall in 2022 which is high and consistent for the sugarcane growth and together with the good care and monitor with contracted farmers which encourage them to efficiently farm sugarcane and determine to prevent the sugarcane usurpation from the other sugar factories. Moreover, it was caused by the cooperation between factories to resolve issues about sugarcane quality which was the major factor of good quality sugarcane delivered to sugar factories in production year 2022/2023. Sugar factories could historically product good sugar efficiently, and caused the company to have more sugarcane than targeted with the proper quality for sugar production.

In the production 2023/2024, the company has determined the farm risk management as follows: 2023 is a year that has high risk of farm management due to many risks such as risk of weather unfavorable to plantation caused by El Nino phenomenon. It is assessed that the nationwide sugarcane would decrease to 80 million ton. The competition for sugarcane among factories will become more intensive. The factor of competitive crop price that is more intensive (cassava and corn etc.) which should take some sugarcane plantation. Moreover, the affect from measure and support from government to agriculture sector is also important.

However, the draught was in January to August of 2023 and there was the rainfall from September to November of 2023. Such situation unavoidably affects sugarcane amount and quality. The farmers' worry about and lack of confidence in government support together with pressure from government's fresh sugarcane harvest policy caused farmers to turn to burnt sugarcane harvest. The high sugar price in world market caused many factories to allow impurities such as leaves comes with sugarcane and caused the sugarcane to be dirty. Therefore, the sugarcane amount is expected not meet the target, the quality is not to meet the determined, the efficiency and productivity delivered to customers is lower than target. It also decreases the amount of bagasse which is raw material of the group. Moreover, the dirty sugarcane would cause more damage to machinery and more repair expense.

From the above risk, there is a high possibility that risk of sugarcane in terms of quality and quantity would occur in a production year 2023/2024. The company, therefore, has determined the risk mitigation plan in terms of quality and quantity by supporting the creation and searching for farmers' water resources, the use of new sugarcane breed to replace the current breed, the monitor of the disease and pest spreading, the mitigation of loss from harvesters, the determination of proper date to begin production, the selection of harvest based on maturity, the measurement in plantation by Brix and small mills methods before harvest, the plantation zoning into small area and the watch to prevent fire accident occurs to large amount of sugarcane.

Risk from unpaid debt occurred from financing to farmers

Financing to farmers, which is capital for sugarcane plantation under contract, is unavoidable for the procurement of sugarcane to be raw material of sugar factories in Thailand (Kiew). In production year 2022/2023, the risk mitigation for the farmers promotion and debt collection system worked well. Apart from sugarcane price which is up to 1,080 Baht per ton at 10 ccs. or 1 ccs. = 64.8 Baht. It is expected that the final sugarcane price would be about 100 Baht higher. The high sugarcane price together with increase amount of sugarcane would increase farmers' debt repayment capability.

The risk event that causes the unpaid debt that is burden to company comes from the cause that farmers do not maintain the plantation on time, the rainfall shortage that causes the low production worth less than financed money although the price was expected to be high. Moreover, the disease and pest also lowered the plantation yield due to higher cost of pest control. The higher price of sugarcane breed forced farmers to use the same breed which is vulnerable to disease and cause accumulated unpaid farmer debt. Once it is uncollectable, then it will become bad debt.

There is a high possibility of bad debt from farmers financing in the production year of 2023/2024. The company has determined the measure to mitigate bad debt from farmers financing such as the plantation survey to check for appropriateness, the collateralization from farmers, the area selection using the Land Development Office map, the use of weather tracking and forecast system, the warning system to anticipate any farmer that would have unpaid debt for the special care to mitigate unpaid debt, the encouragement for fresh sugarcane harvest to prevent price deduction form burnt sugarcane harvest.

Risk for the company's scarcity of raw material

The risk of paper pulp's raw material scarcity

In the production year of 2022/2023, the company has more sugarcane amount more than target due to more sugarcane in take which resulted for more by products as well. Therefore, the bagasse pulp factory had more raw material it received from sugar mills than last year, it could produce bagasse up to about 34,000 ton. Some of bagasse pulp was used to be raw material for environment friendly containers, such containers will be distributed domestically and internationally, the customer's feedback is quite good. It is expected to be the project that will satisfactorily create revenue to the company. However, the bagasse factory has been researching and substitute raw material to produce additional paper pulp such as palm bunch, coconut leaf, straw to prevent major raw material scarcity which is bagasse.

The risk of paper pulp's raw material scarcity

The business of electricity production and distribution is one business that well created revenue and income to the company. In the production year 2022/2023 sugar mills has more sugarcane in take which results to more bagasse into electricity production as well. Therefore, there is much more revenue than last year. To prevent the raw material shortage, the powerplants have been testing for additional substitute raw material such as sugarcane leaf, chipped wood, coconut fiber and straw.

The risk of ethanol's raw material scarcity

In production year 2023, the molasses amount received from sugar industry significantly decreased due to the increase of molasses price, together with Covid-19 pandemic has caused the logistic sector slows down the amount of ethanol consumption is not as expected, there is an over supply situation in ethanol market (currently Thailand total daily production capacity is 6.9 million liter per day, while the actual daily production capacity is 4.2 million liter per day and the average ethanol consumption is 3.9 million litter per day).

The forecast of sugarcane and molasses amount is expected to decreased, meanwhile the Covid-19 pandemic has been well controlled together with economic recovery and new business that relies on logistic. It is expected to impact ethanol production and domestic consumption to increase. The company has determined the risk management by keep close monitor on aforementioned situation, meet with sister companies, Ethanol Trader Association and Federation of Thailand Industry to get information and adjust to the current changes.

The risk of human resources management and capability to serve the business' growth and changes

The Company's achievement depends on executives, experienced staff who are knowledgeable and understand the operation, the loss of such staff without replacement within appropriate time and the recruit for new staff to fill out positions to be enough for normal operation and determined goal achievement. The company has determined the risk management as follows:

- Recruit the group of staff who are capable and create good career path by create knowledge sources and skill development.
- The development of staff potential and capability through training in many forms such as online training, class training, job training, learning from practicing and support staff to create innovation to continuous working improvement.
- The staff recruitment by attracting staff who are capable from online channel such as Facebook or Line and also the attendance the education institutes' events
- The review of manpower planning, the work analysis and theappropriate duty set up for efficiency.
- The search for new technology for production process such as automatic vacuum pan to reduce manpower.
- The review of succession plan to be in accordance with organization growth.
- The plan to develop staff to be potential and increase working skill to be able to replace or support the work that is in labor shortage.
- The search for business alliance for training and create the apprentices to be able full fulltime work.

Sustainability Oriented Business Drive

Policy and Goals of ESG (Environmental, Social and Governance: ESG)

More than a half-century of doing business, Kaset Thai International Sugar Corporation Public Company Limited (KTIS Group) has the intention and commitment to conduct its business as a "leader in the sugar industry and a comprehensive continuous industry" with practices under good corporate governance principles. Focus on sustainable development in economy, society and environment, respect for human rights, good corporate governance and the impact on all stakeholders. The KTIS Group's value chain has been considered to set the following goals, policies and frameworks as follows:

Sustainable Development Structure

The boards and working groups that manage the issues include:

- Board of Directors : Set goals and policies for sustainable development to cover all three areas, guide the implementation of hearings from stakeholders to prepare sustainable development issues, including establishing risk management frameworks, as well as monitoring governance work.
- The Executive Committee and the Risk Management Committee : Define the issues, strategies and guidelines for sustainable development.
- Working Group : Prepare strategies, work, measure results clarification and report.

Sustainability Awards & Certificates

- Certificate of “Bonsucro” Production Standard.

- VIVE CLAIM LEVEL AWARD

- KTIS, KTIS 3, TIS, EPPCO, KTBE, KTBF : “IPHA-Industrial and Production Hygiene Administration” Certificates, affirming the organization’s safety preventive measures against COVID-19 and assuring domestic and international consumers of the quality and safety of KTIS products, authorized by the Federation of Thai Industries, in cooperation with the Ministry of Public Health and the Ministry of Industry, along with agencies including Department of disease control, National Food Institute and Management System Certification Institute (Thailand).

- TIS : “Excellence Sugar Factory Award” authorized by Office of the Cane and Sugar Board, Ministry of Industry, for 7 years.
- TIS : “Excellence Sugar Factory Award for the raw material advancement and development” authorized by Office of the Cane and Sugar Board, Ministry of Industry, for 3 years.
- TIS : “Excellence Sugar Factory Award for the production efficiency advancement and development” authorized by Office of the Cane and Sugar Board, Ministry of Industry, for 3 years
- TIS : “Conservative Cane for the World Award” authorized by Office of the Cane and Sugar Board, Ministry of Industry, for 6 years.

- KTIS 3 : Certificate of “Smoke-free workplace at a fundamental level” authorized by Thai Health Promotion Foundation.

- TIS : Certificate of “Good Labour Management System during the crisis of the Coronavirus 2019 Pandemic” authorized by Uttaradit Provincial Labour Protection and Welfare Office.

- EPPCO : Winner of the contest for the preparation of breast milk corner, authorized by Nakhon Sawan Provincial Public Health Office and Nakhon Sawan Provincial Labour Protection and Welfare Office.

- KTBE : “Outstanding organization for Social Security contribution” Plaque authorized by Nakhon Sawan Provincial Social Security Office.

- KTIS : “Role model of organization for road safety” Plaque authorized by Thai Health Promotion Foundation.

- KTIS 3 : “Role model of organizations and state enterprises for thoroughbred workers according to the sufficiency economy philosophy” and “Outstanding welfare committee” Plaques authorized by Ministry of Labour.

- TIS : “Prevention and resolution of drug problems in workplace” Certificates authorized by Uttaradit Provincial Labour Protection and Welfare Office.

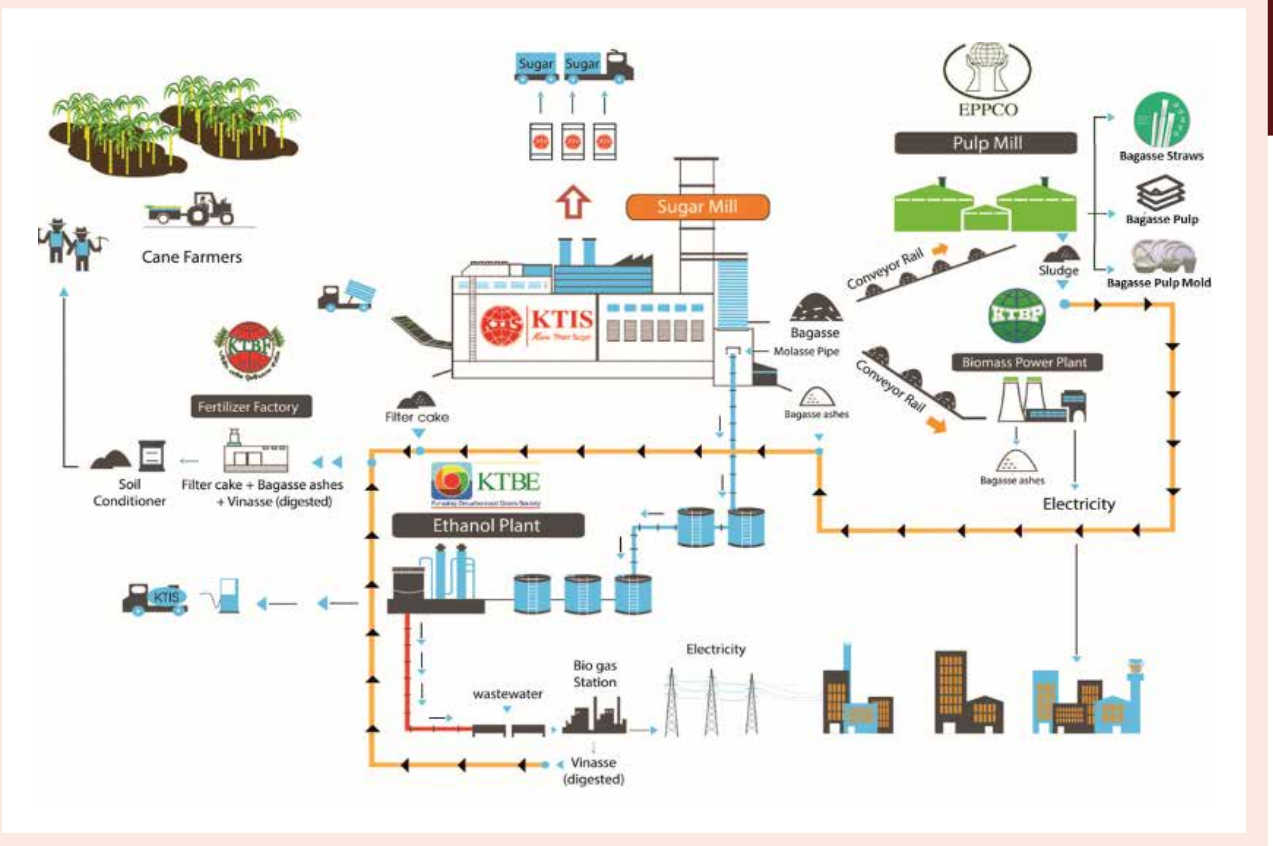
- KTBE : Certificate of “Excellent role model of organization for Safety, Occupational Health and Working Environment” authorized by the Department of Labour Protection and Welfare, Ministry of Labour.

- KTIS 3 : “Thailand Labour Management Excellence Award” Certificates authorized by the Department of Labour Protection and Welfare, Ministry of Labour, for 14 consecutive years.

- KTBE : “Good Labour Practices: GLP” Certificates authorized by the Department of Labour Protection and Welfare, Ministry of Labour.

- KTIS 3 : Certificate of “Good Labour Management System during the crisis of the Coronavirus 2019 Pandemic” authorized by the Department of Labour Protection and Welfare, Ministry of Labour.

- KTIS : “Good Labour Practices: GLP” Certificates authorized by the Department of Labour Protection and Welfare, Ministry of Labour.



Kaset Thai International Sugar Corporation Public Company Limited or KTIS Group is a leading sugar and by products related to sugarcane processing manufacturer in Thailand, of which its businesses including 3 sugar factories, a pulp mill and continuous products (Eco-friendly Food packaging from bagasse pulp and bagasse straws), an ethanol plant, 3 biomass power plants and a bio-fertilizer factory. Kaset Thai sugar factory is best known as the World's largest single sugar factory with a maximum crushing capacity of 55,000 tons of sugarcane per day.

Never the less, KTIS group is the highly focused the importance of its sugarcane farmers, with its motto "The sustainability of KTIS depends on the success of its sugarcane farmers ", which has a positive impact on the security of KTIS's raw materials.

Stakeholder Participation

KTIS Group gives importance to stakeholder engagement via communicating, educating, hearing, exchanging comments through appropriate communication channels regularly and continuously to integrate with planning. KTIS Group has established guidelines for treating all stakeholders in the Good Corporate Governance Manual and Business Ethics disclosed on the website www.ktisgroup.com.

Economic Performance

Corporate Risk Management

Commitment and Management Guidelines on sustainability

Kaset Thai International Sugar Corporation Public Company Limited and its affiliates give importance to risk management from changes of business environment, both caused by internal and external factors, which are uncertain, expeditious and rapidly change at all times. The Company therefore has adopted risk management guidelines in accordance with COSO ERM 2017 and Good Corporate Governance Principles as the basis for determining control measures and risk management plans in order to build up business immunity to ensure business continuity with key objective and goal achievement that leads to long-term growth and sustainability of the organization.

The Company's business operations are vulnerable to climate change which influences production of sugarcane as the principal raw material of sugar industry. Over the past year, sugarcane volume and sugarcane yields significantly increased as a result of adequate precipitation, sugar production across the country was therefore higher than the previous year. For the upcoming production year 2023/2024, El Niño drought-related effects likely to have large effects on sugarcane cultivation in Thailand, resulting in decreased sugar production. The company has then analyzed the severity of the situation, assessed options and determined operational guidelines in line with the Company's operating goals.

Precise predictive analytics to predict future trends, identify business activities with the potential for significant risk events determines measures, risk management plan that focuses not only on prevention of likelihood of risk incidents, but also establishment of guidelines for responding when a risk situation arises to limit the impact to a minimum, resulting in building trust and confidence in management of uncertain situations among stakeholders such as sugarcane farmers, customers, business partners, employees as well as shareholders.

The Board of Directors has appointed the Company's Risk Management Committee, requiring a role in supervising and monitoring the risk management actions defined as an annual action plan, as well as providing recommendations and recommendations for improving measures or guidelines for managing risks that can respond to changes in situations in a timely manner, "the highest utilization to achieve business goals, as well as reporting the successful implementation of risk management operations to the Board of Directors' meetings on a quarterly basis.

The Company's annual risk management plan starts from an exploration of the surrounding environment of the organization (Risk Profile), an analysis and identification of a list of risks that may be caused by such significant environmental changes, a collection a list of risk profiles, a conduct of risk level assessments to prioritize (Prioritize) and a grouping of the risk list that the organization focuses on (Risk Focus), which is likely to be a risk event that significantly affects the goal of achieving business goals before analyzing the root cause (Root Cause) to determine the effective Mitigation Plan (Mitigation Plan). It also focuses on emerging risks (Emerging Risk) that have a significant impact on achieving long-term business goals (Long Run Business).

The Company's risk management culture has been defined as one of the risk management policies by promoting and encouraging the use of risk management as an important tool for the management of the organization at all levels, including educating and communicating to personnel to understand the risk situations that will arise, to raise awareness and awareness of risks for all employees until a culture of risk management occurs throughout the organization.

Supply Chain Management

Regarding supply chain management, the Company has adopted the concept of sustainable development that takes into account social aspects, environment, Good Corporate Governance, which is an important strategy in sustainable business operations that will help to achieve efficiency in providing quality, fast, timely and economically cost-effective products or services in both budget and resource utilization, helps increase opportunities whereas reduce business risks.

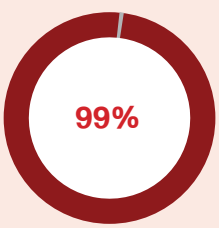
The strategy also implement risk management for suppliers who may be at risk of business disruption, including purchasing strategies and supporting the implementation of good governance principles. Therefore, the Company places importance on management and risk management throughout the supply chain. Chief Executive Officer oversees the overall procurement operations, supplier selection, supplier evaluation, product delivery, and audit supervision anti-corruption, labour care, safety, environment and society.

Strategies that the company has implemented in the past year

- Register AVL suppliers in work groups to promote work relationship between suppliers and companies and assessing suppliers' potential and recruiting new suppliers.
- Promote knowledge and understanding and develop the procurement process of the Company and its group companies towards procurement and good quality products.
- Monitor risk and assess sustainable business development of suppliers based on environmental operating principles.
- The Company analyzes the risks of key suppliers who are suppliers who sell raw materials and goods that are important to the Company's business processes, as well as key suppliers who are few in the market.

At present, the company has introduced a new supplier application system. Order Status Tracking Once the product or service has been delivered, it will be linked to the ERP system and will be recorded in all for traceability to the purchasing process and convenient to monitor the status on a regular basis.

Y-2023 Supplier Performance Appraisals



Percentage of domestic suppliers

On-time delivery performance

Product Quality management

Customers & Consumers

Challenge

At present, the situation and context of the international community have changed and fluctuated dramatically in terms of economy, society, politics and the environment, all of which have a significant impact on business operations, especially trade impacts, which may be both positive and negative. As competition in trade intensifies and customer or consumer demand increases. Consumer behavior has changed significantly since the outbreak of COVID-19, and customers have turned their attention to the quality of products produced that do not harm consumers, do not pollute and harm the environment, both directly and indirectly, as well as the use of labour in the production process.

Management Approach on sustainability

KTIS group is a producer of sugarcane sugar and continuous products under the slogan "More Than Sugar" and environmentally friendly under the BCG framework. White sugar, refined sugar, raw sugar, bagasse pulp, bagasse paper tubes, bagasse pulp packaging, ethanol, organic fertilizer and electricity are also available to a wide range of domestic and international customers. Customers and consumers of all groups are important stakeholders of our KTIS group, so in every production process of every product, we pay great attention to satisfying the satisfaction of all groups of customers, both in terms of quality that is continuously evolving, in terms of reasonable price and fairness to customers and all stakeholders, in terms of community and society. "Customers are not just partners but business partners who walk together, grow together with stability and sustainability".

Performance

"Pay attention to product quality … aware of social and environmental responsibility."

Product quality management under social and environmental responsibility, KTIS Group has established a quality policy as an important framework for producing products to consumers, from the procurement of raw materials throughout the entire relevant supply chain to the hands of customers and consumers with various standards that are internationally accepted systems. The quality at every step of the production can be checked and traced, giving us confidence in the quality of the products that we deliver to customers and consumers. Through these steps, thorough inspections and continuous improvement of product quality as well as quality management system reviews are carried out. Also, food safety systems regularly within the quality policy that "We will produce quality products consistently to satisfy customers and continually develop." This eventually results in the current products of KTIS group which are well received by customers and consumers.

Upstream Raw Material Management

Sugar cane is an upstream feedstock that produces a wide range of products of KTIS Group. We support sugarcane farmers in creating quality and environmentally friendly sugarcane by reducing the amount of sugarcane burns. At present, KTIS Group has invested in buying sugarcane harvesters to assist contractual sugarcane farmers in cutting fresh cane as well as eliminating the use of harmful chemicals. We also educate sugarcane farmers with the helpful guidelines and policies that have been disseminated through various channels regularly. In addition, we are certified by Bonsucro standard and VIVE CLAIM LEVEL award, ensuring that customers and consumers can be assured that KTIS products are sourced from sustainable upstream raw materials.

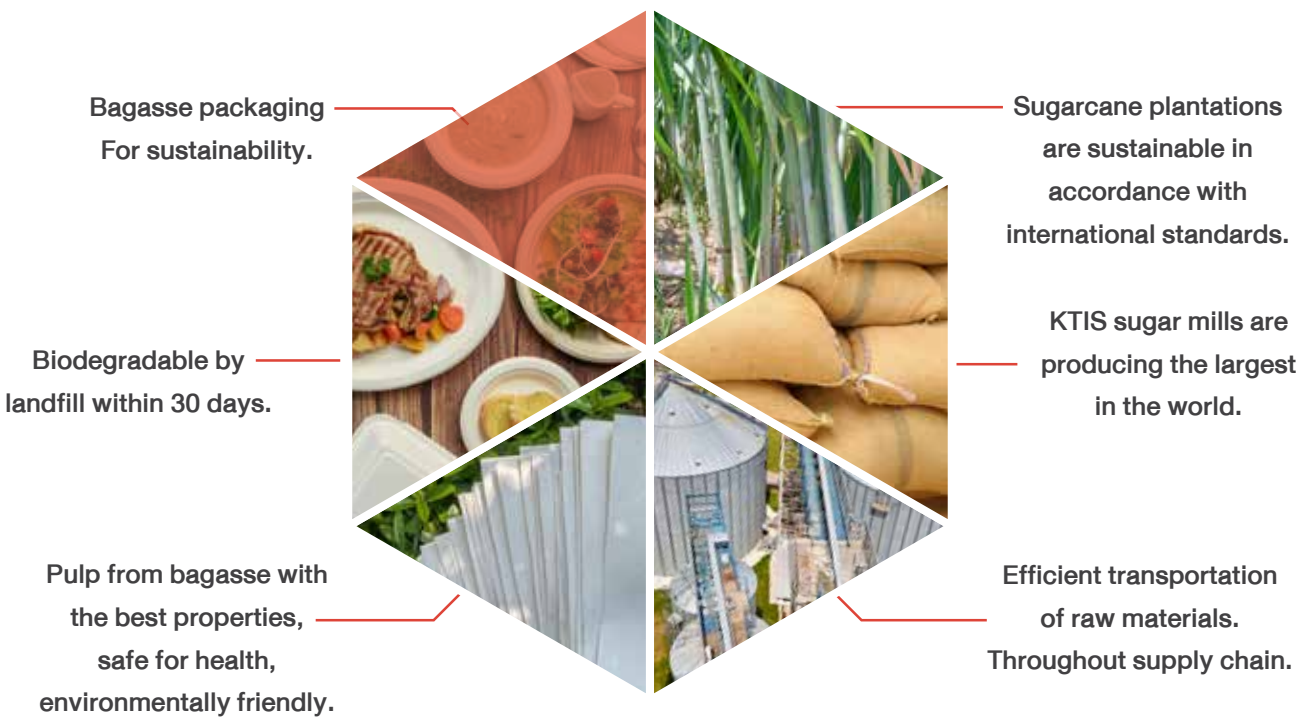
"More Than Sugar" ... KTIS Group cares about the health of customers and consumers with concern for the environment.

Environmentally Friendly Pulp

Bagasse Pulp from sugarcane reduces logging substantially. KTIS Group produces bagasse pulp which reduces logging or planting of certain types of trees that damage the soil. The pulp from bagasse can be used to produce many types of paper whether it is printing paper, writing paper, kraft paper, tissue paper, etc.

Packaging for you, and for the world

Environmentally Friendly Packaging It is an extension of the production of pulp from bagasse. We have used the pulp from the bagasse to produce various forms of environmentally friendly packaging, such as rice boxes, plates, bowls, etc. Our products are resistant to water and oil well. Moreover, it can withstand temperatures up to 180 degrees celsius and is biodegradable by landfill within 30 days. Our eco-packaging not only cares for the environment but also benefits consumers compared to foam or plastic.Being inspected every step according to international production standards, therefore, it can be said that it is another product that is healthy for consumers and environmentally friendly.



Cherr….By KTIS, a small straw brand for a big world.

Paper Straws from Bagasse With concern for consumers, KTIS Group sees that nowadays people have consumed a lot of plastic straws each year. Besides being unhealthy for consumers, it also causes a lot of environmental pollution as these plastic straws take hundreds of years to decompose. It also destroys ecosystems, destroying many aquatic organisms. KTIS Group has produced paper straws from bagasse to replace plastic straws with concern for consumers and the environment. The quality of our bagasse paper straws is strong, can be soaked in water for a long time and is free from odors. At present, there are many types and sizes of products for consumers to choose according to their needs.

Clean hands and feel comfortable when using "KNAS"

Alcohol, alcohol gel and alcohol spray are another product line that makes the KTIS group proud because since the initial covid-19 epidemic, the price of alcohol for hand cleaning has increased beyond reality, resulting in social distress among the public. KTIS group has produced alcohol for hand cleaning in various forms, whether it is alcohol, alcohol gel, or spray and sell to the market at a proper price and with sufficient production volume, the price of products in the market dropped sharply and the product was then not in short supply. Consumers could easily find it since we have many distribution channels, whether it's a convenience store under the KNAS brand or through online platforms, etc.

From nature…return to nature

Sugarcane is an agricultural raw material which is an upstream raw material of KTIS group. When used to produce sugar, there will be sludge attached to sugarcane. We have developed it as a soil conditioner that contains organic matter and nutrients for use in agriculture such as in sugarcane fields which help reduce farmers' use of chemical fertilizers. That is "Bring nature back to nature."

Innovation and Digital Technology

KTIS Group is committed to conducting and conducting business in line with the Sustainable Development Goals that cover economic dimensions, with the development of innovative environmentally friendly technologies to reduce carbon dioxide emissions, responsible supply chain management, cyber-security, personal data security in accordance with government policy and relevant Laws, to drive the organization to grow together with Thai society in a sustainable way. Another important mission of the KTIS group is to lead farmers through Smart Farming, bringing the genius of technology to a new, sustainable world with the international community, by implementing smart solutions and technologies such as AI, robots, data analytics. In-depth and IoT is used to enhance Thailand and enhance the competitiveness of Thai people in the modern economy to meet and fulfill a sustainable future with the Company's stakeholders.

In addition, KTIS Group commits to be a leader in the sugar and byproduct industries (Industry Leader) with the competitiveness in the international market. KTIS Group has solid and concrete sustainability operations, hence, KTIS group maintains its status as an industry leader in agriculture and food industry, underscoring its business organization that is responsible for the environment and society, as well as having transparent disclosure of sustainability information that prides all employees and executives who are committed, dedicated to continuously develop business based on sustainability with the Company's stakeholders. Thanks all stakeholders for their shared supports, pushing the KTIS group towards genuine sustainable future together.

Social Dimension Performance

Human Rights Operations

Challenges and Approaches

If considering activities throughout the supply chain, KTIS Group activities are related to many stakeholders ranging from individual level to social level, therefore, operations must take into account human rights principles, in every activity from internal operations, activities with stakeholders, together with internal audits provided to ensure operational efficiency and in accordance with the correct principles.

KTIS group gives importance to respect for human rights, as identified as one of its code of conduct, ranging from upstream, which is sugarcane farmers, to downstream like the company's partners, through the guidelines, administrative policies, internal communications and external audits, to ensure the respect of human rights.

Performance

KTIS group has implemented Good Labour Practice (GLP) program, together with International Labour Organization (ILO) as its management guidelines by conducting policies such as fair and equitable treatment, Occupational Safety and Health Management, no child labour, forced labour and human trafficking. In addition, KTIS Group has governed the spread of practices to its sugarcane farmers by educating, monitoring operations and encouraging its sugarcane farmers to conduct activities in compliance with the laws

As a result, KTIS Group has received awards and certification from many prestige organizations, such as Thailand Labour Management Excellence Award authorized by the department of labour protection and welfare, Bonsucro Production Standard by a non-profit organization-Bonsucro, of which the standards and awards affirm our commitment to human rights management of the company.

Human resource management

KTIS Group has targeted framework of developing employees at all levels to drive the organization in accordance with the core values, which consists of:

(KTIS)

K = Knowledge and development

T = Team Work Spirit

I = Intelligent and Good People

S = Smart Goal and Sevice Mind

This is to overcome the challenges in terms of economy, employee care, environment and society for sustainable development of the business.

Employees are valuable resources, who drive the organization towards its goals, transform the organization to be agile, and the cultivated knowledge and capabilities in employees will lead the organization to achieve a sustainable future.

Management approach to achieve significant changes is as following;

Talent recruitment

Talent recruitment is done by coordinating closely with team leaders to create detailed job profiles, establish channel to recruit and select the right people for the required job that meet team's requirements in order to empower teams to effectively reach the goals.

Goal Setting

The company will support teams and leaders by linking personal and team goals to company objectives to ensure that all teams share a common vision. Coordination and joint goal building will build team ownership and engagement to drive further performance.

Performance management

The company will work together with the team leaders to set goals for productivity, assessment, coaching and feedback to leaders and teams to enhance success through continuous communication at all levels. Performance management instills knowledge, responsibilities of their own goals and responsibilities of their leaders'.

Training & Development

Understanding goals, comprehensive evaluation and metrics of team success will enable employees to assess necessary skills, manage or develop training programs and provide continuous learning opportunities that will enhance their skills with the ultimate objectives of helping the teams achieve their goals. Targeted training is directly beneficial for increasing their abilities to achieve objectives. In 2023, KTIS Group places importance on employee development at all levels with an average of at least 24 training hours per person per year.

Succession Planning

Designing the appropriate tools and assessments helps identify role-based talents including design personal development plans to prepare high-potential candidates to fill key leadership positions within the organization. Succession planning is a proactive process to ensure to backfill roles that could become vacant.

Workforce planning

Workforce planning involves analyzing and forecasting organization's present and future team requirements to develop strategies to manage workforce, make informed decisions about recruitment and human resources development. Effective workforce planning helps provide employees with a perfect combination of skills and abilities.

Occupational Health and Working Environmental Management

The Company has carried out safety, occupational health and work environment management and built a safe workplace with continuous learning & training through activities such as daily KYT to raise safety awareness before work, safety share to improve safety practices, safety week to foster a positive workplace safety culture and reward safety behaviors and outcomes. The Company has additionally monitored employee safety towards occupational diseases through annual health check-ups.

Besides promoting safety at work within the factories, the company has also participated in two other projects, namely, “Mental health care for employees in workplace project” for taking care of employees’ mental health, creating mental health counseling channels in collaboration with the Department of Mental Health and forming stress-management activities, and “Project to strengthen organizational measures for road safety in industrial estates and organizations in Nakhon Sawan” in cooperation with Nakhon Sawan provincial Disaster Prevention and Mitigation Office for driving road safety awareness among factory employees and surrounding communities and the company has received “2023 Role model for road safety” plaque authorized by Nakhon Sawan Provincial Road Safety Administration Center as well.

Performance

In the past year, Lost Time Injury Frequency Rate (LTIFR) was 0.89 cases per 1,000,000 working hours.

Social and community

Challenges and Approaches

The KTIS group gives importance to social responsibility and surrounding communities based on the stakeholders' benefits as being part of the community. KTIS pays attention, educate and contribute in the development, so that together we grow in a steady, prosperous, consistent, sustainable and continuous manner.

KTIS Group has established a Corporate image and community relations committee for each factory to implement the "KTIS saves the world: Lovely Earth, Lively Community" project together with communities to achieve five goals in line with the United Nations Sustainable Development Goals (SDGs), as follows:

Performance on social services in surrounding communities

KTIS Group has ongoing projects, as follows:

Sugarcane Farmers' School

KTIS group intends to promote sustainable development and growth through the education of farmers and thus has established a farmers' school project which is run on an ongoing basis to keep the farmers acquaint with new and emerging sugarcane farming techniques and approaches. The farmers' school is a forum for exchanging knowledge about soil preparation, demonstrating machinery utilization and periodic fertilization techniques by field experts. Learning is practiced in the sugarcane field so that the farmers will gain practical experience and share knowledge together.

Fresh Cane Village Project (Green and No Fire Village)

KTIS group believes that true sustainability will come from all concerned parties, farmers, factories and the government agencies, so Fresh Cane Village Project (Green and No Fire Village) was established. All parties would jointly encourage sugarcane farmers in the village to cut fresh cane not less than 80% of projected canes. Cutting fresh sugarcane is a natural conservation, reduce pollution, and maintain good environment and soil surface for next crop cultivation. It also increases yield of sugarcane. This project will get the participation from all sugarcane farmers, community and government agencies to prevent burning sugarcane in the fields. This project has been performed successfully and continuously. At present, there are 58 villages participating in the project.

Village, Temple, School and Sugar Factory Project

Since 2016, KTIS group has organized the cooperation project in planting sugarcane between village, temple, school, and sugar factory in their areas with the objectives to educate sugarcane planting technique for students, community and local people. The temples and schools in program will plant sugarcane and be the education center in these areas. The sugar factory and its contracted sugarcane farmers join with the village leaders and villagers to provide sugarcane variety, fertilizer, insecticide, and agriculture equipment to the projected areas under the operation of school teachers and students. Finally, the revenue from selling sugarcane yield will return to the temples and schools for religion purposes and student scholarships. The officers of KTIS group will train and look after these activities very closely.

Sustainable Learning Park of Sugarcane Farming Project

KTIS group aims to support the sugarcane farmers for successful and sustainable operation, thus established the Sustainable Learning Park of Sugarcane Farming Project in order to educate sugarcane farmers about sugarcane production technique of KTIS group, called “5 Step Plan + 2” ,which will boost sugarcane yield per area, reduce costs by utilizing modern agricultural machinery in sugarcane farming so that the farmers will have sustainable earning and creates successors for sugarcane farming. KTIS group will introduce knowledge of production plan, knowledge, proportion of sugarcane planting, soil preparation, cultivating technique, maintenance technique, harvesting technique as well as cane trashes storage in fields. Management of each stage of sugarcane production will depend on the factors, processes and agricultural equipment at the right time so that the control in time and quality standard should be carefully practiced.

"The Next Gen Cane Farmer" Project

KTIS set up the first "The Next Gen Cane Farmer" project at Thai Identity Sugar Factory in Uttaradit, project to encourage the next generation cane farmers to succeed their families' cane farming business. The program includes basic theory of sugarcane farming and workshops, the concept of Smart Farming 4.0, adoption of new technologies in cane farming, farm management, as well as knowledge and experience sharing for the success in the sugarcane cultivation.

"SMEs - strong economy for healthy communities" project

KTIS Group has collaborated with Nakhon Sawan Provincial Industry Office set up "SMEs - strong economy for healthy communities" project to promote and support OTOP entrepreneurs and small and medium-sized enterprises (SMEs), to expand marketing channels, to help strengthen and stimulate local economy to reduce the burden on people and entrepreneurs affected by the coronavirus disease (COVID-19) pandemic to survive and compete in the current situation.

"B.W.R." Project by KTIS

KTIS Group has carried out business operations conjointly with sustainability plan for communities and society through "B.W.R." project (or House, Temple and School) by KTIS, in order to strengthen the surrounding communities, create unity and engagement, through developing community, building a collaborative network, encouraging continuous and sustainable communities, as follows.

B - House : During the past year, KTIS group, together with local communities and government agencies, helped repairing and renovating residential houses for fire victims in Nong Pho community in Nakhon Sawan.

W - Temple : Co-working with communities, built a multi-purpose cupola for meeting or organizing community congregations and as a temple court.

R - School : KTIS group supports school activities through scholarship programs for educational institutions in Nakhon Sawan, Uttaradit and the provinces nearby, and also supports school sports activities to promote physical activity, health and community cohesion.

Projects of "Reforestation, Tree Planting, Green Space Increase"

KTIS group joined the project "Reforestation to increase green space for carbon sequestration in Bueng Borraped Swamp area" on the occasion of the 100th anniversary Her Royal Highness Princess Galyani Vadhana Krom Luang Naradhiwas Rajanagarindra to plant trees at Noen Rakang Forest Protection Unit in Nakhon Sawan. In addition, the company in collaboration with government agencies set up 2023 "Plant trees, increase green space, reduce global warming, and strengthen the local economy for sustainability" at the Thai Identity Sugar Factory in Uttaradit.

Pilot project in developing precision agriculture to agro-industrial business of 2 million Rai

KTIS Group set up a representative group of sugar cane farming households to form a large-scale agricultural group in accordance with the pilot project in developing precision agriculture to agro-industrial business of 2 million Rai, aimed at creating a prototype model, ranging from soil development, pest prevention and control, to harvesting of sugarcane using new technologies such as agricultural drones to track crop fertility and observe exactly where to apply resources like fertilizer and pesticides. Above all, this allows cane farmers to increase yields and, at the same time, improve the quality of sugarcane. In this regard, KTIS Group provides training courses and support agricultural machinery and key production materials.

KTIS Group Helps Community solve flooding problems

KTIS group in collaborations with communities and local authorities helped solve the problem of flooding, due to heavy rains and floods, then flooding into homes of sugarcane farmers and communities, by using a backhoe to strip the canal and dig a drainage trench and install the steel bridge for stream crossing. In addition the Company donates relief packages to sugarcane farmers and flood victims.

Vegetable gardening project to build a food warehouse for perfect health and quality of life

KTIS group initiated "Vegetable gardening project to build a food warehouse for perfect health and quality of life" in following the royal initiative of Her Royal Highness Princess Maha Chakri Sirindhorn to grow vegetable garden for food security.

Mobile Medical Unit for community

KTIS group organizes mobile medical unit project for community to provide healthcare, disease prevention and health promotion services. Activities include general health check-ups, hearing tests, lung function tests, and digital chest X-rays, as well as initial consultations with doctors. There are also health education activities by medical personnel from the Nong Pho Sub-district Health Promoting Hospital.

Environmental Performance

To become a low-carbon organization, KTIS Group has initiated various operations to lay the foundation for the goal of reducing greenhouse gas emissions from future operations from upstream to downstream, as follows:

- Management and maximization of resources.
- Reducing operational impacts and increasing the value of agricultural waste in farms.

Environment Dimension regarding Management and maximization of resources

The Company continues to focus on water resource management, which is a vital factor for production as well as supports for growth and life of plants, by improving the process of water reclamation and reuse to reduce utilizing natural water sources.

In terms of consumables, various operations are carried out through the 3R policy of Reduce, Reuse and Recycle for all production activities to reduce the consumption of resources, hence expenses reduction.

In addition, a plan has been made to reduce the use of disposable materials by switching to substitute products such as packaging from bagasse pulp and bagasse straws, which are the Company's own products, to replace packaging from foam and disposable plastics.

Performance on Management and maximization of resources

Decrease in water consumption compared to 2022 at 20.33 percent of circulating waste materials through the 3R policy by 88.93 percent.

Environment Dimension regarding reducing operational impacts and increasing the value of agricultural waste in farms

With the company's philosophy is "the sustainability of KTIS depends on the success of its sugarcane farmers", therefore, it is important to develop and strengthen sugarcane farmers to operate and succeed in sugarcane farming. Moreover, success must also be achieved within the framework of sustainability. The company therefore initiated projects to encourage the sugarcane farmers to use of bio-fertilizer instead of the use of chemical fertilizers which reduces chemical residues in the fields, restores the soil, and also reduces the production costs of farmers in sugarcane cultivation as well.

Regarding sugarcane burning management both before and after harvesting, the company encourages sugarcane farmers to sell some dried sugarcane leaves to earn additional income and to till sugarcane residues into the soil as soil mulching to increase soil organic matter while reduce water evaporation, instead of sugarcane leaf burning.

Performance on reducing operational impacts and increasing the value of agricultural waste in farms

Sugarcane farmers participating in this project accounted for 67.3 percent of total contract farmers.

Management Discussion & Analysis

Overall operation of 2023

Total revenue composes of revenue from sales and services, revenue from compensating of sugar productions and distributions, gain on sugar futures contracts, fair value gains on derivatives, gain on exchange and other income. For the year 2023, ended 30 September 2023, the company has the total revenue of Baht 19,878.8 million, whereas the year 2022, ended 30 September 2022 the company has the total revenue of Baht 13,866.2 million.

Revenue from sales and services in 2023 of Baht 18,939.1 million increased Baht 5,377.2 million or 39.6% from 2022, resulting from higher amount of the Company's sugarcane for the 2022/2023 harvesting year, therefore higher amount of raw material for both sugar business and bio business. Details are as following:

Production		2021/2022	2022/2023	Unit
Thailand	Sugarcane	92.1	93.9	Million tons
	Sugar	101.6	110.6	Million sacks (100 kilograms per sack)
	Molasses	3.6	3.4	Million tons
Company	Sugarcane	6.2	6.9	Million tons
	Sugar	6.3	8.0	Million sacks (100 kilograms per sack)
	Molasses	0.3	0.2	Million tons

Source : Office of the Cane and Sugar Board, Fully Revised Edition 2022/2023

- Revenue from sugar business increased 45.0%, resulting from increases in total sugar and molasses sales volume, together with higher average total selling prices of sugar and molasses.
- Revenue from bagasse pulp business decreased 3.5%, resulting from decreases in international sales volume, together with lower average selling prices of both domestic and international sales of bagasse pulp.
- Revenue from ethanol business increased 10.5%, resulting from higher per liter price of ethanol.
- Revenue from electricity business increased 69.1%, resulting from increases in both electricity supplied and per unit price of electricity.
- Other sales and services revenues increased 3.6%, as a result of higher revenues from agricultural machinery services, sales of fertilizer and pesticide.

Revenue from compensating of sugar productions and distributions of Baht 6.3 million in 2022 was the amount that the Company will receive from the Cane and Sugar Fund, since the final sugar cane price and the final compensation for the production and distribution of sugar for the 2021/2022 harvesting years (2022: 2018/2019 and 2021/2022 harvesting years) was 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 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. During the year ended 30 September 2023 and 2022, the Company recorded the difference between the final sugar cane price and its estimate of compensation for sugar cane price as a deduction against manufacturing costs and recorded the difference between the final compensation for the production and distribution of sugar and its estimate of compensation for the production and distribution of sugar as revenue.

Other income in 2023 was Baht 939.7 million, increased 195.5% from 2022, resulting from fair value gains on derivatives of Baht 31.7 million, gain on exchange of Baht 687.7 million and others.

Cost of sales and services in 2023 was Baht 15,567.6 million, increased 28.1% from Baht 12,151.7 million in 2022, which was in line with the higher revenue from sales and services.

Selling and administrative expenses in 2023 of Baht 2,175.8 million increased 56.9%, from Baht 1,386.5 million in 2022, due mainly to increases in expenses related to transportation costs, sugar export, human resources, warehouse expenses, vehicles and travelling expenses, depreciation and others.

In addition, the Company recorded fair value gains on derivatives in 2023 of Baht 31.7 million, compared with fair value losses on derivatives of Baht 919.2 million in 2022, gain on exchange in 2023 of Baht 687.7 million, compared with loss on exchange of Baht 178.9 million in 2022, and loss on sugar futures contracts in 2023 of Baht 108.4 million, compared with gain on sugar futures contracts of Baht 177.2 million in 2022.

Finance cost in 2023 of Baht 231.0 million, increased 41.5% from Baht 163.2 million in 2022, resulting from higher interest expenses of loans and income tax benefits in 2023 of Baht 201.2 million, increased 39.0% from Baht 144.8 million in 2022, as a result of higher deferred tax.

As the aforementioned factors, the company recorded a net profit of Baht 1,939.4 million in 2023, increased 325.0%, compared with a net loss of Baht 862.0 million in 2022.

Revenues	2022 (Baht Million)	2023 (Baht Million)	Changes (Baht Million)	Changes (%)
Revenue from sales and services	13,561.9	18,939.1	5,377.2	39.6%
Revenue from sugar business	10,365.5	15,033.0	4,667.4	45.0%
Revenue from sugar distribution	9,793.5	14,306.7	4,513.2	46.1%
Revenue from molasses distribution	572.0	726.3	154.2	27.0%
Revenue from bio business	3,196.3	3,906.1	709.8	22.2%
Revenue from bagasse pulp business	429.5	414.4	(15.2)	(3.5%)
Revenue from ethanol business	1,024.0	1,131.7	107.7	10.5%
Revenue from electricity business	847.3	1,432.8	585.5	69.1%
Other sales and services revenues	895.5	927.3	31.9	3.6%
Revenue from compensating of sugar productions and distributions	6.3	-	-	-
Gained on sugar futures contracts	177.2	-	-	-
Gain on fair value adjustment from derivatives	-	31.7	-	-
Gain on exchange	-	687.7	-	-
Others	140.7	220.3	79.6	56.5%
Total Revenue	13,886.2	19,878.8	5,992.6	43.2%

Source : the company

The analysis of the operation

Total revenue

Total revenue composes of revenue from sales and services, revenue from compensating of sugar productions and distributions, gain on sugar futures contracts, fair value gains on derivatives, gain on exchange and other income.

The company's total revenue in 2023 was Baht 19,878.8 million, increased 43.2% from 2022 of Baht 13,866.2 million, as following detail:

Revenue from sales and services

Revenue from sales and services in 2023 was Baht 18,939.1 million, increased Baht 5,377.2 million or 39.6% from 2022, as following detail:

Sugar business

Revenue from sugar business in 2023 and 2022 were Baht 15,033.0 million and Baht 10,365.5 million, respectively, or an increase of 45.0%, as higher amount of the Company's sugarcane for the 2022/2023 harvesting year, therefore higher amount of raw material for both sugar business and bio business. Such increase in revenue from sugar business was a result of following factors:

- Total sugar sales volume in 2023 and 2022 were 844,186.6 tons and 604,519.3 tons, respectively, or increased 39.6% from 2022 as a result of increases in domestic sugar sales volume and international sugar sales volume.
- Average total selling price of sugar in 2023 and 2022 were 16,947.3 Baht per ton and 16,200.5 Baht per ton, respectively, or increased 4.6% from 2022, due to increases in sugar prices in global markets.
- Total molasses sales volume in 2023 and 2022 were 125,293.1 tons and 105,817.7 tons, respectively, or increased 18.4% from 2022.
- Average selling price of molasses in 2023 and 2022 were 5,796.5 Baht per ton and 5,405.9 Baht per ton, respectively, or increased 7.2% from 2022, due to higher demand of molasses, thus the price increased.

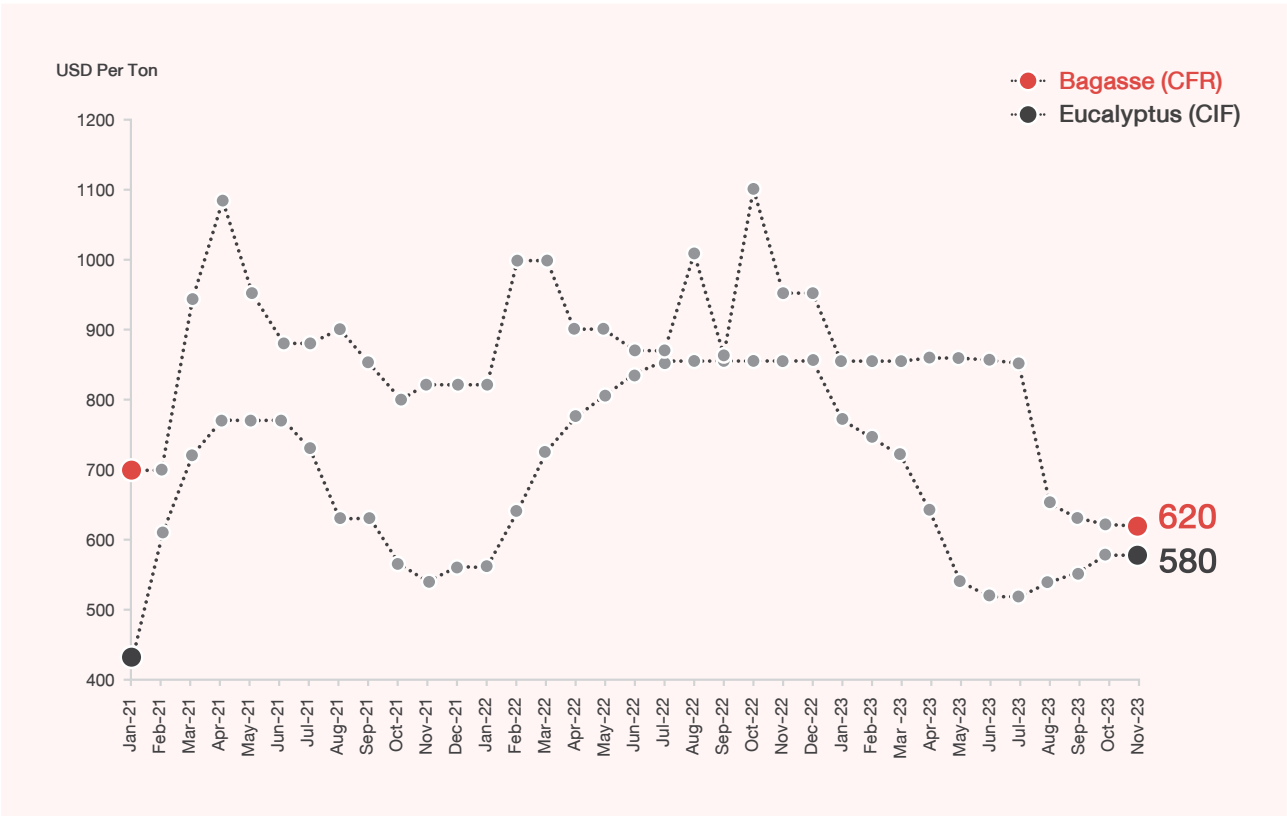
Bio business

The company's revenue from bio business in 2023 was Baht 3,906.1 million, increased 22.2% from 2022 of Baht 3,196.3 million, as the consequence of:

1. Revenue from electricity business in 2023 and 2022 were Baht 1,432.8 million and Baht 847.3 million, respectively, or increased 69.1% due to increases in both electricity supplied and per unit price of electricity, namely, per-unit price of electricity in 2023 was Baht 4.26, or increased 34.5% from that of 2022 of Baht 3.17, as a result of higher Fuel Adjustment Charge (at the given time) or FT.

2. Revenue from bagasse pulp business in 2023 was Baht 414.4 million, or decreased 3.5% from that of 2022 of Baht 429.5 million, due to these following factors:

   - Total bagasse pulp sales volume in 2023 and 2022 were 14,854.6 tons and 15,074.8 tons, respectively, or decreased 1.5% from 2022, as a result of a decrease in international sales volume of bagasse pulp.
   - Average total selling price of bagasse pulp in 2023 was 27,893.5 Baht per ton, decreased from that of 2022 of 28,494.4 Baht per ton, as a result of decreases in domestic selling price and international selling price of bagasse pulp.

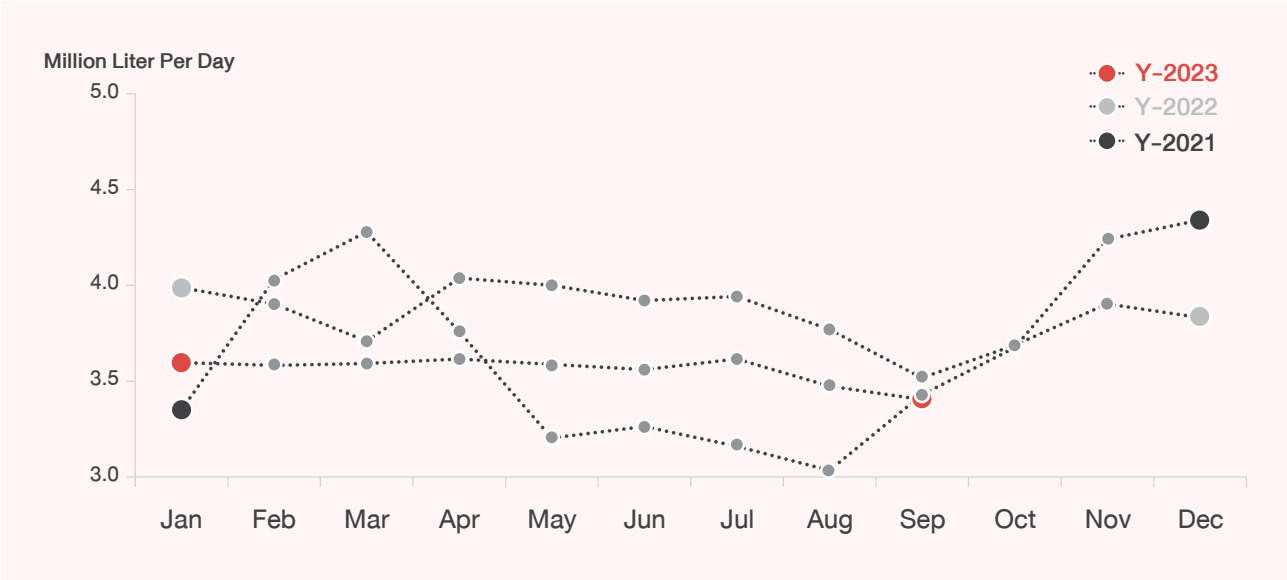


Source : RISI+Company

3. Revenue from ethanol business in 2023 and 2022 were Baht 1,131.7 million and 1,024.0 million, respectively, or increased 10.5%, due to these following factors:

   - Total ethanol sales volume in 2023 and 2022 were 39.4 million liters and 39.8 million liters, respectively, or decreased 1.1% from 2022.
   - Average selling price of ethanol in 2023 was 28.75 Baht per liter, increased 11.8% from that of 2022 of 25.72 Baht per liter, as a result of increases in crude oil price in global market.

The below chart exhibits ethanol consumption development in last 3 years.



Source : Ministry of energy

4. Other sales and services revenues increased 3.6%, as a result of higher revenues from agricultural machinery services, sales of fertilizer and pesticide.

Revenue from compensating of sugar productions and distributions

Revenue from compensating of sugar productions and distributions of Baht 6.3 million in 2022 was the amount that the Company will receive from the Cane and Sugar Fund, since the final sugar cane price and the final compensation for the production and distribution of sugar for the 2021/2022 harvesting years (2022: 2018/2019 and 2021/2022 harvesting years) was 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 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. During the year ended 30 September 2023 and 2022, the Company recorded the difference between the final sugar cane price and its estimate of compensation for sugar cane price as a deduction against manufacturing costs and recorded the difference between the final compensation for the production and distribution of sugar and its estimate of compensation for the production and distribution of sugar as revenue.

Other income

Other income in 2023 was Baht 939.7 million, increased 195.5% from 2022, resulting from fair value gains on derivatives of Baht 31.7 million, gain on exchange of Baht 687.7 million and others.

Cost of sale and services and gross profit margin

Cost of sales and services in 2023 was Baht 15,567.6 million, increased 28.1% from Baht 12,151.7 million in 2022, which was in line with the higher revenue from sales and services.

Cost of sale and services and gross profit margin of 2022 and 2023 comparison is exhibited in below table.

Income	2022 (Baht Million)	2023 (Baht Million)	Change (Baht Million)	Change (%)
Revenue from sales and services	13,561.9	18,939.1	5,377.2	39.6%
Sugar business	10,365.5	15,033.0	4,667.4	45.0%
Bio business	3,196.3	3,906.1	709.8	22.2%
Cost of sale and services	12,151.7	15,567.6	3,416.0	28.1%
Sugar business	9,454.6	12,809.8	3,355.2	35.5%
Bio business	2,697.1	2,757.8	60.7	2.3%
Gross profit	1,410.2	3,371.5	1,916.3	139.1%
Sugar business	911.0	2,223.2	1,312.2	144.0%
Bio business	499.2	1,148.3	649.1	130.0%
Gross profit margin	10.4%	17.8%	-	7.4%
Sugar business	8.8%	14.8%	-	6.0%
Bio business	15.6%	29.4%	-	13.8%

Source : the Company

Gross profit in 2023 was Baht 3,371.5 million Baht, increased from 2022 gross profit of Baht 1,410.2 million or 139.1% due to increases in both gross profit of sugar business and gross profit of bio business.

Increase in 2023 gross profit of sugar business due mainly to an increase in total sugar and molasses sales volume together with higher average total selling prices of sugar and molasses.

Increase in 2023 gross profit of bio business due mainly to higher per liter price of ethanol, increases in both electricity supplied and per unit price of electricity,despite decreases in international sales volume of bagasse pulp and lower average total bagasse pulp selling price.

Selling and administrative expenses

Selling and administrative expenses in 2023 of Baht 2,175.8 million increased 56.9%, from Baht 1,386.5 million in 2022, due mainly to increases in expenses related to transportation costs, sugar export, human resources, warehouse expenses, vehicles and travelling expenses, depreciation and others.

Fair value gains on derivatives

The Company recorded fair value gains on derivatives in 2023 of Baht 31.7 million, compared with fairvalue losses on derivatives of Baht 919.2 million in 2022.

Gain on exchange

The Company had gain on exchange in 2023 of Baht 687.7 million, compared with loss on exchange of Baht 178.9 million in 2022.

Gain on sugar futures contracts

The Company had loss on sugar futures contracts in 2023 of Baht 108.4 million, compared with gain on sugar futures contracts of Baht 177.2 million in 2022.

Finance cost

Finance cost in 2023 was Baht 231.0 million, increased 41.5% from Baht 163.2 million in 2022, resulting from higher interest expenses of loans.

Income tax benefits

Income tax benefits in 2023 was Baht 201.2 million, increased 39.0% from Baht 144.8 million in 2022, as a result of higher deferred tax.

Net profit and net profit margin

The Company recorded a net profit of Baht 1,939.4 million in 2023, increased 325.0%, compared with a net loss of Baht 862.0 million in 2022 and net profit margin in 2023 and 2022 were -10.24% and -6.4%, respectively.

Financial Analysis

Asset

As at 30 September 2023, the company's total assets was Baht 14,997.0 million, decreased 1.2% from 2022 of Baht 15,172.3 million.

- Total current assets as at 30 September 2023 was Baht 5,203.0 million, increased 14.3% from 2022 of Baht 4,552.2 million, as following details:
  - Other current financial assets increased Baht 430.0 million
  - Trade and other receivables increased Baht 286.4 million
  - Planter receivable increased Baht 136.2 million
  - Biological assets increased Baht 16.1 million
  - Other current assets increased Baht 3.4 million
- Total non-current assets current asset as at 30 September 2023 was Baht 9,794.0 million, decreased 7.8% from 2022 of Baht 10,620.1 million, as following details:
  - Property, plant and equipment decreased Baht 1,358.1 million
  - Intangible assets decreased Baht 9.7 million

Liabilities

As at 30 September 2023, the company' stotalliabilities was Baht 7,128.6 million, decreased 22.5% from total liabilities of Baht 9,194.9 million in 2022.

- Current liabilities as at 30 September 2023 was Baht 4,987.6 million, decreased 28.1% from 2022 of Baht 6,935.2 million, as following details:
  - Bank overdrafts and short-term loans from financial institutions decreased Baht 1,964.9 million
  - Other current financial liabilities decreased Baht 779.8 million
- Non-current liabilities as at 30 September 2023 was Baht 2,141.0 million, decreased 5.3% from 2022 of Baht 2,259.8 million, as following details:
  - Long-term loans from financial institutions - net of current portion decreased Baht 120.5 million
  - Other non-current financial liabilities decreased Baht 35.4 million
  - Long-term loans from related party - net of current portion decreased Baht 4.9 million

Shareholders' equity

As at 30 September 2023, the company's shareholders' equity was Baht 7,868.4 million, increased 31.6% from 2022 of Baht 5,977.4 million, as a result of a net profit in 2023.

Liquidity and sufficiency of fund

The company has elevated the relationship and cooperation with financial institutions by focusing on strategic partner as the growing partners. The company has been partnering to develop financial products and services such as comprehensive cash management, online sale cheque. Therefore, the company gained trust from financial institutions and gain the support of sufficient capital and the cooperation to support the company's investment in future.

Cashflow

In 2023, the company recorded a net profit of Baht 1,939.4 million, with depreciation and amortization of Baht 1,091.1 million. After the adjustment of non-cash items, the company had a profit from operation before changes in operating assets and liabilities at Baht 4,136.5 million. After taking into consideration of changes in operating assets and liabilities, net cash flows from operatingactivities was Baht 2,692.3 million, whereas net cash flows used in investing activities of Baht 536.2 million and net cash flows used in financing activities of Baht 2,223.4 million. Therefore, net decrease in cash and cash equivalents was Baht 67.3 million. Cash and cash equivalents at beginning of 2023 was 383.3 Baht million and cash and cash equivalents at year end was Baht 315.9 million.

Liquidity ratio

Current Ratio under consolidated financial report as at 30 September 2023 was 1.04, increased from 2022 of 0.71 and Quick Ratio for 2023 was 0.18

Source of and uses of capital and the appropriateness of capital structure

The company has implemented the appropriate financial structure to support business operation and to create the value to the shareholders by taking a concern of financial risk prevention.

In 2023, the Company did not request any long-term loans from financial institutions. At present, current portion of long-term loans from financial institutions was Baht 130.0 million and long-term loans from financial institutions - net of current portion was Baht 361.5 million.

Debt to equity ratio as at 30 September 2023 was 0.91, decreased from that of 2022 of 1.54, of which such ration shall not cause any significant financial risk. Further, the company still has the capability to leverage for theoperation of the company and its subsidiaries whichincludes the opportunity for future project.

Capital expenditure and source of fund

In 2023 the company had net cash flows used in investing activities at Baht 536.2 million, mostly due to acquisition of property, plant and equipment, and also cash paid for payable from purchases of property, plant and equipment.

The situations that shall affect the company's future financial status or operation

The economic recovery of world community and Thailand shall increase the demand to the Company's products such as the sugar consumption through restaurant service, the ethanol consumption through car use, the bagasse pulp consumption through the purchase of goods using paper packaging. Therefore, many of the Company's goods price is in upward trend. Moreover, the care for environment and the trend of plastic banning law shall increase the Company's opportunity to sale environment friendly packages.

The climate has affected the downward trend of Thailand sugarcane amount this coming harvesting year, which still not sufficient to the nationwide demand of sugar mills. Therefore the amount of raw material for sugar and downstream business should slightly decrease from last year.

In conformation of aforementioned external trend, the Company has determined the strategy to manage the limited raw material for the maximum benefit, by planning production plan under integration approach and the gradual exchange of information. Moreover, the machinery is prepared to be in readiness and to be efficient to comply with production plan. The Company has operated the business under the good governance principle to ensure all relevant stakeholders which shall result in business' sustainability.

Furthermore, the risk management committee has reviewed the policy, monitored the risk frequently to ensure that the implementation of measure and risk management shall control risk to be in risk appetite level and acceptable as mentioned in risk factors topic.

General Information and Other Significant Information

General Information

Company Information

Company Information	:	Kaset Thai International Sugar Corporation Public Company Limited (the"Company")
Type of Business	:	Production and distribution of sugar and connected secondary businesses such as the production and distribution of bleached white paper pulp, ethanol and electricity
BKK office	:	24 Aekphol Bldg., Vibhavadi Rangsit Rd., Ratchadaphisek, Din Daeng, Bangkok
Head office and Factory	:	1/1 Moo 14 Nong Pho Sub-District, Taklee District, Nakhonsawan Province, Thailand
Factory (Branch 3)	:	1 Moo 7 Banmakhua Sub-District, Muang District, Nakhonsawan Province, Thailand
Registration number	:	0107556000116
Telephone	:	(66) 2692-0869 to 73
Facsimile	:	(66) 2246-9125, (66) 2692-0876, (66) 2246-9140
Homepage	:	www.ktisgroup.com
Company Secretary	:	Mr. Poomrerk Wangpreedalertkul Tel. (66) 2692-0869 to 73 ext. 193 ext. 22
E-mail	:	cs@ktisgroup.com
Investor Relations and Corporate Communications	:	Ms. Monathy Ploisook Tel. (66) 2692-0869 to 73 ext. 193 ext. 26
E-mail	:	ir@ktisgroup.com
Registered capital	:	3,888,000,010 Baht
Paid up Registered Capital	:	3,860,000,010 Baht

Subsidiary Information

Sugar Business	:	Thai Identity Sugar Factory Co., Ltd.
Business Type	:	Production and distribution of sugar
Registered Share Capital	:	3,600,000,000 Baht
Paid-up Share Capital	:	3,600,000,000 Baht
BKK office		24 Aekphol Bldg., Vibhavadi Rangsit Rd., Ratchadaphisek, Din Daeng, Bangkok Tel. (66) 2692-0869 to 73
Factory	:	42/1 Moo 8 Ban Hardsuatan, Kungtapao Sub-District, Muang District, Uttaradit Province Tel. (66) 5544-9010 to 1, (66) 5540-7241

Paper Pulp Business	:	Environment Pulp and Paper Co., Ltd.
Business Type	:	Production and distribution of bleached paper pulp
Registered Share Capital	:	2,400,000,000 Baht
Paid-up Share Capital	:	2,400,000,000 Baht
BKK office	:	(1) 24 Aekphol Bldg., Vibhavadi Rangsit Rd., Ratchadaphisek, Din Daeng, Bangkok Tel. (66) 2692-0869 to 73 (2) 133 Vibhavadi Rangsit Rd., Samsennai, Phayathai, Bangkok Tel. (66) 2692-0869 to 73
Factory	:	(1) 9/9 Moo 1 Attavipach Rd., Nong Pho Sub-District, Taklee District, Nakhonsawan Province Tel. (66) 56-338-338, (66) 62-310-0314 to 6 (2) 200 Moo 6 Phayuha Sub-District, Phayuhakeeree District, Nakhonsawan Province Tel. (66) 56-338-338, (66) 62-310-0314 to 6

Paper Pulp Business	:	Environment Pulp and Packaging Co., Ltd.
Business Type	:	Production and distribution of Packaging from bagasse
Registered Share Capital	:	650,000,000 Baht
Paid-up Share Capital	:	650,000,000 Baht
BKK office	:	(1) 24 Aekphol Bldg., Vibhavadi Rangsit Rd., Ratchadaphisek, Din Daeng, Bangkok Tel. (66) 2692-0869 to 73 (2) 133 Vibhavadi Rangsit Rd., Samsennai, Phayathai, Bangkok Tel. (66) 2692-0869 to 73
Factory	:	888 Moo 1 Nong Pho Sub-District, Taklee District, Nakhonsawan Province Tel. (66) 56-338-338, (66) 62-310-0314 to 6

Energy Business	:	KTIS Bioethanol Co., Ltd.
Business Type	:	Production and distribution of ethanol
Registered Share Capital	:	256,000,000 Baht
Paid-up Share Capital	:	256,000,000 Baht
BKK office	:	(1) 24 Aekphol Bldg., Vibhavadi Rangsit Rd., Ratchadaphisek, Din Daeng, Bangkok Tel. (66) 2692-0869 to 73 (2) 133 Vibhavadi Rangsit Rd., Samsennai, Phayathai, Bangkok Tel. (66) 2692-0869 to 73
Factory	:	9 Moo 14 Nong Pho Sub-District, Taklee District, Nakhonsawan Province Tel. (66) 62-310-2406

Energy Business	:	Kaset Thai Bio Power Co., Ltd.
Business Type	:	Production and distribution of electricity
Registered Share Capital	:	1,260,000,000 Baht
Paid-up Share Capital	:	1,260,000,000 Baht
BKK office	:	24 Aekphol Bldg., Vibhavadi Rangsit Rd., Ratchadaphisek, Din Daeng, Bangkok Tel. (66) 2692-0869 to 73
Factory	:	555 Moo 14 Nong Pho Sub-District, Taklee District, Nakhonsawan Province Tel. (66) 62-310-0311 to 5 ext. 200

Energy Business	:	Thaiekaluck Power Co., Ltd.
Business Type	:	Production and distribution of electricity
Registered Share Capital	:	350,000,000 Baht
Paid-up Share Capital	:	350,000,000 Baht
BKK office	:	24 Aekphol Bldg., Vibhavadi Rangsit Rd., Ratchadaphisek, Din Daeng, Bangkok Tel. (66) 2692-0869 to 73
Factory	:	42/2 Moo 8 Ban Hardsuatan, Kungtapao Sub-District, Muang District, Uttaradit Province Tel. (66) 55-449-010 to 1, (66) 55-407-241

Energy Business	:	Ruamphol Bio Power Co., Ltd.
Business Type	:	Production and distribution of electricity
Registered Share Capital	:	395,000,000 Baht
Paid-up Share Capital	:	395,000,000 Baht
BKK office	:	24 Aekphol Bldg., Vibhavadi Rangsit Rd., Ratchadaphisek, Din Daeng, Bangkok Tel. (66) 2692-0869 to 73
Factory	:	128 Moo 7 Banmakhua Sub-District, Muang District, Nakhonsawan Province Tel. (66) 56-207-225 to 8

Energy Business	:	Environment Pulp and Straw Co., Ltd.
Business Type	:	Production and distribution of Packaging from bagasse
Registered Share Capital	:	2,000,000 Baht
Paid-up Share Capital	:	2,000,000 Baht
BKK office	:	(1) 24 Aekphol Bldg., Vibhavadi Rangsit Rd., Ratchadaphisek, Din Daeng, Bangkok Tel. (66) 2692-0869 to 73 (2) 133 Vibhavadi Rangsit Rd., Samsennai, Phayathai, Bangkok Tel. (66) 2692-0869 to 73
Factory	:	888 Moo 1 Nong Pho Sub-District, Taklee District, Nakhonsawan Province Tel. (66) 56-338-338, (66) 62-310-0314 to 6

Energy Business	:	KTIS Biogass Power Co., Ltd.
Business Type	:	Production and distribution of electricity
Registered Share Capital	:	1,000,000 Baht
Paid-up Share Capital	:	1,000,000 Baht
BKK office	:	24 Aekphol Bldg., Vibhavadi Rangsit Rd., Ratchadaphisek, Din Daeng, Bangkok Tel. (66) 2692-0869 to 73

Fertilizer Business	:	KTIS Bio Fertiliser Co., Ltd.
Business Type	:	Production and distribution of fertilizers and soil
Registered Share Capital	:	35,000,000 Baht
Paid-up Share Capital	:	35,000,000 Baht
BKK office	:	24 Aekphol Bldg., Vibhavadi Rangsit Rd., Ratchadaphisek, Din Daeng, Bangkok Tel. (66) 2692-0869 to 73
Factory	:	888 moo 14 Nong Pho Sub-District, Taklee District, Nakhonsawan Province Tel. (66) 93-182-0800

Energy Business	:	KTIS Bio Energy Co., Ltd.
Business Type	:	Production and distribution of ethanol
Registered Share Capital	:	20,000,000 Baht
Paid-up Share Capital	:	20,000,000 Baht
BKK office	:	24 Aekphol Bldg., Vibhavadi Rangsit Rd., Ratchadaphisek, Din Daeng, Bangkok Tel. (66) 2692-0869 to 73

Energy Business	:	KTIS BIO Natural Co., Ltd.
Business Type	:	Production and distribution of alcohol
Registered Share Capital	:	50,000,000 Baht
Paid-up Share Capital	:	12,500,000 Baht
BKK office	:	(1) 24 Aekphol Bldg., Vibhavadi Rangsit Rd., Ratchadaphisek, Din Daeng, Bangkok Tel. (66) 2692-0869 to 73 (2) 133 Vibhavadi Rangsit Rd., Samsennai, Phayathai, Bangkok Tel. (66) 2692-0869 to 73
Factory	:	888 Moo 1 Nong Pho Sub-District, Taklee District, Nakhonsawan Province Tel. (66) 62-310-2406

Holding Business	:	Permsinpattana Co., Ltd.
Business Type	:	Shareholders engagement, which currently holds 26.0 percent in EPPCO
Registered Share Capital	:	317,000,000 Baht
Paid-up Share Capital	:	317,000,000 Baht
BKK office	:	24 Aekphol Bldg., Vibhavadi Rangsit Rd., Ratchadaphisek, Din Daeng, Bangkok Tel. (66) 2692-0869 to 73

Property Business	:	Sapsirikaset Co., Ltd.
Business Type	:	Real estate investment
Registered Share Capital	:	108,000,000 Baht
Paid-up Share Capital	:	108,000,000 Baht
BKK office	:	24 Aekphol Bldg., Vibhavadi Rangsit Rd., Ratchadaphisek, Din Daeng, Bangkok Tel. (66) 2692-0869 to 73

Asset management Business	:	Kaset Thai Wiwat Co., Ltd.
Business Type	:	Support company's asset management
Registered Share Capital	:	61,000,000 Baht
Paid-up Share Capital	:	61,000,000 Baht
BKK office	:	24 Aekphol Bldg., Vibhavadi Rangsit Rd., Ratchadaphisek, Din Daeng, Bangkok Tel. (66) 2692-0869 to 73

Support and Development Business	:	KTIS Research and Development Co., Ltd.
Business Type	:	Support company's businesses and its growth aspiration.
Registered Share Capital	:	20,000,000 Baht
Paid-up Share Capital	:	20,000,000 Baht
BKK office	:	133 Vibhavadi Rangsit Rd., Samsennai, Phayathai, Bangkok Tel. (66) 2692-0869 to 73
Factory	:	99 Moo 14 Nong Pho Sub-District, Taklee District, Nakhonsawan Province Tel. (66) 62-310-2406 ext 133, (66) 92-279-9210

Joint Venture Business	:	GGC KTIS Bio Industrial Co., Ltd.
Business Type	:	Production and distribution of biochemical and biochemical
Registered Share Capital	:	3,315,000,000 Baht
Paid-up Share Capital	:	2,886,000,000 Baht
BKK office	:	133 Vibhavadi Rangsit Rd., Samsennai, Phayathai, Bangkok Tel. (66) 62-310-8898
Factory	:	333 Moo 14 Nong Pho Sub-District, Taklee District, Nakhonsawan Province Tel. (66) 62-310-8898

Additional Information

Other References

SEC	:	Securities and Exchange Commission, Thailand
333/3 Vibhavadi Rangsit Road, Chomphon, Chatuchak, Bangkok 10900, Thailand		
Telephone	:	(66) 2695-9999
Facsimile	:	(66) 2695-9660
E-mail	:	info@sec.or.th
Website	:	www.sec.or.th

SET	:	The Stock Exchange of Thailand
93 Ratchadapisek Road., Dindaeng, Bangkok 10400, Thailand		
Telephone	:	(66) 2009-9000
Facsimile	:	(66) 2009-9991
SET Contact Center	:	(66) 2009-9999
E-mail	:	SETCallCenter@set.or.th
Website	:	www.set.or.th

Registrar	:	Thailand Securities Depository Co., Ltd.
93 Ratchadapisek Road., Dindaeng, Bangkok 10400, Thailand		
Telephone	:	(66) 2009-9000
Facsimile	:	(66) 2009-9991
SET Contact Center	:	(66) 2009-9999
E-mail	:	SETContactCenter@set.or.th
Website	:	www.set.or.th/tsd

Auditor	:	EY Office Limited
193/136-137 Lake Ratchada Office Complex, 33th Floor New Ratchadapisek Road, Klongtoei, Bangkok, 10110, Thailand		
Telephone	:	(66) 2264-0777, (66) 2661-9190
Facsimile	:	(66) 2264-0789 to 90
E-mail	:	ernstyoung.thailand@th.ey.com
Website	:	www.ey.com

Legal Advisor	:	Kudan and Partners Co., Ltd.
127 Gaysorn Tower, 23th Floor, Unit Ratchdamri Road, Lumpini, Pathumwan, Bangkok, 10330, Thailand		
Telephone	:	(66) 2838-1750
Facsimile	:	(66) 2838-1795

Legal Disputes

As of September 30, 2023, the Company and its subsidiary do not have any unresolved legal dispute which may impact the company's asset or subsidiaries in the value higher than 5% of equity, and there is no dispute that significantly impacts the business operation of the company or its subsidiaries.

Corporate Governance Policy

Overall Picture of the Policy and the Principle of Corporate Governance

The Company endeavors to manage its business by adhering to principles of good corporate governance, as it recognizes the benefit and importance of good corporate governance, which contributes to the management of work and business operations in a transparent manner and takes into consideration the best interests of the interested parties in all respects, as well as maintaining verifiability. In order to increase its competitiveness and the shareholders' equity in the long term, the Company has, therefore, established a corporate governance policy in writing which it will communicate to the directors, executives, and all levels of employees in the Company to sign and implement.

Board of Directors Policy and Procedures

The Company has established its corporate governance policy while taking into consideration various factors including the responsibilities of the directors, whereby the important policies relevant to this matter are as follows:

Structure of the Board of Directors

1. The Company values transparency and verifiability in its work operations, and therefore, the Chairman of the Board of Directors is not the person holding the position of the Chief Executive Officer or the President. The Board of Directors of the Company has, furthermore, approved the definition of the independent director in line with the criteria and definitions prescribed by the Securities and Exchange Committee.
2. The Company requires that the names of the members of the Board of Directors and Subcommittees be disclosed, whereby details relating to each director's name, position, age, educational background, shareholding proportion and relationship with the executives are disclosed via various channels, including the Annual Report and the Company website.
3. The directors of the Company shall hold their positions for a term of three years. Any retiring director may be re-appointed by the meeting of shareholders.
4. The Board of Directors of the Company shall consist of a minimum of three independent directors, being an aggregate of not less than one-third of the total number of directors. The independent directors of the Company shall be qualified and shall not have the prohibited characteristics determined by the Board of Directors, and such requirements shall not be less stringent than those prescribed by the Capital Market Supervisory Board and the Stock Exchange of Thailand.
5. The Company will appoint a Corporate Secretary to perform the various duties prescribed by the law as well as those delegated by the Board of Directors of the Company.

Leadership and Vision

1. The Board of Directors shall demonstrate leadership, and shall be visionary, implementing Company strategy, goals and policy in managing the business plan, and annual budget of the Company and be independent in making decisions in the best interests of the Company and the shareholders overall. The Company has, therefore, clearly separated the roles and duties of the Board of Directors and those of the Management, whereby the Management shall be responsible for obtaining various information required for consideration while the Board of Directors shall have the duty to make decisions on such matters accordingly.
2. The Company hopes that its business will be stable and successful in the long term, and has therefore coordinated with the Management to consider, review and establish a vision and mission that corresponds to the changing environment, as well as the targets in the Business Plan and Financial Statement in the previous year, while taking into consideration the maximum increase in economic value and long-term stability of the Company and its shareholders. The Board of Directors shall also have the duty to oversee and monitor the administration of the Management to ensure that they are in line with the Business Plan in an efficient and effective manner.
3. The Board of Directors shall monitor the management to ensure that the management takes the Company strategy into consideration in management meetings and conforms to the strategies set out. The management reports to the Board of Directors 4 times per year.

4. The Board of Directors of the Company encourages corporate governance practices within the organization. The Board of Directors are, therefore, leaders in establishing guidelines for good corporate governance, the Code of Conduct, measures and steps for approving related transactions with related companies or persons with potential conflicts of interest, and in clearly separating the scope of authority of the shareholders from that of the Board of Directors and the scope of authority of the Board of Directors from that of the Executives, and the various Subcommittees, so as to create a balance of power and ensure mutual verifiability in an independent manner.

Joining or separating positions to create a balance of power with respect to work management

The Company has clearly defined and separated the scope of authority and responsibilities of the Board of Directors, the Executive Committee, Audit Committee, The Nomination, Remuneration and Sustainability Committee, Risk Management Committee, as well as the Chief Executive Officer. The Company also requires that Chairman of the Board of Directors is not the person holding the position of the Chief Executive Officer or the President and that he/she has is not related to the Management in order to prevent an executive from having unlimited power and to be able to audit and establish a balance for work management.

Subcommittees

The Board of Directors of the Company has arranged for the appointment of Subcommittees to assist the Board of Directors in studying relevant details and monitoring and overseeing the performance of work, as well as to screen the matters to which they have been assigned. The scope of authority and responsibilities of the said Subcommittees have been clearly defined.

Authorization of the Board of Directors

1. Appoint, remove, and/or delegate authority to a consultant of the Board of Directors of the Company and other subcommittees.
2. Arrange for consultation with the expert or the consultant of the Company (if any) or an outsourced expert if necessary at the expense of the Company.
3. Approve policies or principles, and assign them to the management to implement in accordance with the agenda efficiency and effectively.
4. Approve the investment in fixed assets, equity instruments, debt instruments, investments or joint ventures in new projects in amounts that exceed the authorization power of the executive committee and laws.
5. Approve debt write-offs from the account according to the conditions specified by the Company.
6. Approve the business plan and the annual budget of the Company.
7. Approve share repurchase of not over 10% of the paid up capital or according to the laws Specified.
8. Approve financial transactions which exceed the authorization power of the management.
9. Approve the disposal of the fixed assets of the Company in amounts which exceed the authorization power of the executive committee and according to the laws.
10. Approve financial transactions which exceed the authorization power of the executive Committee.
11. Approval on appointment of person(s) who will be director(s) casting the vote(s) in subsidiaries whereby such person(s) who will be appointed as director(s) shall do any act for the best interest of the subsidiaries (not the Company). The Company has specified that the appointed person(s) shall cast the vote in the subsidiaries in accordance with the approval of the Board of Directors of the Company on material matter(s) which is required the resolution of the Board of Directors of the Company if such matter(s) is done by the Company. The appointment of person(s) to be director(s) of subsidiaries on behalf of the Company shall be done in proportion to the Company's shareholding in the subsidiaries. The person(s) appointed as director(s) in subsidiaries shall procure the subsidiaries to have their Articles of Association contained information regarding the related parties transaction, acquisition and disposition of assets, or other material transaction in compliance with the Company regulations for the disclosure of mentioned transactions, including keeping information and accounting records so that they could be verifiable by the Company and prepare the financial statements in time.

Board of Directors' Meeting

1. The Board of Directors will convene a Board of Directors' Meeting at least four times per year and such meetings shall be conducted in accordance with the Company's Articles of Association, the Public Limited Companies Act B.E. 2535, and the rules and regulations prescribed by the Stock Exchange of Thailand. The Chairman of the Board of Directors, in acting as the Chairman of the Meeting, will encourage the exercise of discretion in a prudent manner and will allow sufficient time for the Executives to propose matters for consideration, as well as for the directors to carefully discuss the material issues. The Chairman will also arrange for the minutes of each meeting to be recorded in order to ensure verifiability by the directors and relevant persons. The directors have a duty to attend all Board of Directors' Meetings unless in the case of special circumstances. The Directors who will receive direct or indirect benefits have no right to vote and shall leave the meeting during that particular agenda item.
2. The minimum quorum at the time that the Board of Directors votes is two-thirds of the total number of Directors.
3. The Company requires that the Management prepare and submit a report on the operating results to the Board of Directors for acknowledgment on a regular basis in order for the Board of Directors to be able to continuously and promptly supervise, control and oversee the performance of work by the Management. The Company shall issue the minutes of the meeting in written form and retain an original copy of the invitation letter and accompanying document in electronic files in order for them to be convenient for directors and relevant persons to examine.
4. The Chairman of the Board of Directors shall convene the Board of Directors' Meeting and shall consider and determine the meeting agenda items, whereby he/she may consult with the Managing Director, Corporate Secretary or Company Advisor in doing so. Each director has the right to propose matters to be included in the agenda of the Board of Directors' Meeting.
5. The Board of Directors may invite the Executives, employees, or Advisor(s) of the Company to attend the Board of Directors' Meeting to give additional information on the matters discussed thereat.
6. The secretary of the Board of Directors shall, prior to the date of the Board of Directors' Meeting in the following year, prepare a schedule for the meetings for the coming year in order for the Board of Directors to be informed thereof in advance and so that they can plan ahead and allocate time for attending the said meetings accordingly.
7. In determining the number of Board of Directors' Meetings, consideration shall be given to their appropriateness based on the duties and responsibilities of the Board of Directors. The Corporate Secretary will prepare an agenda for the annual general meeting specifying the matters to be considered at each meeting so that the Board of Directors is informed of the various details to be considered thereat in advance.
8. In each of the Board of Directors' meetings, the company secretary will distribute the meeting documents tothe Directors to consider before the meeting, pursuant to the relevant laws, prepare documents and disclosures relevant to the meeting and distribute them to the Directors at least 5 working days before the meeting.
9. All Board of Directors' Meetings shall be strictly in compliance with the Company's Articles of Association andthe Public Limited Companies Act B.E. 2535. All directors shall be given equal opportunity to discuss the material issues and the Secretary of the Board of Directors shall attend the meetings and record the minutes there of including the various questions and suggestions of the directors to ensure that the matters discussed can be monitored and verified by the directors and relevant persons.
10. The Chairman of the Board of Directors shall be responsible for allocating adequate time for presenting the information provided by the Management and for all of the directors to discuss the material issues with due prudence. The Chairman of the Board of Directors shall encourage the directors attending the meeting to exercise their discretion in a prudent manner and ask the meeting whether or not there are any further questions or disparate opinions with respect to each agenda item being considered.
11. The Board of Directors' policy requires that the directors who are not Executives meet amongst themselves as necessary in order to discuss the various management issues at hand. Members of the Management shall not attend the said meetings and the Managing Director shall be informed of the meeting results.
12. The Board of Directors has a policy for the Company Secretary to set the schedule for the annual Board of Directors' meetings in advance for the Directors to perform their duties efficiently.

Self-Evaluation of the Board of Directors

1. There is annual self-evaluation of the Board of Directors as a whole to acknowledge their efficiency in working together and development in the following areas:
   - Qualifications of the Directors
   - Roles, duties and responsibilities of the Directors
   - Board of Directors' meetings
   - Performance of the Directors
   - Relationship with the management
   - Self-development of the Directors and development of executives
2. Process of self-assessment of the Board of Director as a group
   - The Board of Directors considers the self-assessment form of the Board of Directors as a group to be accurate in accordance with specified regulations.
   - The Company Secretary summarizes the self-assessment of the Directors as a group and reports to the Board of Directors for their consideration.
3. There is an annual self-assessment of the individual members of the Board of Directors to consider their performance and their position as a Director of the Company in order to improve their performance in the following areas:
   - Qualifications of the Director
   - Board of Directors' Meetings
   - Roles, duties and responsibilities of the Director
4. Process of self-assessment of the individual members of the Board of Director is as follows:
   - The Board of Directors considers the self-assessment form of the individual members of the Board of Directors to be accurate in accordance with the specified regulations.
   - The Company Secretary summarizes the self-assessment forms of the individual members of the Board of Directors and reports to the Board of Directors for their consideration.
5. There is an annual self-assessment of the subcommittees as groups, namely the audit committee, the nomination, remuneration and sustainability committee, executive committee, and risk management committee, to acknowledge the performance of working together and in order to improve themselves in the following areas:
   - Qualifications of the Directors
   - Board of Directors' Meetings
   - Roles, duties and responsibilities of the Directors
6. Process of self-assessment of the subcommittee as a group is as follows;
   - The subcommittee considers the self-assessment form of the subcommittee as a group to be accurate in accordance with the specified regulations.
   - The Secretary of each committee summarizes the self-assessment of the subcommittee as a group and reports to the subcommittee for their consideration.
   - The Company Secretary reports the results of the self-assessment of the subcommittees to the Board of Directors.

Remuneration of directors and executives

1. The Board of Directors of the Company shall consider and determine the remuneration of the directors and shall propose the same to the meeting of shareholders for approval. In this regard, in determining the directors' remuneration, the Board of Directors shall compare the standards pertaining to the payment of remuneration in companies in the same industry and shall give consideration thereof based on fair standards. Consideration shall be given to the experience, obligations and duties, scope of the role, as well as accountability and responsibility, including the benefits which the Company would receive from each director. The directors who have been delegated additional duties and responsibilities should receive higher remuneration as appropriate. For example, a director who is a member of the Audit Committee may receive a higher rate of remuneration for his role in the Audit Committee.

2. The remuneration of the Chief Executive Officer and Executives shall be in accordance with the principles and policies determined by the Board of Directors, whereby consideration shall be given to the best interests of the Company. The determination of salaries, bonuses and incentives in the long term shall be in line with the performance of the Company as well as that of each individual executive.
3. All the Directors who are not executive directors will assess the performance of the Chief Executive Officer of the groups of the Company annually in order to use such assessment in the remuneration consideration of the Chief Executive Officer of the groups of the Company by applying the standards agreed with the Chief Executive Officer of the groups of the Company according to the main criteria. This includes the results of the financial operations, the results of their implementation in accordance with the Company's strategic objectives in the long term, and the development of the executives. Notwithstanding the above, such directors who are not executive directors shall propose the results of Managing Director's assessment to the Board of Directors to consider.

Professional Development of Directors and Executives

1. The Company promotes and facilitates training for professional development and with a view to training all relevant directors, including directors who are members of numerous Subcommittees, so as to continuously improve work operations.
2. The Corporate Secretary shall arrange for the preparation of a manual for the directors as well as the determination of rules relevant to the disclosure of information, background, securities holding proportion, changes to securities holding etc., which shall be submitted in the event of changes to the directors. The Corporate Secretary will, furthermore, invite the new directors to visit the Company's factory with a view to introducing them to the nature of the business as well as to the guidelines for business operations.
3. The Company requires that the Chief Executive Officer prepare a report on the plans for the development and succession of work which the Chief Executive Officer and Managing Director have prepared in the event that they are unable to perform such work themselves. The Company has put in place a structure for developing the Executives, whereby the Chief Executive Officer is assigned to give an annual report on the acts undertaken during the year, which will then be considered in conjunction with the plan for work succession.

Shareholders and Stakeholders Policies and Procedures

Shareholders

Corporate governance policy with respect to the rights of the shareholders

The Company has established its corporate governance policy with respect to overseeing the rights of the shareholders in writing, whereby it places particular emphasis on ensuring that all shareholders have equal access to the Company's operating results, and that they take part in making various important decisions, as well as ascertaining that the shareholders' rights are protected, promoted and supported, and that the shareholders are not deprived of their rights. The Company's Corporate Governance Policy is as follows:

1. The Company has the duty to protect and respect the basic rights of the shareholders, which include theright to purchase, sell or transfer shares, the right to be allocated profits derived from business operations, the right to adequately receive news and information with respect to the business, the right to attend the shareholders' meeting in order to appoint or to remove directors from office, to appoint the Auditor, to allocate dividends, to determine or to make amendments to the Articles of Association or Memorandum of Association, to reduce or increase the capital, and to approve special transactions, etc.
2. The Company has a duty to promote and encourage the shareholders to exercise their rights with respect to various matters in the annual general meeting of shareholders, such as the right to propose agenda items to be included in the shareholders' meetings in advance, the right to nominate persons for election as directors in advance, the right to send questions to the meeting prior to the shareholders' meeting, and the right to express their opinions and to raise questions in the shareholders' meeting, etc.
3. The Company has a duty to refrain from undertaking any acts deemed to be a violation or limitation or deprivation of the rights of the shareholders to review the information which the Company is required to disclose in compliance with the various requirements and the right to attend the shareholders' meeting; for example, additional documents containing material information shall not be presented unannounced and meeting agenda items shall not be added or material information shall not be changed without prior notice being given to the shareholders.

4. The Company has a duty to facilitate the shareholders in exercising their rights, such as by providing updated material information via the Company website including to support and facilitate the shareholders to attend the general meetings of shareholders by selecting meeting venues of appropriate size to serve the shareholders and where the location is not an obstacle to attending the meetings, and is safe. The Company provides opportunities for the shareholders to submit registration documents for attending the meeting in advance of the meeting date in order to minimize the time for document verification on the meeting date. The Company provides registration channels at the meeting venue and also arranges for a barcode system for registration and vote counting to expedite the registration and vote computation process. To facilitate the shareholders, the Company provides stamp duty for the appointment of proxies.

Disclosure of Information regarding the Shareholders' Meeting

1. The Company's policy is to inform the shareholders of information regarding the date, time, location and agenda items for the shareholders' meetings, as well as all information relevant to the matters which will be voted on at the shareholders' meeting in advance, whereby the timeframe shall, as a minimum, be in compliance with that prescribed by the law with respect to each shareholders' meeting. The Company shall give the shareholders the opportunity to review the information prior to the date of the shareholders' meeting by accessing the said information through the Company website. This is to allow the shareholders sufficient time to study the information relevant to the meeting prior to receiving documentary information from the Company and to provide various channels for shareholders to enquire about the details of the shareholders' meetings.
2. After the Shareholders' Meetings, the Company will compile the matters discussed thereat, comprising the details of the agenda items, meeting resolutions, and the voting procedure, as well as the questions and opinions of the shareholders, and incorporate them in the "Minutes to the Shareholders' Meeting". These meeting minutes shall then be published on the Company website within 14 days from the date of the meeting, which is in accordance with the rules prescribed by the Securities and Exchange Committee and the Stock Exchange of Thailand.

Conducting meetings

1. The Company's policy is to facilitate, to the fullest extent possible, the shareholders in exercising their rights to attend and to vote at the shareholders' meeting and will not undertake any acts that would restrict the shareholders' opportunity to attend such meeting in order to allow the shareholders to participate in making decisions regarding the matters which affect the rights and benefits available to them.
2. The Company will notify the shareholders of the rules, regulations and procedures for attending the shareholders' meeting in the invitation to the shareholders' meeting, as well as at the shareholders' meeting. The person chairing the meeting shall notify the shareholders attending the meeting of the rules and regulations for conducting the meeting as well as the voting procedures thereat, at which the procedure and the system will be transparent, convenient, fast, and efficient. The resolution result will be shown in a short period of time and the shareholders will know the result immediately. The notification shall be recorded in all minutes of the shareholders' meeting. In addition, the Company may give the shareholders the opportunity to submit questions relevant to the matters to be discussed at the shareholders' meeting prior to the date of the meeting as the Board of Directors deems appropriate.
3. The Company shall give the shareholders the opportunity to raise questions relevant to the meeting's agenda items or to the Company and to express their opinion, whereby the Chairman of the Board of Directors will ask the meeting regarding the questions or opinions with respect to each agenda item. All questions and comments of the shareholders with respect to the meeting agenda items or to the Company, as well as the clarifications given by the Board of Directs and/or the executives, shall be recorded in all minutes of the shareholders' meeting.
4. The Company gives importance to and respects the rights of the shareholders to convene the annual general shareholders' meeting and encourages all shareholders to attend such meeting.

   The Company recognizes that all shareholders must be treated equally and has established the following important policies:

   - **Proposing additional matters to be discussed at the shareholders' meeting**

     The Company's policy is to facilitate the minor shareholders in proposing additional meeting agenda items prior to the date of the shareholders' meeting. In this regard, all additional agenda items proposed for discussion at the meeting by the shareholders and consideration thereof shall be in accordance with the regulations prescribed by the Company. The major shareholders who hold executive positions shall not add additional meeting agenda items without giving advance notice thereof unless in the case of necessity, particularly important agenda items which require the shareholders to take time to study the information before making a decision.

- **Nomination of candidates for directorship**

  The Company's policy is to facilitate its minor shareholders in nominating candidates for the position of directors. In this regard, all nominations by the shareholders and consideration thereof shall be in compliance with the regulations prescribed by the Company.

- **Encouraging shareholders to use the proxy form in the case that they are unable to attend the meeting in person**

  The Company encourages the shareholders to use the Proxy Form, which allows the shareholders to indicate their vote. At least 1 independent director shall be nominated as their proxy, and instructions to complete the form and the background and personal information of each Independent Director for consideration will be provided. The Company will attach the aforementioned Proxy Form to the invitation to the meeting. Moreover, shareholders can download the proxy form from the website www.ktisgroup.com. Any proxy who submits a completed proxy form to the committee at the Shareholders' Meeting shall be allowed to attend the meeting and vote on behalf of the named shareholder.

- **Encouraging shareholders to use voting ballots**

  The Company encourages the use of voting ballots for important meeting agenda items, such as the entering into connected transactions, acquisition or disposal of material assets, etc. in order to maintain transparency and verifiability in the event of disagreements at a later date.

- **Giving shareholders the opportunity to exercise the right to appoint individual directors**

  The Company encourages the shareholders to exercise their right to appoint directors on an individual basis.

- **Preventive measures against the use of inside information to seek unlawful benefits**

  The Company has established measures in its Code of Conduct to prevent its directors, executives and employees from unlawfully using inside information for their own benefit or that of others, for securities trading, conflicts of interest, and confidentiality. Such measures are stipulated in the Code of Conduct, organized in the form of training, and are disclosed on the Company website. Furthermore, the Corporate Secretary has also been assigned as the person responsible for conveying the regulations with respect to the disclosure of information and monitoring and ensuring that the Board of Directors and the executives report their securities holding in compliance with the law, including disclosing information regarding the interests of, and related transactions between, the directors and executives and requiring that all directors and executives who have the duty to report their interests, as provided by the law, notify the Company thereof.

- **Treatment of Foreign shareholders**

  Every shareholder has the right to receive the information and documents, either in Thai or in English. Any document provided for foreigners shall be translated into English.

Interested parties

Corporate governance policy regarding interested parties

The Company recognizes and gives importance to the rights of all groups of interested parties and not only those which it is required to take into consideration in compliance with the law. In the previous year, the Company re-identified groups deemed as interested parties and established additional policies and measures for acting in the interests of the interested parties in line with its Corporate Governance Policy and Corporate Social Responsibility Policy, both of which have been adhered to. The interested parties of the Company can be categorized into 10 groups as follows:

1. Employees and their families
2. Farmers
3. Customers and creditors
4. Shareholders or investors
5. Communities local to each Company place of business
6. Governmental organizations
7. Suppliers and Contractors
8. Academics
9. Educational institutions
10. Competitors

In this regard, the Company has established policies and measures for acting in the interests of the interested parties as follows:

Employees and their families

1. The Company will compensate the employees properly and in line with the standard industry salary rate, including the welfare package pursuant to the relevant laws and provident fund based on the considerationof their work in a fair manner and in a way that is quantifiable under the regulations of the Company.
2. The Company aims to continuously promote and develop the skills, knowledge and abilities of its personnel, such as by means of organizing training sessions and seminars for its executives and employees in order to build their potential and the readiness of the organization to be a better quality Company.
3. The Company treats all of its employees fairly and equally, for example, with respect to employee evaluations, confidentiality regarding employment history, welfare, fundamental rights and the exercise of the various rights of the employees in addition to the rights stipulated by law. Such rights will be informed to employees on a regular basis.
4. The Company places emphasis on the rights of its employees and gives them the opportunity to file complaints in the event that they do not receive equitable treatment by means of various channels such as a comments box, or contacting the human resources department responsible for such matters
5. The Company has a duty to ensure that the employment environment is safe, healthy, and effectively facilitates work. The Company has a policy on the matters relating to occupational health, safety, security and environment by specifying and promoting good health and the provision of a safe working environment, as well as security and relevant measures to prevent accidents and illness occurring at work for every employee.
6. The Company encourages policies to protect the environment, which will be implemented to promote responsibility towards the environment, and develop and use more environmental friendly technologies. In addition, the Board of Directors of the Company encourages employee education and training with regard to environmental matters. The program covers the Company's policy on environmental protection, energy consumption and emissions of air pollution, waste handling and recycling, as well as the working environment.

Farmers

1. The Company has a duty to build good relations and encourage cooperation with farmers in the long term based on the principles of honesty, reliability and mutual trust.
2. The Company supports the establishment of security with respect to the farming profession by acting in the interests of and giving importance to the farmers who are also contractual parties.
3. The Company continuously encourages farmers who are contractual parties to develop knowledge regarding farming by means of, for example, organizing an agricultural school training program, so that the farmers can apply the knowledge obtained therein to their profession in order to increase the efficiency of the product with a view to generating high returns from farming. The Company encourages the protection of the environment by supporting the use of more environmentally-friendly technologies, and building awareness of the impact on the environment and encouraging the efficient handling of waste such as utilizing the agricultural waste to the fullest extent possible.

Customers and Creditors

Customer Relations Policy

1. The Company has a duty to maintain good relations and to cooperate with customers in the long term, based on the principles of honesty, reliability and mutual trust.
2. The Company has a duty to satisfy its customers to the extent possible by means of taking responsibility for, acting in the interests of and considering the issues and needs of the customers as its priority, whereby all executives and employees shall comply with the measures pursuant to this policy.
3. The Company will perform work based on the principles of Ethics and will not solicit, receive or pay dishonest benefits to the customers and creditors.
   - The Company is committed to presenting and delivering products and services of high standard which meet the needs of the customers;
   - The Company strives to adhere to the various conditions as agreed upon with the customers to the best of its abilities.

Creditor Relations Policy

1. The Company has a duty to establish good relations with its creditors and to treat them based on the principles of honesty, reliability and mutual trust by providing information that are accurate, transparent, and accountable to creditors.
2. The Company has a duty to be responsible for, pay attention, and give importance to the various promises and conditions as agreed upon with its creditors to the best of its abilities in repaying debts, loans, and interest and in pledging various collateral. In the case that the Company cannot perform the obligations under the agreements, The Company will inform creditors in advance to mutually find solutions to the problems.

Shareholders or Investors

1. See Section "Corporate governance policy with respect to the rights of the shareholders"

Communities local to each Company place of business

1. The Company and its employees are committed to behaving and conducting themselves as good citizens and in ways that benefit society and the community.
2. The Company has a duty to treat the communities local to each Company place of business amicably and to give assistance to and promote the livelihood of the communities, as well as to be responsible for remedying any situation arising as a consequence of the Company's business operations, in a fair and equitable manner.
3. The Company has a duty to oversee and support activities which are beneficial to society and to willingly cooperate with governmental and non-governmental organizations and to make sacrifices for the better good.

Governmental Organizations

1. The Company has a duty to act in compliance with all applicable and prescribed laws and rules.
2. The Company will promote the various activities of governmental organizations as is deemed appropriate.

Suppliers and Contractors

1. The Company has a duty to maintain good relations with all suppliers and contractors.
2. The Company has a duty to give all suppliers and contractors an equal opportunity to present their products / services, whereby the executives and employees related to the suppliers and contractors shall comply with the following measures.

   All executives and employees shall:

   - Treat the suppliers and contractors honestly and equitably;
   - All considerations and decisions shall be based on the comparison of quality and various conditions, while at the same time taking into account the interests of the Company, both in the short and long term, and the Procurement Manual must be strictly complied with in the following areas:
     - Quality and services
     - Pricing
     - Delivery time
     - Reliability
     - Company reputation and referred successful cases
     - Records of business dealings of the Company
     - Condition of transactions
     - Other aspects as appropriate

Academics

1. The Company gives academics the opportunity to learn the information, methods and work procedures of the Company, as well as the opportunity to exchange knowledge for academic purposes and for conducting various research studies which are beneficial to the Company.
2. The Company encourages the participation in studies in the use of technology for improving various work procedures, as well as studies for the purpose of developing innovations which would be beneficial to the development of the Company.

Educational Institutions

1. The Company will promote knowledge-sharing regarding technology and the manufacturing process at educational institutions, whereby it will place particular emphasis on schools and educational institutions in communities local to each Company place of business as a priority.
2. The Company will promote the various activities of the educational institutions as is deemed appropriate.

Competitors

1. The Company will not perform any act which would violate or contradict any competition law or may cause damage to the reputation of its competitors.

Measures for compensating interested parties in the event of damage arising from wrongful acts

Preventive measures against the use of inside information by the directors, executives and employees

The Company has established measures relating to the use of inside information which its directors, executives, and employees must comply with as follows:

- The Corporate Secretary has the duty to inform the directors and executives to report their securities holding, and that of their spouses, as well as their children who are minors in the Company, and to report any changes thereto pursuant to Section 59 and the terms of punishment pursuant to Section 275 of the Securities and Exchange Act B.E. 2535.
- The Company will advise its directors, executives and employees who are in possession of inside information against the disclosure of material information prior to the sale and purchase of Company shares, including the Company's financial statements, which will have an impact on the price of securities to be offered to the public, up to and including one month prior to the public disclosure, as failure to do so would be deemed a violation of the Securities and Exchange Act.

Preventive Measures against Conflicts of Interest of Executives and Employees

The Company has established measures to prevent its directors and executives from unlawfully using inside information for their own benefit or that of others in the Code of Conduct for its executives and employees as follows:

- Executives and employees shall not undertake acts with a view to either seeking benefits or misappropriating assets which are the property of the Company or of the customers of the Company, as their own or for others, which are deemed to be in conflict with the interests of the Company.
- Executives and employees should avoid situations or personal activities and gaining financial benefits which may be in conflict with the work duties by which they are bound and which have an impact on the protection of the Company's interests.
- The Company will avoid delegating duties and responsibilities to the executives and employees in the event that such acts may lead to situations that may be in conflict with the interests of the Company or that of the Company's customers.
- In the event that the executives and employees participate in external activities or hold external positions,such as that of directors, advisors, representatives, or employees in other organizations, the said activities or positions shall not be in conflict with the interests of the Company, whether directly or indirectly, and shall not cause the Company to suffer any damage, and shall not have any impact on the performance of their work duties.
- All executives and employees are prohibited from participating or holding positions in other organizations operating the same type of business as that operated by the Company or those deemed to be the Company's competitors, or those whose business may be in conflict with the interests of the Company.

In this regard, the Company shall be given a report on the interests regarding the entering into transactions with companies belonging to the directors, executives and employees on a regular basis. The Company's Internal Auditor has a duty to report information regarding various interests to the Audit Committee for its acknowledgment and consideration. The Audit Committee will then give the Board of Directors a report on the summary of information on various interests for its further acknowledgment and consideration, whereby the Internal Auditor will be responsible for monitoring the results on a regular basis.

Furthermore, the Company has established measures for compensating the interested parties in the event that they suffer damage as a consequence of the following violations:

- Preventive measures against damage arising from violations against employees and their families The Company has established locations for receiving complaints and/or suggestions from employees as channels for employees who have been affected by the work operations to file complaints.
- Preventive measures against damage arising from violations against customers and creditors The Company deals with customers in compliance with its customer relations policy and has established a customer service department as a center for receiving customer complaints in the event that customers encounter issues or require assistance. In order to prevent against any damage arising from violations against the debtors and creditors, the Executives will consider the qualifications of all debtors and creditors prior to entering into transactions with a view to avoiding future problems, and in doing so, base their consideration on the principles of honesty and reliability.

- Preventive measures against damage arising from violations against shareholders The Company undertakes steps to protect and oversee the basic rights of the shareholders, including the right to receive information, the right to attend shareholders' meetings, as well as to encourage the shareholders to exercise their rights beyond the provisions of law.
- Preventive measures against damage arising from violations against local to communities of each Company place of business The Company has established measures to prevent damage arising from violations against the communities local to each of the Company place of business in line with its Corporate Social Responsibility Policy by building good relationships with the surrounding communities as well as giving them assistance and support with a view to promoting their livelihoods.
- Preventive measures against damage arising from violations against government organizations The Company has established measures to prevent damage arising from non-compliance with the various applicable laws and regulations, whereby the Company's legal department will be responsible for monitoring the work performance of the departments of the Company on a regular basis in order to ensure their compliance with the law.
- Preventive measures against damage arising from violations against suppliers and contractors The Company has established measures for preventing damage arising from violations against the suppliers and contractors, whereby the Company has a policy to build good relations with all of its suppliers and contractors and, furthermore, treats all suppliers and contractors equitably.
- Preventive measures against damage arising from violations against academics The Company gives academics the opportunity to visit and observe the work process for providing services and also provides information on the methods and procedures pertaining to the provision of services for academic purposes. It also cooperates with the academics in studying and improving technologies to be used for providing services on a regular basis.
- Preventive measures against damage arising from violations against educational institutions The Company cooperates with educational institutions by giving them the opportunity to visit its places of operation on-site and by organizing seminars to share technological knowledge and details relating to its service process. The Company also gives the educational institutions financial support for various activities on a regular basis.

Participation channels of interested parties

The Company has established numerous participation channels for interested parties as follows:

1. The Company has established a channel for receiving complaints and/or opinions and an additional channel via email, which will be sent to the Executives via the Internal Audit Department,

   Tel. : 02-692-0869-73 Ext. 183 Ext. 154
   E-mail : internalaudit@ktisgroup.com

2. The Company gives its employees the opportunity to submit suggestions to the Board of Directors via the Company website under the Investor Relations section via the Company Secretary Department,

   Tel. : 02-692-0869-73 Ext. 193 Ext. 22
   E-mail : cs@ktisgroup.com

3. The Company has taken steps to ensure that its representatives visit the community in the areas neighboring the factories every year.

Mechanisms for protecting Whistle-Blowers

1. The Company has established channels for filing reports or complaints regarding violations of the law or of the Code of Conduct, Financial Reports or deficiencies in the internal control system according to the channel in No. 2.3
2. The Company has established measures for protecting employees who are Whistle-blowers, whereby:
   - The Whistle-Blowers can choose not to reveal themselves if they believe that the revelation would lead to lack of security or damage.
   - The Company will keep the information secret and safeguard the security of the Whistle-Blowers by setting up systems to protect the Whistle-Blowers who are employees, including those cooperating in investigation of the facts of such complaint such as work disturbance, transfer, dismissal of employment, and intimidation etc.
3. The Company has put in place procedures to be followed upon receiving reports from Whistle-Blowers, whereby the Internal Audit will first compile and summarize the issues and present them to the Internal Audit Committee for consideration and investigation of facts and evidence. If it is found that such information impacts on the Company, the issue shall then be proposed to the Board of Directors of the Company for further consideration.

Disclosure of Information and Transparency

The Company has a policy to disclose information regarding the Company, including financial information and otherinformation, in an accurate, complete, timely, and transparent manner, via easily-accessible channels, and in a fair and reliable manner.

Internal control and entering into transactions with potential conflicts of interest

1. The Company's policy is to prevent and eliminate any potential conflicts of interest by prescribing that all transactions with potential conflicts of interest be in compliance with the regulations and steps determined by the Company and all applicable laws.
2. he Company will undertake acts to ensure that its directors, executives, and/or major shareholders, as the case may be, do not operate businesses that are similar to or in competition with that of the Company, or that decrease the Company's competitiveness, or enter into related transactions whereby the other benefits resulting thereof may be in conflict with the best interests of the Company or its subsidiaries. The directors, executives and/or major shareholders of the Company, as the case may be, shall inform the Company if the directors, executives, and/or major shareholders hold shares in companies whose business operations are similar to those of the Company or its subsidiaries in order for the Company and the Audit Committee to consider whether or not such shareholding is in conflict with the best interests of the Company or its subsidiaries.
3. The Company also places emphasis on the importance of a good internal control system and has arranged for an Internal Audit Office to audit the performance of work in each field of work so as to prevent errors and to ascertain that work is performed in a transparent manner. Auditing is completed periodically and reports thereof are submitted to the Audit Committee for consideration.

Disclosure of Information

The Company discloses information in compliance with the relevant laws or regulations via the Stock Exchange of Thailand and the Company website under the Section entitled "Investor Relations". The Company has delegated the Investor Relations and Corporate Communications Department to be responsible for the disclosure of information as well as for regularly updating information, and acting as the representative in communicating information, news and updates on activities to the Company and the investors, analysts, and general public. Please contact the Investor Relations and Corporate Communications Department,

Tel. : 02-692-0869-73 Ext. 193, Ext. 26
Email : ir@ktisgroup.com

Activity	Time/Year
Opportunity Day	4
Company Visit	0
Contact Us by Email	72
Factory Visit	49

Disclosure of the Corporate Governance Policy

The Company has disclosed its approved Corporate Governance Policy, as well as the results with respect to compliance with the aforementioned Policy via various channels such as the Annual Report and the Company website.

Report on the responsibilities of the Board of Directors with respect to the Financial Report

The Company requires that there be a report on the responsibilities of the Board of Directors with respect to the financial report, which shall be presented alongside the auditor's report in the annual report. The contents thereof shall verify compliance with accounting principles and the financial report shall consist of accurate, complete and actual information in accordance with accounting standards. The aforementioned reports shall bear the signatures of the Chairman of the Board of Directors and the Managing Director.

Disclosure of the Roles and Duties of the Board of Directors and Subcommittees

The Company has disclosed the roles and duties of the Board of Directors and Subcommittees, the number of meetings held and the number of times each Board member attends meetings in the previous year, as well as the comments in relation to the performance of their duties in the Annual Report.

Disclosure of possession of the Company's shares

The Company requires that Directors report their purchase-sale of / possession of shares in the Company to the Board of Directors.

The monitoring of the subsidiaries and associates' operation

The Company has implemented the monitoring measures on the operation of its subsidiaries and associates by the nomination of directors of such subsidiaries and associates to utmost reflect the ratio of share holding in such companies. The implementation also includes the policy of company legal binding signatures' conditions that at least 1 director nominated by the Company must provide the signature to be legal binding upon the subsidiaries and associates

The Company also determined that the subsidiaries and associates' operation and turnover must be periodically reported the Company's executive committee. The Company also encourages its subsidiaries and associates to implement the Company's corporate governance framework.

Corporate Social Responsibility Policy

Fair Business Operations

The Company places emphasis on conducting its business within the framework of fair and honest competition in compliance with the relevant laws and regulations, and has established the following practice guidelines. The Company shall.

- Encourage its employees to recognize the importance of compliance with competition laws and the principles of fair competition.
- Support various public policies which promote fair competition.
- Undertake acts in a manner which is compliant with competition laws and requirements, as well as cooperate with government officials.

Anti-corruption

The Company is determined to operate its business with transparency and corruption-free. Therefore, the Company pays attention to the supervision of businesses related to anti-corruption practices. The details of the practice are in the topic of the report of key performance in corporate governance.

Respecting human rights and fair treatment towards labor

The Company's policy is to supervise and treat all employees fairly, whereby the Company shall not discriminate against individuals on the basis of similarities or differences in race, religion, sex, age or any other characteristics. Furthermore, the Company has a policy to strictly comply with the labor protection laws.

Community or social development

The Company recognizes the importance of taking part in corporate social responsibility and has, therefore, continuously organized projects to help and develop society, and primarily focuses on donating funds and promoting education, supporting religion, and helping and attending community activities on occasions.

Environmental conservation

- The Company gives importance to the potential impacts of the manufacturing processes on the environment and its policy is to strictly comply with the applicable rules, regulations and standards with respect to the environment. In addition, the Company plans to promote ideas for making use of waste produced during the manufacturing process in order to increase their value.
- The Company has a policy to educate and train employees in environment matters annually so that every level of employee understands the impact of pollution in all aspects and to teach good management policies to reduce cost, expense and environmental problems for the sustainable growth of the Company.

Innovations and the diffusion of innovations obtained from work operations involving responsibility towards society, the environment and interested parties

The Company aims to support sugar cane farmers with a view to encouraging their progress and stability alongside the Company. The Company has therefore continuously organized research projects for furthering the potential of the sugar cane farmers.

Non violation of Intellectual Property Rights or Copyrights of others

The Company has a policy of non-violation of Intellectual Property Rights or Copyrights, such as non-violation of computer crime laws, complying with copyrights of software in both work or in non-work related issues and complying with Intellectual Property Rights, Copyright law and related laws and regulations.

Business Ethics

1. The Company has established a Code of Conduct for use by all executives and employees as a guideline for performing their work, and to which they shall adhere strictly and at all times. The said Code of Conduct includes issues regarding honest business practices, fair and equitable treatment of interested parties, prevention of wrongful acts against interested parties, conflicts of interest, confidentiality, and misuse of information, as well as bribery, gifts, and rewards. The Company has assigned the Internal Audit Department to monitor and conduct investigations in relation to compliance with such Code of Conduct.
2. The Company will monitor and oversee its business operations and the performance of work duties by the directors, Management, and employees, and adhere to the principles of virtue and ethics in addition to the rules and regulations of the Company and applicable laws.
3. The Company's policy requires that its directors, executives and employees avoid or refrain from selling and purchasing securities of the Company within a period of one month prior to the disclosure of material information to the general public which may have an impact on the price of the securities of the Company, such as financial information.

Previous Year's Significant Changes and Development of the Policy, Guideline and System of Corporate Governance.

The Board of Directors reviewed and acknowledged the CG Code in the Board of Directors Meeting No. 3/2023 dated 12 May 2023 and realized its role as a leader (governing body) in creating sustainable value for the business and assessed overall compliance with the CG Code.

Key principles of good corporate governance The Board of Directors of listed businesses in 2017 summarized the part that has not yet been implemented until it is fully understood and noted the reasons as part of the Board's evaluation and review.

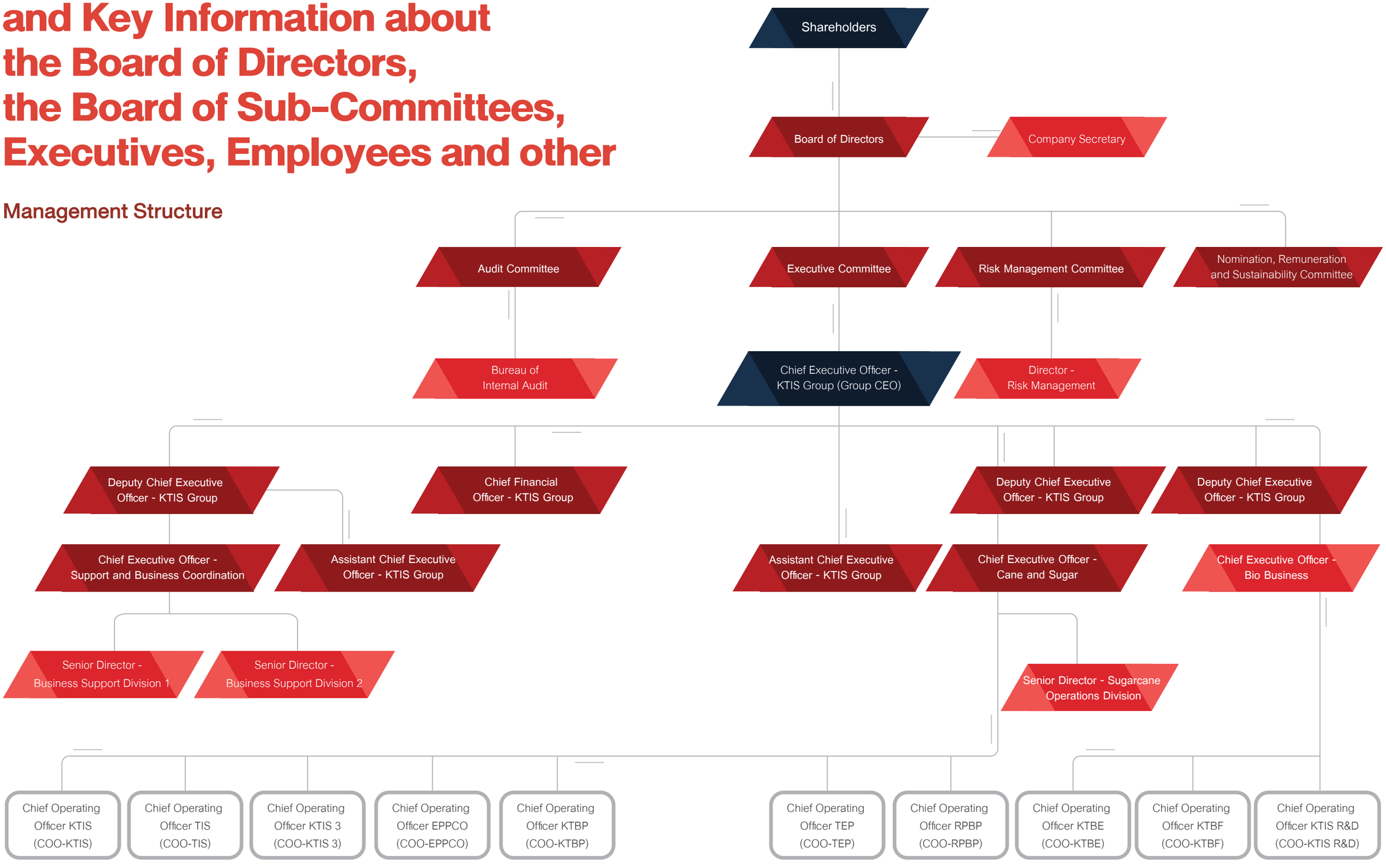
Good corporate governance in other areas

The Company took part in the Thai Institute of Directors' Corporate Governance Survey of Listed Companies 2022 (CGR 2022) and received a rating of

The Company was evaluated at a level of 97 in the Thai-Thai Investors Association's Annual General Meeting of Shareholders (AGM) assessment project for the 2023 Annual General Meeting of Shareholders.

Corporate Governance Structure and Key Information about the Board of Directors, the Board of Sub-Committees, Executives, Employees and other

Management Structure



Corporate Governance Structure

The Company have five committees, namely, the board of directors ("Board" and the members of the Board, "Directors"), the Audit Committee, the Risk Management Committee, the Nomination, Remuneration and Sustainability Committee.

Details of the Board of Directors of the Company

Board of Directors of the Company

As at September 30, 2023, the structure of the board of directors consist of 15 members and 5 independent directors as follow:

Name	Position	Directors who are Authorized Signatories	Date to Appointment
1. Mr. Pricha Attavipach	Chairman	Group 2	January 29, 2013
2. Mr. Parphan Siriviriyakul	Director	Group 1	January 29, 2013
3. Mr. Nathapun Siriviriyakul	Director	Group 1	January 29, 2013
4. Mrs. Darat Vibhatakalasa	Director	Group 1	January 29, 2013
5. Mr. Prasert Siriviriyakul	Director	Group 1	January 29, 2013
6. Mr. Sirapak Siriviriyakul	Director	Group 1	May 14, 2015
7. Mr. Sirivuthi Siamphakdee	Vice-Chairman	Group 2	January 29, 2013
8. Mr. Phoonsak Boonsalee	Independent Director	-	January 29, 2013
9. Mr. Apichart Noochprayoon	Director	Group 2	January 29, 2013
10. Mr. Somchai Suwachittanont	Director	Group 2	May 14, 2021
11. Ms. Chua Eng Eng	Director	Group 2	January 29, 2013
12. Mr. Krairit Nilkuha	Independent Director/ Chairman of Audit Committee	-	February 26, 2014
13. Mr. Sathaporn Kotheeranurak	Independent Director/ Member of Audit Committee	-	January 29, 2013
14. Acting Sub Lt. T-rayooth Changpetch	Independent Director/ Member of Audit Committee	-	January 29, 2013
15. Mr. Issakan Krivithaya	Independent Director	-	January 29, 2013

Mr. Poomrerk Wangpreedalertkul is the company secretary.

The details of the operation for the year 2023 of the board of directors appears in the heading “Report on the Performance the Board of Directors”.

Directors who are Authorized Signatories

As at September 30, 2023, our authorized signatories can be divided into the two following groups:

Group 1		Group 2	
1. Mr. Parphan	Siriviriyakul	1. Ms. Chua	Eng Eng
2. Mrs. Darat	Vibhatakalasa	2. Mr. Sirivuthi	Siamphakdee
3. Mr. Prasert	Siriviriyakul	3. Mr. Apichart	Noochprayoon
4. Mr. Nathapun	Siriviriyakul	4. Mr. Pricha	Attavipach
5. Mr. Sirapak	Siriviriyakul	5. Mr. Somchai	Suwachittanont

Any two Directors from Group 1, or any one Director from group 1 together with any one Director from Group 2, may jointly sign on our behalf and stamped by the Company Stamp.

Term of Directorship

One-third of all the current Directors shall resign at every annual general meeting of the shareholders. If the total number of Directors is not a multiple of three, the number of Directors closest to one-third of the total number of Directors on the Board shall retire from office. The Directors retiring from office in the first two years following our listing on the SET shall be selected by way of drawing lots. In the subsequent years, the Directors who have held office for the longest time shall retire. A retiring Director is eligible for re-election.

Category of Directors

The table below shows the category of Directors in 2023.

Name		Non-Executive Director	Independent Director	Executive Director
Mr. Pricha	Attavipach			✓
Mr. Parphan	Siriviriyakul			✓
Mr. Nathapun	Siriviriyakul			✓
Mrs. Darat	Vibhatakalasa			✓
Mr. Prasert	Siriviriyakul			✓
Mr. Sirapak	Siriviriyakul			✓
Mr. Sirivuthi	Siamphakdee			✓
Mr. Apichart	Noochprayoon			✓
Mr. Somchai	Suwachittanont			✓
Ms. Chua	Eng Eng			✓
Mr. Krairit	Nilkuha	✓	✓	
Mr. Sathaporn	Kotheeranurak	✓	✓	
Acting Sub Lt. T-rayooth Changpetch		✓	✓	
Mr. Issakan	Krivitthaya	✓	✓	
Mr. Phoonsak	Boonsalee	✓	✓	

Measures to balance the Board's and Management's power

The Board of Directors has approved the appointment of an independent director to review the Board of Directors' agenda.

Summary of changes in KTIS 's shareholding by Directors as of September 30, 2023

Shareholding below represents the aggregate number of shares held by spouse ,minor child and people under Section 258 of the SEC Act.B.E 2535.

Name	Position	Shares held on	During 2023 Number of Shares (Shares)	Shares held on	Total ercentage of Voting hares (%)	Remark
		Sep 30, 2022	Increase/ Decrease	Sep 30, 2023		
1. Mr. Pricha Attavipach	Chairman	3,252,800	-	3,252,800	0.084	
2. Mr. Parphan Siriviriyakul	Director	3,100	Increase 195,100	198,200	0.000	
3. Mr. Nathapun Siriviriyakul	Director	27,216,000	-	27,216,000	0.705	
*Spouse and Minor Children		10,000	-	10,000	0.000	
4. Mrs. Darat Vibhatakalasa	Director	12,349,900	-	12,349,900	0.320	
5. Mr. Prasert Siriviriyakul	Director	5,947,500	-	5,947,500	0.153	
*Spouse and Minor Children		5,832,000	-	5,832,000	0.150	
6. Mr. Sirapak Siriviriyakul	Director	190,698,000	-	190,698,000	4.940	
7. Mr. Sirivuthi Siamphakdee	Vice-Chairman	-	-	-	-	None
8. Mr. Phoonsak Boonsalee	Independent Director	-	-	-	-	None
9. Mr. Apichart Noochprayoon	Director	500	-	500	0.000	
10. Mr. Somchai Suwachittanont	Director	50,000	-	50,000	0.001	
*Spouse and Minor Children		100,000	-	100,000	0.002	
11. Ms. Chua Eng Eng	Director	21,544,000	-	21,544,000	0.558	
12. Mr. Krairit Nilkuha	Independent Director / Chairman of Audit Committee	-	-	-	-	
*Spouse and Minor Children		5,000	-	5,000	0.001	
13. Mr. Sathaporn Kotheeranurak	Independent Director / Member of Audit Committee	-	-	-	-	None
14. Acting Sub Lt. T-rayooth Changpetch	Independent Director / Member of Audit Committee	-	-	-	-	None
15. Mr. Issakan Krivithaya	Independent Director	-	-	-	-	None

Roles and Duties of the Board

Scope of power and duties and responsibility of our Board

- The Board shall perform its duties with due diligence and honesty in accordance with the law our business objectives, our Articles of Association and resolutions of our Board meetings and shareholders' meetings;
- The Board shall consider and approve the vision, business strategies, business direction business policy, targets, guidelines, operational plan and annual budget as prepared by the Executive Committee and Management;
- The Board shall oversee the performance of the Executive Committee, the Chief Executive Officer, the Management or any other persons assigned to perform such duties, and ensure that they conform with policies that have been set out by the Board;
- The Board shall continuously monitor our performance and operations and ensure that they are in line with our action plan and budget;
- The Board shall ensure that we adopt appropriate and efficient accounting systems, and have implemented internal control and audit systems;
- The Board shall prepare balance sheets and profit and loss statements on the last day of our financial period, and shall execute such financial statements prior to submitting them at the annual general meeting of shareholders for further approval;
- Prior to presenting the proposal to the annual general meeting of shareholders for approval, the Board is to consider the selection and nomination of auditors and to determine their remuneration as proposed by the Audit Committee;
- The Board shall implement a written corporate governance policy to ensure that the interests of each group of stakeholders is equally protected;
- In appointing Directors, the Board shall appoint persons who have the requisite qualifications and who are not prohibited characters as prescribed by the Public Limited Company Act B.E. 2535 (1992) (as amended), the Securities Act, and any relevant notifications, rules and/or regulations. The Board shall also determine the remuneration of the Directors as proposed by The Nomination, Remuneration and Sustainability Committee before further submitting the proposal to a shareholders' meeting for approval;
- The Board shall be responsible for the appointment of our sub-committee members, and shall prescribe the power and responsibilities of such sub-committees;
- The Board shall ensure that our authorized signatories are changed from time to time;
- The Board shall appoint Executives in accordance with the definitions prescribed by the SEC or the Capital Market Supervisory Board. The Board shall also appoint the Company Secretary and determine the remuneration of our Executives;
- If necessary, the Board shall seek professional advice from third-party organizations to facilitate its decision-making; and
- The Board shall encourage our Directors and Executives to participate in seminars conducted by the Thai Institute of Directors.

However, the Board or its grantee shall not approve transactions in which the Board or its grantee or any person who may have any conflicts of interest (as defined in the notification of the SEC or the Capital Market Supervisory Board) or who may benefit in any manner which may give rise to a conflict of interest with the Company unless such transaction is consistent with our internal policies and criteria approved by our shareholders or the Board.

Roles, Duties and Responsibilities of the Board of Directors of KTIS Group

1. The Board of Directors shall define objectives that promote sustainable value creation and governance outcomes as a framework for the operation of the company.

2. The Board of Directors shall ensure that the company's annual and medium-term (for example, 3-5 years) objectives, goals, strategies, and plans correlate and align with the company's long-term objective, while considering the business environment, opportunities, and the company's risk appetite. The board shall ensure that the company's medium-term objectives, goals, strategies, and plans are annually reviewed and updated as appropriate.

3. When developing strategies and plans, the Board of Directors shall promote innovation and the use of technology to enhance competitiveness, respond to stakeholder concerns and expectations, and meet social and environmental responsibilities.

4. The Board of Directors has a duty to consider and approve material issues with respect to the operation of the business, as well as to oversee that the Management operates the business in line with the prescribed policies and plans, including the budget, in an efficient and effective manner.

5. With respect to the Board of Directors having established a Corporate Governance Policy in writing and given its approval thereof as previously mentioned; the Board of Directors revises the said Corporate Governance Policy at least once a year.

6. The Board of Directors has issued a Code of Conduct in writing and distributed the same to the directors, executives and new employees. The Board of Directors has, furthermore, revised the various guidelines for conduct with respect to the directors, executives and existing employees in order to understand the moral standards which the Company applies in operating its business, whereby the Board of Directors of KTIS group has assigned the Internal Audit Department to closely monitor compliance with the said Code of Conduct.

7. The Board of Directors has exercised due prudence in considering conflicts of interest, as well as connected transactions with potential conflicts of interest with those of the Company whereby the interests of the shareholders are deemed as the priority. Notwithstanding this, the material connected transactions have to be approved by the Board of Directors.

8. The Board of Directors has put in place a system for controlling financial reporting and compliance with the various rules and regulations, whereby an Internal Audit agency shall be responsible for such duties. The said duties must be independent of the performance of other work and such system shall be revised at least once per year.

9. The Board of Directors and the Audit Committee have a duty to jointly consider the annual and quarterly financial statements and financial information in the Annual Report and to jointly evaluate the adequacy of the internal control system of the Company for disclosure to the investors.

10. The Board of Directors and the Risk Management Committee have a duty to jointly consider and determine the Risk Management Policy to be applied throughout the organization, whereby the Management has been assigned to oversee compliance with the said policy and to report relevant issues to the Board of Directors and/or Risk Management Committee on a regular basis. The Board of Directors will ensure that the system is reviewed or that the effectiveness of the risk management is evaluated at least once per year and in the event that there are changes to the risk level, and will also give importance to early warning signs and unusual transactions.

11. The Board of Directors has a policy to encourage the Directors to develop their knowledge by specifying that, annually, at least 1 director has to take a course or seminar activity which increases their knowledge regarding the position of director of the Company.

12. The Board of Directors consider the effectiveness of directors and has a policy that the number of director positions directors can hold simultaneously in other companies but should not exceed five listed companies

13. For businesses that the company has or plans to hold a significant investment in (such as between 20 percent and 50 percent of shares with voting rights), other than subsidiaries, the Board of Directors shall ensure that shareholder agreements or other agreements are in place to enable the company's performance monitoring and participation in the businesses' management, including for approval of significant transactions and decisions. This is to ensure that the company has sufficient, accurate, and timely information for the preparation of its financial statements that conform with relevant standards.

14. The Board of Directors shall prioritize and promote a corporate culture that embraces innovation and ensure management's inclusion of innovation in corporate strategy, operational development planning, and operation monitoring.

15. The Board of Directors shall nurture innovation that enhances long-term value creation for the business in a changing environment. Such innovation may include designing innovative business models, products and services, promoting research, improving production and operation processes, and collaborating with partners.

16. The Board of Directors shall establish a framework for governance of enterprise IT that is aligned with the company's business need and priorities, stimulates business opportunities and performance, strengthens risk management, and supports the company's objectives by allocating adequate and optimal investment in IT resources. And also ensures IT security policies and procedures are in place.

17. In assessing the effectiveness of the company's internal controls and risk management, the Board of Directors shall consider the results of internal controls and risk management at its subsidiaries and businesses in which it has a significant investment (between 20 percent to 50 percent of shares with voting rights).

Roles, Duties and Responsibilities of the Chairman of the Directors of KTIS Group

1. The Chairman of the Directors summons the yearly Board of Directors meeting, and monitors the distribution of invitation letters, including any accompanying documents for the Board of Directors to obtain adequate information in timely manner.

2. The Chairman of the Directors takes the position of the Chairman of the meeting and encourages the Directors to perform in accordance with the laws and regulations.

3. The Chairman of the Directors allows directors to express their opinions and considerations, and makes decision with thorough consideration and with honesty and integrity.

4. The Chairman of the Directors shall receive reports from the management and subcommittees to follow up on the operation and progress of work of the Company in the Board of Directors' meeting.

5. The Chairman of the Directors encourages and sets up standards to monitor the corporate governance of the Board of Directors.

6. The Chairman of the Directors takes the position of the chairman of the shareholders' meeting and ensures that the meeting is in compliance with the articles of association and meeting agenda.

7. The Chairman of the Directors encourages the Directors and shareholders to communicate efficiently.

8. The arrangement of report from the company's management and sub-committee to be presented in the board of directors meeting, for the purpose of the monitor of the company's operation and the progress of business.

Details of the Sub-committees

The Board of Directors appointed 4 sub-committees to control the Company's businesses as follows:

1. Audit Committee

Composition and Appointment of the Audit Committee

The Audit Committee shall consist of at least three independent directors. At least one independent director of the Audit Committee must have sufficient knowledge and experience in accounting or finance to perform audits of our financial statements. Under the relevant Capital Market Supervisory Board's notifications, the Audit Committee/independent director:

- Including related persons of such independent director, shall not hold shares exceeding one percent of the total number of shares in KTIS, our parent company, subsidiaries, associates, major shareholders or controlling persons;
- Must not:
  - have participated in management;
  - have been an employee, staff or advisor receiving a regular salary from us; and
  - have been a controlling person of KTIS, our parent company, subsidiaries, associates, subsidiary company in the same level, major shareholders or controlling persons;

  unless the foregoing has ended not less than two years prior to the date of filing of an application with the Office of the Securities and Exchange Commission ("Office of the SEC") or if such independent director was a government official or government advisor of a unit which is our major shareholder or controlling person;
- Must not be the father, mother, spouse, sibling or child (including his or her spouse) of a Director or an Executive (including prospective Executives), major shareholder or controlling person (including prospective controlling persons), whether such relationship is determined by blood relations or legal relations;
- Must not:
  - have or used to have a business relationship[1] with KTIS, our parent company, subsidiaries, associates, major shareholders or our controlling persons, in a manner which may interfere with his independent judgment;
  - be or used to be an indirect significant shareholder or controlling person of any person having a business relationship with KTIS, our parent company, subsidiaries, associates, major shareholders or our controlling persons;

  unless the foregoing relationship has ended not less than two years prior to the date of filing an application with the Office of the SEC.
- Must not be or must not have been the auditor of KTIS, our parent company, subsidiaries, associates, major shareholders or our controlling persons, or a significant shareholder, controlling person or partner of an audit firm carrying out the audit of KTIS, our parent company, subsidiaries, associates, major shareholders or our controlling persons, unless the foregoing relationship has ended not less than two years prior to the date of filing an application with the Office of the SEC;
- Must not:
  - be or have been a professional service provider, including legal or financial advisor receiving fees exceeding Baht 2 million per annum from KTIS, our parent company, subsidiaries, associates, major shareholders or our controlling persons;
  - be or have been a significant shareholder, controlling person or partner of such professional service provider;

  unless the foregoing relationship has ended not less than two years prior to the date of filing an application with the Office of the SEC;

- Must not be a director appointed to be a representative of Directors of KTIS, our major shareholder or shareholder who is a connected person of the major shareholder;
- Must not undertake any business which is in competition with us;
- Must not be
  - a significant partner in a partnership;
  - a Director participating in management;
  - an employee; or
  - an advisor;
    receiving a regular salary from or holding shares in a proportion exceeding 1% of the total number of shares of another company which is in competition with us;
- Must not have any other characteristics which may prevent him from expressing an independent opinion on our operations;
- Must not being a Director assigned by the Board to make decisions on business operations of KTIS, our subsidiaries, associates, subsidiary company in the same level, major shareholders or our controlling persons; and
- Must not being a director of listed subsidiaries.

Remark [1] Such business relationships include commercial transactions made in the ordinary course of business, renting or leasing of property, transactions in relation to assets or services, granting or receipt of financial support by receiving or giving loans, guarantees, providing assets as collateral and any other similar actions, which may result in us or a counterparty being subject to indebtedness amounting to an equivalent of 3% or more of our net tangible assets or Baht 20 million or more, whichever is lower. The amount of such indebtedness shall be calculated according to the method of calculating the value of connected transactions specified in the notification of the Capital Market Supervisory Board governing rules on connected transactions. Such indebtedness shall include indebtedness incurred one year prior to the date in which the business relationship commences.

As at September 30, 2023, Audit Committee consists of the following members:

Name	Position
1. Mr. Krairit Nilkuha	Chairman / Independent Director
2. Mr. Sathaporn Kotheeranurak	Member / Independent Director
3. Acting Sub Lt. T-rayooth Changpetch	Member / Independent Director

Mrs. Natthira Paisayom is the secretary of the Audit Committee.

Remark Audit Committee no. 1-2 have sufficient knowledge and experience to verify the reliability of financial statement. The detail of experiences in verifying financial statement is according to the detail of each director (Attachment 1).

Membership Term

The term of membership of the chairman and members of the Audit Committee is three years from the date of their appointment. Any retiring member of the Nomination, Remuneration and Sustainability Committee may be re-elected. In the event that a Director's office is vacated due to reasons other than retirement, the Board shall elect a sufficiently qualified candidate such that the quorum requirements prescribed by the Board are met. The person so appointed shall remain in office for the same period of time that the vacating Director was entitled to remain in office.

Scope of power and duties and responsibility of the Audit Committee

- The Audit Committee shall ensure that our financial statements are complete and accurate;
- The Audit Committee shall ensure that we have implemented appropriate and efficient internal controls and audit systems, and that the Internal Audit Bureau is independent. It shall also be responsible for the approval of the appointment, transfer or termination of the Chief of the Internal Audit Bureau, or any other unit responsible for internal audit;
- The Audit Committee shall ensure that we comply with securities and exchange laws, regulations of the SET and laws relating to our business operations;
- The Audit Committee shall recruit and nominate an independent third-party as our auditor, determine the auditor's fees and hold at least one meeting per year with the auditor, without the participation of the management;
- The Audit Committee shall ensure that our connected transactions, or transactions that may result in conflicts of interest, are conducted in compliance with the law and rules of the SET, and shall ensure that such transactions are reasonable and in our best interests;
- The Audit Committee shall prepare an Audit Committee's report which will be disclosed in our annual report. The report must be signed by the chairman of the Audit Committee and shall contain the following details:
  - an opinion on the accuracy, completeness and reliability of our financial statements;
  - an opinion on the sufficiency of our audit control system;
  - an opinion on compliance with securities and exchange laws, regulations of the SET and the laws relating to our business;
  - an opinion on the suitability of the auditor;
  - an opinion on transactions which may result in conflicts of interest;
  - number of meetings held by the Audit Committee and the attendance record of each member of the Audit Committee;
  - comments or overall remarks obtained by the Audit Committee in relation to its performance under the Audit Committee Charter; and
  - other matters of which our shareholders and general investors should be informed;
- If the Audit Committee, in the course of their duties, finds or is suspicious of one of the following transactions or actions which has significantly affected our financial standing and operating results, the Audit Committee shall report such transaction or action to the Board such that the relevant rectifications can be made
  - a transaction resulting in a conflict of interest;
  - fraud or any major irregularity or defect in our internal control system; or
  - a violation of securities and exchange laws, regulations of the SET and the laws relating to our business.

If the Board or Management fails to rectify the problem within the time specified, any member of the Audit Committee may make a report to the SEC or the SET.

Number of Meeting Attended

The table below shows the attendance of the Audit Committee in 2023.

Name	2023
1. Mr. Krairit Nilkuha	4/4
2. Mr. Sathaporn Kotheeranurak	4/4
3. Acting Sub Lt. T-rayooth Changpetch	4/4

The details of the operation for the year 2023 of the Audit Committee appears in the heading “Report on the Performance of Audit Committee Committee”.

2. Nomination Remuneration and Sustainability Committee

Composition and Appointment of the Nomination and Remuneration Committee

The members of the Nomination Remuneration and Sustainability Committee are selected and appointed by the Board. At least one third of all the members of the Nomination Remuneration and Sustainability Committee shall be independent directors.

The Nomination Remuneration and Sustainability Committee e shall report directly to the Board and the Nomination Remuneration and Sustainability Committee shall hold office for a term of 3 years from the date of appointment. However, a member of the Nomination Remuneration and Sustainability Committee who vacates office may be re-elected to assume the position.

As at September 30, 2023, Nomination Remuneration and Sustainability Committee consists of the following members:

Name	Position
1. Mr. Issakan Krivitthaya	Chairman
2. Mrs. Darat Vibhatakalasa	Member
3. Mr. Phoonsak Boonsalee	Member

Mr. Poomrerk Wangpreedalertkul is the secretary of Nomination Remuneration and Sustainability Committee.

Membership Term

The term of membership of the chairman and members of the Nomination Remuneration and Sustainability Committee is three years from the date of their appointment. Any retiring member of the Nomination Remuneration and Sustainability Committee may be re-elected. In the event that a Director's office is vacated due to reasons other than retirement, the Board shall elect a sufficiently qualified candidate such that the quorum requirements prescribed by the Board are met. The person so appointed shall remain in office for the same period of time that the vacating Director was entitled to remain in office.

Scope of power and duties of the Nomination Remuneration and Sustainability Committee

- The Nomination Remuneration and Sustainability Committee shall review our business organization and the qualifications of our Directors and Chief Executive Officer in accordance with our business requirements;
- The Nomination Remuneration and Sustainability Committee shall nominate only persons whose qualifications are appropriate for holding office as Directors and our Chief Executive Officer, and shall set up transparent nomination criteria and procedures for such persons. The nominations shall be presented at a Board meeting and/or a shareholders' meeting for approval;
- The Nomination Remuneration and Sustainability Committee shall implement procedures and rules to ensure that fair and reasonable remuneration, both in cash and in kind, will be granted to our Directors and the Chief Executive Officer. The Nomination Remuneration and Sustainability Committee shall propose such remuneration at a Board meeting and/or a shareholders' meeting for approval;
- The Nomination Remuneration and Sustainability Committee shall report to the Board on its performance and shall prepare a Nomination and Remuneration Committee's report which will be disclosed in our annual report. The report must be signed by the chairman of the Nomination and Remuneration Committee;

- The Nomination Remuneration and Sustainability Committee shall conduct performance evaluations and prepare an evaluation report for the Board;
- The Nomination Remuneration and Sustainability Committee shall perform any other activities as designated by the Board;
- The Nomination Remuneration and Sustainability Committee shall review the company's policies and practices about sustainability on annual basis;
- The Nomination Remuneration and Sustainability Committee shall consider the annual operation result about company's sustainability to be disclosed in annual report, and provide recommendation for next year's operation; and
- The Nomination Remuneration and Sustainability Committee shall work on the company's sustainability issues delegated by the board of directors.

Number of Meeting Attended

The table below shows the attendance of The Nomination, Remuneration and Sustainability Committee in 2023.

Name	2023
1. Mr. Issakan Krivitthaya	1/1
2. Mrs. Darat Vibhatakalasa	1/1
3. Mr. Phoonsak Boonsalee	1/1

The details of the operation for the year 2023 of the Nomination, Remuneration and Sustainability Committee appears in the heading "Report on the Performance of the Nomination, Remuneration and Sustainability Committee".

3. Risk Management Committee

Composition and Appointment of the Risk Management Committee

The members of the Risk Management Committee are selected and appointed by the Board. At least two members of the Risk Management Committee shall be independent directors. The chairman should be an independent director.

The Risk Management Committee reports directly to the Board and the Risk Management Committee has a term of office of 3 years from the date of appointment. However, the risk management committee who vacates office may be re-elected to take up the position.

As at September 30, 2023, Risk Management Committee consists of the following members:

Name	Position
1. Acting Sub Lt. T-rayooth Changpetch	Chairman
2. Mr. Parphan Siriviriyakul	Member
3. Mr. Sirivuthi Siamphakdee	Member
4. Mr. Prasert Siriviriyakul	Member
5. Mr. Nathapun Siriviriyakul	Member
6. Mr. Issakan Krivitthaya	Member

Mr. Worrawit Klawwikorn is the secretary of the Risk Management Committee.

Membership Term

The term of membership of the chairman and members of the Risk Management Committee is three years from the date of their appointment. Any retiring member of the Risk Management Committee may be re-elected. In the event that a Director's office is vacated due to reasons other than retirement, the Board shall elect a sufficiently qualified candidate such that the quorum requirements prescribed by the Board are met. The person so appointed shall remain in office for the same period of time that the vacating Director was entitled to remain in office.

Scope of power and duties of the Risk Management Committee

- Before making management policy proposals to the Board for approval, the Risk Management Committee shall consider our risk management policies in light of changes in our business and circumstances;
- The Risk Management Committee shall determine business strategies in accordance with our risk management policies;
- The Risk Management Committee shall approve risk management indicators;
- The Risk Management Committee shall monitor management's compliance with our risk management policies and control the efficiency of risk management;
- The Risk Management Committee shall monitor the sufficiency of resources such as staff and systems for risk management;
- The Risk Management Committee shall implement risk management procedures and rules for evaluating significant transactions before such transactions are presented to the Board and relevant committees for approval;
- The Risk Management Committee shall monitor and report our risk status to the Board and the Audit Committee;
- The Risk Management Committee shall integrate corporate governance, risk management and legal compliance in order to achieve integrity-driven operations;
- The Risk Management Committee shall set up a working team as may be appropriate; and
- The Risk Management Committee shall perform any other activities as designated by the Board.

Number of Meeting Attended

The table below shows the attendance of the Risk Management Committee in 2023.

Name	2023
1. Acting Sub Lt. T-rayooth Changpetch	4/4
2. Mr. Parphan Siriviriyakul	4/4
3. Mr. Sirivuthi Siamphakdee	4/4
4. Mr. Prasert Siriviriyakul	4/4
5. Mr. Nathapun Siriviriyakul	3/4
6. Mr. Issakan Krivitthaya	4/4

The details of the operation for the year 2023 of the Risk Management Committee appears in the heading "Report on the Performance of Risk Management Committee".

4. Executive Committee

Composition and Appointment of the Executive Committee

The Board selects Members of the Executive Committee from our Directors or key Executives. The Executive Committee shall report directly to the Board and the Executive Director shall hold office for a term of 3 years from the date of appointment. However, an executive director who has vacated office may be re-elected to take up the position.

As at September 30, 2023, Executive Committee consists of the following members:

Name	Position
1. Mr. Nathapun Siriviriyakul	Chairman
2. Mr. Parphan Siriviriyakul	Member
3. Mrs. Darat Vibhatakalasa	Member
4. Mr. Prasert Siriviriyakul	Member
5. Mr. Sirapak Siriviriyakul	Member

Mr. Poomrerk Wangpreedalertkul is the secretary of the Executive Committee.

Membership Term

The term of membership of the chairman and members of the Executive Committee is three years from the date of their appointment. Any retiring member of the Executive Committee may be re-elected. In the event that there is a vacancy in a Director's office for reasons other than retirement, the Board shall elect a sufficiently qualified candidate as a member to ensure that the quorum requirements prescribed by the Board are met. The person so appointed shall remain in office for the same period of time that the vacating Director was entitled to remain in office.

Scope of power and duties of the Executive Committee

- The Executive Committee is responsible for managing our business in accordance with the objectives of our business operations, provided that management of our business shall be subject to policies, rules or orders prescribed by the Board. In addition, the Executive Committee is responsible for reviewing matters to be proposed to the Board for further approval;
- The Executive Committee shall prepare our vision, business strategies and direction, business policies, targets, guidelines, operational plans and our annual budget, and shall present the same to the Board for approval;
- The Executive Committee shall set up business policies and management authorization, shall approve our annual budget and comply with the business plan and strategy according to the policies and business model presented to the Board;
- The Executive Committee shall efficiently oversee and monitor our operations in accordance with our management policies and guidelines as approved by the Board;
- The Executive Committee shall approve matters or actions to be taken in the ordinary course of our business, so long as it is within the Board's approved budget, does not involve the incurring of liabilities or encumbrances exceeding Baht 1,000 million, and does not have a term of over five years (liabilities or encumbrances include project finance facilities granted to us);
- The Executive Committee shall have the power and authority to approve borrowing or lending transaction, including credit transactions with banks and companies in KTIS group, or obligations as a guarantor of affiliates, or payments and expenses required for the Company's operations in normal course of business;
- The Executive Committee shall have the power and authority to appoint the Company's employees at the level below Group CEO;

- The Executive Committee shall make the following reports on our results of operations:
  - a quarterly report of our performance shall be submitted within the timeframe prescribed by the SET;
  - an auditor's report in respect of our financial statements, including our annual and quarterly financial statements, shall be submitted within the timeframe prescribed by the SET; and
  - other reports deemed appropriate by the Executive Committee;
- The Executive Committee shall perform any other activities as designated by the Board;

Nevertheless, the Executive Committee shall not have the power to approve any transactions in which members of the Executive Committee or any other person may have a conflict of interest (as defined in the notification of the SEC) with the Company. In such event, the Executive Committee must present the transaction to the Board and/or the shareholders for approval in accordance with the relevant articles, notifications and laws.

Number of Meeting Attended

The table below shows the attendance of the Executive Committee in 2023.

Name	2023
1. Mr. Nathapun Siriviriyakul	11/12
2. Mr. Parphan Siriviriyakul	12/12
3. Mrs. Darat Vibhatakalasa	12/12
4. Mr. Prasert Siriviriyakul	12/12
5. Mr. Sirapak Siriviriyakul	12/12

The details of the operation for the year 2023 of the Executive Committee appears in the heading "Report on the Performance of Executive Committee".

Evaluation of Committee

To comply with the corporate governance principle, the Board has undertaken the performance evaluation of the Audit Committee at least annually by using the evaluation form developed by the Stock Exchange of Thailand (SET). Based on the 2023 evaluation, the overall rating under each category is as follows:

Evaluation Category	Performance of Audit Committee	Nomination, Remuneration and Sustainability Committee	Risk Management Committee	Executive Committee
1. Board structure and qualifications of directors	5	4.93	4.41	4.53
2. Board meeting	4.93	4.69	4.55	4.44
3. Roles, duties and responsibilities of Board	4.89	4.77	4.55	4.56
Average	4.95	4.79	4.50	4.51

Remark Total score = 5

Details of the Executive

As at September 30, 2023, Executives, as defined in the Notification of the Securities and Exchange Commission No. KorChor. 17/2551 Re: Definition under Notifications relating to Issuance and Offering of Securities, consists of the following members:

Remark An executive means a Director, a manager or the next four executives succeeding the manager, a person holding an equivalent position to the fourth executive, including a person holding the position of manager or the equivalent in the accounting or finance departments.

Name	Position
1. Mr. Parphan Siriviriyakul	Chief Executive Officer - KTIS Group
2. Mr. Sirapak Siriviriyakul	Chief Financial Officer - KTIS Group
3. Mrs. Darat Vibhatakalasa	Deputy Chief Executive Officer - KTIS Group
4. Mr. Prasert Siriviriyakul	Deputy Chief Executive Officer - KTIS Group
5. Mr. Nathapun Siriviriyakul	Deputy Chief Executive Officer - KTIS Group
6. Mrs. Nomchit Akaramekin	Director - Accounting Department

Scope of power and duties of the Chief Executive Officer – KTIS Group

- The Chief Executive Officer - KTIS Group shall be responsible, overall, for our operations in accordance with our business objectives and the rules prescribed by the Board;
- The Chief Executive Officer - KTIS Group shall implement and comply with the business strategies and directions approved by the Board;
- The Chief Executive Officer - KTIS Group shall perform any activity designated by the Board and shall comply with policies prescribed by the Board;
- The Chief Executive Officer - KTIS Group shall introduce regulations, notifications and memorandums in accordance with our policies;
- The Chief Executive Officer - KTIS Group shall approve transactions taken in the ordinary course of our business, including transactions which do not bind any of our assets, and transactions which the Board has authorized the Chief Executive Officer - KTIS Group to approve;
- The Chief Executive Officer - KTIS Group shall monitor management and officers to ensure that that they are in compliance with our internal policies and business directions prescribed by the Board;
- The Chief Executive Officer - KTIS Group shall review transactions affecting our rights and assets before referring proposals of such transactions to the Executive Committee or the Board for approval;
- The Chief Executive Officer - KTIS Group shall monitor all expenses relating to the our ordinary business operations and ensure that they are in accordance with the Board's approved budget;
- The Chief Executive Officer - KTIS Group shall approve all investments in instruments and securities as approved by the Board;
- The Chief Executive Officer - KTIS Group shall approve investments in business expansion and co-investment with other operators and submit proposals of such matters to the Board for approval;
- The Chief Executive Officer - KTIS Group shall approve investment funds as prescribed in our annual budget or as approved by the Board;
- The Chief Executive Officer - KTIS Group shall monitor our employees and ensure that they are in compliance with our internal policies and regulations, including our corporate governance regulations;
- The Chief Executive Officer - KTIS Group shall take measures to enhance our employees' performance in order to improve our business performance;
- The Chief Executive Officer - KTIS Group shall appoint relevant advisors necessary for our business operations;
- Pursuant to the policies prescribed by the Board, the Chief Executive Officer - KTIS Group shall approve related party transactions conducted on an arm's length basis. Such transactions may involve trading at market prices, servicing with ordinary fees and the provision of credit on similar terms;
- The Chief Executive Officer - KTIS Group shall approve the appointment, transfer and termination of employees, and may also delegate any of his duties to such other persons as he deems fit; and
- The Chief Executive Officer - KTIS Group shall perform other activities as designated by the Board.

Evaluation of Chief Executive Officer - KTIS Group

To comply with the corporate governance principle, the Board has undertaken the performance evaluation of the Chief Executive Officer - KTIS Group at least annually by using the evaluation form developed by the Stock Exchange of Thailand (SET). Based on the 2023 evaluation, the overall rating under each category is as follows:

Evaluation Category	CEO Group
1. Leadership	4.96
2. Strategy formulation	4.73
3. Strategy execution	4.80
4. Financial planning and performance	4.80
5. Relationship with Board of Directors	4.95
6. Relationship with external parties	5.00
7. Administration and employee relations	4.15
8. Product and service knowledge	4.78
Average	4.69

Remark Total score = 5

Remuneration of the Executives

The table below represents the remuneration details of our Executives in 2021, 2022 and 2023.

Type of Remuneration	Number (Persons)	2021 (Baht)	2022 (Baht)	2023 (Baht)
Salary	6	21,507,490	24,143,173	25,106,421
Bonus	6	483,072	348,359	124,428
Total		21,990,562	24,491,532	25,230,849

Remark 1. 6 executives are (1) Chief Executive Officer - KTIS Group (Group CEO) (2) Chief Financial Officer - KTIS Group (3-5) Deputy Chief Executive Officer - KTIS (6) Director - Accounting Department

2. Since Mr. Sirivuthi Siemphakdi resined from a position of Chief Financial Officer from 1st July 2020 onward. And, Mr. Sirapak Siriviriyakul has been appointed to such position.Therefore this information shows the compensation paid to such both persons as the Chief Financial Officer.

Other Remuneration

- Provident fund amount

The following table displays the details of the provident fund amount in 2021, 2022 and 2023.

Type of Remuneration	Number (Persons)	2021 (Baht)	2022 (Baht)	2023 (Baht)
Provident fund	6	645,224.70	723,395.19	752,143.68
Total		645,224.70	723,395.19	752,143.68

Remark 1. 6 executives are (1) Chief Executive Officer - KTIS Group (Group CEO) (2) Chief Financial Officer - KTIS Group (3-5) Deputy Chief Executive Officer - KTIS (6) Director - Accounting Department

2. Since Mr. Sirivuthi Siemphakdi resined from a position of Chief Financial Officer from 1st July 2020 onward. And, Mr. Sirapak Siriviriyakul has been appointed to such position. Therefore this information shows the compensation paid to such both persons as the Chief Financial Officer.

Details of the Employees

Personnel and Remuneration

The Company has a total of 2,957 employees and the remuneration expenses in 2023 amounted to Baht 727,342,448.23 which included expenses such as salary, overtime expenses, allowance, special bonus, special financial assistance, contribution to the Social Security Fund and contribution to the provident fund.

Company	2023				
	Service No. of Employee	Management No. of Employee	Head Office No. of Employee	Total	Total 2023 Personnel Expenses
Sugarcane and Sugar Business	2,647	90	141	2,878	1,019,392,113
Bio Business	148	7	26	181	45,294,248
Total	2,795	97	167	3,059	1,064,686,361

Remark The information was only permanent employees of KTIS Group and did not include seasonal hiring employees and advisers.

None of the Company's employees is a union member. The Company believes that our employer- employee relationship is healthy and strong.

Moreover the company has complied all labor law and no significant labor dispute or strike has occurred within the last 3 financial years. The company does not acknowledge any remaining or coming labor dispute.

The Policy of Human Resources Development

The company has comprehensively, continuously and consistently emphasized and focused on human resources development which is the valuable resources. The development shall increase their potential and create the benefit to the productivity with the quality that serves the customers' demand, and also create the company to be the learning company with the awareness of working safety, social responsibility and environment concern.

Therefore, the company has determined its vision of human resources development as follows:

"Determination to develop the employees to be good and smart, be capable of lifelong learning, be ready for the changes, be professional and to sustainably drive the company' growth ."

Human resources development

1. Create the good person with the mindset and working determination by :

1.1 Determination and KTIS value

1) Knowledge and development: realize and determine to create the continuous learning and self-development, to elevate the competency and increase the potential. To rectify, modify and develop is made to create readiness for changes. The creativity and innovativity that create working process, machinery and innovation with quality, efficiency and safety will sustainably drive the company' growth

2) Teamwork spirit: To encourage systematic work, the understanding of role and duty , the responsibility, the open-mind, the rationality and the respect in the team's opinion. To participate in brainstorming, to confidently express the opinion, make a decision and make an action. to be a good consultant, to participate in problem solving, to be responsible beyond one's own scope of duty, to exchane experience and opinion to achieve the goal under the same direction.

3) Intelligent and good people: to be the person with 7 aspects of 7 quotients, namely IQ (Intelligence Quotient), EQ (Emotional Quotient), CQ (Creativity Quotient), MQ (Moral Quotient), PQ (Play Quotient), AQ (Adversity Quotient) and SQ (Social Quotient), which will highlight KTIS core value that "We are capable of thinking, getting things done, and learning as well as be a good person".

4) Smart Goal and Service mind: to implement the principle of Smart Goal which is S = Specific M = Measurable A = Attainable R = Relevant T = Timely, To be determined, ambitious, to try one's best to achieve the goal, to be irresistible to hardship or obstacles from the work, not to be irresponsible, to be trustable and credible with a good courtesy and without harsh or aggressive act, to be humble and have good human relation, to create impression to inside and outside customers, sugarcane farmers, shareholders and all stakeholders.

1.2 Promotion of corporate culture

1) Diligence

2) Innovation

3) Familiness

4) Corporate Governance

5) Knowledge Empowerment and Self Development

6) Sugarcane Farmer Support and Care

7) Corporate Social Responsibility

1.3 Support activities and projects that are beneficial to society, participate in festival activity and create public benefit and support community

2. New workforce preparation

2.1 Academic scholarships are awarded to children and youth including those of KTIS's employees and its contracted cane farmers'. Qualified scholars will be eligible for joining with KTIS after graduations.

2.2 Cooperative education programs are available for student interns and those qualified students will be eligible for joining with KTIS after graduations.

3. Learning form actual working experience

3.1 Arrange the technical training to senior staff, chief assistants, chiefs and manager to educate the knowledge, understanding and capability to train other colleague.

3.2 Arrange the technical training course to build the trainer of the organization to expand the training, and to be capable to communicate the right working method and to be a good consultant which shall reduce error and working accident and increase the efficiency.

4. Learn from training of New Skill, Up Skill and Re Skill

4.1 To develop employees and to create lifelong learning, the new skill training is made to create the updated technology skill, the skill necessary to present and future work. The training is made to upgrade the skill and retrain which cover the aspects of soft skill and technical skill.

4.2 The innovation promotion and working improvement are made to gain the good quality product, to work fastly and safely. The committee is appointed to conduct Process Improvement and Performance Improvement project.

5. develop the talented or the successors: The selection and training have been made to in time replace the retired employees and cover the future executives.

From October 2022 to September 2023, there were 290 training courses.

Other important information

Information about persons assigned to perform various duties in the company.

Company Secretary

To comply with Securities and Exchange Act (No. 4) BE 2551, Section 89/1 and Section 89/16, the Board of Directors At the meeting No. 3/2019 held on March 25, 2019, it was resolved to approve the appointment of Mr. Poomrerk Wangpreedalertkul. Served as company secretary to perform duties as required by law in the preparation and keeping of important documents of the Company, such as the registration of directors meeting notice Minutes of the Board of Directors Meeting and shareholder meeting annual report on the interests of directors and executives Operate the meeting of the Board of Directors. And shareholder meeting the company secretary has been trained in important courses that are beneficial to the performance of duties in its entirety and has received additional training annually. The history appears in Attachment 1.

Accounting supervisor Accounting Manager

The Company assigns Miss. Ratchada Boonwanno, Accounting Manager, to be directly responsible for the supervision of the Company's accounting. The history appears in Attachment 1.

Person holding the position of Head of Internal Audit

The Company assigned Mrs. Natthira Paisayom, Internal Audit Manager, to Served as Head of Internal Audit The history appears in Attachment 3.

List of Heads of Investor Relations

Contact Information

Ms. Monathy Ploisook, Assistant Director of Investor Relations and Corporate Communications.

Telephone : 02-692-0869 to 73 ext. 193 ext. 26
E-mail : ir@ktisgroup.com

Remuneration for the External Audit

Audit Fee

The Company and its subsidiaries have paid audit fees as follows:

- The Company's external audit (Miss Kosum Cha-em) in the last year total 0 baht.
- The audit company (EY Office Ltd.) person and businesses related to the external auditor and the audit company in the last year.

No.	The Company and its subsidiaries	2021	2022	2023
1	Kaset Thai International Sugar Corporation Pcl. (KTIS)	1,290,000	1,290,000	1,335,000
2	Thai Identity Sugar Factory Co., Ltd. (TIS)	550,000	550,000	575,000
3	Environment Pulp and Paper Co., Ltd. (EPPCO)	360,000	360,000	370,000
4	KTIS Bioethanol Co., Ltd. (KTBE)	390,000	390,000	410,000
5	Kaset Thai Bio Power Co., Ltd. (KTBP)	290,000	290,000	300,000
6	Thaiekaluck Power Co., Ltd. (TEP)	290,000	290,000	300,000
7	Ruampol Bio Power Co., Ltd. (RPBP)	290,000	290,000	300,000
8	KTIS Bio Fertiliser Co., Ltd (KTBF)	110,000	110,000	120,000
9	Kasetthai Wiwat Co., Ltd. (KTW)	100,000	100,000	100,000

No.	The Company and its subsidiaries	2021	2022	2023
10	Sapsirikaset Co., Ltd. (SSK)	50,000	50,000	50,000
11	Permsinpattana Co., Ltd. (PSP)	35,000	35,000	35,000
12	Environment Pulp and Packaging Co., Ltd. (EPAC)	65,000	65,000	110,000
13	Environment Pulp and Straw Co., Ltd. (EPAS)	35,000	35,000	70,000
14	KTIS Bio Natural Co., Ltd. (KTBN)	35,000	35,000	35,000
15	KTIS Biogas Power Co., Ltd. (KBGP)	35,000	35,000	35,000
16	KTIS Bio Energy Co., Ltd. (KBE)	35,000	35,000	35,000
17	KTIS Research and Development Co., Ltd (KTIS R&D)	90,000	90,000	90,000
	Total	4,050,000	4,050,000	4,270,000

Non-audit fee

No.	The Company and its subsidiaries	2022			2023		
		Non-Audit Service	Remuneration for other services		Non-Audit Service	Remuneration for other services	
			The paid during the fiscal year	The paid in the future		The paid during the fiscal year	The paid in the future
1	Kaset Thai Bio Power Co., Ltd. (KTBP)	Review BOI (in Baht)	65,000	-	Review BOI (in Baht)	65,000	-
2	Thai Ekarak Power Co., Ltd (TEP)	"	65,000	-	"	65,000	-
3	Ruampol Bio Power Co., Ltd. (RPBP)	"	65,000	-	"	65,000	-
	Total		195,000	-	"	195,000	-

Key Performance of Corporate Governance

The company strengthens and cultivates business operations in accordance with the principles of good corporate governance. According to the Office of the Securities and Exchange Commission (“SEC”) and the Stock Exchange of Thailand (“SET”) provides guidelines, including as a guideline for directors. Executives and all employees The Board of Directors has set out the principles of good corporate governance and business ethics in writing by disseminating them through the Company’s website and a website for communication within the company.

In addition, the Board of Directors attaches great importance to raising the standards of good corporate governance of the Company to be in line with the standards both nationally and internationally. The corporate governance principles are reviewed annually and improvement of corporate governance principles of the company continuously. Through references from the criteria and recommendations of the SEC, the Stock Exchange of Thailand, the Corporate Governance Report of Thai Listed Companies (CGR) project criteria of the Thai Institute of Directors Association (IOD) Guidelines for ASEAN Corporate Governance Scorecard (“ASEAN CG Scorecard”).

The Company’s operations are in accordance with the principles of good corporate governance. For listed companies in 2017 (CG Code) of the SEC, which consists of 8 categories of principles as follows:

Principle 1 Establish Clear Leadership Role and Responsibilities of the Board

Principle 2 Define Objectives that Promote Sustainable Value Creation

Principle 3 Strengthen Board Effectiveness

Principle 4 Ensure Effective CEO and People Management

Principle 5 Nurture Innovation and Responsible Business

Principle 6 Strengthen Effective Risk Management and Internal Control

Principle 7 Ensure Disclosure and Financial Integrity

Principle 8 Ensure Engagement and Communication with Shareholders

Report on the Performance of the Board of Directors

Nomination of Directors and Executives

The Nomination, Remuneration and Sustainability Committee shall be responsible for recruiting, selecting and nominating persons with the appropriate qualifications to be presented to the Board and/or the shareholders for approval. Such persons shall have the qualifications prescribed under Section 68 of the Public Limited Company Act B.E. 2535 (1992) (as amended) and must not be of character prohibited under the notification of the SEC No. Thor Chor. 24/2551 re: Prerequisites of Directors and Executives of Securities Issuer Companies (as amended). In appointing Directors and Executives, the candidate's knowledge, ability and work experience will also be taken into account. The composition and appointment of the Board can be summarized as follows:

Composition and appointment of the Board

The Board shall consist of no less than five Directors. At least half of the Directors must be domiciled in Thailand. The Directors may or may not be shareholders.

In appointing Directors, the Nomination, Remuneration and Sustainability Committee shall be responsible for recruiting and selecting persons with the requisite knowledge, ability and experience related to our business. The appointment of new Directors shall be approved at a Board meeting and/or a shareholders' meeting. Pursuant to our Articles of Association, the election of Directors at a shareholders' meeting shall be in accordance with the following rules and procedures:

1) Each shareholder shall have one vote per share.
2) Each shareholder shall use all of his votes to elect one or several persons as a Director or Directors. However, he may not divide his votes among multiple candidates.
3) The persons who receive the most votes will be elected as Directors. The Chairman shall have a casting vote in the event that the election of two candidates who have equal votes will cause the number of Directors to be elected to exceed that prescribed in the meeting.

Any Director who desires to resign from office is required to submit a resignation letter. The resignation will be effective from the date the resignation letter is received.

Shareholders may, by passing a resolution by a majority consisting of three quarters or more of the total number of votes cast for and against such resolution at a shareholders' meeting, remove any Director from office prior to his retirement.

Independent Directors of KTIS

The present Independent Directors is equivalent to one-third of total board members. The qualification of independent director as specified by the Company is in compliance with the regulation of the Securities and Exchange Commission (SEC) and Stock Exchange of Thailand (SET), as committed to good governance as follows:

- Holding shares not exceeding 1 percent of the total number of voting rights of the Company, its parent company, subsidiary, affiliate or juristic person which may have conflicts of interest, including the shares held by related persons of the independent director;

- Neither being nor having been an executive director, employee, staff, or advisor who receives salary, or a controlling person of the Company, its parent company, subsidiary, affiliate, same level subsidiary or juristic person who may have conflicts of interest unless the foregoing status has ended not less than 2 years prior to the date of appointment;
- Not being a person related by blood or registration under laws, such as father, mother, spouse, sibling, and child, including spouse of the children, executives, major shareholders, controlling persons, or persons to be nominated as executive or controlling persons of the Company or its subsidiary;
- Not having a business relationship with the Company, its parent company, subsidiary, affiliate or juristic person who may have conflicts of interest, in the manner which may interfere with his independent judgement, and neither being nor having been a major shareholder, non independent director or executive of any person having a business relationship with the Company, its parent company, subsidiary, affiliate or juristic person who may have conflicts of interest unless the foregoing relationship has ended not less than 2 years prior to the date of appointment.

  The term 'business relationship' in the aforementioned under paragraph one includes any normal business transaction, rental or lease of immovable property, transaction relating to assets or services or grant or receipt of financial assistance through receiving or extending loans, guarantee, providing assets as collateral, including any other similar actions, which result in the Company or his counterparty being subject to indebtedness payable to the other party in the amount of 3 percent or more of the net tangible assets of the Company or 20 million Baht or more, whichever is lower. The amount of such indebtedness shall be calculated according to the calculation method for value of connected transactions under the Notification of the Capital Market Supervisory Board governing rules on connected transactions mutatis mutandis. The combination of such indebtedness shall include indebtedness taking place during the course of one year prior to the date on which the business relationship with the person commences; neither being nor having been an auditor of the Company, its parent company, subsidiary, affiliate or juristic person who may have conflicts of interest, and not being a major shareholder, non-independent director, executive or partner of an audit firm which employs auditors of the Company, its parent company, subsidiary, affiliate or juristic person who may have conflicts of interest unless the foregoing relationship has ended not less than 2 years from the date of appointment;
- Neither being nor having been any professional advisor including legal advisor or financial advisor who receives an annual service fee exceeding Baht 2 million from the Company, its parent company, subsidiary, affiliate or juristic person who may have conflicts of interest;
- Neither being nor having been a major shareholder, non-independent director, executive or partner of the professional advisor unless the foregoing relationship has ended not less than 2 years from the date of appointment;
- Not being a director who has been appointed as a representative of the Company's director, major shareholder or shareholders who are related to the Company's major shareholder;
- Not operating any business which has the same nature as and is in significant competition with the business of the Company or subsidiary, or not being a principal partner in any partnership, or not being an executive director, employee, staff, or advisor who receives salary; or holding shares not exceeding 1 percent of the total number of voting rights of any other company operating a business which has the same nature as and is in significant competition with the business of the Company or subsidiary;
- Not having any characteristics which make him incapable of expressing independent opinions with regard to the Company's business affairs.

After having been appointed as independent director with qualifications complying with the criteria under (1) to (9) of paragraph one, the independent director may be assigned by the board of directors to take part in the business decision of the Company, its parent company, subsidiary, affiliate, same level subsidiary or juristic person who may have conflicts of interest on the condition that such decision must be a collective one.

Recruitment of the Group Chief Executive Officer (CEO group)

When the position of Group Chief Executive Officer becomes vacant, the Executive Committee will consider nominating suitable persons to be Group Chief Executive Officer. The consideration is based on several elements in common, namely the qualifications to hold the position of Group Chief Executive Officer as required by the laws and regulations of the Company, knowledge, competence, and past work experience. After the Executive Committee has considered the appropriate list of names, the list will be proposed to the Nomination, Remuneration and Sustainability Committee for consideration once again that the said list will be submitted to the Board.

Onboarding Program for New Directors

The Company has arranged an onboarding program for new directors which covers the Company's business overview and the following topics:

- Relevant regulatory framework (legal requirements, the Cabinet's resolution, rules and regulations)
- Operations and activities
- Major projects
- Organizational development and business development
- Corporate governance
- Corporate social responsibility

As part of the onboarding program, new directors visit the Company's plants and operating sites, and are provided with information about the Company's Board of Directors and executives in support of their duty of governance in the following dimensions:

- Vision, mission, values and purposes of the Company
- Organizational development and business development
- Profiles of directors and executives
- Qualifications and remunerations of directors
- Roles, duties and responsibilities of directors
- Management structure
- Company's profile
- Corporate governance policy

This year, the Company organized an orientation according to the aforementioned process for a new director, Mr. Somchai Suwachittanont.

Training Programs for Board of Directors

The Company has encouraged its directors to attend training courses and programs which are related to corporate governance principles, regulatory compliance, and governance roles and responsibilities of directors. The training courses and programs attended by the Company's directors are as shown below:

Name		Director Certification Program (DCP)	Director Accreditation Program (DAP)	Audit Committee Program (ACP)	Finance for Non-Finance Director (FND)	Monitoring Fraud Risk Management (MFM)	Understanding the Fundamental of Financial Statements (UFS)	Board Matters and Trends (BMT)
Mr. Pricha	Attavipach	DCP39/2004	DAP107/2014	ACP11/2006	FND8/2004			
Mr. Sirivuthi	Siamphakdee		DAP 54/2006					
Mr. Krairit	Nilkuha		DAP 53/2006	ACP24/2008			UFS 6/2006	
Mr. Parphan	Siriviriyakul		DAP 96/2012					
Mr. Nathapun	Siriviriyakul		DAP 96/2012					
Mrs. Darat	Vibhatakalasa		DAP 96/2012					
Mr. Prasert	Siriviriyakul		DAP 96/2012					
Mr. Apichart	Noochprayoon		DAP 96/2012					
Mr. Sathaporn	Kotheeranurak		DAP 35/2009	ACP13/2013				BMT6/2018
Acting Sub Lt. T-rayooth	Changpetch		DAP 97/2012	ACP41/2012		MFM 8/2012		
Mr. Issakan	Krivitthaya		DAP 97/2012	ACP41/2012		MFM 8/2012		
Mr. Phoonsak	Boonsalee		DAP 97/2012					
Mr. Somchai	Suwajittanont		DAP 55/2006					

Meeting attendance of the Board of Directors individually

Name	Position	Number of Meeting Attended in 2023	Annual General Meeting of Shareholders 2023
1. Mr. Pricha Attavipach	Chairman	4/4	1/1
2. Mr. Parphan Siriviriyakul	Director	4/4	1/1
3. Mr. Nathapun Siriviriyakul	Director	4/4	1/1
4. Mrs. Darat Vibhatakalasa	Director	4/4	1/1
5. Mr. Prasert Siriviriyakul	Director	4/4	1/1
6. Mr. Sirapak Siriviriyakul	Director	4/4	1/1
7. Mr. Sirivuthi Siamphakdee	Vice-Chairman	4/4	1/1
8. Mr. Phoonsak Boonsalee	Independent Director	4/4	1/1
9. Mr. Apichart Noochprayoon	Director	4/4	1/1
10. Mr. Somchai Suwachittanont	Director	4/4	1/1
11. Ms. Chua Eng Eng	Director	4/4	1/1
12. Mr. Krairit Nilkuha	Independent Director/ Chairman of Audit Committee	4/4	1/1
13. Mr. Sathaporn Kotheeranurak	Independent Director/ Member of Audit Committee	4/4	1/1
14. Acting Sub Lt. T-rayooth Changpetch	Independent Director/ Member of Audit Committee	4/4	1/1
15. Mr. Issakan Krivithaya	Independent Director	4/4	1/1

Remuneration of the Board

Directors' remuneration are categorized into monthly remuneration and meeting allowance per meeting. Our shareholders determined the remuneration of Directors at the AGM Meeting held on January 27, 2023 to be as follows:

Committee		Remuneration per month	Attendance Fee per meeting
Board of Director	Chairman of the Board of Directors	50,000	50,000
	Director	25,000	25,000
Audit Committee	Chairman	-	60,000
	Member	-	30,000
Risk Management Committee	Chairman	-	40,000
	Member	-	20,000
Nomination, Remuneration and Sustainability Committee	Chairman	-	40,000
	Member	-	20,000

Remark There are not any other benefit.

The below table shows the remuneration details of our Directors for the year 2022 and 2023.

Name of Director	Position 2023	2022						2023					
		Remuneration	BOD	Audit Committee	Nomination, Remuneration and Sustainability Committee	Risk management	Total (baht)	Remuneration	BOD	Audit Committee	Nomination, Remuneration and Sustainability Committee	Risk management	Total (baht)
1. Mr. Pricha Attavipach	Chairman	600,000	200,000	-	-	-	800,000	600,000	200,000	-	-	-	800,000
2. Mr. Parphan Siriviriyakul	Director	300,000	100,000	-	-	80,000	480,000	300,000	100,000	-	-	80,000	480,000
3. Mr. Nathapun Siriviriyakul	Director	300,000	75,000	-	-	60,000	435,000	300,000	100,000	-	-	60,000	460,000
4. Mrs. Darat Vibhatakalasa	Director	300,000	100,000	-	20,000	-	420,000	300,000	100,000	-	20,000	-	420,000
5. Mr. Prasert Siriviriyakul	Director	300,000	100,000	-	-	80,000	480,000	300,000	100,000	-	-	80,000	480,000
6. Mr. Sirapak Siriviriyakul	Director	300,000	100,000	-	-	-	400,000	300,000	100,000	-	-	-	400,000
7. Mr. Sirivuthi Siamphakdee	Director	300,000	100,000	-	-	80,000	480,000	300,000	100,000	-	-	80,000	480,000
8. Mr. Apichart Noochprayoon	Director	300,000	100,000	-	-	-	400,000	300,000	100,000	-	-	-	400,000
9. Ms. Chua Eng Eng	Director	300,000	75,000	-	-	-	375,000	300,000	100,000	-	-	-	400,000
10. Mr. Sathaporn Kotheeranurak	Independent Director	300,000	100,000	150,000	-	-	550,000	300,000	100,000	120,000	-	-	520,000
11. ActingSub Lt. T-rayooth Changpetch	Independent Director	300,000	100,000	150,000	-	160,000	710,000	300,000	100,000	120,000	-	160,000	680,000
12. Mr. Issakan Krivitthaya	Independent Director	300,000	100,000	-	40,000	80,000	520,000	300,000	100,000	-	40,000	80,000	520,000
13. Mr. Phoonsak Boonsalee	Independent Director	300,000	100,000	-	20,000	-	420,000	300,000	100,000	-	20,000	-	420,000
14. Mr. Krairit Nilkuha	Independent Director	300,000	100,000	300,000	-	-	700,000	300,000	100,000	240,000	-	-	640,000
15. Mr. Somchai Suwajittanont	Director	300,000	100,000	-	-	-	400,000	300,000	100,000	-	-	-	400,000
Total		4,800,000	1,550,000	600,000	80,000	540,000	7,570,000	4,800,000	1,600,000	480,000	80,000	540,000	7,500,000

Evaluation of Board of Directors

To comply with the corporate governance principle, the Board has undertaken the performance evaluation of the Board and individual director at least annually by using the evaluation form developed by the Stock Exchange of Thailand (SET). Based on the 2023 evaluation, the overall rating under each category is as follows:

Evaluation Category	Performance of Individual Directors	Board Performance
1. Board structure and qualifications of directors	4.59	4.71
2. Board meeting	4.72	4.62
3. Roles, duties and responsibilities of Board	4.75	4.69
4. Performance of duties of directors	-	4.71
5. Relationship with the management	-	4.70
6. Self-development of directors and executive development	-	4.66
Average	4.68	4.68

Remark 1. Total score = 5

2. Performance evaluation of Individual Directors have only 3 categories.

Onboarding Program for New Directors

The Company has arranged an onboarding program for new directors which covers the Company's business overview and the following topics:

- Relevant regulatory framework (legal requirements, the Cabinet's resolution, rules and regulations)
- Operations and activities
- Major projects
- Organizational development and business development
- Corporate governance
- Corporate social responsibility

As part of the onboarding program, new directors visit the Company's plants and operating sites, and are provided with information about the Company's Board of Directors and executives in support of their duty of governance in the following dimensions:

- Vision, mission, values and purposes of the Company
- Organizational development and business development
- Profiles of directors and executives
- Qualifications and remunerations of directors
- Roles, duties and responsibilities of directors
- Management structure
- Company's profile
- Corporate governance policy

The monitoring of the subsidiaries and associates' operation

The Company has implemented the monitoring measures on the operation of its subsidiaries and associates by the nomination of directors of such subsidiaries and associates to utmost reflect the ratio of share holding in such companies. The implementation also includes the policy of company legal binding signatures' conditions that at least 1 director nominated by the Company must provide the signature to be legal binding upon the subsidiaries and associates.

The appointment of persons to serve as directors of subsidiaries and associated companies is in accordance with the resolution of the Executive Committee. It also requires that subsidiaries that operate their core business must have an appropriate and concise internal control system.

The Company also determined that the subsidiaries and associates' operation and turnover must be periodically reported the Company's executive committee. The Company also encourages its subsidiaries and associates to implement the Company's corporate governance framework.

This includes, but is not limited to, transactions between such companies and related parties. Acquisition or disposition which assets as well.

The shareholders agreement between the Company and other shareholders for the management of the subsidiaries and associates

Currently, the Company holds shares of GGC KTIS Bio Industrial Co., Ltd. (GKBI) through its subsidiaries named KTIS Bio Ethanol Co., Ltd. (KTBE) for the portion of 50% of all issued shares. So GKBI is an associate of the Company.

KTBE also entered into shareholder agreement between GGC Bio Chemical Co., Ltd. (GGC Bio) who is also a shareholder of GKBI for the portion of 50% of all issued shares. CCG Bio is a subsidiary of Global Green Chemical PLC. (GGC). The summary of shareholder agreement of GKBI between KTBE and GGC is as follows:

- CCG Bio shall study, research the marketing plan and support the marketing of GKBI, shall support the research and development of GKBI ethanol production, shall assign its personnel to participate in GKBI construction project.
- KTBE shall support the procurement of and plan for the procurement of GKBI's raw material, shall support the research and development of cane breeding, shall provide utility to GKBI, shall assign its personnel to participate in GKBI construction project.
- GKBI's board of directors composes of 7 directors. 3 directors are nominated by KTBE and 3 directors are nominated by GGC Bio. 1 independent director shall be nominated by mutual agreement of both shareholders, and the independent director shall be the chairman of the board.
- The general resolution of the board of directors shall get an approval at least 50% of directors attending the quorum. The special resolution of the board of directors shall composes get an approval at least from 2 directors nominated by KTBE and from 2 directors nominated by GGC Bio.
- The general resolution of the shareholder meeting shall get an approval from shareholder at least 51% of all issued shares. The special resolution of shareholder meeting shall get an approval from shareholder at least 75% of all issued shares.

Monitoring to ensure compliance with good corporate governance policies and practices

Conflicts of Interest

- The Company will consider related transactions which may cause potential conflicts of interest between the shareholders, directors and the Management with due care, honesty, reason and independence within the framework of good ethics. The Company will also fully disclose all information while considering the overall best interests of the Company as a priority and will strictly comply with the rules and procedures provided in the notifications, orders or regulations of the Stock Exchange of Thailand. The Audit Committee will give its opinion as is necessary and appropriate given that particular related transaction.
- The Company has established measures and steps for approving related transactions with related companies or persons who have potential conflicts of interest, whereby persons with direct and indirect conflicts of interest shall be prohibited from considering the approval of the said transactions, and the Audit Committee shall participate in considering and giving its opinion as is necessary and appropriate for the best interest of the Company. Information pertaining to the related transactions shall be disclosed in the remarks to the financial statement in line with generally accepted accounting standards in the Annual Report.
- The Company has established measures to prevent its directors and executives from unlawfully using inside information for their own benefit or that of others in the Code of Conduct for its executives and employees as follows:
  - Executives and employees shall not undertake acts with a view to either seeking benefits or misappropriating assets which are the property of the Company or of the customers of the Company, as their own or for others, which are deemed to be in conflict with the interests of the Company.
  - Executives and employees should avoid situations or personal activities and gaining financial benefits which may be in conflict with the work duties by which they are bound and which have an impact on the protection of the Company's interests.
  - The Company will avoid delegating duties and responsibilities to the executives and employees in the event that such acts may lead to situations that may be in conflict with the interests of the Company or that of the Company's customers.
  - In the event that the executives and employees participate in external activities or hold external positions, such as that of directors, advisors, representatives, or employees in other organizations, the said activities or positions shall not be in conflict with the interests of the Company, whether directly or indirectly, and shall not cause the Company to suffer any damage, and shall not have any impact on the performance of their work duties.
  - All executives and employees are prohibited from participating or holding positions in other organizations operating the same type of business as that operated by the Company or those deemed to be the Company's competitors, or those whose business may be in conflict with the interests of the Company.

In this regard, the Company shall be given a report on the interests regarding the entering into transactions with companies belonging to the directors, executives and employees on a regular basis. The Company's Internal Auditor has a duty to report information regarding various interests to the Audit Committee for its acknowledgment and consideration. The Audit Committee will then give the Board of Directors a report on the summary of information on various interests for its further acknowledgment and consideration, whereby the Internal Auditor will be responsible for monitoring the results on a regular basis.

Executive Committee shall not have the power to approve any transactions in which members of the Executive Committee or any other person may have a conflict of interest (as defined in the notification of the SEC) with the Company. In such event, the Executive Committee must present the transaction to the Board and/or the shareholders for approval in accordance with the relevant articles, notifications and laws.

The Chief Executive Officer - KTIS Group shall not approve the following transactions:

- a related party transaction that is not in the ordinary course of our business;
- an acquisition or disposal of our material assets; and a transaction in which the Chief Executive Officer - KTIS Group, or any other person may have a conflict of interests with KTIS Group, except where the transaction is in the ordinary course of our business, is prescribed by our Board and shareholder approved policies and provisions, and is in compliance with the relevant SEC regulations.

Supervising the use of Internal Information

We have implemented the following policy prohibiting Directors and Executives from using internal, non-public information for personal benefit and for securities trading:

- We informed our Directors, Executives and employees holding managerial positions, including their equivalent or higher in the accounting and finance departments, of their obligation to prepare and submit reports containing information on securities in their possession, including securities in the possession of their spouse and children, to the Office of the SEC pursuant to Section 59 of the Securities Act. They have also been informed of the corresponding penalties set out in Section 275 of the Securities Act.
- Our Directors, Executives and persons holding managerial positions, including their equivalent or higher in the accounting and finance departments, are to prepare and submit reports containing information on securities in their possession, including securities in the possession of their spouse and child, to the Company Secretary. The report shall be prepared and submitted within thirty days of the date of appointment of the Director or Executive. Any change in possession of securities is to be reported within three working days from the date of the purchase, sale, transfer or receipt of securities.
- We require our Directors, Executives and persons holding managerial positions, including their equivalent or higher in the accounting and finance departments and relevant operators who have access to internal information which may materially affect our share price, to abstain from trading in our securities for a specified period before our financial statements or our status our financial condition is disclosed, or until such information has been disclosed to the public. We will issue a notification in writing to our Directors, Executives and persons holding managerial positions, including their equivalent or higher in the accounting and finance departments, at least thirty days prior to the disclosure of such information to the public. Such material information shall also not be disclosed to any third party.
- Should there be a breach of the above mentioned rules, the disciplinary sanctions imposed may vary from a written reprimand to wage reduction, suspension of work or termination of employment. The severity of the sanction imposed shall be determined based on whether the breach was intentional and the severity of the misconduct.

The Company has established measures relating to the use of inside information which its directors, executives, and employees must comply with as follows:

- The Corporate Secretary has the duty to inform the directors and executives to report their securities holding, and that of their spouses, as well as their children who are minors in the Company, and to report any changes thereto pursuant to Section 59 and the terms of punishment pursuant to Section 275 of the Securities and Exchange Act B.E. 2535.
- The Company will advise its directors, executives and employees who are in possession of inside information against the disclosure of material information prior to the sale and purchase of Company shares, including the Company's financial statements, which will have an impact on the price of securities to be offered to the public, up to and including one month prior to the public disclosure, as failure to do so would be deemed a violation of the Securities and Exchange Act.

Anti-corruption

The Company endeavors to conduct its business in a transparent manner, while adhering to principles of good corporate governance and taking into consideration the interests of the interested parties in all respects. It has established anti-corruption guidelines and also supports activities which promote and encourage the executives and employees to comply with the applicable laws and regulations, whereby the practice guidelines are as follows:

- The Company must instill right practices, values and perspectives within its employees to comply with the rules and regulations in an honest manner;
- The Company shall undertake steps to ensure that its internal control system is efficient, and that the reviewing thereof and the balance of power is appropriate;
- All directors, executives and employees of the Company are prohibited from undertaking any act which is deemed to be soliciting or accepting assets or any other benefits implied as motivation for performing their duties or refraining from the performance thereof in a dishonest manner;
- All directors, executives and employees of the Company are prohibited from undertaking any act which is deemed to be the offering of assets or any other benefits implied as motivation for performing their duties or refraining from the performance thereof in a dishonest manner.

The Process for assessing the risk from corruption

- The internal audit and the risk management department recommend continuously monitoring and examining the accounts annually in accordance with the opinion of the Audit Committee and reporting material issues and suggestions to the Audit Committee.
- The risk management department is responsible for continuous testing and risk assessment of corruption in order to implement anti-corruption measures effectively. These measures have to be reviewed regularly and the assessment results have to be reported to the Risk Management Committee and also to the Board of Directors regularly.
- If it is found that the Company operations do not comply with the anti-corruption policy, the Audit Committee will report this to the Board of Directors to improve within the appropriate timeline.

Report on the Performance of Audit Committee

The audit committee of Kaset Thai International Sugar Corporation Public Company Limited composes of the independent directors who very well possess the variety of expertise and experience in the aspects of law, economy and business. The audit directors who are proficient and experienced of accounting and finance could audit to ensure that the Company has the reliable financial statement and sufficient information disclosure. The committee's composition and eligibility are in accordance with the regulations of the Securities Exchanges Committee of Thailand and Stock Exchange of Thailand, which are:

1.	Mr. Krairit	Nilkuha	Chairman of the Audit Committee
2.	ActingSub Lt. T-rayooth	Changpetchh	Audit Director
3.	Mr. Sathaporn	Kotheeranurak	Audit Director

The audit committee has been working with its own independence as assigned by the board of directors and in accordance with the charter of the audit committee and conforming with the good practice of Securities and Exchanges Commission and Stock Exchange of Thailand. The committee has reviewed and encouraged Kaset Thai International Sugar Corporation PLC and its subsidiaries comply with the good governance principle and focus on the sustainable development under all relevant law and regulation, including the sufficient and appropriate risk management and internal control. It also focuses on the internal control with the efficiency and effectiveness to achieve the goal of the internal control and to conform with the good governance guideline.

In 2023, the audit committee held 4 meetings, with all audit directors' attendance, to consider the matters as assigned by the Board of Directors. The summary of the Audit committee's work and opinion are as follows:

The review of the financial report

The audit committee has reviewed the quarter and annual financial reports includes relevant financial report by the meeting with the certified public accountants, the management, the executive of finance and accounting and the executive of internal audit office. The meeting is to ensure the completeness and accuracy of the financial statement and the disclosure of notes to financial statement, includes the sufficiency and appropriateness of the Company which is relevant to financial report and the opinion from the audit and review of financial statement made by the certified public accountants. The audit committee has received sufficient and detailed explanation from relevant executives and certified public accountants, therefore it opined that the financial report of 2023 is correct and appropriate in the essence, conforming with general accounting standard and contains sufficient information disclosure.

Moreover, the Audit committee attended the meeting exclusively with the certified public accountants, without the management and the internal audit office's attendance, to independently discuss about the important issues in the financial statement arrangement and the information disclosure that benefits the users, and acknowledge the audit operation, the discovered remarks and the problems and obstacles found during the audit.

The review of the related transactions and the transactions that may contain conflict of interest

For the financial year 2023 from October 2022 to September 2023, the audit committee has reviewed the transactions that are related transactions or may contain conflict of interest to conform with law and the Stock Exchange of Thailand regulation of the disclosure and practice of the listed companies about related transactions. The committee opined that the related transactions are transactions with arm length basis without conflict of interest, reasonable, for the benefit of the Company and its subsidiaries and are sufficiently disclosed and complied with disclosure of related transactions or may contain conflict of interest under regulation of Securities Exchange Commission and Stock Exchange of Thailand.

Good governance

The Audit committee has determined the audit for the compliance with good governance policy, the code of conduct and the business ethic. The directors and the executives emphasized on the management conforming the good governance and to assure shareholders, investors and all stakeholders and take into account the interest of all stakeholders and the measure against a corruption. It also includes the promotion of activities to encourage and cultivate the compliance with the law and regulation to the executives and the staff, and determined the measure to assess the Company's risk caused by corruption. There is also the system for complaints to be a channel for staff, customers and stakeholders to inform an information or clue about corruption or misconduct or the business ethic violation, and the responded units is arranged to handle such complaints with appropriateness and transparency.

Moreover, it emphasizes to the company to aware of any arrangement to prevent and deter damages that may occur to the company, especially to the directors, manager or any person responded to the company operation to prevent in appropriate behavior of listed company.

The review of risk management system

The Audit committee has reviewed the risk management policy and practice of the group to ensure that the Company and its subsidiaries have the efficient, systematic and up to date risk management process, by considering the review of corporate level risk criteria as per COSO-ERM 2017. The Risk Management Committee has a duty to determine risk management policy framework and monitor the Company's risk management on quarterly basis. The risk management in business level shall implement the risk management policy and framework, by determining the measures and plans to keep important risk in the acceptable level and conform with the business operation of the Company's goal and objective. The committee opined that the Company has the appropriate risk management which is sufficient to conform with the Company's policy and strategy, and conform with the changes of internal and external environment and circumstances.

The review of the internal control and the internal audit

The audit committee has monitored and reviewed the sufficiency of internal control of the Company and its subsidiaries to ensure that the internal audit activities have the appropriateness and effectiveness and are conducted independently. The committee provided the opinion to the annual audit plan made in accordance with the Company's major risk, using criteria from risk and assigned internal audit office to monitor the plan implementation, to the Company improvement under PDCA principle and result collection of acceptable control of and also to review the compliance with determined measures about focused risks of the Company and subsidiaries includes the rectification of work process as proposed.

The committee also considered internal control using the form for satisfaction of internal control which determined by the Securities Exchanges Committee of Thailand and Stock Exchange of Thailand under the framework from Committee of Sponsoring Organizations of the Treadway Commission (COSO 2013) to propose to the board of directors before the disclosure in the Company's annual registration statement (56-1).

The audit committee has reviewed the internal control and followed up the audit result from the internal control office on quarterly basis, to ensure that the internal audit's operation conforms with the approved audit plan and the internal control standard and also to follow up the changes as per the proposal from audit report and the comment from the certified public accountants for the conformity with good internal control practices. The committee opined that the Company's internal control is suitable with the current business operation and there has been no significant issues that may affect the Company's operation.

The compliance with the rules and regulation of the Notification of Board of Governors of the Stock Exchange of Thailand and the Capital Market Supervisory Board, and with other law that relevant to the Company's business

The audit committee has reviewed the audit result of the internal audit office on quarterly basis. It has not detected any indication that the Company has any practices that are contrary to law, rule, regulation and notification relevant to the Company's business.

The committee also has not received any report from the certified public accountants or any complaint from third party or the management disclosure which indicates that the Company does not comply with law that is relevant to business operation and may significantly affect the Company.

The annual selection and nomination of auditors

The committee selected the auditors by consideration about their experiences, professional expertise, the sufficiency of accounting personal to provide audit services, the audit fee compared with the appropriateness in aspects of workload and quality and also the independence of the certified public accountants in passing year, includes the regulation of stock exchange to ensure the independence of auditor's work.

Therefore, the committee has followed up the work of the certified public accountants from EY Office Co., Ltd. in the passing year together with the consideration of the proposed auditor remuneration for 2023. It opined that the auditor work in the passing year is satisfactory and the certified public accountants are knowledgeable and experienced and well understand the Company's business, they also practiced with professional standard with independence and delivered work on time. The audit committee opined to propose the board of directors to consider and propose to the shareholders meeting to appoint the auditor from EY Office Co., Ltd. to be the Company's certified public accountants and receive audit remuneration as considered by the audit committee.

Moreover, the audit committee has assessed its own work in 2023 on the whole committee basis compare with its charter and good practice, that the Stock Exchange of Thailand emphasized the role of audit committee who has an important role to monitor and keep the listed company to efficiently carry operate its business by adhere to the company and shareholder benefit. The assessment result is that the audit committee has worked as per the scope of duty and responsibility assigned by the Company's board of directors, and has worked the knowledge and capability with carefulness and sufficient independence for the benefit of all stakeholders on the equality basis.

On behalf of the Audit Committee

(Mr. Krairit Nilkuha)

The chairman of the Audit Committee

Report on the Performance of Risk Management Committee

Dear the shareholders of Kaset Thai International Sugar Corporation PLC.

The group has a goal to operate the business for continuous growth with immunity to surrounding changes which are difficult to predict and significantly affect the operation. The group works with the mission to create value addition to shareholders and all stakeholders with the security and long term sustainability.

The board of directors has assigned the risk management committee which composes of 6 directors who are 3 independent directors, and chaired by Acting Sub Lt. T-rayooth Changpetch the independent director with the participation of Mr. Parphan Siriviriyakul the Company's CEO group. In 2023, Risk Management Committee held the meeting every quarter with following detail :

Risk management committee	Position	Attendance
1. Acting Sub Lt. T-rayooth Changpetch	Chairman	4/4
2. Mr. Issakan Krivitthaya	Director	4/4
3. Mr. Sirivuthi Siamphakdee	Director	4/4
4. Mr. Parphan Siriviriyaku	Director	4/4
5. Mr. Prasert Siriviriyakul	Director	4/4
6. Mr. Nathapun Siriviriyakul	Director	3/4

In the passing year, the committee has been working as assigned by the board of directors which could be summarized into these important topics :

The designation and follow up of the operation of the risk management policy

The committee has reviewed and approved the risk management policy of 2023 to be used as a guideline to frame risk management operation, designated the operation and meeting schedule of the risk management policy, include opined and proposed the development of the risk management process to be more efficient under framework of COSO ERM 2017.

The monitor, control and report of risk management

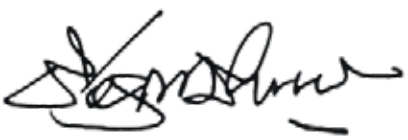
The committee has approved the corporate risk profile by focusing on risk focus which might significantly affect the business, risk appetite, Key Risk Indicator : KRI and also risk management plan. Moreover, the committee has followed the progress of operation and result of risk management committee in operation level on quarter basis.

The committee opined and proposed about important risk management issues as follows :

1. Monitor the Covid-19 preventive measure continuously, even the current situation of pandemic has been in decline, especially the prevention of pandemic in sugar mills which affect the operation in production season.
2. Provide suggestion for the improvement of assessment on risk management in all level of KTIS group to be clear and comprehend all internal and external risk, while also analyze the result compared with other companies in the same business. To determine the assessment of the group which is connected with indexes of working committee and is the same standard of business. The deviation from un-accomplishment shall be used to analyzed the cause and determine the efficient and appropriate plan for improvement.
3. Purpose the suggestion and improvement of prevention and resolution of sugarcane leaf stack, bagasse stack which focuses on the cause of risk event to sugarcane leaf and bagasse stack, and also the insurance which would mitigate the losses.
4. Purpose to determine the preventive measure to risk event arising from fire, storm, and explosion which caused losses in current years. The respondents must operate with earnest with governance, monitor and correct report on timely manner.
5. Monitor the risk management about the compliance with EIA of renewable energy powerplant which is conducted and reported to relevant authorities correctly and completely.
6. Purpose the suggestion in the compliance with insurance companies, which consider the worthiness and full protection under policies including the appropriate insurance fee for the organization and the maximum efficiency to mitigate losses from incidents.

However, for the annual analysis of and identification of risk, the company has reviewed situations and surrounding circumstances both internal and external that have been changing and may affect the achievement of business goal and objective and also the expectation of all stakeholders which is very important for business operation in the long run.

On behalf of The Risk Management Committee



(Acting sub Lt. T-rayooth Changpetch)

The chairman of risk management committee

Report on the Performance of Nomination Remuneration and Sustainability Committee

Dear the shareholders of Kaset Thai International Sugar Corporation PLC.

Throughout 2023, the Nomination Remuneration and Sustainability Committee has comprised of Mr. Issakan Kraivitch (an independent director) who has held the position of the chairman, Mrs. Darat Vibhatakalasa and Asst. Prof. Dr. Phoonsak Boonsalee (an independent director).

The Nomination Remuneration and Sustainability Committee has completely performed its duty designated by the charter and by the board of directors' assignment through 1 meetings. The summary of significant agenda are

The recruitment and selection of directors

The consideration of the recruitment and selection of the directors to replace the directors vacated by the expiration of term of the office shall be conducted, then propose to the board of director and shareholder meeting for the approval. The shareholders could propose the name of the director candidate to the company in the advance period of 45 days. And, there was no name of candidate proposed to the company within such period. Therefore, the Nomination Remuneration and Sustainability Committee has nominated Mr. Nathapun Siriviriyakul, Mr. Prasert Siriviriyakul, Mrs. Darat Vibhatakalasa, Mr. Sathaporn Kotheeranurak and Mr. Phoonsak Boonsalee to continue their other term of directorship. All of these candidates are fully qualified without any legal restriction. Their knowledge and experience are also aligned with company's strategy. The board of directors and the shareholder meeting resolved as per the aforementioned proposal.

The determination of directors' remuneration

The determination of the board directors and the specific committee's remuneration in 2023 is conducted by the comparison with the company's and relevant business' economic circumstances, the scope of director's responsibility and the directors' remuneration of the same-sized company. Such remuneration was proposed to the board of directors and then proposed to the shareholder meeting which resolved as per the aforementioned proposal.

The appraisal of the board of directors and the chief executive officer performance of 2023

- The review of appraisal form for the board of directors and the top executive performance of 2023 in both whole committee and individual basis is conducted, so that such form shall be comprehensive and be aligned with Corporate Governance code 2017. The appraisal is also considered for the director annual remuneration apart from the performance of the company.
- The review of appraisal form for the chief executive officer (CEO) to determine the fair and appropriate remuneration, which also aligned with Corporate Governance code 2017. The appraisal is also considered for CEO annual remuneration apart from the performance of the company.

The development of the performance of the Nomination Remuneration and Sustainability Committee report

- The schedule of the committee meeting in 2024 is set in advance for at least once a year, the additional meeting could be held as necessary to consider and acknowledge the performance and report the proposal to the board of directors and the management.
- The performance of the nomination and remuneration committee 2023 appraisal form was conducted to be updated, comprehensive and aligned with CG code and the committee charter.
- The 2023 annual appraisal of the committee was made, reported to the board of directors, and disclosed in form 56-1 annual report.
- The committee's charter was reviewed and revised to be aligned with CG code and current performance.
- The Board Skills Matrix was reviewed and revised to be aligned with CG code and current performance.
- The committee had ensured that the disclosure of director nomination and the directors remuneration is made in the annual report and the shareholder meeting. Such disclosure is completely in accordance with CGR principle.

The company's sustainability

Since the board of directors emphasized on the importance of sustainability which is a critical factor of business operation and shall affect all stakeholders, there shall be a sub-committee assigned to specifically be responsible for the company's sustainability. The board of directors has assigned this sub-committee to be responsible for the company's sustainability with following tasks:

- To review the company's policies and practices about sustainability on annual basis.
- To consider the annual operation result about company's sustainability to be disclosed in annual report, and provide recommendation for next year's operation.
- To work on the company's sustainability issues delegated by the board of directors.

The board of directors also resolved to rename this sub-committee to be Nomination Remuneration and Sustainability Committee to comprehend the current tasks. Last year, the Nomination Remuneration and Sustainability Committee began to work about sustainability as per tasks mentioned above. The company's sustainability policies are available on the website, and the company's annual performance about sustainability is available in this annual report.

The Nomination Remuneration and Sustainability Committee determined to perform its duty with transparency under the corporate governance principle. Such determination is aimed for the maximum benefit of shareholders, all stakeholders and the company which shall sustainably add the value to the company.

On behalf of the Nomination, Remuneration and Sustainability Committee

(Mr. Issakan Kraivitch)

The chairman of the Nomination, Remuneration and Sustainability Committee

Internal Control and Related Transaction

Internal Control

The Company has prioritized the possession of good internal control system under the internal control framework of The Committee of Sponsoring Organization of the Treadway Commission (COSO), to effectively achieve the objective of internal control in aspects of an operation, the correctness and accuracy of the report and the compliance with the law relevant to business, rule, regulation, including the monitor the business operation to conform with good governance which shall make the Company operation correct transparent and help achieve the Company's goal.

The audit committee has assigned the internal audit office with a duty to asses the internal control by the creation of internal control assessment form of 2023 which based on the Securities and Exchange Commission's which composes of 5 elements and 17 principles. Therefore, it was presented to the board of audit committee meeting no.2/2567 on the date of 29 November 2023 and it will be later presented to board of directors foe the consideration.

The audit committee and the board of directors and the board of directors have considered that the Company's internal control of the Company and its subsidiaries is sufficient and appropriate with current business features

Control Environment

The committee and executives have been monitoring that the operation of the Company bases on the honesty, the code of conduct and business ethic, and that staff work with the honesty and ethic, aware of their own working duty and responsibility. The Company emphasized the arrangement of good control environment with the clear and measurable target of business operation and works. There is also the review of target compared with the actual result periodically, the chain of reporting, the organization chart that separates the duty to each section, the designation of appropriate commanding authority and responsibility to achieve the goal under the board of directors' supervision. There is also the good governance which its policy conforms with law, rule, regulation and policy about internal control and audit which includes the arrangement of written authority schedule and critical working manual.

The board of director, which is independent from the management, monitors and develops the internal control process, designates the responded personals with duty about internal control to achieve corporate's goal and also arranges the system for complaints to be a channel for staff, customers and stakeholders to inform an information or clue about corruption or misconduct or the business ethic violation with the responded units is arranged to handle such complaints with appropriateness and transparency

Risk Assessment

The Company determines to create the culture of risk management throughout the corporate by encouraging the use of risk management as the tools for daily works by communication to staff in all level to understand the occurred risk that may affect business operation. Therefore, risk management is the responsibility of all sections. To create the awareness of an importance of risk management that might affect business operation and to be able to identify and assess the risk relevant to an achievement of the Company's goal, the board of directors has appointed Risk Management Committee to be the monitor and management body for the risk management in the whole picture of corporate level, and has the responsibility to review risk management policy and framework and revise the conformity with result of risk management. Then the risk management office takes such policy to designate and design the risk management system that is standardized and practical. There are also Operation Risk Management Team of each sector who administers the risk management under the designated policy and framework, and also designated the control measures and monitored the conformity of practices with such measures, and to also ensured that the important risk is managed to be in Risk Appetite level and conforms with the corporate's objective and business goal to ensure to all stakeholders about the Company's long term business operation.

Control Activities

The Company has arranged the control activities in all of its critical process and risk management process to mitigate the risk that might affect the achievement of the Company's goal, by designation of the internal control which explicitly conforms with risk and business. The duty and responsibility are clearly assigned to each section by the arrangement and review of the authority and manual/working process to be updated, and the internal audit office gradually audits the result of work to conform with the regulation, rule, authority manual and other manuals to ensure that the working process has sufficient and appropriate internal control system with the efficient implementation. The information technology is implemented to increase the speed and efficiency of work. In the approval of related transactions, the Company complies with relevant criteria and rule, in case of significant transactions, the audit committee shall provide its opinion before presenting such transaction to the board of directors, then later discloses in an annual report. The approval of related transaction is made on the basis that the Company's benefit is the first priority.

Information & Communication

The Company emphasizes the importance of information technology and data transfer, it has arranged the communication channel both internal and external to support the efficient work, promote and support the continuous system development for the accurate and updated information. The necessary reports are made for the board of directors and executives, both from internal and external information such financial statement and operation result which shall be used for decision with sufficient information.

There are many arranged types of internal information communication, by considering the appropriateness and the characteristic of information and the objective of communication for the communication to all staff. There are also many communication channels to stakeholders such as the communication through the Company's website and through the unit that communicate the Company's information such as investor relation and corporate communication office. The safe communication channel is also provided for the claim or clue of corruption or issues that may affect the internal control.

Monitoring

The Company has designated the follow up and assessment of internal control result, to ensure that the Company's internal control is sufficient and efficient. The audit committee shall audit the section's internal control system via the internal audit office on quarterly basis. The internal audit office has reviewed that any internal control's detected issue from review or audit is appropriately and on time resolved. Moreover, the internal control about an accounting is reviewed by the certified public accounts and the result of such review shall be presented for the audit committee consideration. The result of audit made by the certified public accounts and the internal audit offices found no issue which is significant mistake or the mistake about the transaction that may cause conflict of interest or corruption or the violation of law of Thailand securities and exchanges or law that is relevant to the Company's business operation.

Related Parties Transactions

Related parties transactions of the Company and its subsidiaries and persons who may have conflicts of interest

Related parties transactions as at 30 September 2021 and 30 September 2022 are as summarized below :

Related Person/ Companies	Nature of Relationship	Nature of Transaction	Transaction Value (THB)		Rationale of the transaction
			30 September 2022	30 September 2023	
1. S.I. Property Co., Ltd. ("S.I. Property") (In the business of leasing property)	• S.I. Property has 4 common directors with the Company: (1) Mr. Nathapun Siriviriyakul (2) Mr. Pricha Attavipach (3) Miss Chua Eng Eng (4) Mr. Sirapak Siriviriyakul • Related companies hold shares of S.I. Property are Aekphol Sugar Co., Ltd. and SuebSiriSawat Co., Ltd.	Office rental and related services It is the rental and service fee according to the finance lease.	1,246,944.98	1,249,632.40	• S.I. Property owns office space at Liberty Plaza Building, 11th Floor, Soi Thonglor, Sukhumvit 55 Road, Khlong Tan Nuea Subdistrict, Wattana District, Bangkok. The rental fee, service fee, rental conditions are in accordance with the price and rental conditions at market rates. • KTBE sells 70% ethyl alcohol to S.I. Property to facilitate and increase business efficiency. The prices and conditions are subject to the price and trade conditions at the market rate.
		Accrued expenses Is an accrued building service fee	1,239.32	2,006.65	
		Office rental insurance receivables As a rental security deposit under the finance	347,683.42	353,426.73	
		leaseInterest income Interest income received under the finance lease	5,525.63	5,743.31	
		Financial cost Interest paid under the finance lease	228,399.01	205,900.18	
		Finance lease liabilities Finance lease liabilities	6,596,073.00	5,796,549.00	
		Deferred interest Deferred interest under finance lease	938,848.35	732,948.17	
		Sales revenue 70% ethyl alcohol value	1,326,168.22	267,289.72	
		Other receivables Ethyl alcohol 70%	154,000.00	-	

Related Person/ Companies	Nature of Relationship	Nature of Transaction	Transaction Value (THB)		Rationale of the transaction
			30 September 2022	30 September 2023	
2. Aekphol Sugar Co., Ltd. ("APS") (In the business of leasing property)	• APS has 4 common directors with the Company: (1) Mr. Apichart Noochprayoon (2) Mr. Nathapun Siriviriyakul (3) Mrs. Darat Vibhatakalasa (4) Mr. Sirapak Siriviriyakul • Related companies hold shares of APS is Jaroon Hatai Ake Holding Co., Ltd.	<u>Office rental and related services</u> It is the office rent and services under the financial lease agreement.	13,883,154.29	14,850,810.64	• APS is the owner and the lessor of the office spaces of building located at 24 Vibhavadee - Rangsit Rd., Dindeang, Bangkok and on the 9 - 11 Fl. of its building located at 133 Vibhavadee - Rangsit Rd., Dindeang, Bangkok, to the Company, TIS, KTBE and EPPCO. The rental rates range from approximately THB 180 THB 230 per sq.m. • The rental terms and conditions are in line with market rates and practices.
		<u>Accrued expenses</u> It is accrued rental and related service fees.	124,409.93	234,324.95	
		<u>Office rental insurance</u> Receivables finance lease deposit	2,609,427.86	2,662,129.19	
		<u>Interest income</u> Interest income received under the finance lease	43,281.46	46,252.85	
		<u>Financial cost</u> Interest paid under the finance lease	1,856,086.69	1,931,416.94	
		<u>Finance lease liabilities</u> Finance lease liabilities	53,602,470.90	52,722,374.20	
		<u>Right to use assets</u> Right to use assets under financial lease agreements	7,629,457.55	8,527,072.42	

Related Person/ Companies	Nature of Relationship	Nature of Transaction	Transaction Value (THB)		Rationale of the transaction
			30 September 2022	30 September 2023	
3. Thas Thai Business Co., Ltd. ("TT") (In the business of operating and establishing petrol stations)	• Related companies hold shares in TT is Poompattana Business Co., Ltd.	Purchase of gasoline and tires TT sold gasoline and tires to the Company TIS, KTBE, EPPCO and KTBF.	170,284,828.04	204,827,963.31	• TT sold gasoline through gas stations located near the factories of companies in KTIS group. Selling price, terms and conditions are in line with market rates and practices. • TT operates gasoline station business of land located near their factories of companies in KTIS group, i.e. (1) land with total area of 5 rais, located in Nhong Po, Taklee, Nakornsawan, and (2) land with total area of 4 rais and 9 sq.wah, located in KhungTapao, Muang, Uttaradit. The lease fees, terms amd conditions are more favorable than the market rates and practices. • The Company and TIS sold waste and materials to TT. Selling price, terms and conditions are in line with market rates and practices. • KTBE sells 70% ethyl alcohol to TT. Selling price, terms and conditions are in line with market rates and practices.
		Account payable Accounts payable of the Company TIS, KTBE, EPPCO and KTBF associated with the purchase of gasoline and tires.	3,913,346.00	2,085,735.00	
		Revenue from Land Lease The Company and TIS leased land for TT to operate its gas stations.	149,319.62	78,260.04	
		Other Payable The Company and TIS received land lease fee in advance.	79,404.35	80,494.31	
		Revenue from Sale of Materials The Company and TIS sold materials to TT.	181,507.94	82,413.25	
		Other income Ethyl alcohol 70%	10,785,411.21	3,099,887.85	
		Other receivables Ethyl alcohol 70%	679,100.00	227,700.00	
		Selling expenses Ethanol transportation cost	233,423.00	44,815.00	

Related Person/ Companies	Nature of Relationship	Nature of Transaction	Transaction Value (THB)		Rationale of the transaction
			30 September 2022	30 September 2023	
4. TISS Co., Ltd. ("TISS") (In the business of exporting sugar)	• TISS has 4 common directors with the Company: (1) Mr. Prasert Siriviriyakul (2) Mr. Nathapun Siriviriyakul (3) Mr. Apichart Noochprayoon (4) Mr. Sirapak Siriviriyakul • Related companies hold shares in TISS are KTIS and Aekphol Sugar Co., Ltd.	<u>Export Expenses</u> TISS handles the export of products produced by the Company and TIS. Most of the expenses are export agent fees, financial agent fees, export documentation expenses and custom clearance fees. <u>Accrued Expenses</u> Accrued expenses of TIS for export fees and service provided by TISS. <u>Other Receivable</u> Revenue from sale of sugar export	8,849,430.11 1,272,646.87 -	57,680,585.90 5,778,242.67 -	• Under the Sugarcane and Sugar Act, sugar mills are prohibited from exporting sugar on their own accord. Therefore, companies in KTIS group have to use export services of TISS, an export company. • In the sugar export process, the Company and its subsidiaries directly deal with their customers and TISS is responsible for handling cargo shipment and export documents only. • Prices, fees, terms and conditions agreed with TISS are in line with the market rates and practices. • TISS has received sugar from overseas buyers and on process of paying back to the company and TIS
5. Siam P.P. International Co., Ltd. ("Siam PP") (In the business of producing and distributing lime)	• Siam PP has 2 common directors with the Company: (1) Mr. Nathapun Siriviriyakul (2) Mr. Sirapak Siriviriyakul	<u>Lime Trading</u> Siam PP sold lime, a raw material used in the production of sugar and pulp, to the Company and EPPCO.	41,961,328.11	80,141,660.54	• Siam PP sells lime, which is a part of raw materials in the sugar production process and pulp. For the Company, TIS and EPPCO to facilitate and increase business efficiency by price and trading conditions at market rates and the company's procurement manual.

Related Person/ Companies	Nature of Relationship	Nature of Transaction	Transaction Value (THB)		Rationale of the transaction
			30 September 2022	30 September 2023	
	• Related companies hold shares in Siam PP is Aekphol Sugar Co., Ltd.	Accounts Payable Accounts payable associated with the purchase of lime by the Company and EPPCO from Siam PP.	3,616,155.43	5,929,013.78	• KTBE sells 70% ethyl alcohol to Siam PP. Selling price, terms and conditions are in line with market rates and practices.
		Other income Ethyl alcohol 70%	1,574,672.90	349,121.50	
		Other receivables Ethyl alcohol 70%	176,000.00	-	
6. RuamkijAngthong Warehouse Co., Ltd. (“Ruamkij”) (In the business of leasing warehouses)	• Ruamkij has 2 common directors with the Company: (1) Mr. Nathapun Siriviriyakul (2) Mr. Sirapak Siriviriyakul • The Company’s shareholders and related companies hold shares in Ruamkij is (1) Aekphol Sugar Co., Ltd. (2) Ruamtoon Trading Nakhornsawan Co., Ltd. (3) Jaroon Hatai Ake Holding Co., Ltd.	Warehouse and logistic services Warehouse and logistic services provided to the Company and TIS	115,070,543.22	143,720,719.46	• Ruamkij provides logistics service for the Company and its subsidiaries. Prices, terms and conditions are in line with the market rates and practices. • The Company sold package to Ruamkij. Prices, terms and conditions are in line with the market rates and practices. • KTBE sells 70% ethyl alcohol to Ruamkij. Selling price, terms and conditions are in line with market rates and practices.
		Accrued expenses Accrued expenses of sugar storage service of Company and TIS	6,436,283.13	5,991,833.39	
		Other Revenue Package	26,672.65	23,179.64	
		Other Receivable Ethyl alcohol 70%	6,682.24	5,135,354.39	
		Other Cost of goods	5,500.00	-	
		Other receivables Compensation for damaged sugar	4,077.72	1,576.43	

Related Person/ Companies	Nature of Relationship	Nature of Transaction	Transaction Value (THB)		Rationale of the transaction
			30 September 2022	30 September 2023	
7. RuamToon Warehouse Nakornsawan Co., Ltd. ("RuamToon") (In the business of leasing warehouses)	• RuamToon has 1 common director with the Company, namely Mr. Prasert Siriviriyakul • TheCompany's shareholders and related companies hold shares in RuamToon are Jaroon Hatai Ake Holding Co., Ltd. and Aekphol Sugar Co., Ltd.	Storage Service Fees The Company and TIS rent Ruamkij's warehouses.	13,470,486.72	31,905,913.00	• The warehouses were rented from Ruamkij for the purpose of sugar storage. Rental prices, terms and conditions are in line with the market rates and practices • RuamToon provides logistics service for the Company and its subsidiaries. Prices, terms and conditions are in line with the market rates and practices • RuamToon owners of the building area at 17, 19 Sukeemok Road, Tambon Pak Nam Pho, Amphoe Mueang, Nakhon Sawan, KTW leased office space at the rate of 2,000 Baht per month. Prices, terms and conditions are in line with the market rates and practices.
		Accrued Expenses Accrued warehouse rental expenses of the Company and TIS payable to RuamToon.	224,307.13	23,102.33	
		Logistics Service Fee In addition to warehouse leasing, RuamToon provides logistics services to the Company and TIS.	5,921.06	24,016.21	
		Accrued Expenses Accrued logistics service fees of the Company and TIS payable to RuamToon.	2,637.34	1,594.62	
		Office expenses KTW pay office rent	24,000.00	24,000.00	
		Accrued expenses - Rent KTW accrued office rental	18,000.00	18,000.00	
8. Thai Wisanu Nakornsawan Co., Ltd. ("Thai Wisanu") (In the hotel business)	• Thai Wisanu has 4 common directors with the Company: (1) Mr. Parphan Siriviriyakul (2) Mrs. Darat Vibhatakalasa (3) Mr. Prasert Siriviriyakul (4) Mr. Nathapun Siriviriyakul • Related companies hold shares in Thai Wisanu is Jaroon Hatai Ake Holding Co., Ltd.	Hotel Fees The Company and TIS have occasionally used accomodations and services from the hotel.	169,151.49	244,070.09	• Thai Wisanu is the owner of Grand Wisanu Plaza Hotel located at 26 - 28 Attakaweroad, Muang, Nakornsawan. The Company and TIS have occasionally used accomodations and services from the hotel. Prices, terms and condition are in line with market rates and practice. • KTBE sells 70% ethyl alcohol to Thai Wisanu. Selling price, terms and conditions are in line with market rates and practices.
		Accrued Expenses Fees for hotel rooms and services payable by the Company and TIS to Thai Wisanu.	51,700.00	48,200.00	
		Other Receivable Ethyl alcohol 70%	1,171,757.01	246,728.97	
		Trade accounts receivable Ethyl alcohol value	-	33,000.00	

Related Person/ Companies	Nature of Relationship	Nature of Transaction	Transaction Value (THB)		Rationale of the transaction
			30 September 2022	30 September 2023	
9. Weswisanu Co., Ltd. ("Weswisanu") (In the business of leasing hostels)	• Weswisanu has 1 common director with the Company, namely Mr. Sirapak Siriviriyakul • Related companies hold shares in Thai Wisanu is Jaroon Hatai Ake Holding Co., Ltd.	Employee dormitory rental It is the rent of dormitories for employees under a financial lease.	6,012,000.00	7,422,586.98	• The Company and its subsidiaries rented dormitory from Weswisanu is the owner of the dormitory located in Nhong Po, Taklee, Nakornsawan, near the KTBE and EPPCO factories. • The rental price is the market price in that neighborhood. Which, if considered as a return compared to the assets of Wes Wishnu It is not higher than other companies in the dormitory rental market. • EPPCO sells water to Wet Vishnu to facilitate The prices and conditions are subject to the price and trade conditions at the market rate.
		Accrued Expenses Accrued expenses of KTBE and EPPCO payable to Weswisanu for employee dormitory rent.	92,825.00	287,808.00	
		Other income EPPCO sells water to Weswisanu	328,400.00	177,720.00	
		Other receivables EPPCO accrued water bill	18,660.00	12,722.30	
		Financial cost Interest paid under the finance lease	1,542,698.88	1,870,343.97	
		Finance lease liabilities Finance lease liabilities	49,500,000.00	43,782,000.00	
		Right to use assets Right to use assets under financial lease agreements	8,633,623.92	6,763,279.96	

Related Person/ Companies	Nature of Relationship	Nature of Transaction	Transaction Value (THB)		Rationale of the transaction
			30 September 2022	30 September 2023	
10. SuebSiriSawat Co., Ltd. ("SuebSiri Sawat") (In the business of selling, purchasing and leasing property business)	• SuebSiriSawat has 2 common directors with the Company: (1) Mr. Prasert Siriviriyakul (2) Mr. Sirapak Siriviriyakul • Related companies hold shares in SuebSiriSawat is Jaroon Hatai Ake Holding Co., Ltd.	land rent Land rent under financial lease agreement	205,392.49	202,388.26	• KTBE leases the land of 48 rai and 44 sq.wah in Nhong Po, Taklee, Nakornsawan,from Sueb Siri Sawat for use as a pathway to KTBE's plant. The price, terms and conditions are more favorable for KTBE than the market rates and conditions.
		Prepaid Lease Fees Prepayment of the land lease fees	3,096.68	2,810.12	
		Financial cost Interest paid under the finance lease	202,022.34	198,727.70	
		Finance lease liabilities Finance lease liabilities	6,339,235.00	6,074,735.00	
		Right to use assets Right to use assets under financial lease agreements	2,505,827.00	2,307,099.30	
11. RuamToon Trading Nakornsawan Co., Ltd. ("RuamToon Trading Nakornsawan") (In the transportation business)	• RuamToon Trading has 1 common director with the Company, namely Mr. Prasert Siriviriyakul. • Related companies hold shares in RuamToon Trading is Jaroon Hatai Ake Holding Co., Ltd.	Sugar Transportation Cost TIS engaged RuamToon Trading in the transportation of sugar to the warehouses.	2,543,732.45	7,836,873.59	• TIS engaged Ruam Toon Trading in the transportation of sugar to the warehouses. Prices, terms and conditions are in line with the market rates and practices. • The Company deducts a deposit worth 10% of the transportation cost to guarantee the payment of compensation for damage during the transportation. The deposit is returned after the devilery of goods to the destination.
		Accrued Transportation Expenses Sugar transportation expenses	-	-	
		Other Revenue Compensation for damage of goods (sugar)	7,776.63	13,474.20	
		Deposit - Transportation Cost Cost to guarantee the payment of compensation for damage during the transportation.	48,720.21	327,141.43	

Related Person/ Companies	Nature of Relationship	Nature of Transaction	Transaction Value (THB)		Rationale of the transaction
			30 September 2022	30 September 2023	
12. Siri Charoen Export Co., Ltd. (“Siri Charoen”) (Currently not involved in any business)	• Siri Charoen has 1 common director with the Company, namely Mr. Sirapak Siriviriyakul • Directors and related parties hold shares in Siri Charoen is Jaroon Hatai Ake Holding Co., Ltd and Akephol Co., Ltd.	<u>Loan Payable from Restructured Debts</u> • TIS owed debts from loan Siri Charoen • Interest expense • Accrued interest payable	 53,350,000.00 63,849.79 419,445,594.89	 48,500,000.00 188,482.56 389,634,077.45	• In the past, TIS owed money to financial institutions. From 2007 to 2008, as part of TIS’s debt restructuring process, Siri Charoen, which has Mrs. Nowarat Wangpredalertkul, APS, and Mr. Montree Lekvichittada as major shareholders with the shareholdings of 62.5%, 25.0% and 12.4% respectively, acquired all of TIS’s debts from the financial institutions. • TIS and Siri Charoen entered into a debt restructuring contract, effective on 1 May 2013, which is the date that bankruptcy court has ordered TIS to exit the business rehabilitation plan whereas TIS must repay its outstanding principal and interest according to the 20 - year installment repayment schedule. The interest charged by Siri Charoen on the outstanding and accrued interest equaled the average savings deposit interest rates of 3 banks, namely KASIKORN Bank Public Company Limited, Bangkok Bank Public Company Limited, and Krung Thai Bank Public Company Limited.

Related Person/ Companies	Nature of Relationship	Nature of Transaction	Transaction Value (THB)		Rationale of the transaction
			30 September 2022	30 September 2023	
					• On 25 December 2013, TIS and Siri Charoen agreed to amend the debt restructuring contract. Under the amended debt restructuring contract which has been effective since 31 December 2013, TIS agreed to pay the outstanding debts which include the principal of THB 97,000,000 and the accrued interest of THB 687,156,121.56 to Siri Charoen. The Company views that such amendment is favorable for the Company and reduce TIS' future debt repayment burden.
13. Ruampol Enterprise Co., Ltd. ("RPE") (Formely operated sugar production and trading business but currently is not in business operation.)	• RPE has 6 common directors with the Company: (1) Mr. Parphan Siriviriyakul (2) Mr. Prasert Siriviriyakul (3) Mr. Nathapun Siriviriyakul (4) Mr. Sirivuthi Siamphakdee (5) Mrs. Darat Vibhatakalasa (6) Mr. Sirapak Siriviriyakul	<u>Deposit - Factory Lease Fees</u> Rental deposit for land and machinery of sugar factories. <u>Prepaid Expenses</u> Prepayment of the land, factory and machinery lease fees <u>Financial lease debt</u> Financial lease debt for building and machinery	38,370,126.00 87,054,118.82 850,920,456.11	40,393,504.80 85,708,117.90 834,566,185.41	• The Company leased land from RPE, with total area of 173 rai, 95.9 sq.wah., located at Ban Ma Glua, Muang, Nakornsawan,which was part of the lease of sugar factories from RPE. • The land lease agreement was made on 16 July 2012 at the lease fee of THB 5,300,000 per year, increasing every 5 years based on the 5 - year average CPI, but not exceeding 20% of the prior year's lease fee rate.

Related Person/ Companies	Nature of Relationship	Nature of Transaction	Transaction Value (THB)		Rationale of the transaction
			30 September 2022	30 September 2023	
	The Company's shareholders and related companies hold shares in RPE are Siricharoen Export Co., Ltd. and Jaroon hatai Ake Holding Co., Ltd.	Accrued interest payable			• The land lease agreement has the term of 30 years and can be renewed to extend the term for another 30 years. • The rate of lease fee was in line with the appraisals conducted by Knight Frank Charter (Thailand) Co., Ltd. on 8 May 2012 and Sallmanns (FarEast) Limited on 21 May 2012. • The company and EPPCO leased the land from RPE. The price, terms and conditions are more favorable for the company than the market rates and conditions.
		Interest payable on finance leases.	10,315,531.27	-	
		Financial cost			
		Interest paid under finance lease, building, machinery and land	87,072,660.20	85,669,806.33	
		Interest income			
		Interest income received under the finance lease	1,922,024.12	2,023,378.54	
		Deferred interest			
		Deferred interest under finance lease	27,196,399.84	24,198,833.91	
		Land Lease Expenses			
		KTIS leased land	96,783.16	46,000.00	
		Electricity charge			
		Electricity charge	183,810.55	237,205.80	
		Accrued expenses			
		Accrued electricity	14,969.94	21,235.21	
		Prepaid Lease Fees			
		Prepayment of the land lease fees	49,917.68	49,913.61	

Related Person/ Companies	Nature of Relationship	Nature of Transaction	Transaction Value (THB)		Rationale of the transaction
			30 September 2022	30 September 2023	
14. SiriCharoen Sapraiwan Co., Ltd.("SSPW") (operates hotel and resort business)	• SSPW has 3 common directors with the Company: (1) Mr. Pricha Attavipach (2) Miss Chua Eng Eng (3) Mr. Sirapak Siriviriyakul • The Company's shareholders and related companies hold shares in SSPW is Aekphol Sugar Co., Ltd.	<u>Resort Fees</u> Accomodation fees for rooms and services	15,934.58	269,046.72	• KTIS group has used hotel accommodation for seminars and services from SSPW which owns a resort located at 1/79, Moo 2, Kaengsopha, Wangthong, Phitsanulok. The price, terms and conditions are more favorable for the company than the market rates and conditions. • KTBE sells 70% ethyl alcohol to SSPW. Selling price, terms and conditions are in line with market rates and practices.
		<u>Other income</u> Ethyl alcohol 70% and molasses	79,890,487.23	220,846.73	
		<u>Other receivables</u> Ethyl alcohol value	110,000.00	66,000.00	
		<u>Returned goods</u> Return of molasses	27,000,000.00	-	
		<u>Other incomes</u> Molasses storage tank rent	1,000,000.00	-	
15. Nakornsawan Ruamtoonpattana Co., Ltd. ("Nakornsawan Ruamtoonpattana") (In the transportation business)	• Nakornsawan Ruamtoonpattana has 1 common director with the Company,namely Mr. Prasert Siriviriyakul. The Company's shareholders and related companies hold shares in Nakornsawan Ruamtoonpattana is Jaroon Hatai Ake Holding Co., Ltd.	<u>Sugar Transportation Cost</u> TIS engaged Nakornsawan Ruamtoonpattana in the transportation of sugar to the warehouses.	5,735,403.17	5,194,332.17	• TIS engaged Nakornsawan Ruamtoonpattana in the transportation of sugar to the warehouses. Prices, terms and conditions are in line with the market rates and practices.
		<u>Other Revenue</u> Compensation for damage of goods (sugar)	8,971.97	8,523.36	
		<u>Sales revenue</u> Sugar	2,421,544.63	36,370,602.80	
		<u>Deposit received</u> Receive a deposit for sugar	-	-	
		<u>Insurance money</u> Insurance	134,237.81	420,249.65	

Related Person/ Companies	Nature of Relationship	Nature of Transaction	Transaction Value (THB)		Rationale of the transaction
			30 September 2022	30 September 2023	
16. PoomPattana Business Co., Ltd. (“PP”) Property Business	• SuebSiriSawat has 2 common directors with the Company: (1) Mr. Prasert Siriviriyakul (2) Mr. Sirapak Siriviriyakul • The Company’s shareholders and related companies hold shares in PP is Jaroon Hatai Ake Holding Co., Ltd.	Land Lease Expenses Land rent under financial lease agreement	1,775,292.44	2,760,614.28	• KTBF has leased the land from PP for use as fertilizer plant and operate area. • The Company and TIS have leased the land from PP for use in sugarcane planting. • EPPCO has leased the land from PP to manage waste management and salads. • KTBE has leased the land to manage waste management. • EPAC has leased the land from PP for use as pulp mold project. • Prices, terms and conditions are in line with the market rates and practice
		Accrued expenses Costs payable from KTBF leased land.	5,637.28	7,810.90	
		PrepaidExpenses Prepayment of the land lease fees	249,866.25	304,269.27	
		Financial cost Interest paid under the finance lease	775,233.03	1,780,848.78	
		Finance lease liabilities Finance lease liabilities	21,020,025.00	55,675,837.85	
		Deferred interest Right to use assets under financial lease agreements	9,523,526.87	11,672,147.26	
17. Agro Ethanol Co., Ltd. (“Agro Ethanol”) Property Business	• Agro Ethanol has 1 common director with the Company, namely Mr. Sirapak Siriviriyakul Related company shareholders in Agro Ethanol is Aekphol Sugar Co., Ltd.	Land Lease Expenses Land rent under financial lease agreement	27,578.39	187,678.48	• The Company has leased the land from Agro Ethanol for use in sugarcane planting and operate area. • EPPCO has leased the land from Agro Ethanol for use as operate area. • Prices, terms and conditions are in line with the market rates and practices
		Prepaid expense Prepaid landlease	5,201.90	33,740.44	
		Financial cost Interest paid under the finance lease	6,982.77	-	
18. EPC Power Co., Ltd. (“EPC Power”) Property Business	• EPC Power has 1 common director with the Company, namely Mr. Sirapak Siriviriyakul • Related company shareholders in EPC Power is Aekphol Sugar Co., Ltd.	Land Lease Expenses Leased land	363,672.17	254,346.29	• The Company has leased the land from EPC Power for use in sugarcane planting. • KTBE has leased the land from EPC Power to manage waste management and operate area. • Prices, terms and conditions are in line with the market rates and practices.
		PrepaidExpenses Prepayment of the land lease fees	114,540.73	104,894.03	
		Financial cost Interest paid under the finance lease	-	12,106.44	

Related Person/ Companies	Nature of Relationship	Nature of Transaction	Transaction Value (THB)		Rationale of the transaction
			30 September 2022	30 September 2023	
		Finance lease liabilities			
		Finance lease liabilities	-	309,951.24	
		Deferred interest			
		Right to use assets under financial lease agreements	-	12,501.65	
19. Kaset Thai Sugar Co., Ltd. ("KT") (Formely operated sugar production and trading business but currently is not in business operation.)	• KT has 1 common director with the Company, namely Mr. Sirapak Siriviriyakul • Relatedcompany shareholders in KT is Aekphol Sugar Co., Ltd.	Land Lease Expenses			• The Company has leased the land from KT for use in sugarcane planting. • Prices, terms and conditions are in line with the market rates and practices.
		Land Lease Expenses	45,217.26	38,269.99	
		Prepaid land Lease			
		Prepaid land Lease	26,197.39	35,824.14	
20. Siriviriyakul Co., Ltd. ("Siriviriyakul") Property Business	• Siriviriyakul has 1 common director with the Company, name Mrs. Darat Vibhatakalasa • The Company's shareholders and related companies hold shares in Siriviriyakul is Jaroon Hatai Ake Holding Co., Ltd.	Land Lease Expenses			• The Company has leased the land from KT for use in sugarcane planting. • Prices, terms and conditions are in line with the market rates and practices.
		Land Lease Expenses	118,081.49	95,059.93	
		Prepaid land Lease			
		Prepaid land Lease	58,798.49	71,734.59	
21. Hua Hin Pearl Resort Company Limited ("Hua Hin Pearl") (Hotel and Resort Business)	• Hua Hin Pearl has 1 common director with the Company, namely Mr. Sirapak Siriviriyakul • TheCompany's shareholders and related parties hold shares in is (1) Jaroon Hatai Ake Holding Co.,Ltd (2) Siri Charoen Export Co., Ltd. (3) Akephol Sugar Co., Ltd.	Other Receivable			• KTBE sells 70% ethyl alcohol to Hua Hin Pearl. Selling price, terms and conditions are in line with market rates and practices.
		Ethyl alcohol 70%	96,008.45	38,398.42	
		Debtor			
		Receivable	2,860.00	11,328.03	
		Accommodation cost			
		Room rental	107,712.61	26,480.95	
		Accrued expense			
		Accrued accommodation fee	97,306.00	1,200.00	

Independent Auditor's Report

Independent Auditor's Report

To the Shareholders of Kaset Thai International Sugar Corporation Public Company Limited

Opinion

I have audited the accompanying consolidated financial statements of Kaset Thai International Sugar Corporation Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 30 September 2023, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of Kaset Thai International Sugar Corporation Public Company Limited for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Kaset Thai International Sugar Corporation Public Company Limited and its subsidiaries and of Kaset Thai International Sugar Corporation Public Company Limited as at 30 September 2023, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Group in accordance with the *Code of Ethics for Professional Accountants including Independence Standards* issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

I have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report, including in relation to these matters. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

Key audit matters and how audit procedures respond for each matter are described below.

Recognition of revenue from sugar sales

The Group's main business is manufacture and distribution of sugar and revenue from sugar sales for the year ended 30 September 2023 amounted to Baht 17,587 million (represented 93% of total revenues). I have paid particular attention to the Group's recognition of revenue from sugar sales since such revenue is the most significant amount in the statements of comprehensive income and serves as a key performance indication that the financial statements' users focus on.
In addition, the Group has a significant number of sugar futures contracts. There are therefore risks with respect to the amount and timing of the recognition of revenue from sugar sales. I have examined the Group's recognition of revenue from sugar sales by

- Assessing the appropriateness and testing the effectiveness of the Group's internal controls with respect to the revenue cycle from the sugar sales through inquiries with responsible persons. This involved gaining an understanding of key controls designed by the Group and testing compliance on a sampling basis, and with special consideration given to expanding the scope of the testing of the internal controls which respond to the above risks.
- Applying a sampling method to select sales agreements to verify the accuracy and appropriateness of revenue recognition, determining whether the recognition was consistent with the conditions of the relevant agreement and in compliance with the Group's policy.
- On a sampling basis, examining supporting documents for actual sale transactions occurring during the year and near the end of the accounting period.
- Reviewing credit notes issued by the Group after the period-end.
- Performing analytical procedures on disaggregated data to identify any potential irregularities in sale transactions throughout the period, especially journal voucher entries.

Impairment of investments in subsidiaries in the separate financial statements

As of 30 September 2023, the Company has investments in subsidiaries, accounted for in the separate statements of financial position which cost amounted to Baht 11,635 million. The management considered and recorded allowance for impairment of Baht 1,315 million for investments in subsidiaries. I have paid particular attention to the determination of allowance for impairment of investments in subsidiaries in the separate financial statements. Since this account require management to exercise significant judgement with respect to projections of the future operating performance of the subsidiaries and the determination of an appropriate discount rate and key assumptions, there is thus a risk with respect to the amount of allowance for impairment of such account.

I assessed the management's identification of cash-generating units. I also gained an understanding of and assessed the cash flow projections of the subsidiaries, based on the understanding I gained of the process by which management arrived at the figures, comparison of past cash flow projections with actual operating results in order to assess the exercise of management judgement in preparing the cash flow projections, comparison of the long-term growth rate with economic and industry forecasts, and assessment of the discount rate based on comparison of the average cost of capital and other data with those used by comparable organisations in the same industry.

Other Information

Management is responsible for the other information. The other information comprises the information included in annual report of the Group, but does not include the financial statements and my auditor's report thereon. The annual report of the Group is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

When I read the annual report of the Group, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Group'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 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 Financial Statements

My objectives are to obtain reasonable assurance about whether the 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 my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing 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 financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the 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 my 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 ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the 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. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I 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 I identify during my audit.

I also provide those charged with governance with a statement that I 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 my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

I am responsible for the audit resulting in this independent auditor's report.

Kosum Cha-em
Certified Public Accountant (Thailand) No. 6011

EY Office Limited
Bangkok: 29 November 2023

Kaset Thai International Sugar Corporation Public Company Limited and its subsidiaries

Statement of financial position

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		As at 30 September 2023	As at 30 September 2022	As at 30 September 2023	As at 30 September 2022
Assets					
Current assets					
Cash and cash equivalents	*8*	315,942,177	383,265,302	180,730,236	189,482,568
Trade and other receivables	*7, 9*	602,110,877	315,703,469	453,202,152	196,666,444
Planters receivable	*10*	523,052,170	386,862,108	400,950,912	256,964,189
Short-term loans to related parties	*7*	-	-	2,093,621,366	1,977,536,133
Inventories	*11*	2,650,053,641	2,718,682,579	1,412,199,724	1,680,764,757
Biological assets	*12*	85,479,505	69,384,560	68,300,663	48,867,924
Factory overhaul costs		505,144,007	512,381,209	389,956,482	405,931,214
Current portion of amounts due from the Office of the Cane and Sugar Fund	*13*	19,986,902	98,232,352	19,986,902	98,232,352
Other current financial assets	*14*	430,473,827	453,260	430,473,827	453,260
Other current assets	*7*	70,713,334	67,281,810	14,883,318	21,976,253
Total current assets		5,202,956,440	4,552,246,649	5,464,305,582	4,876,875,094
Non-current assets					
Other non-current financial assets	*7, 14*	113,238,105	45,825,258	108,318,731	41,052,623
Investments in subsidiaries	*15*	-	-	10,319,687,369	10,989,687,369
Investments in joint venture	*16*	1,301,425,400	1,187,862,605	-	-
Investment properties	*17*	89,920,063	50,935,368	50,248,327	12,183,735
Property, plant and equipment	*18*	7,139,148,382	8,497,270,430	2,164,513,669	2,400,424,035
Right-of-use assets	*23*	199,711,519	174,713,178	143,152,901	125,609,372
Intangible assets	*19*	209,866,992	219,609,352	13,982,591	7,265,591
Deferred tax assets	*29*	615,117,647	338,889,676	536,300,152	323,141,098
Other non-current assets		125,591,417	104,944,983	57,496,601	36,257,210
Total non-current assets		9,794,019,525	10,620,050,850	13,393,700,341	13,935,621,033
Total assets		14,996,975,965	15,172,297,499	18,858,005,923	18,812,496,127

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

Kaset Thai International Sugar Corporation Public Company Limited and its subsidiaries

Statement of financial position (continued)

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		As at 30 September 2023	As at 30 September 2022	As at 30 September 2023	As at 30 September 2022
Liabilities and shareholders' equity					
Current liabilities					
Bank overdrafts and short-term loans from financial institutions	*20*	2,374,766,402	4,339,657,750	2,374,766,402	4,339,631,750
Trade and other payables	*7, 21*	2,114,711,743	1,366,970,266	1,276,291,708	485,240,276
Short-term loans from related parties	*7*	-	-	4,073,366,856	3,124,242,450
Current portion of lease liabilities	*7, 23*	48,571,170	35,769,037	41,522,549	36,206,900
Current portion of long-term loans from financial institutions	*22*	130,000,000	125,000,000	-	-
Current portion of long-term loans from the related party	*7*	4,850,000	4,850,000	-	-
Income tax payable		42,056,820	18,976,868	-	-
Other current financial liabilities	*7, 14*	222,919,866	1,002,707,890	146,175,313	923,641,239
Other current liabilities		49,702,288	41,248,973	29,684,218	14,263,480
Total current liabilities		4,987,578,289	6,935,180,784	7,941,807,046	8,923,226,095
Non-current liabilities					
Lease liabilities - net of current portion	*7, 23*	896,142,195	895,781,520	843,691,144	845,956,987
Long-term loans from financial institutions - net of current portion	*22*	361,500,000	481,964,280	-	-
Long-term loans from related party - net of current portion	*7*	43,650,000	48,500,000	-	-
Provision for long-term employee benefits	*24*	439,917,676	399,638,525	262,073,460	241,202,285
Provision for decommissioning costs		36,196,562	34,896,290	-	-
Other non-current financial liabilities	*7, 14*	363,590,532	398,981,315	3,956,454	-
Total non-current liabilities		2,140,996,965	2,259,761,930	1,109,721,058	1,087,159,272
Total liabilities		7,128,575,254	9,194,942,714	9,051,528,104	10,010,385,367

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

Kaset Thai International Sugar Corporation Public Company Limited and its subsidiaries

Statement of financial position (continued)

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		As at 30 September 2023	As at 30 September 2022	As at 30 September 2023	As at 30 September 2022
Shareholders' equity					
Share capital					
Registered					
3,888,000,010 ordinary shares of Baht 1 each		3,888,000,010	3,888,000,010	3,888,000,010	3,888,000,010
Issued and fully paid up					
3,860,000,010 ordinary shares of Baht 1 each		3,860,000,010	3,860,000,010	3,860,000,010	3,860,000,010
Share premium		5,202,881,296	5,202,881,296	5,202,881,296	5,202,881,296
Capital deficit from business combination under common control		(3,577,165,024)	(3,577,165,024)	(573,217,706)	(573,217,706)
Capital surplus on share-based payment		200,200,000	200,200,000	200,200,000	200,200,000
Retained earnings (deficits)					
Appropriated - statutory reserve	*26*	387,444,821	347,435,411	387,444,821	347,435,411
Unappropriated		1,795,039,608	(55,996,908)	729,169,398	(235,188,251)
Total shareholders' equity		7,868,400,711	5,977,354,785	9,806,477,819	8,802,110,760
Total liabilities and shareholders' equity		14,996,975,965	15,172,297,499	18,858,005,923	18,812,496,127
		-	-	-	-

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

Kaset Thai International Sugar Corporation Public Company Limited and its subsidiaries

Statement of comprehensive income

For the year ended 30 September 2023

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
Profit or loss:					
Revenues					
Revenues		18,939,086,959	13,561,866,439	13,152,743,908	8,487,206,131
Revenue from compensating of sugar productions and distributions	*13*	-	6,328,188	-	6,328,188
Other income					
Dividend income	*7, 15*	-	-	262,958,220	260,414,425
Gain on sugar futures contracts		-	177,239,151	-	177,239,151
Gain on fair value adjustment from derivatives	*36.1*	31,650,238	-	31,650,238	-
Gain on exchange		687,704,469	-	672,043,920	-
Others		220,326,688	140,748,274	139,180,809	94,494,121
Total revenues		19,878,768,354	13,886,182,052	14,258,577,095	9,025,682,016
Expenses					
Cost of sales		15,567,608,895	12,151,660,058	11,518,333,297	8,195,948,644
Selling expenses		348,074,858	258,654,435	224,459,941	157,160,685
Administrative expenses		1,827,733,485	1,127,848,928	713,294,967	659,615,065
Loss on fair value adjustment from derivatives	*36.1*	-	919,154,841	-	915,394,092
Loss on impairment of investments in subsidiaries	*15*	-	-	670,000,000	-
Loss on exchange		-	178,856,550	-	113,600,696
Loss on sugar futures contracts		108,364,234	-	108,364,234	-
Total expenses		17,851,781,472	14,636,174,812	13,234,452,439	10,041,719,182
Operating profit (loss)		2,026,986,882	(749,992,760)	1,024,124,656	(1,016,037,166)
Share of loss from a joint venture	*16*	(73,720,852)	(98,602,937)	-	-
Finance income		15,899,877	5,057,598	70,328,052	61,850,483
Finance cost	*27*	(230,985,240)	(163,242,207)	(264,482,955)	(195,919,258)
Profit (loss) before income tax benefits		1,738,180,667	(1,006,780,306)	829,969,753	(1,150,105,941)
Income tax benefits	*29*	201,194,052	144,788,484	205,406,704	179,155,074
Profit (loss) for the year		1,939,374,719	(861,991,822)	1,035,376,457	(970,950,867)
Other comprehensive income:					
Other comprehensive income not to be reclassified					
to profit or loss in subsequent periods					
Actuarial gain (loss) - net of income tax		(48,112,439)	47,660,815	(31,009,398)	25,608,942
Share of other comprehensive income from actuarial gain (loss)					
of a joint venture	*16*	(216,354)	287,101	-	-
Other comprehensive income for the year		(48,328,793)	47,947,916	(31,009,398)	25,608,942
Total comprehensive income for the year		1,891,045,926	(814,043,906)	1,004,367,059	(945,341,925)
Earnings per share	*31*				
Basic earnings (loss) per share					
Profit (loss) attributable to equity holders of the Company		0.50	(0.22)	0.27	(0.25)

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

Kaset Thai International Sugar Corporation Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the year ended 30 September 2023

(Unit: Baht)

	Consolidated financial statements						
	Issued and fully paid-up share capital	Share premium	Capital deficit from business combination under common control	Capital surplus on share-based payment	Retained earnings (deficits)		Total shareholders' equity
					Appropriated	Unappropriated	
Balance as at 1 October 2021	3,860,000,010	5,202,881,296	(3,577,165,024)	200,200,000	347,435,411	1,144,046,879	7,177,398,572
Loss for the year	-	-	-	-	-	(861,991,822)	(861,991,822)
Other comprehensive income for the year	-	-	-	-	-	47,947,916	47,947,916
Total comprehensive income for the year	-	-	-	-	-	(814,043,906)	(814,043,906)
Dividend paid (Note 32)	-	-	-	-	-	(385,999,881)	(385,999,881)
Balance as at 30 September 2022	3,860,000,010	5,202,881,296	(3,577,165,024)	200,200,000	347,435,411	(55,996,908)	5,977,354,785
Balance as at 1 October 2022	3,860,000,010	5,202,881,296	(3,577,165,024)	200,200,000	347,435,411	(55,996,908)	5,977,354,785
Profit for the year	-	-	-	-	-	1,939,374,719	1,939,374,719
Other comprehensive income for the year	-	-	-	-	-	(48,328,793)	(48,328,793)
Total comprehensive income for the year	-	-	-	-	-	1,891,045,926	1,891,045,926
Statutory reserve (Note 26)	-	-	-	-	40,009,410	(40,009,410)	-
Balance as at 30 September 2023	3,860,000,010	5,202,881,296	(3,577,165,024)	200,200,000	387,444,821	1,795,039,608	7,868,400,711

-

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

Statement of changes in shareholders' equity (continued)

For the year ended 30 September 2023

(Unit: Baht)

	Separate financial statements						
	Issued and fully paid-up share capital	Share premium	Capital deficit from business combination under common control	Capital surplus on share-based payment	Retained earnings (deficits)		Total shareholders' equity
					Appropriated	Unappropriated	
Balance as at 1 October 2021	3,860,000,010	5,202,881,296	(573,217,706)	200,200,000	347,435,411	1,096,153,555	10,133,452,566
Loss for the year	-	-	-	-	-	(970,950,867)	(970,950,867)
Other comprehensive income for the year	-	-	-	-	-	25,608,942	25,608,942
Total comprehensive income for the year	-	-	-	-	-	(945,341,925)	(945,341,925)
Dividend paid (Note 32)	-	-	-	-	-	(385,999,881)	(385,999,881)
Balance as at 30 September 2022	3,860,000,010	5,202,881,296	(573,217,706)	200,200,000	347,435,411	(235,188,251)	8,802,110,760
Balance as at 1 October 2022	3,860,000,010	5,202,881,296	(573,217,706)	200,200,000	347,435,411	(235,188,251)	8,802,110,760
Profit for the year	-	-	-	-	-	1,035,376,457	1,035,376,457
Other comprehensive income for the year	-	-	-	-	-	(31,009,398)	(31,009,398)
Total comprehensive income for the year	-	-	-	-	-	1,004,367,059	1,004,367,059
Statutory reserve (Note 26)	-	-	-	-	40,009,410	(40,009,410)	-
Balance as at 30 September 2023	3,860,000,010	5,202,881,296	(573,217,706)	200,200,000	387,444,821	729,169,398	9,806,477,819

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

Kaset Thai International Sugar Corporation Public Company Limited and its subsidiaries

Cash flow statement

For the year ended 30 September 2023

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Cash flows from operating activities				
Profit (loss) before tax	1,738,180,667	(1,006,780,306)	829,969,753	(1,150,105,941)
Adjustments to reconcile profit (loss) before tax to				
net cash provided by (paid from) operating activities:				
Depreciation and amortisation	1,091,054,862	1,182,367,580	404,817,788	493,253,527
Gain on realised discount from transferring right of planters receivable	(2,673,288)	(1,511,711)	(2,050,379)	(657,471)
Loss on expected credit losses (reversal)	(2,296,057)	12,409,807	(199,204)	16,727,313
Reduction cost of inventories to net realisable value (reversal)	2,304,038	26,355,723	(47,078,555)	34,083,104
Gain arising from change in fair value adjustment of biological assets	(926,110)	(17,070,014)	(767,485)	(7,112,046)
Unrealised loss (gain) on exchange	(5,765,199)	14,104,275	-	(133,599)
Loss (gain) arising from change in fair value adjustment of financial instruments	(41,185,958)	421,120,439	(31,650,238)	407,823,970
Loss (gain) on hedge accounting	9,535,720	(9,535,720)	-	-
Loss on consideration payable to customers	485,416,632	-	451,843,932	-
Loss on impairment of investments in subsidiaries (Note 15)	-	-	670,000,000	-
Share of loss from a joint venture	73,720,852	98,602,937	-	-
Loss on impairment of investment properties (reversal)	378,478	(30,100)	1,894,308	-
Loss on impairment of property, plant and equipment (reversal) (Note 18)	540,952,109	2,037,698	(1,941,358)	-
Gain on sales of investment properties	(140,000)	(50,000)	-	-
Loss (gain) on sales of land and equipment	4,739,379	(6,053,915)	(2,609,723)	(2,296,260)
Loss on write-off of equipment	172	2,215,871	134	2,215,871
Long-term employee benefits expenses	28,070,979	29,657,930	15,292,864	16,449,732
Dividend income	-	-	(262,958,220)	(260,414,425)
Finance income	(15,899,877)	(5,057,598)	(70,328,052)	(61,850,483)
Finance cost	230,985,240	163,242,207	264,482,955	195,919,258
Profit (loss) from operating activities before				
changes in operating assets and liabilities	4,136,452,639	906,025,103	2,218,718,520	(316,097,450)
Operating assets decrease (increase)				
Trade and other receivables	(280,100,809)	274,331,126	(250,297,905)	180,027,276
Planters receivable	(157,444,977)	(8,660,454)	(167,961,990)	10,836,401
Inventories	66,324,900	(943,821,200)	315,643,588	(441,046,076)
Biological assets	(15,168,833)	21,953,304	(18,665,253)	10,655,636
Amounts due from the Office of the Cane and Sugar Fund	1,107,059	(21,093,961)	1,107,059	(21,093,961)
Retention for sugar futures contracts	(72,787,890)	-	(72,787,890)	-
Other current assets	(184,207,887)	(68,815,550)	(164,945,898)	(94,885,819)
Other non-current assets	(79,615,278)	26,901,395	(83,136,257)	36,394,818
Operating liabilities increase (decrease)				
Trade and other payables	445,163,956	98,766,105	506,922,066	(57,339,907)
Other current financial liabilities	(917,356,799)	9,189,423	(915,034,699)	3,492,538
Other current liabilities	8,453,313	9,467,276	19,377,193	109,063
Cash paid for long-term employee benefits	(50,118,886)	(21,688,521)	(33,183,437)	(11,297,786)
Cash flows from (used in) operating activities	2,900,700,508	282,554,046	1,355,755,097	(700,245,267)
Interest paid	(167,618,753)	(103,840,281)	(172,908,886)	(109,382,695)
Corporate income tax paid	(40,811,667)	(59,803,068)	(3,985,223)	(432,644)
Net cash flows from (used in) operating activities	2,692,270,088	118,910,697	1,178,860,988	(810,060,606)

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

Kaset Thai International Sugar Corporation Public Company Limited and its subsidiaries

Cash flow statement (continued)

For the year ended 30 September 2023

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Cash flows from investing activities				
Cash paid for in short-term loans to related parties	-	-	(2,319,446,030)	(2,019,341,954)
Cash receipt from repayment of short-term loans from related parties	-	-	2,203,360,798	1,975,931,316
Cash paid for acquisition of increase share capital of joint venture	(80,250,000)	(53,625,000)	-	-
Acquisition of investment properties	(145,272)	(14,823,141)	-	-
Proceed from sales of investment properties	850,000	130,000	-	-
Acquisition of property, plant and equipment	(164,210,031)	(251,811,163)	(151,881,736)	(171,517,431)
Proceed from sales of land and equipment	9,426,173	9,819,876	8,475,033	5,745,536
Cash paid for payable from purchases of property, plant and equipment	(302,542,626)	(76,744,721)	(107,814,709)	(73,013,007)
Acquisition of intangible assets	(7,156,062)	(6,755,079)	(7,123,387)	(986,719)
Dividend received	-	-	262,958,220	260,414,425
Interest received	7,875,355	3,096,092	62,031,531	61,548,379
Net cash flows from (used in) investing activities	(536,152,463)	(390,713,136)	(49,440,280)	38,780,545
Cash flows from financing activities				
Increase (decrease) in bank overdrafts and short-term loans from financial institutions	(1,964,891,348)	1,256,833,259	(1,964,865,348)	1,256,807,259
Cash receipt from short-term loans from related parties	-	-	9,682,663,285	5,721,638,333
Repayment of short-term loans from related parties	-	-	(8,733,538,880)	(4,957,932,360)
Cash receipt from long-term loans from financial institutions	-	358,440,000	-	-
Repayment of long-term loans from financial institutions	(125,000,000)	(777,500,000)	-	(750,000,000)
Repayment of long-term loans from related party	(4,850,000)	(4,850,000)	-	-
Repayment of principal portion of lease liabilities	(128,699,402)	(123,910,623)	(122,432,097)	(112,821,512)
Dividends paid	-	(385,983,284)	-	(385,983,284)
Net cash flows from (used in) financing activities	(2,223,440,750)	323,029,352	(1,138,173,040)	771,708,436
Net increase (decrease) in cash and cash equivalents	(67,323,125)	51,226,913	(8,752,332)	428,375
Cash and cash equivalents at beginning of year	383,265,302	332,038,389	189,482,568	189,054,193
Cash and cash equivalents at end of year	315,942,177	383,265,302	180,730,236	189,482,568
	-	-	-	-
Supplemental cash flows information:				
Non-cash items consist of				
Acquisition of property, plant and equipment for which no cash had been paid	94,606,347	302,542,626	14,917,494	107,814,709
Increase in investment properties due to collection from planters receivable	-	1,039,294	-	-
Increase in land due to collection from planters receivable	26,224,850	19,548,050	26,224,850	19,548,050
Dividend payables	219,514	219,613	219,514	219,613
Decreased in the contribution payable to the Office of the Cane and Sugar Fund due to the offset of amounts due from the Office of the Cane and Sugar Fund	77,138,391	146,056,401	61,229,954	107,079,200
Increase in right-of-use assets and lease liabilities due to additional contracts	50,867,763	11,759,738	36,905,472	7,947,682
Transfer investment properties to property, plant and equipment	-	294,442,837	-	-
Transfer property, plant and equipment to investment properties	39,957,900	-	39,957,900	-
Obligations of consideration payable to customers which no cash had been paid	304,582,235	-	304,582,235	-
Acquisition of increase share capital of joint venture which no cash had been paid	107,250,000	-	-	-

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

Kaset Thai International Sugar Corporation Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 30 September 2023

1. General information

Kaset Thai International Sugar Corporation Public Company Limited is a public company incorporated and domiciled in Thailand. The Company is principally engaged in manufacture and distribution of sugar, which is sold both domestically and overseas. The registered address is as follows.

Head office and factory: 1/1 Moo 14, Tambon Nongpo, Amphur Taklee, Nakornsawan

Bangkok branch office: 24, Ekapol Building, Viphavadee Rangsit Road, Ratchadapisek Sub-district, Dindaeng District, Bangkok.

2. Basis of preparation

2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development dated, issued under the Accounting Act B.E. 2543.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

2.2 Basis of consolidation

a) The consolidated financial statements include the financial statements of Kaset Thai International Sugar Corporation Public Company Limited (hereinafter called “the Company”) and its subsidiaries (hereinafter called “subsidiaries”) (hereinafter collectively called as “the Group”) as following.

Company's name	Country of incorporation	Nature of business	Paid-up share capital		Percentage of shareholding	
			2023	2022	2023	2022
					Percent	Percent
Held by the Company						
Thai Identity Sugar Factory Co., Ltd.	Thailand	Manufacture and distribution of sugar	3,600 Million Baht	3,600 Million Baht	100	100
Permsin Pattana Co., Ltd.	Thailand	Investment company	317 Million Baht	317 Million Baht	100	100
Kaset Thai Bio Power Co., Ltd.	Thailand	Manufacture and distribution of electricity	1,260 Million Baht	1,260 Million Baht	100	100
Environment Pulp and Paper Co., Ltd.	Thailand	Manufacture and distribution of pulp	2,400 Million Baht	2,400 Million Baht	74	74
KTIS Bio Ethanol Co., Ltd.	Thailand	Manufacture and distribution of ethanol	256 Million Baht	256 Million Baht	100	100
Sapsirikaset Co., Ltd.	Thailand	Property rental and trading	108 Million Baht	108 Million Baht	100	100
Thaiekaluck Power Co., Ltd.	Thailand	Manufacture and distribution of electricity	350 Million Baht	350 Million Baht	100	100
Ruamphol Bio Power Co., Ltd.	Thailand	Manufacture and distribution of electricity	395 Million Baht	395 Million Baht	100	100
KTIS Biogass Power Co., Ltd.	Thailand	Manufacture and distribution of electricity	1 Million Baht	1 Million Baht	100	100
KTIS Bio Energy Co., Ltd.	Thailand	Manufacture and distribution of ethanol and electricity	20 Million Baht	20 Million Baht	100	100
Kaset Thai Wiwat Co., Ltd.	Thailand	Management of assets	61 Million Baht	61 Million Baht	100	100
KTIS Research and Development Co., Ltd.	Thailand	Research and development	20 Million Baht	20 Million Baht	100	100
KTIS Bio Natural Co., Ltd.	Thailand	Manufacture and distribution of ethanol	12.5 Million Baht	12.5 Million Baht	98	98
Held by subsidiaries						
Environment Pulp and Packaging Co., Ltd. (held by Environment Pulp and Paper Co., Ltd.)	Thailand	Manufacture and distribution of containers made from bagasse	650 Million Baht	650 Million Baht	100	100
Environment Pulp and Straw Co., Ltd. (held by Permsin Pattana Co., Ltd.)	Thailand	Manufacture and distribution of containers made from bagasse	2 Million Baht	2 Million Baht	100	100
KTIS Bio Natural Co., Ltd. (held by Permsin Pattana Co., Ltd.)	Thailand	Manufacture and distribution of ethanol	12.5 Million Baht	12.5 Million Baht	2	2
Environment Pulp and Paper Co., Ltd. (held by Permsin Pattana Co., Ltd.)	Thailand	Manufacture and distribution of pulp	2,400 Million Baht	2,400 Million Baht	26	26
KTIS Bio Fertiliser Co., Ltd. (held by KTIS Bio Ethanol Co., Ltd.)	Thailand	Manufacture and distribution of organic fertiliser	35 Million Baht	35 Million Baht	100	100

b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.

c) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.

d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.

e) Material balances and transactions between the Group have been eliminated from the consolidated financial statements.

2.3 The separate financial statements present investments in subsidiaries and joint venture under the cost method.

3. New financial reporting standards

3.1 Financial reporting standards that became effective in the current year

During the year, the Group has adopted the revised financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2022. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements.

3.2 Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2023

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2023. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards which standard involves changes to key principles, as summarised below.

TAS 16, Property, Plant and Equipment

The amendment prohibits entities from deducting from cost of an item of property, plant and equipment, any proceeds of the sale of items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the costs of producing those items, in profit or loss.

The management of the Group believes that adoption of these amendments will not have any significant impact on the Group's financial statements.

3.3 Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2024

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2024. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards which standard involves changes to key principles, as summarised below.

TAS 12, Income Taxes

The amendment narrows the scope of the initial recognition exception, so that deferred tax related to assets and liabilities arising from a single transaction that give rise to equal taxable and deductible temporary differences such as leases and decommissioning obligations shall be recognised.

The management of the Group believes that adoption of these amendments will not have any significant impact on the Group's financial statements.

4. Significant accounting policies

4.1 Revenue and expense recognition

Sales of goods

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally upon delivery of the goods. Revenue is measured at the amount of the consideration received or receivable, excluding value added tax, of goods supplied after deducting returns discounts and consideration payable to customers.

Rendering of services

Service revenue is recognised at a point in time upon completion of the service.

Finance income

Finance income is calculated using the effective interest method and recognised on an accrual basis. The effective interest rate is applied to the gross carrying amount of a financial asset, unless the financial assets subsequently become credit-impaired when it is applied to the net carrying amount of the financial asset (net of the expected credit loss allowance).

Finance cost

Interest expense from financial liabilities at amortised cost is calculated using the effective interest method and recognised on an accrual basis.

Dividends

Dividends are recognised when the right to receive the dividends is established.

4.2 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand and at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

4.3 Planters receivable under the purchasing non-performing agreement

The Group entered into an agreement to purchase non-performing planters receivable from a related company at a discounted value to follow up and collect the debts. Under the agreement, the Group has no recourse against the seller in the event that the Group is unable to collect the debts. The Group recorded planters receivable at cost and recorded the discount received in “Discount received from receipt of transfer of right to claim planters receivable”.

4.4 Inventories

Finished goods and work in process are valued at the lower of cost under the average method and net realisable value. The cost of inventories includes all production costs and attributable factory overheads.

Merchandise inventories are valued at the lower of cost under the first-in, first-out method and net realisable value.

Raw materials, spare parts, factory supplies and supplies are valued at the lower of average cost and net realisable value and are charged to production costs whenever consumed.

4.5 Agriculture

The Group's biological assets are sugar cane, and agricultural produce is harvested cane which is measured at their fair value less costs to sell at the point of harvest.

The fair value of cane is determined based on reference to fair value less estimated point-of-harvest costs. Gains or losses arising from change in fair value of biological asset and agricultural produce are recognised in profit or loss.

In case the fair value cannot be measured reliably, this biological asset shall be measured at its cost less any accumulated depreciation and any accumulated impairment losses. Once the fair value of such a biological asset becomes reliably measurable, the Group shall measure it at its fair value less costs to sell.

4.6 Factory overhaul costs

Factory overhaul costs comprise expenditure actually incurred on machinery for the overhaul of the factory within the off season for production which preparation for the new sugar season. The factory overhaul costs are amortised on a systematic basis over the economic useful life being the duration of next production season. The amortisation expense is charged to profit or loss.

4.7 Investments in subsidiaries and joint venture

Investments in joint venture is accounted for in the consolidated financial statements using the equity method.

Investments in subsidiaries and joint venture are accounted for in the separate financial statements using the cost method.

4.8 Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and allowance for loss on impairment (if any). Investment properties consist of land and land ownership document that are awaiting for sales and office building for rent.

Depreciation of investment properties is calculated by reference to their costs on the straight-line basis over estimated useful lives of 10 years. Depreciation of the investment properties is included in determining income.

No depreciation is provided on land.

On disposal of investment properties, the difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the year when the asset is derecognised.

4.9 Property, plant and equipment/Depreciation

Land which consists of land and land ownership document is stated at cost. Buildings and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

Depreciation of plant and equipment is calculated by reference to their costs on the straight-line basis over the following estimated useful lives.

Land improvement	5 - 27 years
Buildings and building improvement	5 - 30 years
Machinery and equipment	5 - 25 years
Agricultural tools and equipment	5 years
Furniture, fixtures and office equipment	5 years
Motor vehicles	5 - 10 years

Depreciation is included in determining income.

No depreciation is provided on land and assets under installation and under construction.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognised.

4.10 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the year they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

4.11 Intangible assets

Intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses (if any).

Intangible assets with finite lives are amortised on the straight-line basis over the economic useful life and tested for impairment whenever there is an indication that the intangible assets may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

A summary of the intangible assets with finite useful lives is as follows.

	Useful lives
Computer software	3 - 10 years
Trademark	10 years
Right to use of electricity line	20 years

No amortisation is provided on computer software under installation.

4.12 Leases

At inception of contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group as a lessee

The Group applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. At the commencement date of the lease (i.e. the date the underlying asset is available for use), the Group recognises right-of-use assets representing the right to use underlying assets and lease liabilities based on lease payments.

Right-of-use assets

Right-of-use assets are measured at cost, less accumulated depreciation, any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities initially recognised, initial direct costs incurred, and lease payments made at or before the commencement date of the lease less any lease incentives received.

Depreciation of right-of-use assets are calculated by reference to their costs, on the straight-line basis over the shorter of their estimated useful lives and the lease term.

Land	2 - 29 years
Buildings	10 - 20 years
Machinery and equipment	10 years

If ownership of the leased asset is transferred to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Lease liabilities

Lease liabilities are measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be payable under residual value guarantees. Moreover, the lease payments include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

The Group discounted the present value of the lease payments by the interest rate implicit in the lease or the Group's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

A lease that has a lease term less than or equal to 12 months from commencement date or a lease of low-value assets is recognised as expenses on a straight-line basis over the lease term.

4.13 Related party transactions

Related parties comprise individuals or enterprises that control, or are controlled by, the Company, whether directly or indirectly, or which are under common control with the Company.

They also include associates and individuals or enterprises which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors, and officers with authority in the planning and direction of the Company's operations.

4.14 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also the Company's functional currency. Items of each entity included in the consolidated financial statements are measured using the functional currency of that entity.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period.

Gains and losses on exchange are included in determining income.

4.15 Impairment of investments in subsidiaries and non-financial assets

At the end of each reporting period, the Group performs impairment reviews in respect of the investments in subsidiaries, property, plant and equipment, right-of-use assets, investment properties and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount. In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Group could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognised in profit or loss.

In the assessment of asset impairment, if there is any indication that previously recognised impairment losses may no longer exist or may have decreased, the Group estimates the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The increased carrying amount of the asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss.

4.16 Employee benefits

Short-term employee benefits

Salaries, wages, bonuses and contributions to the social security fund are recognised 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 recognised as expenses when incurred.

Defined benefit plans and other long-term employee benefits

The Group has obligations in respect of the severance payments it must make to employees upon retirement under labor law and other employee benefit plan. The Group treats these severance payment obligations as a defined benefit plan. In addition, the Group provides other long-term employee benefit plan, namely death 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 and losses arising from defined benefit plans are recognised immediately in other comprehensive income.

Actuarial gains and losses arising from other long-term benefit are recognised immediately in profit and loss.

Past service costs are recognised in profit or loss on the earlier of the date of the plan amendment or curtailment and the date that the Group recognises restructuring-related cost.

4.17 Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The Group recognises a provision for decommissioning costs based on an estimate of the eventual costs that related to the remove of the plant and equipment which payment as of termination of lease agreement. These obligations, add of finance charges, are included in long-term liabilities.

4.18 Income tax

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

Current tax

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

Deferred tax

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Group recognises deferred tax liabilities for all taxable temporary differences while it recognises deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Group reviews and reduces the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Group records deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

4.19 Financial instruments

The Group initially measures financial assets at its fair value plus, in the case of financial assets that are not measured at fair value through profit or loss, transaction costs. However, trade receivables, that do not contain a significant financing component, are measured at the transaction price as disclosed in the accounting policy relating to revenue recognition.

Classification and measurement of financial assets

Financial assets are classified, at initial recognition, as to be subsequently measured at amortised cost, or fair value through profit or loss (“FVTPL”). The classification of financial assets at initial recognition is driven by the Group’s business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

Financial assets at amortised cost

The Group measures financial assets at amortised cost if the financial asset is held in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate ("EIR") method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial assets at FVTPL

Financial assets measured at FVTPL are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

These financial assets include derivatives and equity investments which the Group has not irrevocably elected to classify at FVOCI and financial assets with cash flows that are not solely payments of principal and interest.

Dividends on listed equity investments are recognised as other income in profit or loss.

Classification and measurement of financial liabilities

Except for derivative liabilities, at initial recognition the Group's financial liabilities are recognised at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. In determining amortised cost, the Group takes into account any fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in profit or loss.

Derecognition of financial instruments

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Group has transferred substantially all the risks and rewards of the asset, or the Group has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

Impairment of financial assets

The Group recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure (a lifetime ECL).

The Group considers a significant increase in credit risk to have occurred when contractual payments are more than 30 days past due and considers a financial asset as credit impaired or default when contractual payments are 90 days past due. For planters receivable, the Group considers when contractual payments are more than the Group's policy based on the harvesting year. However, in certain cases, the Group may also consider a financial asset to have a significant increase in credit risk and to be in default using other internal or external information, such as credit rating of issuers.

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

ECLs are calculated based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

4.20 Derivatives and hedge accounting

The Group uses derivatives, such as forward currency contracts, interest rate swaps and commodity forward contracts, to hedge its foreign currency risks, interest rate risks and commodity price risks, respectively.

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. The subsequent changes are recognised in profit or loss unless the derivative is designated and effective as a hedging instrument. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Derivatives are presented as non-current assets or non-current liabilities if the remaining maturity of the instrument is more than 12 months and it is not due to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

Hedge accounting

For the purpose of hedge accounting, hedges are classified as fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment.

At the inception of a hedging relationship, the Group formally designates and documents the hedging relationship to which it wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

The documentation, at the inception of the hedge and on an ongoing basis, includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Group will assess whether the hedging relationship meets the hedge effectiveness requirements, including analysis of the sources of hedge ineffectiveness and how the hedge ratio is determined.

A hedging relationship qualifies for hedge accounting if it meets all of the following hedge effectiveness requirements.

- There is an economic relationship between the hedged item and the hedging instrument.
- The effect of credit risk is not the dominant factor in the value changes that result from that economic relationship.
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

Hedges that meet all of the qualifying criteria for hedge accounting are accounted for, as described below.

Fair value hedges

The change in the fair value of a hedging instrument is recognised in profit or loss. The change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item and is also recognised in profit or loss.

Any adjustment to the carrying value of fair value hedges relating to items carried at amortised cost, is amortised through profit or loss over the remaining term of the hedge using the effective interest method. The amortisation may begin as soon as an adjustment exists and no later than when the hedged item ceases to be adjusted for changes in its fair value attributable to the risk being hedged. If the hedged item is derecognised, the unamortised fair value is recognised immediately in profit or loss.

4.21 Capital deficit from business combination under common control

The Company has recorded subsidiaries assets by using similar to pooling interest method from the acquisition and entire business transfer of subsidiaries under common control. Capital deficit from business combination under common control is presented in shareholder's equity in the statement of financial position as at the business combination date by recording the difference between the purchased price and the carrying amount on the purchased date.

4.22 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 buyer and seller at the measurement date. The Group applies a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Group measures fair value using valuation techniques that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows.

Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Group determines whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

5. Significant accounting judgements and estimates

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. Significant judgements and estimates are as follows.

Reduce inventories cost to net realisable value

In determining a reduction of inventories cost to net realisable value, the management makes judgement and estimates net realisable value of inventories based on the amount of the inventories are expected to realise. These estimates take into consideration sale contract, fluctuations of selling price or cost directly relating to events occurring after the end of the reporting period. Also, the management makes judgement and estimates the expected loss from stock obsolescence based upon aging profile of inventories and the prevailing economic condition.

Fair value of financial instruments

In determining the fair value of financial instruments recognised in the statement of financial position that are not actively traded and for which quoted market prices are not readily available, the management exercise judgement, using a variety of valuation techniques and models. The input to these models is taken from observable markets, and includes consideration of credit risk, liquidity, correlation and longer-term volatility of financial instruments. Change in assumptions about these factors could affect the fair value recognised in the statement of financial position and disclosures of fair value hierarchy.

Deferred tax assets

Deferred tax assets are recognised for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future taxable profits.

Allowance for impairment of investments in subsidiaries and non-financial assets

In determining allowance for impairment of investments in subsidiaries and non-financial asset, the management is required to exercise judgements regarding determination of the recoverable amount of the asset, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs of disposing of the asset. The value in use calculation is based on a discounted cash flow model. The cash flows are derived from the budget for the next 5 years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the performance of the assets of the cash-generating unit being tested. The recoverable amount is sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to investments in subsidiaries and property, plant and equiment recognised by the Group. The key assumptions used to determine the recoverable amount for the different cash-generating units are disclosed and further explained in Note 15 and 18, respectively.

Sugar cane price and planters payable

The recognition of sugar cane price and planters payable requires management to make estimates of the price by reference to the calculation method of the Office of the Cane and Sugar Board. These estimates require management to exercise certain judgements and assumptions.

6. Seasonality of operations

The operations of the Group, which are principally engaged in the manufacture and distribution of sugar, are affected by the seasonality of sugar manufacture, with the production season running from December to April, and the off season for production running from May to November.

7. Related party transactions

During the year, the Group had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Group and those related parties.

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements		Transfer Pricing Policy
	2023	2022	2023	2022	
Transactions with subsidiary companies (eliminated from the consolidated financial statements)					
Sales of goods and services	-	-	1,118	1,002	Contract price
Dividend income	-	-	263	260	As declared
Interest income	-	-	58	59	3.00% per annum
Other income	-	-	7	2	Mutual agreement
Purchases of goods and services	-	-	1,090	505	Contract price
Administrative expenses	-	-	9	12	Mutual agreement
Interest expenses	-	-	56	36	1.13% to 2.50% per annum (2022: 0.38% to 2.50% per annum)
Transactions with joint venture					
Sales of goods and services	118	99	87	88	Contract price
Other income	11	13	11	13	Mutual agreement
Sales of planters receivable	-	71	-	71	Contract price
Purchases of goods and services	60	-	-	-	Contract price
Transactions with related parties					
Sales of goods and services	46	98	28	80	Contract price
Interest income	2	2	2	2	3.87% to 5.56% per annum (2022: 3.87% to 5.15% per annum)
Other income	-	1	-	1	Mutual agreement
Purchases of goods and services	285	212	163	115	Contract price
Selling expenses	236	137	139	82	Mutual agreement
Administrative expenses	21	45	12	34	Mutual agreement
Rental expenses under lease agreement	103	102	95	95	Contract price

The outstanding balance of the Group and the related parties as at 30 September 2023 and 2022 were as follows.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Trade and other receivables - related parties				
Subsidiaries	-	-	35,755	17,018
Joint venture	60,276	19,616	49,923	17,459
Related companies (common shareholders/director)	357	1,158	7	9
Total trade and other receivables - related parties	60,633	20,774	85,685	34,486
Other current assets - related parties				
Subsidiaries	-	-	11	-
Related companies (common shareholders/director)	603	508	316	279
Total other current assets - related parties	603	508	327	279
Other non-current financial assets - related parties				
Related companies (common shareholders/director)	43,409	41,327	42,544	40,478
Total other non-current financial assets - related parties	43,409	41,327	42,544	40,478
Trade and other payables - related parties				
Subsidiaries	-	-	36,707	22,586
Joint venture	107,250	6,427	-	6,427
Related companies (common shareholders/director)	50,510	45,959	9,350	8,621
Total trade and other payables - related parties	157,760	52,386	46,057	37,634
Other current financial liabilities - related parties				
Related companies (common shareholders/director)	747	183	734	177
Total other current financial liabilities - related parties	747	183	734	177
Lease liabilities - related parties				
Subsidiaries	-	-	2,663	7,985
Related companies (common shareholders/director)	944,713	931,551	882,551	874,179
Total lease liabilities - related parties	944,713	931,551	885,214	882,164
Other non-current financial liabilities - related party				
Related company (common shareholders/director)	359,634	389,446	-	-
Total other non-current financial liabilities - related party	359,634	389,446	-	-

Short-term loans to related parties

(Unit: Thousand Baht)

	Separate financial statements			
	Balance as at 1 October 2022	Increase	Decrease	Balance as at 30 September 2023
Subsidiaries				
Thaiekaluck Power Co., Ltd.	393,156	299,875	(527,647)	165,384
KTIS Bio Ethanol Co., Ltd.	1,374,500	1,431,500	(1,374,500)	1,431,500
Sapsirikaset Co., Ltd.	209,880	215,470	(214,130)	211,220
Permsin Pattana Co., Ltd.	-	15,680	(15,680)	-
Environment Pulp and Paper Co., Ltd.	-	356,921	(71,404)	285,517
Total	1,977,536	2,319,446	(2,203,361)	2,093,621

As at 30 September 2023 and 2022, short-term loans to related parties carried interest at a rate of 3.00% per annum with repayment on demand.

Short-term loans from related parties

(Unit: Thousand Baht)

	Separate financial statements			
	Balance as at 1 October 2022	Increase	Decrease	Balance as at 30 September 2023
Subsidiaries				
Environment Pulp and Paper Co., Ltd.	292,152	249,018	(541,170)	-
Kaset Thai Bio Power Co., Ltd.	982,171	2,813,807	(2,522,804)	1,273,174
Permsin Pattana Co., Ltd.	710	1,420	(1,320)	810
KTIS Bio Energy Co., Ltd.	12,380	24,760	(24,760)	12,380
KTIS Research and Development Co., Ltd.	35,676	70,191	(70,003)	35,864
KTIS Biogass Power Co., Ltd.	520	520	(520)	520
Kaset Thai Wiwat Co,.Ltd.	33,000	71,000	(68,000)	36,000
KTIS Bio Natural Co., Ltd.	12,550	25,100	(25,100)	12,550
Ruamphol Bio Power Co., Ltd.	128,407	1,045,459	(774,447)	399,419
Thai Identity Sugar Factory Co., Ltd.	1,626,676	5,381,388	(4,705,414)	2,302,650
Total	3,124,242	9,682,663	(8,733,538)	4,073,367

As at 30 September 2023, short-term loans from related parties carried interest at rates of 1.13% to 2.50% per annum (2022: 0.38% to 2.50% per annum) with repayment at call.

Long-term loans from related party

(Unit: Thousand Baht)

	Consolidated financial statements			
	Balance as at 1 October 2022	Increase	Decrease	Balance as at 30 September 2023
Related company (common shareholders/director)				
Siricharoen Export Co., Ltd.	53,350	-	(4,850)	48,500
Total	53,350	-	(4,850)	48,500
Less: Current portion	(4,850)			(4,850)
Long-term loans from related party - net of current portion	48,500			43,650

As at 30 September 2023 and 2022, long-term loans from related party carried interest at a rate referenced bank deposit in saving accounts.

Directors and management's benefits

During the years ended 30 September 2023 and 2022, the Group had employee benefit expenses payable to their directors and management as below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Short-term employee benefits	36,123	35,425	33,483	32,785
Post-employment benefits	427	356	427	356
Total	36,550	35,781	33,910	33,141

Guarantee obligations with related parties

The Company has outstanding guarantee obligations with its related parties as described in Note 35.4.

8. Cash and cash equivalents

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Cash	2,586	2,586	831	859
Bank deposits	313,356	380,679	179,899	188,624
Total	315,942	383,265	180,730	189,483

As at 30 September 2023, bank deposits in saving accounts carried interests between 0.40% to 0.60% per annum (2022: 0.05% to 0.30% per annum).

9. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Trade receivables - related parties				
Aged on the basis of due dates				
Not yet due	29,810	17,476	21,915	23,878
Past due				
Up to 3 months	17,795	6	45,401	-
3 - 6 months	-	-	27	-
Total trade receivables - related parties	47,605	17,482	67,343	23,878
Trade receivables - unrelated parties				
Aged on the basis of due dates				
Not yet due	404,886	173,681	276,566	81,651
Past due				
Up to 3 months	123,973	73,696	83,624	45,174
3 - 6 months	-	231	-	-
6 - 12 months	-	6	-	-
Total trade receivables - unrelated parties	528,859	247,614	360,190	126,825
Total trade receivables	576,464	265,096	427,533	150,703
Other receivables				
Advances	2,144	29,689	531	28,065
Interest receivables - related parties	-	-	5,079	4,847
Interest receivables - unrelated parties	6,069	119	6,012	7
Accrued income - related parties	-	-	-	5
Accrued income - unrelated parties	1,743	15,653	40	6,303
Other receivables - related parties	13,028	3,292	13,263	5,756
Other receivables - unrelated parties	2,663	1,854	744	980
Total other receivables	25,647	50,607	25,669	45,963
Total trade and other receivables	602,111	315,703	453,202	196,666

The normal credit term is 30 to 90 days.

10. Planters receivable

Planters receivable for the Group compose two types as follows.

Planters receivable - encourage

These are receivables relating to financial support provided by the Group to planters to cover expenses incurred directly in relation to the cultivation of sugar cane and expenses that are necessary to the planting of sugar cane, such as financial support for labour, fertilizer and pesticide costs.

Planters receivable - support

There are receivables relating to financial support provided by the Group to planters to provide financial support for efficient planting and the cultivation of sugar cane, such as for water resource management projects and agricultural machinery.

10.1 The balances of planters receivable and non-performing planters receivable purchased for debt management and collection, aged on the basis of due dates, were summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Not yet due	507,392	379,961	385,055	251,810
Past due				
Up to 1 year	25,191	9,455	22,922	7,329
1 - 5 years	56,812	75,287	53,965	71,655
Over 5 years	620,353	613,824	376,544	365,954
	702,356	698,566	453,431	444,938
Total	1,209,748	1,078,527	838,486	696,748
Less: Discount received from receipt of transfer of right to claim planters receivable	(267,833)	(270,506)	(204,114)	(206,164)
Allowance for expected credit losses	(418,863)	(421,159)	(233,421)	(233,620)
Total planters receivable - net	523,052	386,862	400,951	256,964

10.2 Movements in allowance for expected credited losses of planters receivable were as follows.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Balance at beginning of the year	421,159	408,648	233,620	216,893
Increase in allowance for expected credit losses	13,248	24,227	14,447	28,119
Amount written off	(15,544)	(11,716)	(14,646)	(11,392)
Balance at end of the year	418,863	421,159	233,421	233,620

11. Inventories

11.1 Details of inventories

(Unit: Thousand Baht)

	Consolidated financial statements					
	Cost		Reduce cost to net realisable value		Inventories - net	
	2023	2022	2023	2022	2023	2022
Raw material	9,346	28,108	-	-	9,346	28,108
Finished goods	2,164,584	2,207,325	(58,596)	(47,643)	2,105,988	2,159,682
Merchandise inventories	28,853	23,015	-	-	28,853	23,015
Spare parts, factory supplies and supplies	526,807	553,233	(45,634)	(54,283)	481,173	498,950
Work in process	24,694	8,928	-	-	24,694	8,928
Total	2,754,284	2,820,609	(104,230)	(101,926)	2,650,054	2,718,683

(Unit: Thousand Baht)

	Separate financial statements					
	Cost		Reduce cost to net realisable value		Inventories - net	
	2023	2022	2023	2022	2023	2022
Finished goods	1,170,423	1,413,144	(3,956)	(45,836)	1,166,467	1,367,308
Merchandise inventories	24,459	21,536	-	-	24,459	21,536
Spare parts, factory supplies and supplies	242,683	318,529	(21,409)	(26,608)	221,274	291,921
Total	1,437,565	1,753,209	(25,365)	(72,444)	1,412,200	1,680,765

11.2 Inventories balance by significant segment

(Unit: Thousand Baht)

	Production and distribution of sugar segment	Other segments	Total
As at 30 September 2023			
Cost	1,552,872	1,201,412	2,754,284
Less: Reduce cost to net realisable value	(30,777)	(73,453)	(104,230)
Total inventories - net	1,522,095	1,127,959	2,650,054
As at 30 September 2022			
Cost	2,167,391	653,218	2,820,609
Less: Reduce cost to net realisable value	(77,332)	(24,594)	(101,926)
Total inventories - net	2,090,059	628,624	2,718,683

11.3 Movements in the reducing cost of inventories to net realisable value by significant segment were summarised below.

(Unit: Thousand Baht)

	Production and distribution of sugar segment	Other segments	Total
As at 1 October 2021	49,712	25,858	75,570
Add: Increase during the year	578,803	7,474	586,277
Less: Allowance was reversed during the year	(551,183)	(8,738)	(559,921)
As at 30 September 2022	77,332	24,594	101,926
Add: Increase during the year	286,588	54,855	341,443
Less: Allowance was reversed during the year	(333,143)	(5,996)	(339,139)
As at 30 September 2023	30,777	73,453	104,230

Loss on diminution in value of inventories was included in cost of sales. The reversal of allowance for diminution in value of inventories was recorded as a deduction against the value of inventories recognised as expenses during the year.

12. Biological assets

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Balance at beginning of the year	69,385	74,268	48,868	52,412
Increases due to cultivate	84,554	52,315	67,534	41,756
Gain arising from changes in fair value	926	17,070	767	7,112
Decreases due to harvest	(69,385)	(74,268)	(48,868)	(52,412)
Balance at end of the year	85,480	69,385	68,301	48,868

Fair value hierarchy of biological assets included in level 3.

13. Amounts due from the Office of the Cane and Sugar Fund

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Amounts due from the Office of the Cane and Sugar Fund				
Receivable from sugar cane price	13,991	54,606	13,991	54,606
Receivable from compensation for production and distribution of sugar	5,996	43,626	5,996	43,626
Current portion of amounts due from the Office of the Cane and Sugar Fund	19,987	98,232	19,987	98,232

As at 30 September 2023, amounts due from the Office of the Cane and Sugar Fund were amounts that the Group will receive from the Cane and Sugar Fund. Since the 2021/2022 harvesting year (2022: 2018/2019 and 2021/2022 harvesting years), the final sugar cane price and the final compensation for the production and distribution of sugar were 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 Group 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.

During the current year, the Board of the Office of the Cane and Sugar Fund passed a resolution to approve the compensation for sugar cane prices and production and distribution for the 2018/2019 harvesting year to the Group, bringing the contribution payable to the Office of Cane and Sugar Fund to offset with the compensation.

The Group expects the Office of the Cane and Sugar Fund to pay compensation for the sugar cane price and the compensation for the production and distribution of sugar in the next fiscal year. The Group therefore classified compensation expected to be received in the next fiscal year as “Current portion of amounts due from the Office of the Cane and Sugar Fund”.

The estimates of the final sugar cane price and compensation for the production and distribution of sugar are management’s best estimates, but the final calculation is to be made by the Cane and Sugar Board. As a result, the final compensation for sugar cane price and the final compensation for the production and distribution of sugar that expect to be announced may differ from these estimates.

During the year ended 30 September 2023 and 2022, the Group recorded the difference between the final sugar cane price and its estimate of compensation for sugar cane price as a deduction against manufacturing costs and recorded the difference between the final compensation for the production and distribution of sugar and its estimate of compensation for the production and distribution of sugar as revenue.

14. Other financial assets and other financial liabilities

14.1 Other financial assets

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Other financial assets at amortised cost				
Advances payment of deposits and retentions	372,863	44,577	368,910	40,808
Total other financial assets at amortised cost	372,863	44,577	368,910	40,808
Other financial assets at FVTPL				
Derivative assets (Note 36.1)	169,672	453	169,672	453
Other investments	1,177	1,248	211	245
Total other financial assets at FVTPL	170,849	1,701	169,883	698
Total other financial assets	543,712	46,278	538,793	41,506
Other current financial assets	430,474	453	430,474	453
Other non-current financial assets	113,238	45,825	108,319	41,053
Total other financial assets	543,712	46,278	538,793	41,506

14.2 Other financial liabilities

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Other financial liabilities at amortised cost				
Advances received of deposits and retentions	88,635	82,880	11,889	7,574
Interest payables	359,634	389,445	-	-
Others	220	220	220	220
Total other financial liabilities at amortised cost	448,489	472,545	12,109	7,794
Other financial liabilities at FVTPL				
Derivative liabilities (Note 36.1)	138,022	929,144	138,022	915,847
Total other financial liabilities at FVTPL	138,022	929,144	138,022	915,847
Total other financial liabilities	586,511	1,401,689	150,131	923,641
Other current financial liabilities	222,920	1,002,708	146,175	923,641
Other non-current financial liabilities	363,591	398,981	3,956	-
Total other financial liabilities	586,511	1,401,689	150,131	923,641

15. Investments in subsidiaries

15.1 Investments in subsidiaries are investments in ordinary shares of the following subsidiary companies.

(Unit: Thousand Baht)

Company's name	Separate financial statements							
	Cost		Provision for impairment		Carrying amounts based on cost method		Dividend received during the year	
	2023	2022	2023	2022	2023	2022	2023	2022
Thai Identity Sugar Factory Co., Ltd.	3,654,853	3,654,853	-	(635,000)	3,654,853	3,019,853	-	-
Permsin Pattana Co., Ltd.	1,010,905	1,010,905	(325,000)	-	685,905	1,010,905	-	-
Kaset Thai Bio Power Co., Ltd.	2,461,000	2,461,000	-	-	2,461,000	2,461,000	36,288	43,470
Environment Pulp and Paper Co., Ltd.	2,668,873	2,668,873	(980,000)	-	1,688,873	2,668,873	-	-
KTIS Bio Ethanol Co., Ltd.	870,946	870,946	-	-	870,946	870,946	116,070	166,937
Sapsirikaset Co., Ltd.	108,000	108,000	-	-	108,000	108,000	-	-
Thaiekaluck Power Co., Ltd.	350,077	350,077	-	-	350,077	350,077	-	-
Ruamphol Bio Power Co., Ltd.	395,784	395,784	-	-	395,784	395,784	110,600	50,007
KTIS Biogass Power Co., Ltd.	1,000	1,000	-	-	1,000	1,000	-	-
KTIS Bio Energy Co., Ltd.	20,000	20,000	(10,000)	(10,000)	10,000	10,000	-	-
Kaset Thai Wiwat Co., Ltd.	61,000	61,000	-	-	61,000	61,000	-	-
KTIS Research and Development Co., Ltd.	19,999	19,999	-	-	19,999	19,999	-	-
KTIS Bio Natural Co., Ltd.	12,250	12,250	-	-	12,250	12,250	-	-
Total	11,634,687	11,634,687	(1,315,000)	(645,000)	10,319,687	10,989,687	262,958	260,414

15.2 The Company has assessed the impairment of investments in subsidiaries by considering the recoverable amounts of its cash-generating units based on value in use using cash flow projections from financial estimation approved by management covering a 5-year period for each cash-generating unit.

The key assumptions used in value in use calculations as at 30 September 2023 and 2022 are as follows:

- Growth rate: 0% - 1% per annum
- Pre-tax discount rate: 10% per annum

Management has considered growth rate from expected economic growth and discount rate as a pre-tax rate to reflect the risks specific to each cash-generating unit.

Based on the assessment of the recoverable amounts of cash-generating units, the Company has recognised or reversed impairment losses as follows:

- The Company recorded a reversal of allowance for impairment losses amounting to Baht 635 million of the investments in Thai Identity Sugar Factory Co., Ltd. in profit or loss in the separate statement of comprehensive income for the year ended 30 September 2023 due to the recoverable amounts of investments based on value in use being higher than the carrying amounts.
- The Company recorded allowance for impairment losses of investments in Permsinpattana Co., Ltd. and Environment Pulp and Paper Co., Ltd. amounting to Baht 325 million and Baht 980 million, respectively, in profit or loss in the separate statement of comprehensive income for the year ended 30 September 2023 due to the recoverable amounts of investments based on value in use being lower than the carrying amounts.

The changes in allowance for impairment losses of investments in subsidiaries presented in the separate statement of financial position are detailed as follows:

(Unit: Thousand Baht)

	Separate financial statements	
	2023	2022
Balance at beginning of year	645,000	645,000
Reversal of allowance for impairment losses	(635,000)	-
Increase in allowance for impairment losses	1,305,000	-
Balance at end of year	1,315,000	645,000

The key assumptions that the management have used to determine the recoverable amounts of cash-generating units are based on the discretion of the management, taking into account past experience and business plans, including future projections that are considered reasonable under current circumstances. However, any changes in data or the availability of new information may impact the assumptions used to calculate the cash flow projections, as well as the sensitivity of the assumptions to the recoverable amount.

16. Investments in joint venture

16.1 Details of investments in joint venture

Investments in joint venture represent investments in entity which is jointly controlled by the Group and other company. Details of this investments were as follows.

(Unit: Thousand Baht)

Joint venture	Nature of business	Country of incorporation	Consolidated financial statements					
			Shareholding percentage		Carrying amount based on equity method		Carrying amount based on cost method	
			2023	2022	2023	2022	2023	2022
			(%)	(%)				
GGC KTIS Bioindustrial Co., Ltd.	Manufacture and distribution of ethanol	Thailand	50	50	1,301,425	1,187,863	1,550,250	1,362,750
Total					1,301,425	1,187,863	1,550,250	1,362,750

16.2 Change in investments in joint venture during the year 2022

On 8 April 2022, GGC KTIS Bioindustrial Co., Ltd. called up the additional share of 15 percent of 7.2 million ordinary shares with a par value of Baht 100 each, totaling Baht 53.6 million. KTIS Bio Ethanol Co., Ltd. (subsidiary of the Company) fully paid in the additional share on 23 May 2022.

16.3 Change in investments in joint venture during the year 2023

On 21 February 2023, GGC KTIS Bioindustrial Co., Ltd. called up the additional share of 5 percent of 1.7 million ordinary shares with a par value of Baht 100 each and 8 percent of 19.0 million ordinary shares with a par value of Baht 100 each, totaling Baht 80.3 million. KTIS Bio Ethanol Co., Ltd. fully paid in the additional share on 10 April 2023.

On 5 September 2023, GGC KTIS Bioindustrial Co., Ltd. called up the additional share of 30 percent of 7.2 million ordinary shares with a par value of Baht 100 each, totaling Baht 107.3 million. KTIS Bio Ethanol Co., Ltd. fully paid in the additional share on 20 November 2023 and as at 30 September 2023 recognised the share payables as the other payables account.

16.4 Share of comprehensive income and dividend received

During the year, the Group recognised its share of comprehensive income from a joint venture in the consolidated financial statements as follows.

(Unit: Thousand Baht)

Joint venture	Consolidated financial statements			
	Share of loss from a joint venture during the year		Share of other comprehensive income from a joint venture during the year	
	2023	2022	2023	2022
GGC KTIS Bioindustrial Co., Ltd.	(73,721)	(98,603)	(216)	287
Total	(73,721)	(98,603)	(216)	287

There was no dividend received from the joint venture during the years ended 30 September 2023 and 2022.

16.5 Summarised financial information of the joint venture

Summarised information about financial position as at 30 September 2023 and 2022.

(Unit: Thousand Baht)

	2023	2022
Cash and cash equivalents	15,929	7,554
Other current assets	1,607,869	589,574
Non-current assets	8,949,187	7,826,103
Total assets	10,572,985	8,423,231
Other current liabilities	2,442,723	839,007
Other non-current liabilities	5,439,129	5,126,916
Total liabilities	7,881,852	5,965,923
Net assets	2,691,133	2,457,308
Shareholding percentage (%)	50	50
Share of net assets	1,345,567	1,228,654
Elimination entries	(44,142)	(40,791)
Carrying amounts of joint venture based on equity method	1,301,425	1,187,863

Summarised information about comprehensive income for the years ended 30 September 2023 and 2022.

(Unit: Thousand Baht)

	2023	2022
Revenue	1,830,010	30,446
Net loss	(140,743)	(147,040)
Other comprehensive income	(433)	574
Total comprehensive income	(141,176)	(146,466)

17. Investment properties

17.1 The net book value of investment properties was presented below.

(Unit: Thousand Baht)

	Consolidated financial statements			Separate financial statements
	Land awaiting sales	Office building for rent	Total	Land awaiting sales
As at 30 September 2023				
Cost	116,110	600	116,710	64,868
Less: Accumulated depreciation	-	(110)	(110)	-
Less: Allowance for impairment loss	(26,300)	(380)	(26,680)	(14,620)
Net book value	89,810	110	89,920	50,248
As at 30 September 2022				
Cost	76,717	600	77,317	24,910
Less: Accumulated depreciation	-	(80)	(80)	-
Less: Allowance for impairment loss	(25,922)	(380)	(26,302)	(12,726)
Net book value	50,795	140	50,935	12,184

17.2 A reconciliation of the net book value of investment properties was presented below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Net book value at beginning of the year	50,935	329,596	12,184	12,184
Acquisition	145	15,862	-	-
Transfer from property, plant and equipment	39,958	-	39,958	-
Disposals - net book value at disposal date	(710)	(80)	-	-
Transfer to property, plant and equipment	-	(294,443)	-	-
Depreciation	(30)	(30)	-	-
Impairment loss recognised	(8,615)	-	(8,615)	-
Reversal of loss on impairment	8,237	30	6,721	-
Net book value at end of the year	89,920	50,935	50,248	12,184

17.3 The fair value of the investment properties as at 30 September 2023 and 2022 stated below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Land awaiting sales	150,672	79,640	72,929	15,758
Office building for rent	220	382	-	-

As at 30 September 2023 and 2022, the fair value of investment properties has been determined based on valuation performed by an accredited independent valuer. The valuation was mainly performed using the market comparison approach by estimating fair value obtained from the analysis of comparable selling prices of nearby land, adjusting for specific matters considered relevant for each property, e.g. the size of property. The fair value hierarchy of such assets included in level 2.

18. Property, plant and equipment

(Unit: Thousand Baht)

	Consolidated financial statements							
	Land and land improvement	Buildings and building improvement	Machinery and equipment	Agricultural tools and equipment	Furniture, fixtures and office equipment	Motor vehicles	Assets under installation and under construction	Total
Cost								
As at 1 October 2021	548,382	3,050,916	14,178,784	600,758	208,893	1,493,666	1,607,921	21,689,320
Additions	24,128	3,466	7,861	11,565	7,536	187,234	332,111	573,901
Disposals/write-off	-	-	(19,092)	(7,291)	(3,161)	(16,140)	-	(45,684)
Transfers in (out)	23,071	45,909	131,665	387	657	830	(202,519)	-
Transfer from investment properties	297,363	1,570	-	-	-	-	-	298,933
As at 30 September 2022	892,944	3,101,861	14,299,218	605,419	213,925	1,665,590	1,737,513	22,516,470
Additions	27,863	849	13,759	27,442	16,958	43,380	154,960	285,211
Disposals/write-off	(5,774)	-	(54)	(2,633)	(4,314)	(51,928)	-	(64,703)
Transfers in (out)	41,111	392,458	135,659	16,429	20,749	-	(606,406)	-
Transfer to investment properties	(39,958)	-	-	-	-	-	-	(39,958)
As at 30 September 2023	916,186	3,495,168	14,448,582	646,657	247,318	1,657,042	1,286,067	22,697,020
Accumulated depreciation								
As at 1 October 2021	143,591	1,417,222	9,491,523	530,820	184,478	996,102	-	12,763,736
Depreciation for the year	11,767	167,601	762,246	24,840	9,562	122,306	-	1,098,322
Depreciation on disposals/write-off	-	-	(16,876)	(7,291)	(3,155)	(12,380)	-	(39,702)
Transfer from investment properties	-	1,346	-	-	-	-	-	1,346
As at 30 September 2022	155,358	1,586,169	10,236,893	548,369	190,885	1,106,028	-	13,823,702
Depreciation for the year	13,421	172,253	723,127	22,394	10,403	106,660	-	1,048,258
Depreciation on disposals/write-off	-	-	(54)	(2,433)	(4,252)	(43,799)	-	(50,538)
As at 30 September 2023	168,779	1,758,422	10,959,966	568,330	197,036	1,168,889	-	14,821,422

(Unit: Thousand Baht)

	Consolidated financial statements (continued)							
	Land and land improvement	Buildings and building improvement	Machinery and equipment	Agricultural tools and equipment	Furniture, fixtures and office equipment	Motor vehicles	Assets under installation and under construction	Total
Allowance for impairment loss								
As at 1 October 2021	24,232	564	-	-	-	-	165,520	190,316
Increase during the year	-	-	-	-	-	-	2,637	2,637
Decrease during the year	(413)	(186)	-	-	-	-	-	(599)
Transfer from investment properties	3,144	-	-	-	-	-	-	3,144
As at 30 September 2022	26,963	378	-	-	-	-	168,157	195,498
Increase during the year	-	100,571	-	-	-	-	442,699	543,270
Decrease during the year	(1,940)	(378)	-	-	-	-	-	(2,318)
As at 30 September 2023	25,023	100,571	-	-	-	-	610,856	736,450
Net book value								
As at 30 September 2022	710,623	1,515,314	4,062,325	57,050	23,040	559,562	1,569,356	8,497,270
As at 30 September 2023	722,384	1,636,175	3,488,616	78,327	50,282	488,153	675,211	7,139,148
Depreciation								
2022 (Baht 944 million included in manufacturing cost, and the balance in selling and administrative expenses)								1,098,322
2023 (Baht 799 million included in manufacturing cost, and the balance in selling and administrative expenses)								1,048,258

(Unit: Thousand Baht)

	Separate financial statements							
	Land and land improvement	Buildings and building improvement	Machinery and equipment	Agricultural tools and equipment	Furniture, fixtures and office equipment	Motor vehicles	Assets under installation and under construction	Total
Cost								
As at 1 October 2021	300,870	1,183,252	4,339,463	326,583	74,806	800,217	23,260	7,048,451
Additions	22,962	3,025	4,253	4,299	3,402	125,014	135,925	298,880
Disposals/write-off	-	-	(19,092)	(1,477)	(971)	(8,878)	-	(30,418)
Transfers in (out)	5,444	1,287	14,976	-	-	830	(22,537)	-
As at 30 September 2022	329,276	1,187,564	4,339,600	329,405	77,237	917,183	136,648	7,316,913
Additions	26,713	800	10,193	11,315	7,088	47,487	89,427	193,023
Disposals/write-off	(5,774)	-	(54)	(1,129)	(2,842)	(3,853)	-	(13,652)
Transfers in (out)	41,111	27,395	107,140	3,427	150	-	(179,223)	-
Transfer to investment properties	(39,958)	-	-	-	-	-	-	(39,958)
As at 30 September 2023	351,368	1,215,759	4,456,879	343,018	81,633	960,817	46,852	7,456,326
Accumulated depreciation								
As at 1 October 2021	44,674	564,334	3,036,500	288,535	68,465	480,735	-	4,483,243
Depreciation for the year	7,885	68,655	269,381	11,899	3,034	72,912	-	433,766
Depreciation on disposals/write-off	-	-	(16,876)	(1,477)	(971)	(5,429)	-	(24,753)
As at 30 September 2022	52,559	632,989	3,289,005	298,957	70,528	548,218	-	4,892,256
Depreciation for the year	7,684	66,175	234,645	10,295	3,326	62,926	-	385,051
Depreciation on disposals/write-off	-	-	(54)	(1,085)	(2,795)	(3,853)	-	(7,787)
As at 30 September 2023	60,243	699,164	3,523,596	308,167	71,059	607,291	-	5,269,520

(Unit: Thousand Baht)

	Separate financial statements (continued)							
	Land and land improvement	Buildings and building improvement	Machinery and equipment	Agricultural tools and equipment	Furniture, fixtures and office equipment	Motor vehicles	Assets under installation and under construction	Total
Allowance for impairment loss								
As at 1 October 2021	24,233	-	-	-	-	-	-	24,233
As at 30 September 2022	24,233	-	-	-	-	-	-	24,233
Decrease during the year	(1,941)	-	-	-	-	-	-	(1,941)
As at 30 September 2023	22,292	-	-	-	-	-	-	22,292
Net book value								
As at 30 September 2022	252,484	554,575	1,050,595	30,448	6,709	368,965	136,648	2,400,424
As at 30 September 2023	268,833	516,595	933,283	34,851	10,574	353,526	46,852	2,164,514
Depreciation								
2022 (Baht 351 million included in manufacturing cost, and the balance in selling and administrative expenses)								433,766
2023 (Baht 303 million included in manufacturing cost, and the balance in selling and administrative expenses)								385,051

As at 30 September 2023, the Group had certain items of plant and equipment which were fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation and allowance for impairment loss of those assets amounted to Baht 6,112 million (2022: Baht 5,489 million) (The Company only: Baht 2,833 million, 2022: Baht 2,339 million).

The Group had pledged its property, plant and equipment with net book values as at 30 September 2023 of approximately Baht 2,540 million (2022: Baht 2,911 million) (The Company only: Baht 294 million, 2022: Baht 320 million) as collateral against short-term and long-term credit facilities received from financial institutions.

In 2023, the Group recorded impairment losses of buildings and assets under installation and construction of Environment Pulp and Packaging Co., Ltd. (subsidiary) amounting to Baht 341 million in profit or loss in the consolidated statement of comprehensive income for the year ended 30 September 2023 due to the recoverable amounts of the assets being lower than the carrying amounts. The Group has determined the recoverable amounts of the assets based on value in use using cash flow projections from financial estimation approved by management covering a 5-year period. The key assumptions used in value in use calculations are as follows:

- Growth rate: 1% per annum
- Pre-tax discount rate: 10% per annum

The key assumptions that the management have used to determine the recoverable amounts of the assets are based on the discretion of the management, taking into account past experience and business plans, including future projections that are considered reasonable under current circumstances. However, any changes in data or the availability of new information may impact the assumptions used to calculate the cash flow projections, as well as the sensitivity of the assumptions to the recoverable amount.

In addition, the Group has considered recording impairment losses of the assets under installation and construction, amounting to Baht 202 million, in profit or loss in the consolidated statement of comprehensive income for the year ended 30 September 2023. The amount was determined using the market comparison approach.

19. Intangible assets

19.1 The net book value of intangible assets were presented below.

(Unit: Thousand Baht)

	Consolidated financial statements					Separate financial statements			
	Computer software	Trademark	Right to use of electricity line	Computer software under installation	Total	Computer software	Trademark	Computer software under installation	Total
As at 30 September 2023									
Cost	19,172	2,144	325,195	11,630	358,141	11,949	100	11,630	23,679
Less: Accumulated amortisation	(15,953)	(2,144)	(130,177)	-	(148,274)	(9,596)	(100)	-	(9,696)
Net book value	3,219	-	195,018	11,630	209,867	2,353	-	11,630	13,983
As at 30 September 2022									
Cost	16,592	2,144	325,195	7,138	351,069	9,363	100	7,138	16,601
Less: Accumulated amortisation	(15,320)	(2,144)	(113,996)	-	(131,460)	(9,235)	(100)	-	(9,335)
Net book value	1,272	-	211,199	7,138	219,609	128	-	7,138	7,266

19.2 A reconciliation of the net book value of intangible assets were presented below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Net book value at beginning of the year	219,609	229,587	7,266	6,504
Acquisition	7,156	6,755	7,123	987
Amortisation	(16,898)	(16,733)	(406)	(225)
Net book value at end of the year	209,867	219,609	13,983	7,266

20. Bank overdrafts and short-term loans from financial institutions

(Unit: Thousand Baht)

	Interest rate		Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022	2023	2022
	(% per annum)	(% per annum)				
Bank overdrafts	MOR	MOR	237,266	24,658	237,266	24,632
Promissory notes and bills of exchange	2.63 - 2.77	1.35 - 1.53	2,137,500	4,315,000	2,137,500	4,315,000
Total			2,374,766	4,339,658	2,374,766	4,339,632

Bank overdrafts and short-term loans from financial institutions of the Company were secured by mortgages of property, plant and equipment of the Company as described in Note 18.

Bank overdrafts and short-term loans from financial institutions of the subsidiaries were secured by mortgages of property, plant and equipment of the subsidiaries as described in Note 18 and guaranteed by the Company.

21. Trade and other payables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Trade payables - related parties	5,978	3,879	12,520	16,401
Trade payables - unrelated parties	730,293	356,704	457,955	135,559
Contribution payable to the Office of the Cane and Sugar Fund	236,218	125,445	174,331	89,709
Interest payables - related parties	30,000	30,000	6,396	4,224
Interest payables - unrelated parties	419	211	321	170
Accrued expenses - related parties	18	2,064	-	43
Accrued expenses - unrelated parties	438,736	64,169	388,132	22,727
Other payables - related parties	121,764	16,443	27,141	16,966
Other payables - unrelated parties	551,286	768,055	209,496	199,441
Total trade and other payables	2,114,712	1,366,970	1,276,292	485,240

22. Long-term loans from financial institutions

(Unit: Thousand Baht)

	Consolidated financial statements	
	2023	2022
Long-term loans from financial institutions	491,500	606,964
Less: Current portion	(130,000)	(125,000)
Long-term loans from financial institutions - net of current portion	361,500	481,964

Movements of the long-term loans account during the years ended 30 September 2023 and 2022 were summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements	
	2023	2022
Balance at beginning of year	606,964	1,035,280
Additional during the year	-	358,440
Repayments during the year	(125,000)	(777,500)
Adjustment of fair value (only the interest portion applying hedged accounting)	9,536	(9,536)
Amortisation of deferred discounts	-	280
Balance at end of year	491,500	606,964

As at 30 September 2022, a subsidiary has entered into interest rate swap agreement with financial institution. The subsidiary use the agreement to hedge the fair value risk on fixed interest rate that derived from the remaining balance of long-term loans granted by financial institution as shown in the above table. The interest rate swap agreement pertain to an exchange of fixed interest rate payments for floating interest rate payments plus a certain margin under agreed-upon conditions.

In March 2023, the subsidiary terminated an interest rate swap agreement which for hedging the fair value risk on fixed interest rate that derived from the balance of long-term loans granted by financial institutions. As a result, the Group recognised the difference arising from the termination of the agreement in profit or loss during the current year.

The loans carried interest rate at THOR, plus a certain margin per annum. The final installment is due in December 2026. The loans were secured by mortgages of plant and equipment of the subsidiary as described in Note 18, and by mortgages of the right of land lease of the subsidiary, and guaranteed by the Company.

The loan agreements contain several covenants which, among other things, require to maintain debt-to-equity ratio and impose restrictions on mortgages of property, plant and equipment.

As at 30 September 2023, the subsidiary was unable to maintain the financial ratio stipulated in the loan agreement. However, on 15 September 2023, the subsidiary already received a letter from the bank granting waivers from this financial ratio condition for the financial year ended 30 September 2023 (2022: the subsidiary was unable to maintain the financial ratio stipulated in the loan agreement and received a letter from the bank granting waivers on 28 September 2022).

23. Leases

The Group as a lessee

a) Right-of-use assets

Movement of right-of-use assets for the years ended 30 September 2023 and 2022 were summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements			
	Land and land improvement	Buildings and building improvement	Machinery and equipment	Total
As at 1 October 2021	92,128	103,640	46,393	242,161
Additions	-	1,790	-	1,790
Decrease from lease modifications	-	(1,955)	-	(1,955)
Depreciation for the year	(10,052)	(10,838)	(46,393)	(67,283)
As at 30 September 2022	82,076	92,637	-	174,713
Additions	47,388	3,480	-	50,868
Depreciation for the year	(14,711)	(11,158)	-	(25,869)
As at 30 September 2023	114,753	84,959	-	199,712

(Unit: Thousand Baht)

	Separate financial statements			
	Land and land improvement	Buildings and building improvement	Machinery and equipment	Total
As at 1 October 2021	72,242	58,289	46,393	176,924
Additions	7,948	-	-	7,948
Depreciation for the year	(6,625)	(6,245)	(46,393)	(59,263)
As at 30 September 2022	73,565	52,044	-	125,609
Additions	33,425	3,480	-	36,905
Depreciation for the year	(13,124)	(6,237)	-	(19,361)
As at 30 September 2023	93,866	49,287	-	143,153

A subsidiary's right-of-use assets with net book values as at 30 September 2023 of Baht 7.00 million (2022: Baht 7.27 million) were used as collateral against long-term credit facilities received from financial institution.

b) Lease liabilities

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Lease payments	1,984,482	2,056,058	1,907,313	1,987,285
Less: Deferred interest expenses	(1,039,769)	(1,124,507)	(1,022,099)	(1,105,121)
Total	944,713	931,551	885,214	882,164
Less: Portion due within one year	(48,571)	(35,769)	(41,523)	(36,207)
Lease liabilities - net of current portion	896,142	895,782	843,691	845,957

A maturity analysis of lease payments is disclosed in Note 36.2 under the liquidity risk.

c) Expenses relating to leases that are recognised in profit or loss

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Depreciation expenses of right-of-use assets	18,606	64,090	9,450	55,849
Interest expenses on lease liabilities	90,642	91,486	87,942	89,327
Expenses relating to short-term leases	2,041	2,012	594	3,151
Expenses relating to leases of low-value assets	1,008	883	447	435

d) Other

The Group had total cash outflows for leases for the year ended 30 September 2023 of Baht 132 million (2022: Baht 127 million), including the cash outflow related to short-term lease and leases of low-value assets.

24. Provision for long-term employee benefits

The components of the provision for long-term employee benefits of the Group, which represent post-employment benefits and other long-term employee benefit were as follows.

1. Defined benefit plan compensation under labor law.
2. Additional benefit plan grants to employees who were hired before 16 July 2012 and have more than 10 years of service, who are entitled to additional benefits upon retirement in accordance with stipulated conditions.
3. Additional benefit plan grants upon the death of employees entitled to additional death benefits in accordance with stipulated conditions.

24.1 Provision for long-term employee benefits as at 30 September 2023 and 2022 were as follows.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Present value of the long-term employee benefit obligation	517,078	476,329	301,773	280,040
Fair value of plan assets	(77,160)	(76,690)	(39,700)	(38,838)
Net liabilities	439,918	399,639	262,073	241,202

24.2 Provision for long-term employee benefits for the years ended 30 September 2023 and 2022 were as follows.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Provision for long-term employee benefits at beginning of the year	399,639	448,429	241,202	268,062
Included in profit or loss:				
Current service cost	18,940	23,096	10,232	12,479
Interest cost	8,123	6,303	4,543	3,540
Actuarial loss arising from other long-term benefit	1,008	573	517	743
Included in other comprehensive income:				
Actuarial loss (gain) arising from				
Demographic assumptions changes	(16,416)	-	(8,285)	-
Financial assumptions changes	34,930	(32,802)	18,223	(16,710)
Experience adjustments	43,813	(23,958)	28,824	(15,302)
Total	62,327	(56,760)	38,762	(32,012)
Benefits paid during the year	(50,119)	(22,002)	(33,183)	(11,610)
Provision for long-term employee benefits at end of the year	439,918	399,639	262,073	241,202

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Provision for defined benefit plans	435,430	395,252	259,679	238,840
Provision for other long-term employee benefits	4,488	4,387	2,394	2,362
Total	439,918	399,639	262,073	241,202

The Group expects to pay Baht 140 million of long-term employee benefits during the next year (2022: Baht 125 million) (The Company only: Baht 95 million, 2022: Baht 86 million).

As at 30 September 2023 and 2022, the weighted average duration of the liabilities for long-term employee benefit of the Group was 6 years (The Company only: 6 years).

24.3 The change in the fair value of plan assets was as follows.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Fair value of plan assets at beginning of the year	76,690	76,605	38,838	39,046
Included in profit or loss:				
Interest income derived from plan assets	2,349	1,198	1,190	558
Contributions by employer	6,974	8,048	3,639	3,835
Change in return on plan assets	(5,053)	(6,389)	(1,991)	(3,556)
Benefits paid during the year	(3,800)	(2,772)	(1,976)	(1,045)
Fair value of plan assets at end of the year	77,160	76,690	39,700	38,838

The fair values of significant assets, which were components of plan assets for the years ended 30 September 2023 and 2022, were as follows.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Bills of exchange and bond	34,658	30,529	17,599	15,461
Debt instruments	24,286	23,111	12,332	11,704
Equity instruments	12,600	14,415	6,911	7,300
Others	5,616	8,635	2,858	4,373
Total	77,160	76,690	39,700	38,838

24.4 Significant actuarial assumptions were summarised below.

(Unit: percent per annum)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Discount rate	2.9	3.0	2.9	3.0
Salary increase rate	5.0	4.0	5.0	4.0

The results of sensitivity analysis for significant assumptions that affected the present value of the long-term employee benefit obligation as at 30 September 2023 and 2022 were summarised below.

(Unit: Million Baht)

	As at 30 September 2023			
	Consolidated financial statements		Separate financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(28)	33	(14)	17
Salary increase rate	37	(33)	19	(17)

(Unit: Million Baht)

	As at 30 September 2022			
	Consolidated financial statements		Separate financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(27)	29	(14)	15
Salary increase rate	29	(26)	15	(13)

25. Sugar cane price

For the 2022/2023 and 2021/2022 harvesting years, the Group purchased sugar cane in accordance with the letters of the Office of the Cane and Sugar Board that set the initial prices of sugar cane for each harvesting year. However, the Group's management expects the final sugar cane prices to differ from the initial prices, and recorded sugar cane prices and planters payable for the 2022/2023 and 2021/2022 harvesting years based on prices calculated with reference to the calculation method of the Office of the Cane and Sugar Board. Details of the initial price and the price calculated with reference to the calculation method of the Office of the Cane and Sugar Board were as follows.

(Unit: Baht per ton)

			The price calculated with reference to calculation method of the Office of the Cane and Sugar Board			
	The initial price of sugar cane		The Company		Subsidiary	
	Harvesting year 2022/2023	Harvesting year 2021/2022	Harvesting year 2022/2023	Harvesting year 2021/2022	Harvesting year 2022/2023	Harvesting year 2021/2022
For the year ended 30 September 2023						
Sugar cane price at a sweetness of 10 C.C.S.	1,080.00	-	1,148.69 - 1,193.45	-	1,228.08	-
Increase or decrease in price for each 1 C.C.S. variation	64.80	-	68.92 - 71.61	-	73.68	-
For the year ended 30 September 2022						
Sugar cane price at a sweetness of 10 C.C.S.	-	1,070.00	-	1,057.18 - 1,090.86	-	1,152.90
Increase or decrease in price for each 1 C.C.S. variation	-	64.20	-	63.43 - 65.45	-	69.17

26. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside as a statutory reserve at least 5 percent of its net profit after deducting accumulated deficit brought forward (if any) until the reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution.

27. Financial cost

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Interest expenses of loans	139,042	70,505	176,541	106,592
Interest expenses of lease liabilities	90,642	91,486	87,942	89,327
Other financial cost	1,301	1,251	-	-
Total	230,985	163,242	264,483	195,919

28. Expenses by nature

Significant expenses classified by nature for the years ended 30 September 2023 and 2022 were as follows.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Employee expenses and other welfare	1,207,225	1,004,647	715,405	608,543
Depreciation and amortisation	1,091,055	1,182,368	404,818	493,254
Electricity and energy expenses	1,160,514	1,126,112	930,148	905,709
Transportation expenses	330,670	264,639	166,239	106,715
Repair and maintenance expenses	720,335	437,300	394,667	159,530
Stabilisation cost, research fees and contribution paid to the Office of the Cane and Sugar Fund	247,248	217,017	185,249	156,253
Raw materials and consumables used	11,328,215	9,111,107	8,311,054	6,379,271
Changes in inventories of finished goods and work in progress	(26,974)	837,874	(242,721)	379,071

29. Income tax

29.1 Income tax for the years ended 30 September 2023 and 2022 were made up as follows.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Current income tax:				
Current income tax charge	(60,820)	(36,425)	-	-
Deferred tax:				
Relating to origination and reversal of temporary differences	262,014	181,213	205,407	179,155
Income tax benefits reported in profit or loss	201,194	144,788	205,407	179,155

29.2 The amounts of income tax relating to each component of other comprehensive income for the years ended 30 September 2023 and 2022 were as follows.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Deferred tax on:				
Actuarial gain (loss)	(14,214)	9,099	(7,752)	6,402
Share of other comprehensive income from actuarial gain (loss) of joint venture	(54)	72	-	-
Income tax expenses (benefits)	(14,268)	9,171	(7,752)	6,402

29.3 The reconciliation between accounting profit (loss) and income tax benefits for the years ended 30 September 2023 and 2022 were shown below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Accounting profit (loss) before tax	1,738,181	(1,006,780)	829,970	(1,150,106)
Applicable tax rate	20%	20%	20%	20%
Accounting profit (loss) before tax multiplied by income tax rate	347,636	(201,356)	165,994	(230,021)
Deferred tax assets have not been recognised during the year	178,924	156,090	162,981	104,499
Previously deductible temporary differences and unrecognised tax losses that recognised during the year	(606,904)	(81,257)	(479,483)	-
Effects of:				
Promotional privileges	(118,218)	(22,782)	-	-
Income not subject to tax	-	-	(52,592)	(52,083)
Non-deductible expenses	615	7,659	138	1,415
Additional expense deductions allowed	(5,531)	(6,064)	(2,445)	(2,965)
Others	2,284	2,922	-	-
Total	(120,850)	(18,265)	(54,899)	(53,633)
Income tax benefits reported in profit or loss	(201,194)	(144,788)	(205,407)	(179,155)

29.4 The components and movements of deferred tax assets and deferred liabilities were presented below.

(Unit: Thousand Baht)

	Consolidated financial statements			
	As at 1 October 2022	Recognised in profit or loss	Recognised in other comprehensive income	As at 30 September 2023
Deferred tax assets				
Unused tax losses	156,800	243,925	-	400,725
Allowance for diminution in value of inventories	359	(359)	-	-
Allowance for impairment of investment properties	629	(629)	-	-
Finance lease	136,925	11,592	-	148,517
Provision for long-term employee benefits	39,431	34,339	14,214	87,984
Provision for decommissioning costs	6,979	260	-	7,239
Others	4,914	2,838	-	7,752
Total	346,037	291,966	14,214	652,217
Deferred tax liabilities				
Accumulated depreciation	(3,445)	649	-	(2,796)
Gain on fair value adjustment from derivatives	(91)	(33,844)	-	(33,935)
Others	(3,611)	3,243	-	(368)
Total	(7,147)	(29,952)	-	(37,099)
Net	338,890	262,014	14,214	615,118

(Unit: Thousand Baht)

	Consolidated financial statements			
	As at 1 October 2021	Recognised in profit or loss	Recognised in other comprehensive income	As at 30 September 2022
Deferred tax assets				
Unused tax losses	116,296	40,504	-	156,800
Allowance for diminution in value of inventories	209	150	-	359
Allowance for impairment of investment properties	629	-	-	629
Finance lease	140,786	(3,861)	-	136,925
Provision for long-term employee benefits	52,471	(3,869)	(9,171)	39,431
Provision for decommissioning costs	6,729	250	-	6,979
Others	3,549	1,365	-	4,914
Total	320,669	34,539	(9,171)	346,037
Deferred tax liabilities				
Accumulated depreciation	(8,722)	5,277	-	(3,445)
Gain on fair value adjustment from derivatives	(142,252)	142,161	-	(91)
Others	(2,847)	(764)	-	(3,611)
Total	(153,821)	146,674	-	(7,147)
Net	166,848	181,213	(9,171)	338,890

(Unit: Thousand Baht)

	Separate financial statements			
	As at 1 October 2022	Recognised in profit or loss	Recognised in other comprehensive income	As at 30 September 2023
Deferred tax assets				
Unused tax losses	156,800	208,821	-	365,621
Finance lease	136,549	11,863	-	148,412
Provision for long-term employee benefits	26,797	17,866	7,752	52,415
Others	4,757	(785)	-	3,972
Total	324,903	237,765	7,752	570,420
Deferred tax liabilities				
Accumulated depreciation	(210)	210	-	-
Gain on fair value adjustment from derivatives	(91)	(33,844)	-	(33,935)
Others	(1,461)	1,276	-	(185)
Total	(1,762)	(32,358)	-	(34,120)
Net	323,141	205,407	7,752	536,300

(Unit: Thousand Baht)

	Separate financial statements			
	As at 1 October 2021	Recognised in profit or loss	Recognised in other comprehensive income	As at 30 September 2022
Deferred tax assets				
Unused tax losses	116,296	40,504	-	156,800
Finance lease	140,547	(3,998)	-	136,549
Provision for long-term employee benefits	37,589	(4,390)	(6,402)	26,797
Others	3,380	1,377	-	4,757
Total	297,812	33,493	(6,402)	324,903
Deferred tax liabilities				
Accumulated depreciation	(4,180)	3,970	-	(210)
Gain on fair value adjustment from derivatives	(142,252)	142,161	-	(91)
Others	(992)	(469)	-	(1,461)
Total	(147,424)	145,662	-	(1,762)
Net	150,388	179,155	(6,402)	323,141

As at 30 September 2023, the Group has deductible temporary differences and unused tax losses totaling Baht 1,474 million (2022: Baht 4,066 million) (The Company only: Baht 1,921 million 2022: Baht 3,704 million), for which deferred tax assets have not been recognised as future taxable profits may not be sufficient to allow the use of the temporary differences and unused tax losses as expenses in corporate income tax calculation within the prescribed period of time in the Revenue Code.

As at 30 September 2023, the unused tax losses of the Group, which were not recognised to deferred tax assets, will expire in 2028 (2022: expire in 2030) (The Company only: Nil).

30. Promotional privileges

The Group granted significant privileges by the Board of Investment were as follows.

1. Certificate No.	1095(1)/2555	1557(1)/2558	59-1195-0-00-1-0	59-0348-0-13-2-0	59-0268-0-00-2-0	63-0968-1-00-1-0	64-0666-1-00-1-0
2. Promotional privileges for	Electricity generating from biomass and stream	Electricity generating and stream production from biomass	Packaging for foods (Biodegradable)	Electricity generating and stream production from biomass	Biogas	Packaging from hygienic paper	Straws from bagasse
3. The significant privileges are							
3.1 Exemption of corporate income tax for net income from promotional privileges and exemption of income tax on dividends paid from the profit of the operations throughout the period in which the corporate income tax is exempted	8 years	8 years	8 years	8 years	8 years	3 years	3 years
3.2 A fifty percent reduction of the normal rate of corporate income tax on net income derived from the promoted operations for a period of five years after the expiration of the above corporate income tax exemption period.	Received	Received	Not received	Not received	Not received	Not received	Not received
4. Date of first earning operation income	7-Oct-13	7-Jul-16	31-Oct-16	26-May-17	Not yet commence	21-Oct-22	14-Oct-20

The Company has no income from BOI-promoted operations.

31. Earnings per share

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

32. Dividends

Dividends	Approved by	Total dividends (Million Baht)	Dividend per share (Baht)
Final dividends for 2021	Annual General Meeting of the shareholders on 24 January 2022	386	0.10
Total for 2022		386	0.10

33. Segment information

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

For management purposed, the Group is organised into business units based on their products and services which operating in the main geographic area both domestically and internationally. The Group has 4 main reportable segments as follows.

(1) the production and distribution of sugar segment

(2) the production and distribution of pulp segment

(3) the production and distribution of alcohol segment

(4) the production and distribution of electricity segment

The chief operation decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss in the financial statements.

The basis of accounting for any transactions between reportable segments is consistent with that for third party transaction.

33.1 Below was the consolidated financial information of the Group for the years ended 30 September 2023 and 2022 by segment.

(Unit: Million Baht)

	Production and distribution of sugar segment		Production and distribution of pulp segment		Production and distribution of alcohol segment		Production and distribution of electricity segment		Other segments		Elimination		Consolidation	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Revenue from sales and services														
- Local	12,113	6,763	256	197	1,162	1,140	1,870	1,216	293	214	(2,508)	(1,729)	13,186	7,801
- Overseas	5,474	5,425	279	336	-	-	-	-	-	-	-	-	5,753	5,761
Total	17,587	12,188	535	533	1,162	1,140	1,870	1,216	293	214	(2,508)	(1,729)	18,939	13,562
Segment profit (loss)	2,202	284	109	(18)	245	237	723	152	24	30	(8)	(10)	3,295	675
Unallocated income and expenses:														
Other income													220	141
Gain (loss) on exchange													688	(179)
Selling and administrative expenses													(2,176)	(1,387)
Share of loss from a joint venture													(74)	(99)
Finance income													16	5
Finance cost													(231)	(163)
Income tax benefits													201	145
Profit (loss) for the year													1,939	(862)

Transfer prices between business segments are as set out in Note 7.

33.2 Major customers

For the year ended 30 September 2023, the Group had revenue from two major customers in total amount of Baht 4,675 million, arising from sales by the production and distribution of sugar segment (2022: Baht 2,896 million, derived from one major customer, arising from sales by the production and distribution of sugar segment).

34. Provident fund

The Group and their employees have jointly established provident funds in accordance with the Provident Fund Act B.E. 2530. The Group and their employees, who are member of the funds, contribute to the fund monthly at the rates of 3 - 15 percent of basic salary. The funds, which are managed by licensed fund managers, will be paid to employees upon termination in accordance with the fund rules. The contribution during the year ended 30 September 2023 amounting to Baht 12 million (2022: Baht 10 million) (The Company only: Baht 6 million, 2022: Baht 5 million) were recognised as expenses.

35. Commitments and contingent liabilities

35.1 Capital commitments

As at 30 September 2023 and 2022, the Group had capital commitments relating to the construction of factory buildings and acquisition of machinery and equipment from the unrelated parties as follows.

(Unit: Million)

Currencies	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Baht	110	122	39	48
US dollar	5	6	-	-

35.2 Short-term leases and service commitment

As at 30 September 2023 and 2022, the Group had future minimum commitments required under these short-term leases and service agreements as follows.

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Payable				
In up to 1 year	26	28	9	8
In over 1 and up to 5 years	2	10	1	4
In over 5 years	1	1	-	-

35.3 Uncalled portion of investments

a) As at 30 September 2023 and 2022, the Company had commitment in respect of the uncalled portion of investments in subsidiary amounting to Baht 37 million.

b) As at 30 September 2023, KTIS Bio Ethanol Co., Ltd., a subsidiary, had commitment in respect of the uncalled portion of investments in joint venture amounting to Baht 107 million (2022: Baht 295 million).

35.4 Guarantees

As at 30 September 2023, the Company has guaranteed bank credit facilities of its subsidiaries amounting to Baht 4,523 million (2022: Baht 4,563 million).

35.5 Bank guarantees

As at 30 September 2023 and 2022, there were outstanding bank guarantees issued by banks on behalf of the Group in respect of certain performance bonds as required in the normal course of business of the Group. The details of bank guarantees were as follows.

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Guarantees electricity used	29	34	1	1

35.6 Post-dated cheques

As at 30 September 2023 and 2022, the Group had post-dated cheques issued to planters for purchasing sugar cane as follows.

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Post-dated cheques	2,780	2,653	2,299	2,175

36. Financial instruments

36.1 Derivatives and hedge accounting

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Derivative assets				
Derivative assets not designated as hedging instruments				
Foreign exchange forward contracts	1,535	453	1,535	453
Commodity futures contracts	168,137	-	168,137	-
Total derivative assets	169,672	453	169,672	453
Derivative liabilities				
Derivative liabilities not designated as hedging instruments				
Foreign exchange forward contracts	37,497	919,608	37,497	915,847
Commodity futures contracts	100,525	-	100,525	-
Derivative liability designated as hedging instrument				
Interest rate swap contract	-	9,536	-	-
Total derivative liabilities	138,022	929,144	138,022	915,847

Derivative assets and derivative liabilities were stated at their fair value as at the period end; therefore, the value may differ from that on the actual transaction date.

Derivatives not designated as hedging instruments

The Group uses foreign exchange forward contracts and commodity futures contracts to manage some of its transaction exposures. The contracts are entered into for periods consistent with foreign currency exposure and commodity price exposure of the underlying transactions, generally from 6 months to 24 months.

Derivative designated as hedging instrument

Fair value hedge

As at 30 September 2022, the Group had determined the interest rate swap agreement as hedging instrument as described in Note 22. The Group received interest at a fixed rate and paid at a variable rate plus a margin (2023: There was no hedging instrument in fair value hedge due to the agreement termination).

There is an economic relationship between the hedged item and the hedging instrument as the terms of the interest rate swap match the terms of the fixed rate loan (i.e., notional amount, and the maturity, payment and reset dates). To test the hedge effectiveness, the Group compares the changes in the fair value of the hedging instrument against the changes in fair value of the hedged item attributable to the hedged risks.

Hedge ineffectiveness can arise from.

- Differences in the interest rate curves applied to discount the hedged item and hedging instrument.
- Differences in the timing of cash flows of the hedged item and hedging instrument.

Details of derivative (interest rate swap) that were treated as hedging instrument as at 30 September 2022, presented by maturity, were as follows.

	Less than 1 year	1 to 5 years	Total
Notional amount (Million Baht)	125	492	617
Average float rate (%)*	0.78 - 2.24	2.25 - 3.16	0.78 - 3.16

*The interest rates were based on estimation.

There was no effect of the ineffective portion of the fair value hedge on profit or loss for the year ended 30 September 2022.

36.2 Financial risk management objectives and policies

The Group's financial instruments principally comprise cash and cash equivalents, trade and other receivables, planters receivable, lendering, investments, trade and other payables, lease liabilities, and loans. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Group is exposed to credit risk primarily with respect to trade and other receivables, planters receivable, loans and deposits with banks and financial institutions. Except for derivatives, the maximum exposure to credit risk is limited to the carry amounts as stated in the statement of financial position. The Group's maximum exposure relating to derivatives is noted in the liquidity risk topic.

Trade and other receivables

The Group manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. Outstanding trade and other receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit obtained from reputable banks and other financial institutions. In addition, the Group does not have high concentrations of credit risk since it has a large customer base in various industries.

An impairment analysis is performed at each reporting date to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar credit risks. The Group classifies customer segments by product type, customer type and rating. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Planters receivable

The Group manages the risk by adopting appropriate credit control policies and procedures. In addition, outstanding planters receivable are regularly monitored.

An impairment analysis is performed at each reporting date to measure expected credit losses. The provision rates are based on days past due for groupings of various planters segments with similar credit risks. The Group classifies planters receivable by geography, planters type and rating. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Financial instruments and cash deposits

The Group manages the credit risk from balances with banks and financial institutions by making investments only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Board of Directors. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments.

The credit risk on debt instruments and derivatives is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

Market risk

There are three types of market risk comprising foreign currency risk, interest rate risk and commodity price risk. The Group enters into a variety of derivatives to manage its risk exposure, including.

- Foreign exchange forward contracts to hedge the foreign currency risk arising on the export of goods and acquisition of machinery;
- Interest rate swap agreement to hedge the fair value risk of borrowings; and
- Commodity futures contracts to mitigate the price risk of buy or sell inventories

Foreign currency risk

The Group's exposure to foreign currency risk arises mainly from trading of goods and acquisition of machinery denominated in foreign currencies. The Company and certain of its subsidiaries have entered into forward exchange contracts to manage the risk and the Company has entered into certain forward exchange contracts on behalf of the subsidiaries. Generally, the most of forward contracts mature within one year.

As at 30 September 2023 and 2022, The Group had the outstanding balances of financial assets and liabilities denominated in foreign currencies were summarised below.

As at 30 September 2023					
	Consolidated financial statements		Separate financial statements		
Foreign currency	Financial assets	Financial liabilities	Financial assets	Financial liabilities	Average exchange rate
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)
US dollar	0.2	2.3	-	-	36.56

As at 30 September 2022					
	Consolidated financial statements		Separate financial statements		
Foreign currency	Financial assets	Financial liabilities	Financial assets	Financial liabilities	Average exchange rate
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)
US dollar	0.4	3.2	0.1	-	37.91

Foreign currency sensitivity

The following table demonstrates the sensitivity of the Group's profit before tax to a reasonably possible change in US dollar exchange rate, with all other variables held constant. The impact on the Group's profit before tax was due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives as at 30 September 2023 and 2022.

Monetary assets and liabilities

(Unit: Million Baht)

	Effect on profit before tax increase (decrease)	
	2023	2022
Exchange rate: Baht per US dollar		
- Increase of 5 %	(3.78)	(5.38)
Exchange rate: Baht per US dollar		
- Decrease of 5 %	3.78	5.38

Derivatives

(Unit: Million Baht)

	Effect on profit before tax increase (decrease)	
	2023	2022
Exchange rate: Baht per US dollar		
- Increase of 5 %	(57.24)	(618.61)
Exchange rate: Baht per US dollar		
- Decrease of 5 %	77.42	583.62

This information is not a forecast or prediction of future market conditions and should be used with care.

Interest rate risk

The Group's exposure to interest rate risk relates primarily to their cash at banks, loans, bank overdrafts and lease liabilities. Most of the Group's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

As at 30 September 2023 and 2022, significant financial assets and liabilities classified by type of interest rate were summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

	Consolidated financial statements												
	Fixed interest rates												
	Within 1 year		1 - 5 years		Over 5 years		Floating interest rate		Non - interest bearing		Total		Interest rate
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	(%per annum)
Financial assets													
Cash and cash equivalents	-	-	-	-	-	-	313	380	3	3	316	383	See Note 8
Trade and other receivables	-	-	-	-	-	-	-	-	602	316	602	316	-
Planters receivable	-	-	-	-	-	-	-	-	523	387	523	387	-
Amounts due from the Office of the Cane and Sugar Fund	-	-	-	-	-	-	-	-	20	98	20	98	-
	-	-	-	-	-	-	313	380	1,148	804	1,461	1,184	
Financial liabilities													
Bank overdrafts and short-term loans from financial institutions	2,138	4,315	-	-	-	-	237	25	-	-	2,375	4,340	See Note 20
Trade and other payables	-	-	-	-	-	-	-	-	2,115	1,367	2,115	1,367	-
Lease liabilities	49	36	155	122	741	774	-	-	-	-	945	932	3.87 - 6.65, 11.00 (2022: 3.87 - 5.56, 11.00)
Long-term loans from financial institutions	-	-	-	-	-	-	492	607	-	-	492	607	See Note 22
Long-term loans from related party	-	-	-	-	-	-	49	53	-	-	49	53	See Note 7
	2,187	4,351	155	122	741	774	778	685	2,115	1,367	5,976	7,299	

(Unit: Million Baht)

	Separate financial statements												
	Fixed interest rates												
	Within 1 year		1 - 5 years		Over 5 years		Floating interest rate		Non - interest bearing		Total		Interest rate
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	(%per annum)
Financial assets													
Cash and cash equivalents	-	-	-	-	-	-	180	188	1	1	181	189	See Note 8
Trade and other receivables	-	-	-	-	-	-	-	-	453	197	453	197	-
Planters receivable	-	-	-	-	-	-	-	-	401	257	401	257	-
Short-term loans to related parties	2,094	1,978	-	-	-	-	-	-	-	-	2,094	1,978	See Note 7
Amounts due from the Office of the Cane and Sugar Fund	-	-	-	-	-	-	-	-	20	98	20	98	-
	2,094	1,978	-	-	-	-	180	188	875	553	3,149	2,719	
Financial liabilities													
Bank overdrafts and short-term loans from financial institutions	2,138	4,315	-	-	-	-	237	25	-	-	2,375	4,340	See Note 20
Trade and other payables	-	-	-	-	-	-	-	-	1,276	485	1,276	485	-
Short-term loans from related parties	4,073	3,124	-	-	-	-	-	-	-	-	4,073	3,124	See Note 7
Lease liabilities	42	36	129	104	714	742	-	-	-	-	885	882	3.87 - 5.56, 11.00
	6,253	7,475	129	104	714	742	237	25	1,276	485	8,609	8,831	

Other financial assets and other financial liabilities consist of derivative assets and derivative liabilities, deposits and retentions, accrued interest, and others. These assets and liabilities are not exposed to significant interest rate risk.

Interest rate sensitivity

The following table demonstrated the sensitivity of the Group's profit before tax to a reasonably possible change in interest rates on that portion of loans affected as at 30 September 2023 and 2022.

(Unit: Million Baht)

	Effect on profit before tax increase (decrease)	
	2023	2022
Interest rate - Increase of 5 %	(4.31)	(3.53)
Interest rate - Decrease of 5 %	4.31	3.53

The above analysis has been prepared assuming that the amounts of loans and all other variables remain constant over one year. Moreover, the floating legs of these loans are assumed to not yet have set interest rates. As a result, a change in interest rates affects interest receivable/payable for the full 12-month period of the sensitivity calculation. This information is not a forecast or prediction of future market conditions and should be used with care.

Commodity price risk

The Group is affected by fluctuations in commodity prices since the Group's operating activities require the production and sale of sugar. The Group is therefore exposed to the risk of fluctuations in sugar prices on forecasted sugar sales.

As at 30 September 2023, the Group's Board of Directors has developed and enacted risk management strategies for commodity price risk and its mitigation. The Group hedges selling price risk, entering into commodity futures contracts based on a 12-month forecast of sugar sales (2022: Nil). The futures contracts do not result in physical delivery of sugar but are designated as cash flow hedges to offset the effect of fluctuations in sugar prices. The Group hedges approximately 50 percent of the expected sales of sugar considered to be highly probable.

Futures contracts with a physical delivery qualify for normal purchase, sale or usage and therefore are not recognised as derivatives.

Commodity price index sensitivity

The following table demonstrated the sensitivity of the Group's profit before tax to a reasonably possible change in commodity price index as at 30 September 2023 (2022: Nil).

(Unit: Million Baht)

	Effect on profit before tax increase (decrease)
Price index - Increase by 5%	133.83
Price index - Decrease by 5%	(133.83)

The above information had been conducted based on assumptions that other factors remain constant. This information is not a forecast or prediction of future market conditions and should be used with care.

Liquidity risk

The Group monitors the risk of a shortage of liquidity through the use of bank overdrafts, bank loans and lease contracts. The Group has assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Group has access to a sufficient variety of sources of funding.

The table below summarised the maturity profile of the Group's non-derivative financial liabilities and derivative financial instruments as at 30 September 2023 and 2022, based on contractual undiscounted cash flows.

(Unit: Thousand Baht)

	Consolidated financial statements									
	On demand		Less than 1 year		1 to 5 years		Over 5 years		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Non-derivatives										
Bank overdraft and short-term loans										
from financial institutions	-	-	2,442,512	4,400,401	-	-	-	-	2,442,512	4,400,401
Trade and other payables	-	-	2,114,712	1,366,970	-	-	-	-	2,114,712	1,366,970
Lease liabilities	-	-	128,655	115,805	487,325	461,279	1,368,503	1,478,974	1,984,483	2,056,058
Long-term loans from financial institutions	-	-	134,866	128,001	375,032	503,301	-	-	509,898	631,302
Long-term loans from related party	-	-	34,873	34,856	174,367	174,278	199,128	209,134	408,368	418,268
Other financial liabilities	-	-	88,854	83,100	-	-	-	-	88,854	83,100
Total non-derivatives	-	-	4,944,472	6,129,133	1,036,724	1,138,858	1,567,631	1,688,108	7,548,827	8,956,099
Derivatives										
Derivative liabilities: net settled	-	-	134,066	919,610	3,956	9,534	-	-	138,022	929,144
Total derivatives	-	-	134,066	919,610	3,956	9,534	-	-	138,022	929,144

(Unit: Thousand Baht)

	Separate financial statements									
	On demand		Less than 1 year		1 to 5 years		Over 5 years		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Non-derivatives										
Bank overdraft and short-term loans										
from financial institutions	-	-	2,442,512	4,400,401	-	-	-	-	2,442,512	4,400,401
Trade and other payables	-	-	1,276,292	485,240	-	-	-	-	1,276,292	485,240
Short-term loans from related parties	4,150,861	3,176,745	-	-	-	-	-	-	4,150,861	3,176,745
Lease liabilities	-	-	119,107	114,039	454,053	435,737	1,334,153	1,437,509	1,907,313	1,987,285
Other financial liabilities	-	-	12,110	7,794	-	-	-	-	12,110	7,794
Total non-derivatives	4,150,861	3,176,745	3,850,021	5,007,474	454,053	435,737	1,334,153	1,437,509	9,789,088	10,057,465
Derivatives										
Derivative liabilities: net settled	-	-	134,066	915,847	3,956	-	-	-	138,022	915,847
Total derivatives	-	-	134,066	915,847	3,956	-	-	-	138,022	915,847

36.3 Fair values of financial instruments

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

The methods and assumptions used by the Group in estimating the fair value of significant financial instruments are as follows.

a) For financial assets and liabilities which have short-term maturity, including cash and cash equivalents, accounts receivable and short-term loans, accounts payable and short-term borrowings, their carrying amounts in the statement of financial position approximate their fair value.

b) 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.

c) The fair value of derivatives has been determined using a discounted future cash flow model and a valuation model technique. Most of the inputs used for the valuation are observable in the relevant market, such as spot rates of foreign currencies, yield curves of the respective currencies, interest rate yield curves and commodity price yield curves. The Group considers to counterparty credit risk when determining the fair value of derivatives

As at 30 September 2023 and 2022, the Group had the financial assets and liabilities that were measured at fair value as follows.

- The fair value includes in level 2 as present in Note 36.1.

During the years ended 30 September 2023 and 2022, there were no transfers within the fair value hierarchy.

37. Capital management

The primary objective of the Group's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value. As at 30 September 2023, the Group's debt-to-equity ratio was 0.91:1 (2022: 1.54:1) and the Company's debt-to-equity ratio was 0.92:1 (2022: 1.14:1).

38. Event after the reporting period

On 29 November 2023, the Company's Board of Directors' Meeting pass a resolution to declare a dividend payment at Baht 0.1 per share for 3,860,000,010 ordinary shares, amounting to Baht 386 million. However, the approval for the dividend payment shall be proposed to the Annual Shareholders' Meeting for the year 2023 for further consideration and approval.

39. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 29 November 2023.

Attachment 1

Profiles of Directors, Executives, Controlling Persons and Person Taking the Highest Responsibility in Finance and Accounting

1

Name : Mr. Pricha Attavipach **Age** : 85 Years

Position : Chairman

Authorized Director

Period of Directorship : 11 years (Appointed on 29 January 2013)

Education/Training with IOD :

- Bachelor of Engineering (Industrial Engineering), Chulalongkorn University
- Master of Engineering (Industrial Engineering & Management), Oklahoma State University
- Director Certification Program (DCP 39/2004)
- Audit Committee Program (ACP 11/2006)
- Finance for Non-Finance Director (FND 8/2004)
- Director Accreditation Program (DAP) 107/2014

Shareholding (%) : 0.084

Family Relationship among Company's Directors : None

Period	Positon	Company
Current Positions in other listed companies		
2013 - Present	Chairman	Kaset Thai International Sugar Corporation Pcl.
2008 - Present	Chairman	T S Flour Mill Pcl.
2008 - Present	Chairman and Independent Director	Thai Sugar Terminal Pcl.
Current Positions in other non-listed companies		
2019 - Present	Chairman	GGC KTIS Bio Industrial Co., Ltd.
2013 - Present	Chairman	Ruampol Bio Power Co., Ltd.
2013 - Present	Director	Thaiekaluck Power Co., Ltd.
2012 - Present	Chairman	Siri Charoen Sapraiwan Co., Ltd.
2011 - Present	Chairman	Kaset Thai Bio Power Co., Ltd.
2010 - Present	Chairman	S.I. Property Co., Ltd.
2008 - Present	Chairman	TSG Asset Co., Ltd.
2008 - Present	Chairman	T S Oil Industry Co., Ltd.
2004 - Present	Chairman	KTIS Bioethanol Co., Ltd.

Period	Positon	Company
Past Experiences		
2004 -2020	Independent Director and Chairman of the Audit Committee	Thai Rung Union Car Pcl.
1999 -2020	Director, Member of The Audit Committee Member of the Governance and Nomination Committee	Siam Cement Pcl.
2000 - 2020	Chairman	Pan-Paper (1992) Co., Ltd.
1993 - 2020	Director	H.C. Starck Co., Ltd.
2011 - 2013	Director	PTT Exploration and Production Pcl.
2008 - 2013	Chairman	Thai Sugar Industry Co., Ltd.
2000 - 2014	Chairman	Ruamkij Angthong Warehouse Co., Ltd.
1999 - 2000	Chairman	National Petrochemical Pcl.
1997 - 1998	Secretary	Electricity Generating Authority of Thailand
1997 - 1999	Chairman	Petroleum Authority of Thailand
1996 - 1999	Chairman Permanent	Ministry of Industry

2

Name : Mr. Parphan Siriviriyakul **Age :** 71 Years

Position : Director
Chief Executive Officer
Risk Management Committee
Authorized Director

Period of Directorship : 11 years (Appointed on 29 January 2013)

Education/Training with IOD :

- Honorary Bachelor of Arts, Nakhon Sawan Rajabhat University
- Director Accreditation Program (DAP 96/2012)

Shareholding (%) : 0.005

Family Relationship among Company's Directors : Father to Mr. Sirapak Sirirviriyakul
Elder brother to Mrs. Darat Vibhatakalasa
Elder brother to Mr. Nathapun Siriviriyakul
Elder brother to Mr. Prasert Sirirviriyakul

Period	Positon	Company
Current Positions in other listed companies		
2013 - Present	Director Chief Executive Officer Risk Management Committee	Kaset Thai International Sugar Corporation Pcl.
Current Positions in other non-listed companies		
2019 - Present	Director	GGC KTIS Bio Industrial Co., Ltd.
2015 - Present	Director	KTIS Research and Development Co., Ltd.

Period	Positon	Company
2015 - Present	Director	Hatai Jaroon Ek Holding Co., Ltd.
Present	Chairman of the Advisory	Chaopraya University
2014 - Present	Advisor	The Federation of Thai Industries Northern Chapter
2014 - Present	Director	KTIS Bioenergy Co., Ltd.
2014 - Present	Director	KTIS Biogass Power Co., Ltd.
2013 - Present	Chairman	Sapsirikaset Co., Ltd.
2013 - Present	Chairman	Environment Pulp and Packaging Co., Ltd.
2013 - Present	Chairman	KTIS Bio Natural Co., Ltd.
2013 - Present	Chairman	Environment Pulp and Straw Co., Ltd.
2013 - Present	Director	Ruampol Biopower Co., Ltd.
2013 - Present	Director	3S Holding Co., Ltd.
2011 - Present	Director	KTIS Bio Fertilizer Co., Ltd.
2010 - Present	Director	Jaroon Hatai Ek Holding Co., Ltd.
2010 - Present	Director	Kaset Thai Bio Power Co., Ltd.
2009 - Present	Chairman	Thaiekaluck Power Co., Ltd.
2004 - Present	Founder President	The Federation of Thai Industries Nakhonsawan Chapter
2003 - Present	Chairman	Permsinpattana Co., Ltd.
2002 - Present	Director	Environment Pulp and Paper Co., Ltd.
1998 - Present	Director	KTIS Bioethanol Co., Ltd.
1995 - Present	Director	Ruampol Industries Nakornsawan Co., Ltd.
1989 - Present	Chairman	Thai Wisanu Nakornsawan Co., Ltd.
1973 - Present	Director	Thai Identity Sugar Co., Ltd.
Past Experiences		
2009 - 2012	Director	S.I. Property Co., Ltd.
2009 - 2015	Director	New Thai Identity Co., Ltd.
2009 - 2015	Director	New Ruampol Co., Ltd.
2008 - 2013	Chief Executive	Kaset Thai Sugar Industry Co., Ltd.
2008 - 2015	Director	Ekvisanu Co., Ltd.
2003 - 2012	Chairman	Siam PP International Co., Ltd.
1998 - 2015	Director	T.I. Business Co., Ltd.
1995 - 2015	Director	Nakhonsawan Agriculture Co., Ltd.
1992 - 2021	Director	T.Y.T. Trading Co., Ltd.
1982 - 2012	Director	Ruam Toon Warehouse Nakornsawan Co., Ltd.
2012	Director	Aekphol Sugar Co., Ltd.
2012	Director	Ruamkij Angthong Warehouse Co., Ltd.
2012	Director	TISS Co., Ltd.

3

Name : Mr. Nathapun Siriviriyakul **Age** : 59 Years

Position : Director
Chairman of Executive Committee
Deputy to Chief Executive Officer
Risk Management Committee
Authorized Director

Period of Directorship : 11 years (Appointed on 29 January 2013)

Education/Training with IOD :

- Bachelor of Engineering (Computer Engineering) (Second Class Honours), Chulalongkorn University
- Master of Business Administration, Washington State University, USA
- Advanced Security Management Program 2/2011
- Top Executive Program in Commerce and Trade 3/2010
- Top Executive Program in College of Commerce and Capital Markets 16/2013
- Director Accreditation Program (DAP96/2012)

Shareholding (%) : 0.705

Family Relationship among Company's Directors : Younger brother to Mr. Parphan Siriviriyakul
Younger brother to Mr. Prasert Siriviriyakul
Younger brother to Mrs. Darat Vibhatakalasa

Period	Positon	Company
Current Positions in other listed companies		
2020 - Present	Chairman of Executive Committee	Kaset Thai International Sugar Corporation Pcl.
2016 - Present	Deputy to Chief Executive Officer	Kaset Thai International Sugar Corporation Pcl.
2013 - Present	Director and Risk Management Committee	Kaset Thai International Sugar Corporation Pcl.
Current Positions in other non-listed companies		
2019 - Present	Director	GGC KTIS Bio Industrial Co., Ltd.
2015 - Present	Director	Hatai Jaroon Ek Holding Co., Ltd.
2015 - Present	Director	KTIS Research and Development Co., Ltd.
2014 - Present	Director	KTIS Bioenergy Co., Ltd.
2014 - Present	Director	KTIS Biogass Power Co., Ltd.
2013 - Present	Director	Thaiekaluck Power Co., Ltd.
2013 - Present	Director	Ruampol Bio Power Co., Ltd.
2013 - Present	Director	Sapsirikaset Co., Ltd.
2013 - Present	Director	Environment Pulp and Packaging Co., Ltd.
2013 - Present	Director	KTIS Bio Natural Co., Ltd.
2013 - Present	Director	Environment Pulp and Straw Co., Ltd.

Period	Positon	Company
2013 - Present	Director	3S Holding Co., Ltd.
2011 - Present	Director	KTIS Bio Fertilizer Co., Ltd.
2010 - Present	Director	Kaset Thai Bio Power Co., Ltd.
2010 - Present	Director	Jaroon Hatai Ek Holding Co., Ltd.
2009 - Present	Director	S.I. Property Co., Ltd.
2008 - Present	Independent Director	King Wan Corporation Limited (Singapore)
2003 - Present	Director	Permsinpattana Co., Ltd.
2003 - Present	Director	Environment Pulp and Paper Co., Ltd.
2002 - Present	Director	Siam P.P. International Co., Ltd.
2001 - Present	Director	Thai Sugar Miller Co., Ltd.
1998 - Present	Director	KTIS Bioethanol Co., Ltd.
1995 - Present	Director	Ruampol Enterprise Co., Ltd.
1994 - Present	Director	Ruamkij Angthong Warehouse Co., Ltd.
1989 - Present	Director	TISS Co., Ltd.
1989 - Present	Director	Thai Wisanu Nakornsawan Co., Ltd.
1983 - Present	Director	Thai Identity Sugar Co., Ltd.
1983 - Present	Director	Aekphol Sugar Co., Ltd.
Present	Director	NSC (Thailand) Co., Ltd.
Past Experiences		
2015	Director	Nakhonsawan Agriculture Co., Ltd.
2013 - 2016	Chief Executive Officer - Bio Energy & Product	Kaset Thai International Sugar Corporation Pcl.
2012 - 2013	Director Chief Executive Officer - Bio Energy & Product	Kaset Thai Sugar Industry Co., Ltd.
2009 - 2015	Director	New Thai Identity Co., Ltd.
2009 - 2015	Director	New Ruampol Co., Ltd.
1997 - 2021	Director	T.Y.T. Trading Co., Ltd.

4

Name : Ms. Darat Vibhatakalasa **Age :** 70 Years

Position : Director
Deputy to Chief Executive Officer
Nomination, Remuneration and Sustainability Committee
Authorized Director

Period of Directorship : 11 years (Appointed on 29 January 2013)

Education/Training with IOD :

- Bachelor of Education, Chulalongkorn University (First Class Honours)
- Master of Education, Chulalongkorn University
- Doctor of Philosophy, Chaopraya University
- Certificate, National Defense, Class 2006 (NDP 19), National Defense College
- Director Accreditation Program (DAP 96/2012)

Shareholding (%) : 0.320

Family Relationship among Company's Directors : Younger Sister to Mr. Parphan Siriviriyakul
Elder Sister to Mr. Prasert Sirirviriyakul
Elder Sister to Mr. Nathapan Siriviriyakul

Period	Positon	Company
Current Positions in other listed companies		
2013 - Present	Director, Deputy to Chief Executive Officer, Nomination, Remuneration and Sustainability Committee	Kaset Thai International Sugar Corporation Pcl.
Current Positions in other non-listed companies		
Private Sector		
2017 - Present	Director	Samui Pearl Resort Co., Ltd.
2015 - Present	Director	KTIS Research and Development Co., Ltd.
2015 - Present	Director	Hatai Jaroon Ek Holding Co., Ltd.
2013 - Present	Director	Ruampol Bio Power Co., Ltd.
2013 - Present	Director	Thaiekaluck Power Co., Ltd.
2013 - Present	Director	3S Holding Co., Ltd.
2010 - Present	Director	Jaroon Hatai Ek Holding Co., Ltd.
2010 - Present	Director	Kaset Thai Bio Power Co., Ltd.
2006 - Present	Owner	Publisher and Advertiser of Sawan News
2003 - Present	Director	Permsinpattana Co., Ltd.
2002 - Present	Executive Committee	Thai Wisanu Nakornsawan Co., Ltd.
1996 - Present	Director	Siriviriyakul Co., Ltd
1995 - Present	Deputy Managing Director	Ruampol Enterprise Co., Ltd.
1983 - Present	Executive Committee	Thai Identity Sugar Co., Ltd.
1983 - Present	Director	Aekphol Sugar Co., Ltd.
Education Sector		

Period	Positon	Company
2017 - Present	Chancellor	Chaopraya University
1990 - Present	Chairman of Executive Committee	Viriyalai Nakhonsawan Vocational College
Economic Sector		
2022 - Present	Advisor	Committee of the Biological Center for Sugarcane Development (Bio Hub) in Nakhon Sawan Province
2021 - Present	Director	Committee of Smart City Development in Nakhon Sawan Province
2021 - Present	Director	Committee for Industrial Development based on the BCG conceptional ideas of Nakhon Sawan Province
2021 - Present	Subcommittee	The Emeriti of labor development and vocational training co-operation in Nakhon Sawan Province
2021 - Present	Executive Director	Nakhonsawan joint government and private sector committee for the development and economic problem solving
2020 - Present	Vice president	The Federation of Thai Industries (F.T.I.)
2018 - Present	Senior President	The Federation of Nakhonsawan Industries
2012 - Present	Executive Director	The Federation of Thai Industries (F.T.I.)
2011 - Present	Director	Joint Public-Private Sector Committee to Solve Economic Problems in the Lower Northern Provinces 2
2010 - Present	Honorary President	The Northern Region of F.T.I
Administrative Sector		
2020 - Present	Director	The committee of lower northern region 2's integrated provincial administration
2015 - Present	Chairman	Private Cooperation Center, Nakhonsawan
2014 - Present	Subcommittee	Facilitation of the Decentralization to the Local Government Organization Committee, Nakhonsawan
2009 - Present	Director	Integrated Provincial Administration Committee of Nakhonsawan
Social Sector		
2008 - Present	Advisor	Chulalongkorn University Alumni Association of Nakhonsawan Chapter
Past Experiences		
2018 - 2020	Executive Director	Federation of Thai Industries (F.T.I.)
2018 - 2020	Vice president	Institute for Human Empowerment Federation of Thai Industries
2016 - 2018	Director	Naresuan University Affairs Promotion Committee
2016 - 2021	Qualified director	Nakhon Sawan Provincial Education Commission
2015 - 2019	Subcommittee	Nakhon Sawan Provincial Justice Fund Sub-Committee
2015 - 2018	Director	Joint Public-Private Sector Committee to Solve Economic Problems in Nakhon Sawan Province
2014 - 2018	Chairman	The Federation of Thai Industries, Nakhon Sawan Province
2012 - 2014	Vice president	Federation of Thai Industries (F.T.I.)
2011 - 2015	Consultant	Inspector General, Office of the Prime Minister, People's Sector, Academic

Period	Positon	Company
2011 - 2015	Executive Director	Association of Private Higher Education Institutions of Thailand under royal patronage Her Royal Highness Princess Maha Chakri Sirindhorn
2010 - 2014	Director	Office of Secondary Education Area 42
2010 - 2012	Deputy secretary	Federation of Thai Industries (F.T.I.)
2010 - 2014	Association president	Satri Nakhon Sawan School Alumni Association
2009 - 2015	Director	Nakhon Sawan Provincial Governance Committee
2007 - 2011	Consultant	Inspector General, Office of the Prime Minister, People's Sector, Economic
2007 - 2008	Member	National Assembly
2006 - 2012	Director	Nakhon Sawan Educational Service Area District Office 1
2006 - 2010	Chairman	Northern Industrial Council
2005 - 2007	Association president	Chulalongkorn University Alumni Association Nakhon Sawan Province
2005 - 2014	Vice president	Nakhon Sawan Provincial Private Organization Coordination Center
2002 - 2006	Director	Joint Public-Private Sector Committee to Solve Economic Problems in Nakhon Sawan Province
2002 - 2006	Chairman	The Federation of Thai Industries, Nakhon Sawan Province
2000 - 2010	Director	Federation of Thai Industries (F.T.I.)
1998 - 2017	Vice President for Administration	Chao Phraya University
1994 - 2011	Deputy director	Nakhon Sawan Wiriyalai Techno Business School
1992 - 2006	Director	Sugar Mills Committee in the Cane and Sugar Industry
1991 - 1993	Prime Minister of the Red Cross	Red Cross, Phrae Province
1989 - 1991	Prime Minister of the Red Cross	Red Cross, Maha Sarakham Province
1989 - 2011	Deputy director	Nakhon Sawan Wiriyakarn Commercial School
1980 - 1989	Principal	Nakhon Sawan Wiriyakarn Commercial School

5

Name : Mr. Prasert Siriviriyakul **Age** : 66 Years

Position : Director
Deputy to Chief Executive Officer
Risk Management Committee
Authorized Director

Period of Directorship : 11 years (Appointed on 29 January 2013)

Education/Training with IOD :

- Doctor of Dental Surgery, Chulalongkorn University
- Mini MBA, Thammasat University
- Director Accreditation Program (DAP 96/2012)

Shareholding (%) : 0.154

Family Relationship among Company's Directors : Younger Brother to Mr. Parphan Siriviriyakul
Younger Brother to Mrs. Darat Vibhatakalasa
Elder Brother to Mr. Nathapun Siriviriyakul

Period	Positon	Company
Current Positions in other listed companies		
2016 - Present	Deputy to Chief Executive Officer	Kaset Thai International Sugar Corporation Pcl.
2013 - Present	Director and Risk Management Committee	Kaset Thai International Sugar Corporation Pcl.
Current Positions in other non-listed companies		
2015 - Present	Director	Hatai Jaroon Ek Holding Co., Ltd.
2015 - Present	Director	KTIS Research and Development Co., Ltd.
2014 - Present	Director	KTIS Bioenergy Co., Ltd.
2014 - Present	Director	KTIS Biogass Power Co., Ltd.
2013 - Present	Director	3S Holding Co., Ltd.
2013 - Present	Director	Thaiekaluck Power Co., Ltd.
2013 - Present	Director	Ruampol Bio Power Co., Ltd.
2013 - Present	Director	Sapsirikaset Co., Ltd.
2013 - Present	Director	Environment Pulp and Packaging Co., Ltd.
2013 - Present	Director	KTIS Bio Natural Co., Ltd.
2013 - Present	Director	Environment Pulp and Straw Co., Ltd.
2011 - Present	Director	KTIS Bio Fertilizer Co., Ltd.
2010 - Present	Director	Kaset Thai Bio Power Co., Ltd.
2010 - Present	Director	Jaroon Hatai Ek Holding Co., Ltd.
2003 - Present	Director	Environment Pulp and Paper Co., Ltd.
2003 - Present	Director	Permsinpattana Co., Ltd.
1998 - Present	Director	KTIS Bioethanol Co., Ltd.
1995 - Present	Director	Ruampol Enterprise Co., Ltd.
1992 - Present	Director	Thai Wisanu Nakornsawan Co., Ltd.
1990 - Present	Director	Ruam Toon Trading Nakornsawan Co., Ltd.
1989 - Present	Director	TISS Co., Ltd.
1984 - Present	Director	Nakhonsawan Ruamtoon Patthana Co., Ltd.
1983 - Present	Director	Thai Identity Sugar Co., Ltd.
1982 - Present	Director	Ruam Toon Warehouse Nakornsawan Co., Ltd.
Past Experiences		
2013 - 2016	Chief Executive Officer - Cane and Sugar	Kaset Thai International Sugar Corporation Pcl.
2012 - 2013	Director Chief Executive Officer - Cane and Sugar	Kaset Thai Sugar Industry Co., Ltd.
2010 - 2012	Director and Deputy Managing Director	Kaset Thai Sugar Industry Co., Ltd.

6

Name : Mr. Sirapak Siriviriyakull Age : 40 Years

Position : Director
Chief Financial Officer
Authorized Director

Period of Directorship : 9 years (Appointed on 14 May 2015)

Education/Training with IOD :

- Bachelor of Education (Business Education), Chulalongkorn University
- Master of Business Administration, Chulalongkorn University
- Certified Investment and Securities Analyst Foundation Knowledge (AISA)
- CFO's Orientation Course for new IPO No. 4
- TLCA CFO CPD No. 3/2021 "How to Manage the Company's Finance & Accounting and Communicate with Stakeholders during COVID-19 Crisis"
- TLCA CFO CPD No. 4/2021 "How finance leaders are adapting within the new normal"
- TLCA CFO CPD No. 5/2021 "Fraud & Cyber Security Risk"
- TLCA CFO CPD No. 1/2022 "Upgrading the quality of financial reports of Thai listed companies"
- TLCA CFO CPD No. 2/2022 "Economic Update for CFO"
- TLCA CFO CPD No. 3/2022 "PDPA for Accounting and Finance"
- TLCA CFO CPD No. 4/2022 "Understanding Digital Assets and the Role of CFOs"
- TLCA CFO CPD No. 1/2023 "Economic Update for CFO"
- TLCA CFO CPD No. 2/2023 "Risk Management for CFOs"
- TLCA CFO CPD No. 3/2023 "ฟินเทค (Fintech) เทคโนโลยีทางการเงิน"

รายงานEN

Shareholding (%) : 4.940

Family Relationship among Company's Directors : Son to Mr. Parphan Siriviriyakul
Nephew to Mrs. Darat Vibhatakalasa
Nephew to Mr. Prasert Siriviriyakul
Nephew to Mr. Nathapun Siriviriyakul

Period	Positon	Company
Current Positions in other listed companies		
2015 - Present	Director	Kaset Thai International Sugar Corporation Pcl.
2020 - Present	Chief Financial Officer	Kaset Thai International Sugar Corporation Pcl.
Current Positions in other non-listed companies		
2023 - present	Director	Ruam Toon Warehouse Nakornsawan Co., Ltd.
2023 - present	Director	Siam PP International Co., Ltd.
2023 - present	Director	Thai Wisanu Nakornsawan Co., Ltd.
2023 - present	Director	Vatevitsanu Co., Ltd.
2022 - Present	Director	3S Holding Co., Ltd.
2022 - present	Director	PermsinPattana Co., Ltd.
2020 - Present	Director	KTIS Bio Natural Co., Ltd.
2020 - Present	Director	Environment Pulp and Straw Co., Ltd.

Period	Positon	Company
2020 - Present	Director	Sapsirikaset Co., Ltd.
2019 - Present	Director	GGC KTIS Bio Industrial Co., Ltd.
2018 - Present	Director	Kaset Thai Sugar Industry Co., Ltd.
2018 - Present	Director	Environment Pulp and Packaging Co., Ltd.
2018 - Present	Director	Hua Hin Pearl Co., Ltd.
2017 - Present	Director	Thaiekaluck Power Co., Ltd.
2017 - Present	Director	Ruampol Bio Power Co., Ltd.
2016 - Present	Director	Siri Charoen Export Co., Ltd.
2016 - Present	Director	Thai Identity Sugar Co., Ltd.
2016 - Present	Director	Environment Pulp and Paper Co., Ltd.
2016 - Present	Director	KTIS Bioethanol Co., Ltd.
2016 - Present	Director	Kaset Thai Bio Power Co., Ltd.
2016 - Present	Director	KTIS Bio Fertilizer Co., Ltd.
2016 - Present	Director	Sunshine Export Co., Ltd.
2016 - Present	Director	T.I.S.S Co., Ltd.
2016 - Present	Director	Poompattana Business Co., Ltd.
2016 - Present	Director	Suebsiri Sawat Co., Ltd.
2016 - Present	Director	Agro Ethanol Co., Ltd.
2016 - Present	Director	E.P.C Power Co., Ltd.
2016 - Present	Director	Ruapol Enterprise Co., Ltd.
2016 - Present	Director	Synphaet Nakhonsawan Co., Ltd.
2015 - Present	Director	KTIS Research and Development Co., Ltd.
2015 - Present	Director	Aekphol Sugar Co., Ltd.
2015 - Present	Director	Phuket Pearl Resort Co., Ltd.
2015 - Present	Director	S.I. Property Co., Ltd.
2014 - Present	Director	Gold Hyacinth Development Pte. Ltd.
2012 - Present	Director	Siri Charoen Sapraiwan Co., Ltd.
2010 - Present	Director	S.I. SiriCharoen Co., Ltd.
2008 - Present	Director	Ruamkij Angthong Warehouse Co., Ltd.
Past Experiences		
2015 - 2017	Director	Phoomlert Business Co., Ltd.
2015 - 2020	Assistant Director - CEO Office	Kaset Thai International Sugar Corporation Pcl.

7

Name : Mr. Krairit Nilkuha **Age** : 73 Years

Position : Independent Director
Chairman of Audit Committee

Period of Directorship : 10 years (Appointed on 26 February 2014)

Education/Training with IOD :

- Master of M.Sc. (Petroleum Engineering), New Mexico Institute of Mining and Technology, USA
- B-B.Sc. in Mechanics Engineering, Kasetsart University
- Diploma, the National Defense Course, Class 48 (2005), National Defence College
- Senior Executive Program, Batch #8, Capital Market Academy
- Director Accreditation Program (DAP 53/2006)

Education/Training with IOD (continue) :

- Audit Committee Program (ACP 24/2008)
- Understanding the Fundamental of Financial Statements (UFS 6/2006)

Shareholding (%) : 0.000

Family Relationship among Company's Directors : None

Period	Positon	Company
Current Positions in other listed companies		
2014 - Present	Chairman of Audit Committee	Kaset Thai International Sugar Corporation Pcl.
Current Positions in other non-listed companies		
2000 - Present	Chairman	Technical Petroleum Training Institute Foundation
Past Experiences		
2013 - 2014	Director	Thai Credit Guarantee Corporation (TCG)
2010 - 2015	Director	Bangchak Petroleum Pcl.
2010 - 2013	Director	PTT Public Company Limited
2009 - 2012	Director - General	Department of Alternative Energy Development and Efficiency
2008 - 2009	Deputy Permanent Secretary	Ministry of Energy

8

Name : Mr. Sathaporn Kotheeranurak **Age** : 67 Years

Position : Independent Director
Audit Committee

Period of Directorship : 11 years (Appointed on 29 January 2013)

Education/Training with IOD :

- Master of Business Administration, Chulalongkorn University
- Diploma in Auditing, Thammasat University
- Bachelor in Accounting, Rajamangala University of Technology Thanyaburi
- Certified Public Accountant Certificate No. 3349
- Certified Professional Internal Auditor (CPIA)
- Degree in Wor Por Or 2005, National Defense College

Education/Training with IOD (continue) :

- Royal Thai Army War College Program 44, Institute of Advanced Military Studies
- Diploma in higher Por Sor Sor 1, Por Ror Mor 1 and Por Por Por 1, King Prajadhipok's Institute
- Diploma in Sor Jor Vor 81, Applied Psychology Institute
- Diploma Bor Ror Or 1, Royal Thai Police
- Diploma In higher Bor Mor Chor 3, National Intelligence Agency
- Certificate of Public Law Class 6 Faculty ofLaw,Thammasat University and Office of the Council of State
- Study Meet on Strategic Merger and Acquisition for SMEs C43 Year 2010, Korea
- Study Mission to Nonmember Countries on Knowledge Creating Enterprises Year 2009, Germany
- China-ASEAN Young entrepreneurs Forum Year 2008, China
- Asean-China Young Entrepreneurs Workshop Year 2008, Brunei
- Top Management Forum : Corporate Governance Year 2003, Japan
- The Training Program on Industrial Property Rights (Fundamental Course for IP Practitioners (EIPF)) Year 2002, Japan
- Financing and Management Development in Market Oriented Economies Year 1998, Australia
- International Forum on SMEs : Acceleration Growth and Enhancing Competitiveness the Knowledge Economy Year 2001, India
- Director Accreditation Program (DAP 35/2009)
- Audit Committee Program (ACP 13/2013)
- Board Matters and Trends (BMT 6/2018)

Shareholding (%) : 0.000

Family Relationship among Company's Directors : None

Period	Positon	Company
Current Positions in other listed companies		
2013 - Present	Independent Director and Audit Committee	Kaset Thai International Sugar Corporation Pcl.
2009 - Present	Independent Director Chairman of Audit Committee	Surapon Foods Pcl.
Current Positions in other non-listed companies		
2019 - Present	Independent Director and Audit Committee	Plastics Institute Of Thailand
2014 - Present	Associate Judge	The Central Intellectual Property and International Trade Court
1995 - Present	Managing Director	Sahaporn & CO Co., Ltd.
1993 - Present	Managing Director	Sungora Co., Ltd.
1993 - Present	Managing Director	DBMT Co., Ltd.
1991 - Present	Managing Director	S.V. Evergreen Co., Ltd.
Past Experiences		
2015 - 2020	Chairman of Audit Committee and Independent Director	A A Electric Li Public Company Limited
2012 - 2019	Member of Sub-committee : Selection the Candidates of NACC Integrity Awards Consideration	Office of the National Anti - Corruption
2012 - 2013	Independent Director and Audit Committee	Kaset Thai Sugar Industry Co., Ltd.

Period	Positon	Company
2012 - 2015	Chairman of Audit Committee Independent Director Risk Management Committee	Gunkul Engineering Pcl.
2011 - 2014	Member of Social Anti-Corruption Committee	Office of the National Anti - Corruption
2011 - 2014	Chairman of Team of Selection the Candidates of NACC Integrity Awards Consideration	Office of the National Anti - Corruption
2010 - 2019	Member of Sub-committee : Promotion and Incubation of Enterprises and Intellectual Property Management in Higher Education Institutions (UBI)	Office of the Higher Education Commission : OHEC
2009 - 2013	Special Qualified Directors and Faculty of Business Administration	Rajamangala University of Technology Thanyaburi
2009 - 2011	Independent Director and Chairman of Audit Committee	Interlink Communication Pcl.
2008 - 2012	Independent Director and Audit Committee	Gunkul Engineering Pcl.
2006 - 2009	Independent Director and Chairman of Audit Committee	Asia Fiber Pcl.
2005 - 2015	Independent Director and Audit Committee	Star Sanitary Ware Pcl.
2005 - 2006	Chairman of Audit Committee	Thailand Management Association
2005 - 2011	Associated Judge	The Central Intellectual Property and International Trade Court
2005 - 2011	Board Treasurer	The Thailand Chamber of Commerce and Board of trade of Thailand
2005 - 2011	Chairman of Accountance and financial	The Thailand Chamber of Commerce and Board of trade of Thailand
2002 - 2006	Advisor of Audit Committee	The Federation of Thai Industries
2000 - 2002	Vice President, Tax Business Land and Investment Committee	The Federation of Thai Industries

9

Name : Acting Sub Lt. T-rayooth Changpetch **Age** : 81 Years

Position : Independent Director
Chairman of Risk

Period of Directorship : 11 years (Appointed on 29 January 2013)

Education/Training with IOD :

- Bachelor of Laws, Thammasat University
- Director Accreditation Program (DAP 97/2012)
- Audit Committee Program (ACP 41/2012)
- Monitoring Fraud Risk Management (MFM 8/2012)

Shareholding (%) : 0.000

Family Relationship among Company's Directors : None

Period	Positon	Company
Current Positions in other listed companies		
2013 - Present	Independent Director Chairman of Risk Management Committee Audit Committee	Kaset Thai International Sugar Corporation Pcl.
Current Positions in other non-listed companies		
None		
Past Experiences		
2012 - 2013	Independent Director and Audit Committee	Kaset Thai Sugar Industry Co., Ltd.

10

Name : Mr. Sirivuthi Siamphakdee **Age :** 80 Years

Position : Director
Risk Management Committee
Authorized Director

Period of Directorship : 11 years (Appointed on 29 January 2013)

Education/Training with IOD :

- Bachelor of Commerce, Banking and Finance, Thammasat University
- Director Accreditation Program (DAP 54/2006)

Shareholding (%) : 0.000

Family Relationship among Company's Directors : None

Period	Positon	Company
Current Positions in other listed companies		
2013 - Present	Director and Chief Financial Officer Risk Management Committee	Kaset Thai International Sugar Corporation Pcl.
Current Positions in other non-listed companies		
2015 - Present	Director	KTIS Research and Development Co., Ltd.
2014 - Present	Chairman	KTIS Bioenergy Co., Ltd.
2014 - Present	Chairman	KTIS Biogass Power Co., Ltd.
2013 - Present	Director	Ruampol Biopower Co., Ltd.
2013 - Present	Director	Thaiekaluck Power Co., Ltd.
2011 - Present	Chairman	KTIS Bio Fertilizer Co., Ltd.
2010 - Present	Director	Kaset Thai Bio Power Co., Ltd.
2007 - Present	Director	Thai Sugar Miller Co., Ltd.
2007 - Present	Director	KTIS Bioethanol Co., Ltd.
1995 - Present	Director	Ruampol Industries Nakornsawan Co., Ltd.
1983 - Present	Director	Thai Identity Sugar Co., Ltd.
Present	President of Association	Thai Ethanol Manufacturing Association (TEMA)
Present	Director	The Grand UB Co., Ltd.

Period	Positon	Company
Present	Chairman	Thew River Place Condominium Juristic Person
Present	Chairman	Liberty Plaza Condominium Juristic Person
Past Experiences		
2020	Chairman	Liberty Plaza Condominium Juristic Person
2013 - 2020	Chairman of Executive Committee and Chief Financial Officer	Kaset Thai International Sugar Corporation Pcl.
2016 - 2017	Acting Manager	Thew River Place Condominium Juristic Person
2014 - 2016	Advisor Director	Liberty Plaza Condominium Juristic Person
2010 - 2014	Chairman	Liberty Plaza Condominium Juristic Person
2010 - 2013	Director and Chairman of Executive Committee	Kaset Thai Sugar Industry Co., Ltd.
2007 - 2012	Managing Director	KTIS Bioethanol Co., Ltd.

11

Name : Mr. Issakan Krivitthaya **Age :** 80 Years

Position : Independent Director
Chairman of Nomination, Remuneration and Sustainability Committee
Risk Management Committee

Period of Directorship : 11 years (Appointed on 29 January 2013)

Education/Training with IOD :

- Bachelor of Accounting, Thammasat University
- Master of Economics, North Dagota State University, USA
- Certificate, American Institute of Banking (New York), USA
- Director Accreditation Program (DAP 97/2012)
- Audit Committee Program (ACP 41/2012)
- Monitoring Fraud Risk Management (MFM 8/2012)

Shareholding (%) : 0.000

Family Relationship among Company's Directors : None

Period	Positon	Company
Current Positions in other listed companies		
2013 - Present	Independent Director Chairman of Nomination, Remuneration and Sustainability Committee Risk Management Committee	Kaset Thai International Sugar Corporation Pcl.
Current Positions in other non-listed companies		
None		
Past Experiences		
2012 - 2013	Independent Director	Kaset Thai Sugar Industry Co., Ltd.

12

Name : Mr. Phoonsak Boonsalee **Age** : 75 Years

Position : Independent Director
Nomination, Remuneration and Sustainability Committee

Period of Directorship : 11 years (Appointed on 29 January 2013)

Education/Training with IOD :

- Doctor of Arts (Business Administration), Chaopraya University
- M.A. (PHILOSOPHY), Kasetsart University
- MBA. (Management), Eastern Asia University
- D.B.A (Honorary degree) Human Resource Management, Uttaradit Rajabhat University
- Director Accreditation Program (DAP 97/2012)

Shareholding (%) : 0.000

Family Relationship among Company's Directors : None

Period	Positon	Company
Current Positions in other listed companies		
2016 - Present	Director and Nomination and Remuneration Committee	Saksiam Leasing Pcl.
2013 - Present	Independent Director and Nomination, Remuneration and Sustainability Committee	Kaset Thai International Sugar Corporation Pcl.
Current Positions in other non-listed companies		
2023 - Present	Director	Saksiam TC Energy Co., Ltd.
2023 - Present	Director	PoonSsak and Partner Co., Ltd.
Past Experiences		
2016 - 2022	Chairman of Executive Committee	Kaset Thai Sugar Industry Co., Ltd.
2012 - 2013	Independent Director	Kaset Thai Sugar Industry Co., Ltd.
1995 - 2016	Director andChief Executive Officer	Saksiam Commercial Leasing Co., Ltd.

13

Name : Mr. Somchai Suwachittanont **Age** : 62 Years

Position : Director
Chief Executive Officer, Cane and Sugar Business

Period of Directorship : 3 Year (Appointed on 14 May 2021)

Education/Training with IOD :

- Bachelor of Management, Suan Dusit University
- Master of Political Science, Krirk University
- Mini MBA, The University of Thai Chamber of Commerce
- Director Accreditation Program (DAP 55/2006)

Shareholding (%) : 0.001

Family Relationship among Company's Directors : None

Period	Positon	Company
Current Positions in other listed companies		
2021 - Present	Director	Kaset Thai International Sugar Corporation Pcl.
2016 - Present	Chief Executive Officer, Cane and Sugar Business	Kaset Thai International Sugar Corporation Pcl.
2016 - Present	Acting Chief Operating Officer	Kaset Thai International Sugar Corporation Pcl.
2014 - Present	Assistant Chief Executive Officer	Kaset Thai International Sugar Corporation Pcl.
2014 - Present	Senior Director, Business Support Division 1	Kaset Thai International Sugar Corporation Pcl.
Current Positions in other non-listed companies		
2023 - Present	Director	KTIS Bio Natural Co., Ltd.
2022 - Present	Director	Thai Identity Sugar Co., Ltd.
2022 - Present	Director	Sapsirikaset Co., Ltd.
2022 - Present	Director	Kaset Thai Bio Power Co., Ltd.
2022 - Present	Director	Ruampol Bio Power Co., Ltd.
2022 - Present	Director	Thaiekaluck Power Co., Ltd.
2019 - Present	Director	Environment Pulp and Straw Co., Ltd .
2018 - Present	Director	Environment Pulp and Packaging Co., Ltd.
2016 - Present	Acting Chief Operating Officer	Kaset Thai Bio Power Co., Ltd.
2012 - Present	Chief Operating Officer	Environment Pulp and Paper Co., Ltd.
2011 - Present	Director	Thai Sugar Miller Co., Ltd.
2009 - Present	Director	Environment Pulp and Paper Co., Ltd.
Past Experiences		
2016 - 2020	Acting Factory Manager	Kaset Thai Bio Power Co., Ltd.
2015 - 2016	Acting Factory Manager	Kaset Thai International Sugar Corporation Co., Ltd.
2015 - 2016	Deputy Chief Executive Officer of Bio-Energy and Products Business	Kaset Thai International Sugar Corporation Pcl.
2014 - 2017	Director of Cane and Sugar Board Committee	Ministry of industry
2013 - 2019	Acting Factory Manager	Environment Pulp and Paper Co., Ltd.
2013 - 2014	Senior Director, Supply Chain	Kaset Thai International Sugar Corporation Pcl.
2011 - 2012	Assistant Managing Director Sugar Business Group (Head office)	Thai Identity Sugar Co., Ltd.
2011 - 2012	Assistant Managing Director Sugar Business Group (Head office)	Ruampol Industries Nakornsawan Co., Ltd.
2011 - 2012	Assistant Managing Director Sugar Business Group (Head office)	Kaset Thai Sugar Industry Co., Ltd.
2011 - 2012	Managing Director	Environment Pulp and Paper Co., Ltd.
2005 - 2011	Deputy Managing Director	Environment Pulp and Paper Co., Ltd.

Period	Positon	Company
2002 - 2011	General Manager of Sugar Business Group (Head office)	Thai Identity Sugar Co., Ltd.
2002 - 2011	General Manager of Sugar Business Group (Head office)	Ruampol Industries Nakornsawan Co., Ltd.
2002 - 2011	General Manager of Sugar Business Group (Head office)	Kaset Thai Sugar Industry Co., Ltd.

14

Name : Mr. Somchai Suwachittanont **Age :** 51 Years

Position : Chief Executive Officer - Bio
Assistant to Chief Executive Officer
Authorized Director

Period of Directorship : 11 years (Appointed on 29 January 2013)

Education/Training with IOD :

- Bachelor of Economics (International Economics), Chulalongkorn University
- Executive MBA, Sasin Graduate Institute of Business Administration of Chulalongkorn University
- Director Accreditation Program (DAP 96/2012)

Shareholding (%) : 0.0000

Family Relationship among Company's Directors : None

Period	Positon	Company
Current Positions in other listed companies		
2016 - Present	Chief Executive Officer - Bio	Kaset Thai International Sugar Corporation Pcl.
2015 - Present	Assistant to Chief Executive Officer	Kaset Thai International Sugar Corporation Pcl.
2013 - Present	Director	Kaset Thai International Sugar Corporation Pcl.
Current Positions in other non-listed companies		
2022 - Present	Director	KTIS Bioethanol Co., Ltd.
2022 - Present	Director	KTIS Bio Fertilizer Co., Ltd.
2019 - Present	Advisor of Director	GGC KTIS Bio Industrial Co., Ltd.
2015 - Present	Chief Executive Officer - Bio	KTIS Research and Development Co., Ltd.
2013 - Present	Director	Thaiekaluck Power Co., Ltd.
2013 - Present	Director	Ruampol Bio Power Co., Ltd.
2011 - Present	Director	Kaset Thai Bio Power Co., Ltd.
2002 - Present	Director	Ruamkij Angthong Warehouse Co., Ltd.
2002 - Present	Director	Sunshine Export Co., Ltd.
2001 - Present	Director	TISS Co., Ltd.
2001 - Present	Director	T.Y.T. Trading Co., Ltd.
2000 - Present	Executive Committee	Aekphol Sugar Co., Ltd.

Period	Positon	Company
Past Experiences		
2015	Director	Siri Charoen Export Co., Ltd.
2013 - 2014	Senior director - engineering	Kaset Thai International Sugar Corporation Pcl.
2012 - 2013	Senior Director - Engineering	Kaset Thai Sugar Industry Co., Ltd.
2008 - 2013	Director and Executive Committee	Kaset Thai Sugar Industry Co., Ltd.
2005 - 2012	Deputy Managing Director	Kaset Thai Sugar Industry Co., Ltd.
2005 - 2015	Deputy Managing Director	Thai Identity Sugar Co., Ltd.
2005 - 2015	Deputy Managing Director	Ruampol Enterprise Co., Ltd.
2005 - 2015	Deputy Managing Director	Environment Pulp and Paper Co., Ltd.

15

Name : Miss Chua Eng Eng **Age** : 53 Years

Position : Director
Authorized Director

Period of Directorship : 11 years (Appointed on 29 January 2013)

Education/Training with IOD :

- Bachelor of Arts in Economics, National University of Singapore

Shareholding (%) : 0.558

Family Relationship among Company's Directors : None

Period	Positon	Company
Current Positions in other listed companies		
2013 - Present	Director	Kaset Thai International Sugar Corporation Pcl.
Current Positions in other listed companies		
2013 - Present	Director	Grand Helio Pte. Ltd.
2012 - Present	Director	Soon Zhou Investments Pte. Ltd.
2012 - Present	Director	Gold Topaz Pte. Ltd.
2012 - Present	Director	Gold Hyacinth Development Pte. Ltd.
2012 - Present	Director	Bukit Timah Green Development Pte. Ltd.
2011 - Present	Director	Siri Charoen Sapraiwan Co., Ltd.
2011 - Present	Director	Nanyang International Education (Holdings) Ltd.
2011 - Present	Director	Chang Li Investments Pte. Ltd.
2011 - Present	Director	Li Ta Investments Pte. Ltd.
2010 - Present	Director	Soon Li Investments Pte. Ltd.
2004 - Present	Director	S.I. Property Co., Ltd.
2002 - Present	Director	King Wan Industries Pte. Ltd.
2001 - Present	Director	Xylem Investments Pte. Ltd.

Period	Positon	Company
2001 - Present	Managing Director	King Wan Development Pte. Ltd.
1996 - Present	Director	King Wan Corporation Pte. Ltd.
1994 - Present	Managing Director	King Wan Construction Pte. Ltd.
Past Experiences		
2004 - 2014	Director	KTIS Bioethanol Co., Ltd.
2003 - 2014	Director	Environment Pulp and Paper Co., Ltd.

16

Name : Ms. Ratchada Boonwanno **Age** : 52 Years

Position : Accounting Supervisor (Accountant)

Appointed on : 1 July 2021

Education/Training with IOD :

- Bachelor of Business Administration (Major Accounting), Prince of Songkla University
- TFRS 9 Financial Instruments
- TFRS 16 Lease agreement and Deferrend Tax
- Financial Reporting Trends 2021
- Finance Transformation : Consolidation and Reporting
- Risk Analysis of Audit on Price Determination in Transfer Pricing

Shareholding (%) : None

Family Relationship among Company's Directors : None

Period	Positon	Company
Current Positions in other listed companies		
2021 - Present	Accounting Manager	Kaset Thai International Sugar Corporation Pcl.
Current Positions in other non-listed companies		
None		
Past Experiences		
1999 - 2021	Accounting Manager	Thai Identity Sugar Co., Ltd.

17

Name : Mr. Poomrerk Wangpreedalertkul **Age** : 32 Years

Position : Company Secretary

Period of Directorship : 25 March 2019

Education/Training with IOD :

- Master of Laws, University of Pennsylvania
- Bachelor of Laws, Chulalongkorn University
- Company Secretary Program (CSP 96/2019)
- Director Accreditation Program (DAP SEC-2013)

Shareholding (%) : 2.95

Family Relationship among Company's Directors : None

Period	Positon	Company
Current Positions in other listed companies		
2019 - Present	Company Secretary	Kaset Thai International Sugar Corporation Pcl.
2020 - Present	Director of Legal Department	Kaset Thai International Sugar Corporation Pcl.
Current Positions in other non-listed companies		
None		
Past Experiences		
2012 - 2020	Head of Legal Department	Kaset Thai International Sugar Corporation Pcl.

Attachment 2

Profiles of the Directors of Sub-Committees

Company	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Kaset Thai International Sugar Corporation Pcl.	X, V	I, II, V, IV	I, II, V, VI	I, V, IV	I, II, V, IV	I, II, V, IV	I, III, IV	I, III	I, VI, IV	I, VI	I, V, II	I, V	I, V	I, V	I, III	V
Subsidiaries																
Kaset Thai Bio Power Co., Ltd.	X, V	I, V	I, V	I, V	I, V	I, V					I, V	I, V	I, V			
Thai Identity Sugar Co., Ltd.		X, V	I, V	I, V	I, V	I, V					I, V		I, V			
KTIS Bioethanol Co., Ltd.	X, V	I, V		I, V	I, V	I, V						I, V				
Environment Pulp and Paper Co., Ltd.		X, V		I, V	I, V	I, V							I, V			
Permsinpattana Co., Ltd.		X, V	I, V	I, V	I, V	I, V										
Kaset Thai Bio Fertilizer Co., Ltd.		X, V		I, V	I, V	I, V					I, V	I, V				
Thaieakluck Power Co., Ltd.	I, V	X, V	I, V	I, V	I, V	I, V					I, V	I, V	I, V			
Sapsirikaset Co., Ltd.		X, V		I, V	I, V	I, V							I, V			
Ruampol Bio Power Co., Ltd.	X, V	I, V	I, V	I, V	I, V	I, V					I, V	I, V	I, V			
Environment Pulp and Packaging Co., Ltd.		X, V		I, V	I, V	I, V							I, V			
KTIS Bio Natural Co., Ltd.		X, V		I, V	I, V	I, V							I			
Environment Pulp and Straw Co., Ltd.		X, V		I, V	I, V	I, V							I, V			
KTIS Bio Energy Co., Ltd.		I, V		I, V	I, V						X, V					
KTIS Biogas Power Co., Ltd.		I, V		I, V	I, V						X, V					
KTIS Research and Development Co., Ltd.		X, V	I, V	I, V	I, V	I, V					I, V	I, V				

Company	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Related Company																
S.I. Property Co., Ltd.	X, V		I, V		I, V									I, V		
Aekphol Sugar Co., Ltd.		I, V	I, V		I, V							I, V				
Nakhonsawan Ruamtoon Patthana Co., Ltd.				I, V												
TISS Co., Ltd.				I, V	I, V	I, V						I, V				
Siam P.P. International Co., Ltd.				I, V												
Ruamkij Angthong Warehouse Co., Ltd.			I, V	I, V		I, V										
Ruam Toon Warehouse Nakornsawan Co., Ltd.					I, V											
Thai Wisanu Nakornsawan Co., Ltd.		I, V	I, V	I, V	I, V											
Ruam Toon Trading Nakornsawan Co., Ltd.					I, V											
Siri Charoen Export Co., Ltd.						I, V										
Siri Charoen Sapraiwan Co., Ltd.	X, V					I, V								I, V		
Ruampol Enterprise Co., Ltd.		I, V	I, V	I, V	I, V	I, V					I, V					
Poom Pattana Business Co., Ltd.					I, V	I, V										
Suerb Sirisawat Co., Ltd.					I, V	I, V										
Agro Ethanol Co., Ltd.						I, V										
EPC Power Co., Ltd.						I, V										
Kaset Thai Sugar Co., Ltd.						I, V										
Siriviriyakul Co., Ltd.			I													
Hua Hin Pearl Resort Co., Ltd.						I										
Joint Venture																
GGC KTIS Bio Industrial Co., Ltd	X	I		I		I										

Remark (1)

x = Chairman
I = Director
II = Executive Director
III = Audit Committee
IV = Risk Management Director
V = Executive
VI = Nomination, Remuneration and Sustainability Committee
VII = Controlling Person

Remark (2)

1. Mr. Pricha Attavipach
2. Mr. Parphan Siriviriyakul
3. Ms. Darat Vibhatakalasa
4. Mr. Nutthapun Siriviriyakul
5. Mr. Prasert Siriviriyakul
6. Mr. Sirapak Siriviriyakul
7. Acting Sub Lt. T-rayooth Changpetch
8. Mr. Sathaporn Kotheeranurak
9. Mr. Issakan Krivitthaya
10. Mr. Phoonsak Boonsalee
11. Mr. Sirivuthi Siamphakdee
12. Mr. Apichart Noochprayoon
13. Mr. Somchai Suwachittanont
14. Ms. Chua Eng Eng
15. Mr. Krairit Nilkuha
16. Mrs. Nomchit Acarameakin

Attachment 3

Profiles of Head of Internal Audit

The Audit Committee Meeting No. 7/2013 held on November 11, 2013 considered and resolved to appoint Mrs. Natthira Paisayom to take the position of Department Manager Internal Audit and acting as the secretary of the Audit Committee From November 11, 2013 onwards by Mrs. Natthira Paisayom who has knowledge, experience and qualifications in professional internal auditing. She is internal auditors who have been trained and have obtained a certificate in internal auditing from the Institute of Internal Auditors of Thailand and the Federation of Accounting Professions and has also attended courses related to internal audits and good corporate governance.

The appointment the removal and the tranfer of the manager of internal audit department shall be made by the approval of the Audit Commiitte as per the charter.

Name : Mrs. Natthira Paisayom **Age** : 48 years

Position : Manager - Internal Audit Department

Education :

- Bachelor majoring in Accounting, General Management, Suan Sunandha Rajabhat University
- Certificate (Vocational Certificate - High Vocational Certificate), Nakhon Sawan Vocational

Seminar on Role and Responsibility :

- The project received the diploma examination within one generation FAP, Nationals
- Training of internal audit, Association of Internal Auditors of Thailand
- Certificate of Internal Auditors of Thailand (CPIAT) Class 44 of the Institute of Internal Auditors of Thailand

Shareholding (%) : 0.000

Family Relationship among Company's Directors : None

Period	Positon	Company
Current Positions in other listed companies		
2013 - Present	Manager - Internal Audit Department	Kaset Thai International Sugar Corporation Pcl.
Current Positions in other listed companies		
None		
Other companies that may cause any conflict of interests to the Company		
None		
Past Experiences		
2008 - 2012	Internal Audit Senior Officer	Prasit Patana Co., Ltd.

Attachment 4

List of Assets used for Business Operation and Appraisal

Detailed information on Topic:
List of Assets used for Business Operation

Attachment 5

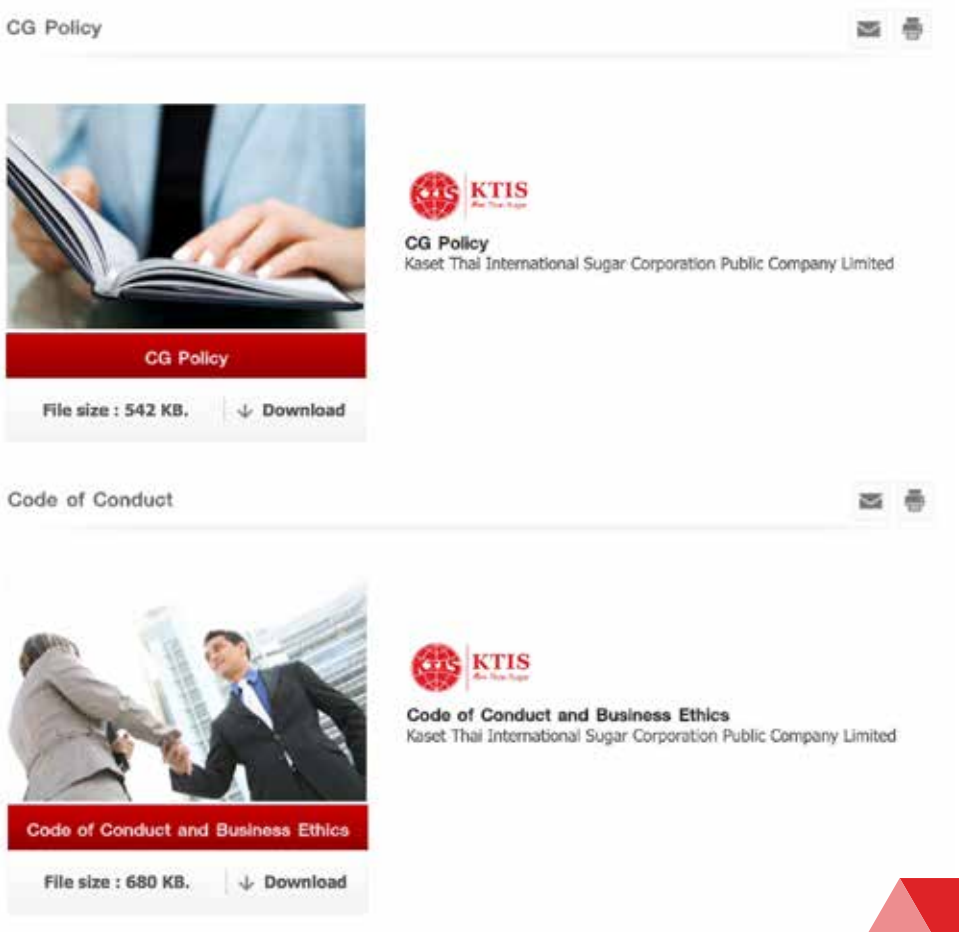
Corporate Governance Policy and Business Ethics

The Company endeavors to manage its business by adhering to principles of good corporate governance, as it recognizes the benefit and importance of good corporate governance, which contributes to the management of work and business operations in a transparent manner and takes into consideration the best interests of the interested parties in all respects, as well as maintaining verifiability. In order to increase its competitiveness and the shareholders' equity in the long term, the Company has, therefore, established a corporate governance policy in writing which it will communicate to the directors, executives, and all levels of employees in the Company to sign and implement.

The Company has therefore prepared the Code of Conduct and Business Ethics in accordance with the corporate governance which is a generally accepted principle for managing the organization. The principle is consisting of morality and ethics for all of the Board of Directors, executives and employees to comply with and practice according to the Code of Conduct and Business Ethics and the Board of Directors will review the policies and guidelines for corporate governance and the Company's business ethics annually to be appropriate and in line with the business environment.

In this regard, details of the policies and guidelines for corporate governance and the Company's business ethics can be viewed. The full version is available from the Good Corporate Governance Manual and the Company's Code of Conduct on the Company's website.

www.ktisgroup.com good corporate governance menu Topics of Good Corporate Governance Policy and Business Ethics



Attachment 6

Audit Committee Report

Detailed information on Topic :

Report on the Performance of Audit Committee

KTIS

More Than Sugar

Kaset Thai International Sugar Corporation PLC.

24 Aekaphol Bldg., Vibhavadi Rangsit Rd., Ratchadaphisek,
Din Daeng, Bangkok 10400, Thailand
Tel. [+66] 2692-0869-73 Fax [+66] 2246-9125, 2246-9140

www.ktisgroup.com