



KTIS
More Than Sugar

Supply Chain, Key to Prosperity



Report for the year / Annual Report 2021
(Form 56-1 One Report)

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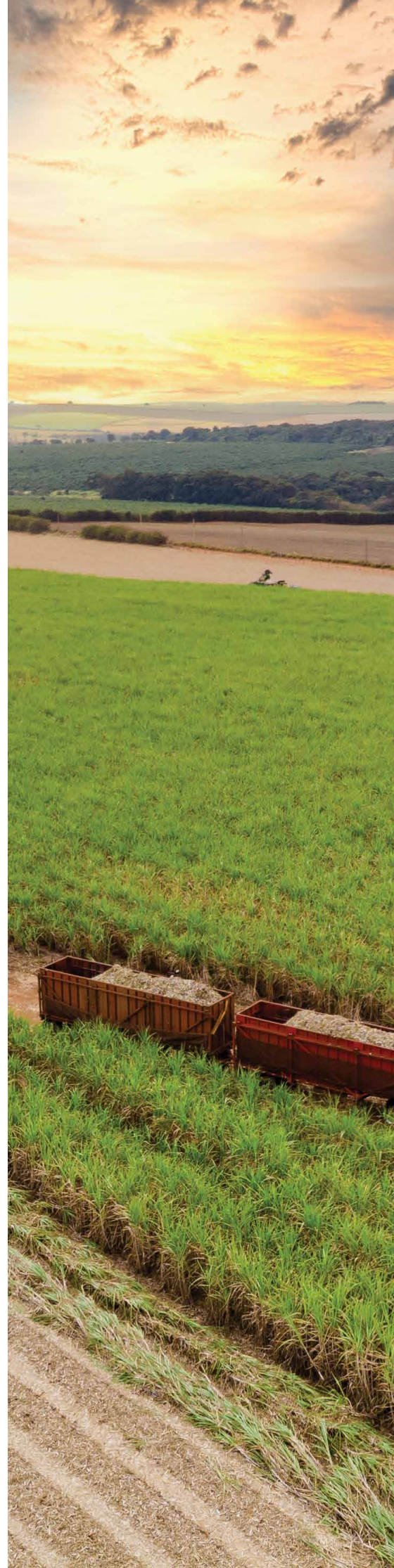


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Corporate Philosophy

*The sustainability of
KTIS is dependent
on the success of
sugarcane 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.

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

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.

2



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 Corporate Governance Principle

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.

4



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 Farmer Support and Care as if a Family Member

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".

6



7

Corporate Social and Environment 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 tonnes of powder per year, 6,150 tons of pellets per year and 200,000 m3 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 Enviroment 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 Company Limited. ("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 repairation 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 Enviroment 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 2021

26 August 2021

SubsiriKaset Company Limited, which is a subsidiary of the group, has reduced its capital from 311,000,000 baht to 108,000,000 baht.

16 July 2021

Kaset Thai International Sugar Corporation Public Company Limited (Branch 3) has performed self-declaration of its compliance with the measures to control, monitor and prevent contamination of COVID-19 in the plants, production process and personnel, in accordance with IPHA (Industrial and Production Hygiene Administration) jointly determined by the Federation of Thai Industries, Department of Disease Control, National Food Institute and Management System Certification Institutes (Thailand).

20 July 2021

Approval of an investment in utility provider and infrastructure projects for the Nakhon Sawan Bio-Complex Phase 2 (NBC Phase 2) is made. The investment shall be made through KTIS Bioethanol Co., Ltd (KTBE), the project is located in Takhli District, Nakhon Sawan Province. It is an investment in utilities for the production of polylactic acid (PLA) bioplastics of NatureWorks Asia Pacific Ltd. (NatureWorks), a subsidiary of NatureWorks LLC.

30 July 2021

Thai Identity Sugar Factory Company Limited has performed self-declaration of its compliance with the measures to control, monitor and prevent contamination of COVID-19 in the plants, production process and personnel, in accordance with IPHA (Industrial and Production Hygiene Administration) jointly determined by the Federation of Thai Industries, Department of Disease Control, National Food Institute and Management System Certification Institutes (Thailand).

6 August 2021

Kaset Thai International Sugar Corporation Public Company Limited has performed self-declaration of its compliance with the measures to control, monitor and prevent contamination of COVID-19 in the plants, production process and personnel, in accordance with IPHA (Industrial and Production Hygiene Administration) jointly determined by the Federation of Thai Industries, Department of Disease Control, National Food Institute and Management System Certification Institutes (Thailand).

27 August 2021

Environmental Pulp and Paper Company Limited has performed self-declaration of its compliance with the measures to control, monitor and prevent contamination of COVID-19 in the plants, production process and personnel, in accordance with IPHA (Industrial and Production Hygiene Administration) jointly determined by the Federation of Thai Industries, Department of Disease Control, National Food Institute and Management System Certification Institutes (Thailand).

1 September 2021

Kaset Thai International Sugar Corporation PLC. begun the irrigation support project to support the irrigation to the sugarcane farmers in Tambon Nongpho Amhpur Taklee Nahonsawan which covers the plantation area of 12,000 rai. The goal of the project is to provide sugarcane farmers with the accessibility to water in the right timing which shall increase their cane productivity and income.

24 September 2021

KTIS Bio Ethanol Company Limited has performed self-declaration of its compliance with the measures to control, monitor and prevent contamination of COVID-19 in the plants, production process and personnel, in accordance with IPHA (Industrial and Production Hygiene Administration) jointly determined by the Federation of Thai Industries, Department of Disease Control, National Food Institute and Management System Certification Institutes (Thailand).



Financial Highlights

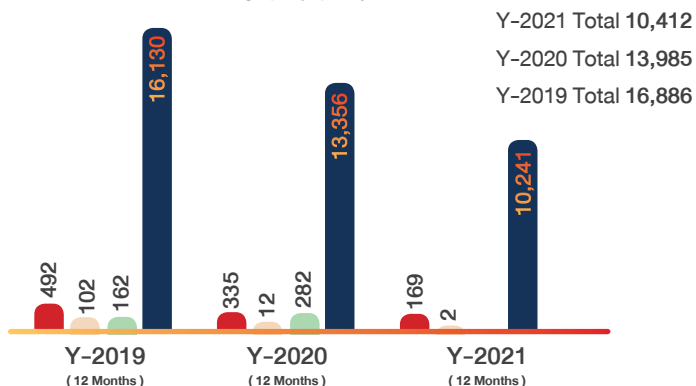
	2019 (12 Months)	2020 (12 Months)	2021 (12 Months)
Income Statements (Million Baht)			
Sales & Services Revenues	16,130.0	13,355.3	10,240.6
Sugar	10,484.4	8,628.5	6,520.9
Molasses	623.1	924.3	491.8
Electricity	1,456.8	1,148.5	725.3
Ethanol	1,619.4	1,359.5	990.1
Pulp	1,309.5	698.3	699.7
Others	636.9	596.2	812.8
Revenue from compensating of sugar productions and distributions	101.9	12.4	2.2
Revenue from the Cane and Sugar Fund under the project to support sugar cane planters and sugar plants	162.1	282.3	0.0
Other Income	492.0	335.3	169.3
Total Revenues	16,886.0	13,985.4	10,412.2
Net Profit	740.1	568.7	(1,114.4)
Balance Sheet (Million Baht)			
Total Assets	19,119.7	15,395.0	15,758.3
Current Assets	7,708.8	4,185.0	4,652.3
Non-Current Assets	11,410.9	11,210.0	11,106.0
Total Liabilities	10,777.5	7,022.4	8,580.9
Current Liabilities	7,592.4	4,528.1	6,507.2
Non-Current Liabilities	3,185.1	2,494.3	2,073.7
Total Shareholders's Equities	8,342.1	8,372.6	7,177.4
Ratio (Times)			
Current Ratio	1.02	0.92	0.71
D/E	1.29	0.84	1.20



3 Years Financial Hilight

Total Revenues

Unit : Baht million

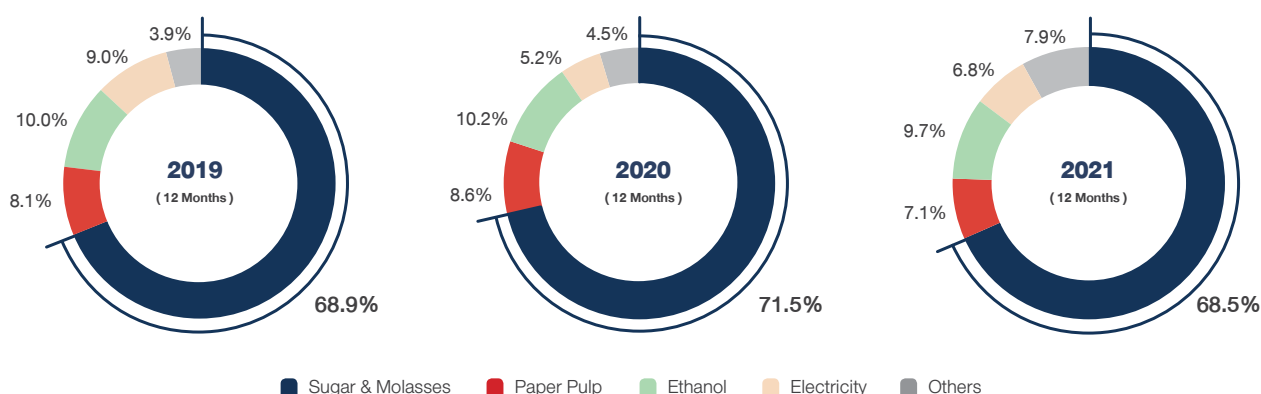


Net Profit

Unit : Baht million

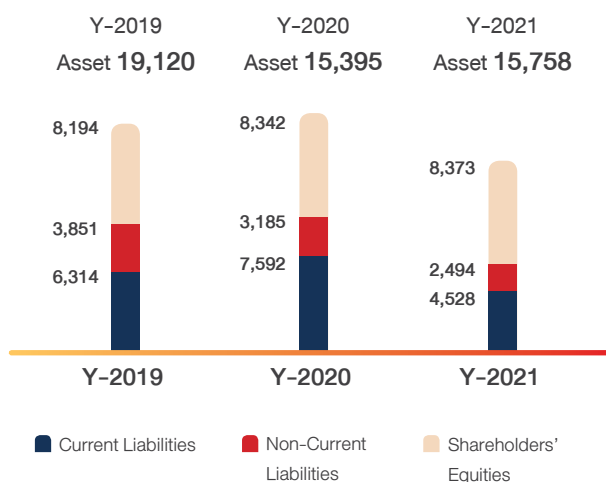


Sales & Service Revenue



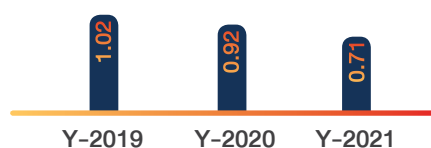
Balance Sheet

Unit : Baht million



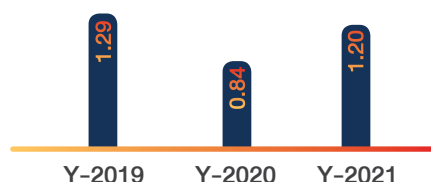
Current Ratio

Unit : Times



D/E Ratio

Unit : Times





Messages from the Chairman



The world community's determination to overcome COVID-19 pandemic, both for the vaccine distribution and the change to New Normal lifestyle, has become obvious in 2021. It created promising hope in many aspects such as the decrease of deceased rate and the relief of disease control measure. Such hope is also the beginning of other promising hope which is the economic recovery of many regions around the world includes Thailand. Further, the world community will also bring many development topics, which have been stagnated due to the pandemic, back to the progress such as the measure to tackle climate change. So that, KTIS will step forward with such dynamic by the preparation to invest to serve NatureWorks group's establishment of bio-plastic plant and the preparation of the production of bagasse pulp packaging, which is environment friendly, into the market next year.

The weather in the late of 2021 was many thunderstorms which is good for sugarcane yield. And, the nationwide sugarcane amount tends to increase which is a benefit for Thailand's sugar industry. Further, the drought and the increase of ethanol production in Brazil are also the benefit. Moreover, the management of sugarcane harvest to reduce the burned sugarcane portion, to preserve an environment and comply with government measure, is the sustainable goal that we shall accomplish though the cooperation with other sugar mills and sugarcane farmers. The increase of sugarcane in 2022 shall increase the raw material, derived from sugar mills by-product, to our bio business section. The increase of oil price in the late 2021 and the increase of the domestic oil demand due to the relief of pandemic shall be the positive factor to bio business section as well.

Under the circumstance of economic recovery and the Company's businesses are in upward trend, the Board of Directors has emphasized the progress of business together with the recovery, rehabilitation and development for stakeholders. The examples are the recovery and increase sugarcane farmer's yield after the end of the drought, and the arrangement of our employees

and suppliers' working environment to be in accordance with the hygienic principle, especially from the experience learned during the pandemic. Moreover, the Board of Directors also works by adhering to the operation under good governance and social responsibility, as we have always been practicing, to ensure that KTIS group shall be the business organization that sustainably and valuably creates economic prosperity.

At the end of 2020, KTIS group committed that we will try our best to help all stakeholders, at the best as they could, overcome the all aspects of hardship and head toward the growth in future with KTIS group. Throughout the year 2021, KTIS group has kept our commitment by working at our best to resolve and overcome the Company and all stakeholders' crisis. Currently, the crisis has been relieved and the positive circumstances of all sectors have become more obvious. Therefore, I would like to thank all of stakeholders who have supported KTIS group to stably move forward to the present which is the end of crisis period. Apart from our thanks to all stakeholders, KTIS group is delightful that, in 2022, we shall begin our continuing other commitment which is doing our best to create growth after the crisis for all stakeholders.



Mr. Pricha Attavipach
Chairman



Messages from the Chief Executive Officer – KTIS Group



KTIS group has been operating the business under the circumstance of drought and the decrease of sugarcane amount which are negative factors to this year business performance. The management has focused on the value maximization of limited amount of raw material and the procurement of additional alternative raw material to mitigate the scarcity. Moreover, the progress for raw material security has been made in many aspects. It includes the cooperation with Thai Sugar Miller Club to create sugarcane subsidization program, the creation of sugarcane farming sustainability for our contracted farmers with the relevant sugarcane farmer associations through the irrigation support which covers 12,000 Rai of sugarcane plantation lands and the advance technology application to sugarcane management for the plantation and harvest planning with the cooperation from Ricult (Thailand) Co., Ltd. who is the agricultural technology expert. Our best wishes to farmers, together with KTIS group hard working and cooperation with many potential organizations and persons, will push our sugarcane farmers' sustainability a step forward.

The Company's bio business sector still played vital role last year, especially under a period of COVID-19 pandemic. It has maintained the capacity of hand sanitization alcohol's production, under KNAS brand, to be sufficient to market demand with the reasonable price. Meanwhile, we also search for the opportunity to sustainably grow by the additional investment in Nakhonsawan Bio Complex project. The project will support the advanced technology and business which produce the demanding and environment friendly goods. Apart from bagasse pulp packing's original development, the group also developed the variety of environment friendly bagasse pulp packaging to serve the consumers' increasing demand such the straw made of bagasse pulp under Cherr brand.

KTIS group's last year operation still focused on the revenue generation under the limitation of raw material scarcity and the reduction of unnecessary expense. The result is that the group has maintain high amount of cashflow, which shall be thoroughly managed to maximize the stakeholders and company's benefit by focusing on the increase of income and the sustainability. Moreover, the other critical challenge

of upcoming 2021/2022 production year is the sugar mill operation under COVID-19 pandemic. Therefore, KTIS group has fully prioritized the preparation of sugar mills operation for upcoming year. The group has launched the proactive measure to create immunity to our employees by vaccination, and we also built up all stakeholders' confidence by getting Industrial and Protection Hygiene Administration (IPHA) certification which covers all of KTIS group sugar mills and all of bio business plants.

I would like to thank all stakeholders, especially our employees and farmers, who worked with us the last year. I am confident that KTIS group cooperation with all of you in 2021 shall be the preparation that will help our operation in 2022 smoothly succeeds. Such success should create the benefit to all of stakeholders in a time of economic recovery, and shall become a part of a power that drives the society straightforward after the stagnation due to COVID-19 pandemic.



Mr. Parphan Siriviriyakul
Chief Executive Officer – KTIS Group



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.

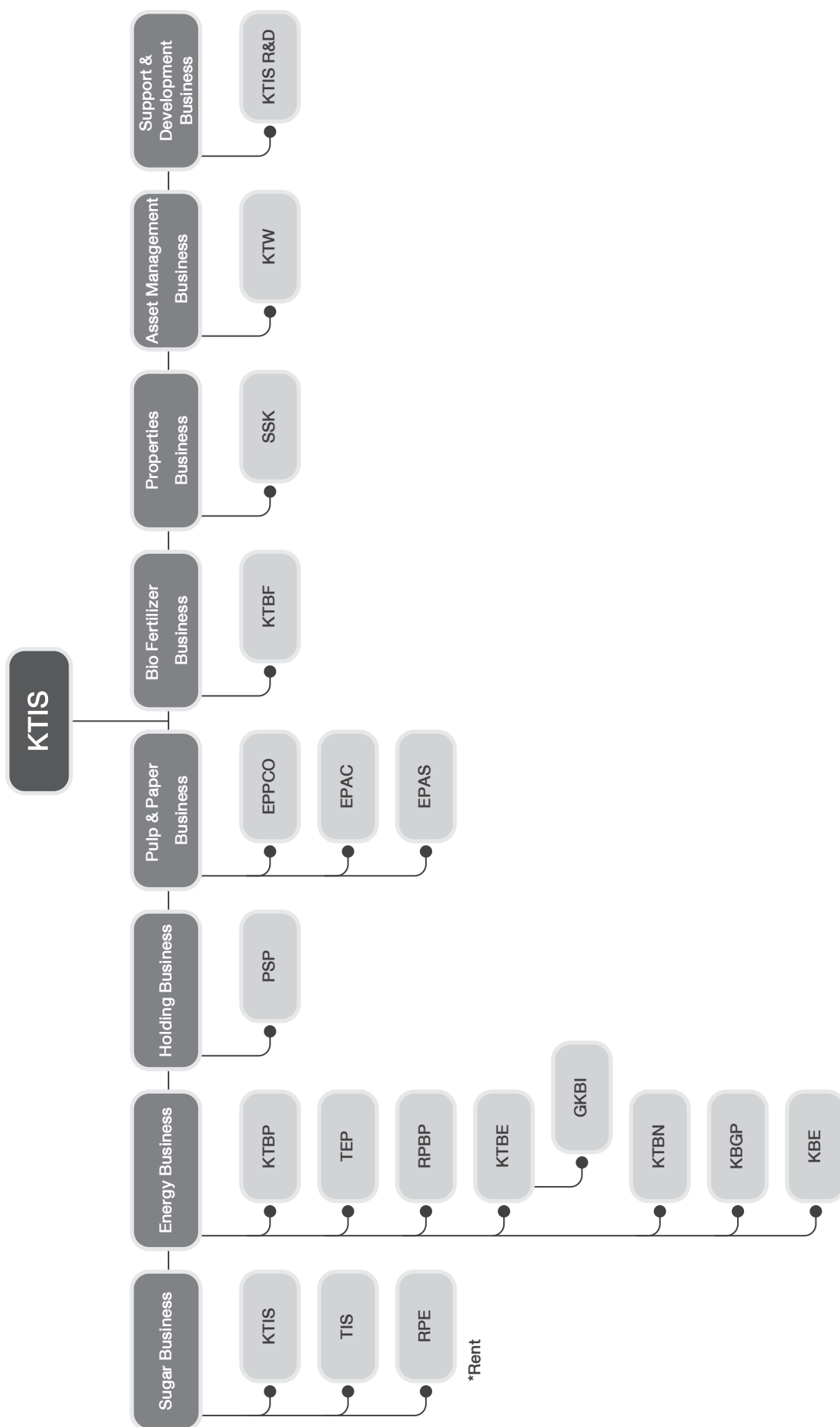
(3) Electricity Generation and Sale Business

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 2021, the Company's income from sugar production and distribution was 68.5 % 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 :

	2019		2020		2021	
	Revenue (MB)	Percentage	Revenue (MB)	Percentage	Revenue (MB)	Percentage
1. Sugar and molasses sales revenue						
Domestic	3,398.5	21.1	3,905.9	29.2	5,415.6	52.9
International	7,708.9	47.8	5,647.1	42.3	1,597.1	15.6
Total sugar and molasses sales revenue	11,107.5	68.9	9,553.0	71.5	7,012.7	68.5
2. Pulp sales revenue						
Domestic	304.2	1.9	127.0	0.9	96.8	0.9
International	1,005.4	6.2	571.3	4.3	602.9	5.9
Total pulp sales revenue	1,309.5	8.1	698.3	5.2	699.7	6.8
3. Ethanol sales revenue						
Domestic	1,619.4	10.0	1,359.3	10.2	990.1	9.7
International	0.0	0.0	0.0	0.0	0.0	0.0
Total ethanol sales revenue	1,619.4	10.0	1,359.3	10.2	990.1	9.7
4. Other sales revenue						
Electricity sales revenue	1,456.8	9.0	1,148.5	8.6	725.3	7.1
Revenue from other sales and services	636.9	3.9	596.2	4.5	812.8	7.9
Total other sales revenue	2,093.6	13.0	1,744.7	13.1	1,538.1	15.0
Total revenue	16,130.0	100.0	13,355.3	100.0	10,240.6	100.0

Source : The Company's financial statements.

Information about products

Sugar : Production and Distribution Business

1. Product Feature and Business Innovation

1.1 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.

1.2 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.

1.3 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 than 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 require sugar with high purity index such as pharmaceutical industry and beverage and energy drinks industry.

1.4 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

1.5 Liquid Sucrose The raw sugar that is put in to melting process then decolorized and purified. The intensity 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 (%)
Raw Sugar	above 601	Not less than 98.00	Not exceeding 0.60
White Sugar	46 - 400	Not less than 99.50	Not exceeding 0.04
Refined Sugar	0 - 45	Not less than 99.80	Not exceeding 0.04
Natural Sugar	201 - 1,000	Not less than 99.20	Not exceeding 0.04
Liquid Sucrose	0 - 35	-	-

Source : KTIS.

2. Marketing and Competition

2.1 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 Company could sell the high volume of goods to this group of customers due to the security of the amounts of products. The Company could also deliver goods to the customer punctually with the trusted quality. The other 20% of customers are retail sector which the distribution is made by the distributors at the sugar mills. The Company also gets the revenue from retail sector, in ratio, less than industrial sector. The sale to distributors may be made at the price that varies by the market which demands of buyers is critical.

The Company has the plan to produce and distribute 1kg. pack and 500 g. pack of sugar which derived from the production that produce the highest quality. This product is good quality and safe to customers and made from high quality sugarcane, the distribution plan is that the product will be distributed through modern trade, convenient stores in January 2022.

The Company exported exports to Japan accounts for approximately 47.0% of the Company's total export sales, and the export detail is exhibited below. Most of overseas customers are sugar traders, including well-known companies such as Alvean Sugar, S.L., Wilmar Trading Pte Ltd., Czarnikow Ltd., Cofco Co Ltd., Sumitomo Corporation and Sucden etc.

Destination	MT	%
Vietnam	11,800	10 %
Indonesia	27,200	24 %
Japan	54,390	47 %
Korea	5,000	4 %
China	15,000	13 %
USA	1,161	1 %
	114,551	100 %

2.2 In the production year 2020/2021, Thailand has 58 sugar mills which produced 75.866 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	16,800,389.5992	22.14%
Thai Roong Ruang Sugar Group	10	12,414,682.51	16.36%
KTIS Group	3	4,682,011.30	6.17%
Khon Kaen Sugar Group	5	5,281,034.72	6.96%
Cristalla Sugar Group	3	3,619,761.45	4.77%
Korat Industry Sugar Group	2	5,201,721.81	6.86%
Eastern Sugar Group	2	3,379,926.90	4.46%
Thai Kanchanaburi Sugar Group	2	2,554,673.16	3.37%
Banpong Sugar Group	1	562,280.20	0.74%
Kumphawapi Sugar Group	2	1,698,024.75	2.24%
Wangkanai Sugar Group	4	2,377,579.70	3.13%
Khonburi Sugar Group	1	2,334,844.00	3.08%
Mitr Kaset Sugar Group	2	1,582,174.31	2.09%
Ratchaburi Sugar Group	2	1,304,828.27	1.72%
Rayong Sugar Group	2	1,202,728.20	1.59%
Others	10	10,869,383.10	14.33%
Total	58	75,866,043.97	100.00%

Source : 2019/2020 Cane and Sugar Production Report as of the End of Cane-Crushing Period (Updated), Office of Cane and Sugar Board.

2.3 The distribution amount in 2020/2021 from October 2020 – September 2021 as follows :

Group	Actual sold amount	Sale percentage
Mitr Phol Sugar Group	5,927,086.66	26.89%
Thai Roong Ruang Sugar Group	3,520,771.10	15.97%
KTIS Group	1,470,054.74	6.67%
Khon Kaen Sugar Group	1,565,030.34	7.10%
Cristalla Sugar Group	1,150,438.10	5.22%
Korat Industry Sugar Group	904,858.11	4.11%
Eastern Sugar Group	886,709.08	4.02%
Thai Kanchanaburi Sugar Group	688,455.46	3.12%
Banpong Sugar Group	167,492.10	0.76%
Kumphawapi Sugar Group	518,039.68	2.35%
Wangkanai Sugar Group	565,863.56	2.57%
Khonburi Sugar Group	676,603.79	3.07%
Mitr Kaset Sugar Group	497,634.50	2.26%
Ratchaburi Sugar Group	377,924.64	1.71%
Rayong Sugar Group	376,334.50	1.71%
Others	2,746,756.40	12.46%
Total	22,040,052.75	100.00%

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

Market and competition in 2022, the wide spread COVID-19 pandemic in 2021 with the daily high infected was beyond the control, but currently the government could distribute the sufficient and efficient vaccine to people. Therefore, the industries that use sugar as raw material is expected to grown higher than 2021. The government also issue the policy to stimulate the economic by domestic tourism and the receipt of foreign tourists from 1st November onward, such policy shall result in the domestic economic and goods consumption growth.

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 2020/2021. 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 In conclusion, the global deficit should narrow as a result of consumption changes and depend on the end of the pandemic. Production for the next season will be higher – however we may see disruptions on labour – especially in Thailand and India. In general, the global trade issues should ease with the broadening of origins.

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. However from October 2017, this system was de-regulated and the export was jumped up to 3.8 million tons in 2017/2018 crop from previous 1.5 million tons. On the other hands regarding 2018/2019 crop, the sugar production be expected to reduce by about 3.2 million tons due to dry weather across most of the key growing areas.

Asian Economic Growth The continuous economic growth of Asian countries, especially China, India and ASEAN countries, led to higher sugar consumption and production of the region. At present, Asia's sugar production is around 70-80 million tons per year while the consumption outpaces the production. Hence the need for sugar imports at more than 20.0 million tons each year.

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.

Sugar Demand and Supply In 2019/2020 the global output is 170.2 million ton which decreased from 2018/2019 which had been 186.2 million tons. The main reason is that India is expected to reduce sugarcane amount in Thailand and India. In 2020/2021 the world demand is expected to be higher than world supply which had occurred since 2019/2020. The main reason is the expectation of the decrease in Brazil production due to the drought. Therefore the expected deficit is 3.2 million tons.

Source : LMC, S&P Global Platts, Sugar Short Term Sullpy & Demand September 6, 2021

2.4 The summary and expectation of sugarcane situation of 2020/2021

In the production season of 2019/2020, Thailand has confronted with chronicle drought which cause the severe sugarcane scarcity nationwide, and the total sugarcane dropped to 66.5 million ton. KTIS group was affected by such phenomenon. In 2019/2020, KTIS group had only 4.33 million ton of sugarcane in its production. However, KTIS group realized the importance of sugarcane creation for its businesses. Therefore, it has pushed the increase of sugarcane in many forms such as an increase of irrigated areas, the support of the appropriate fertilizer and the supply of necessary stuff to sugarcane farmers. We are confident that KTIS shall have sufficient sugarcane for the upcoming production season of 2020/2021 and also sufficient for GKBI which is our joint investment project as well.

The situation of Thailand sugarcane is in the uptrend due to the increasing sugar price and the sufficient rainfall to plant and maintain sugarcane. We are confident that within few years total Thailand's plantation area and amount of sugarcane will return to normal of 100 million ton.

3. 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 55,000 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 18,000 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 15,000 ton per day

3 sugar mills currently have the total sugar production capacity 83,000 ton per day which consists of raw sugar, white sugar, refined sugar and liquid sucrose.

Bleached Bagasse Pulp and Pulp Mold : Production and Distribution Business

Bleached Bagasse 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 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.

Pulp Mold business

1. Packaging products from bagasse pulp (Pulp Mold)

Pulp Mold used bagasse pulp 100% as raw material to produce different types of packaging products at EPPCO factory. The products will be 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.

Pulp Mold : Production and Distribution Business

1. Packaging made of bagasse pulp

The product is the food containers totally made of EPPCO's bleached bagasse pulp without any mixture of wood pulp or recycle pulp or other raw material. Such product is biodegradable and environment friendly, and is in the international and domestic trend of the demand for products that helps save the environment. It also added value to EPPCO bagasse pulp as well.

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 addition 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

1. Bleached Bagasse Pulp: Market Conditions and Competition

In 2021, the world economic is still in the regression and has worldwide stagnated as the consequence of COVID-19 pandemic since the beginning of 2020. The global demand for paper has decreased. However, the vaccination in many countries since 2020 and the preparation for cross border travelling in the late of 2021 to the beginning of 2022 shall increase international trade which also increase the demand for paper.

In 2021, the situation of pulp and paper demand is still in weak position as well as economic regression due to the pandemic until now. However, the container-relating paper industry is in the good position due to every countries COVID-19 control measure and increasing work from home practice. Since the paper container used in the logistic of online shopping business.

The more paper containers are used for the logistic, the more paper pulp is in the demand. Therefore, the paper pulp price has remained even though the market is in oversupplied period and started to increase, especially short fiber pulp Bleached Eucalyptus Wood Pulp in Asia region. The average of short fiber pulp in Q3 of 2021 is in between USD 600-620 per ton, increased from Q3 of 2020 which was USD440-450 for USD 160-170 per ton. And, the price is expected to remain low until the end of 2021. In 2022, the price is expected to decrease, if the trade war between super power countries could not be settled includes the mutation of COVID-19 virus and the delay of vaccine to tackle the variant which could not be completed within 2021.

The cause of the increase of paper pulp price is the scarcity of container used in sea freight due to many countries' COVID-19 control in maritime industry. The logistic cost has increased and is expected to continue until the end of 2021.

The demand for bagasse pulp in 2021 has continuously remained. The demand is for the use in the production of food and environment friendly containers which is the high position due to many countries' lockdown measure which is not yet fully unlocked due to the new emerge of the spreading. The bagasse pulp business, as well as other food container business, gains the advantages as work from home practice has increased. Therefore, the E-commerce, food delivery and logistic businesses have vastly grown. It is expected that after the relief of COVID-19 pandemic, many countries would return to seriously impose environment policy. The reduction of the use of plastic and foam will be much strictly imposed which shall increase the demand of paper pulp in the long run.

1.1 The situation of pulp paper selling price in September 2021

The imported to China pulp price in September 2021 which includes short fiber wood pulp and long fiber pulp has increased from September 2020 due to the decrease of paper pulp plants production affected by COVID-19 and the shortage of sea freight container which caused the rise of logistic cost. The situation is expected to continue until the end of 2020. The price of paper pulp in world market may vary with the changes of logistic cost in 2021.

The imported to China short fiber pulp has increased from CIF price USD 440-450 per ton in September 2020 up to CIF price USD 600-620 per ton in September 2021. And, the imported to China long fiber pulp has increased from CIF price USD 588-600 per ton in September 2020 up to CIF price USD 840-860 per ton in September 2021.

The imported to other east Asia countries wood pulp, the short pulp has increased from CIF price USD 440-450 per ton in September 2020 up to CIF price USD 630-675 per ton in September 2021. The long fiber pulp has increased from CIF price USD 555-585 per ton in September 2020 up to CIF price USD 805-860 per ton in September 2021.

Wood pulp world price (CIF)	September 2563 (USD/ton)	September 2564 (USD/ton)	Increase (USD/ton)
Imported to China short fiber	440-450	600-620	160-170
Imported to China long fiber	588-600	840-860	252-260
Imported to other east Asia countries short fiber	440-460	630-675	190-215
Imported to other east Asia countries long fiber	555-585	825-880	270-295

source : PPI ASIA as of 21st September 2021

1.2 Expectation of paper pulp's world market situation in 2022

The paper pulp's world market in 2022 is expected to improve due to the relief of COVID-19 control measure and COVID-19 vaccine development. Despite the emerge of many variants, many countries have carefully planned the economic drive. However, the trade war between China and the USA. is not settled which shall cause the economic and trade to slow down. The remaining paper pulp over supply situation is still high and shall be another negative factor for world market in 2022.

However, the positive factor from the high expansion of E-commerce business caused the demand of paper container for delivery to rise. The cost of container for sea freight is a variant factor for the price and amount of paper pulp in world market. The container freight price is expected to decrease in 2022 after the relief of pandemic control in many countries, which shall improve the world market trade. However, if the container freight price still remains in high range, it shall cause the paper pulp price to remain high throughout 2022.

The other positive factor from COVID-19 pandemic is the expansion of the investment in pure pulp food container industry in other countries apart from China such as Vietnam, Malaysia, India, European countries and USA. Since world community has prioritized the hygiene to prevent an infection, and the environment and health policy of many countries has changed to handle the future pandemic. This factor will be the positive factor for the paper pulp and bagasse container industry.

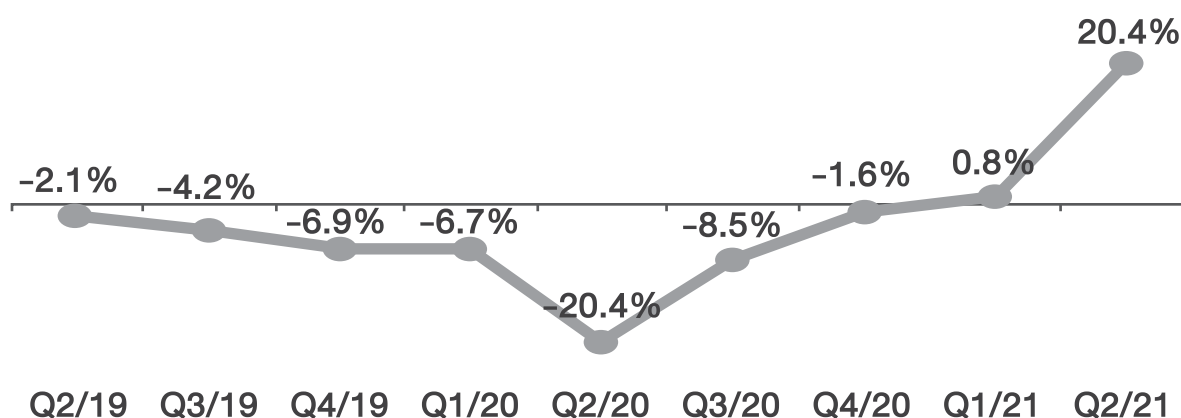
In term of the plan to expand paper pulp production, in 2022, there is no additional demand since the use of paper pulp still remains consistent in 2021. And, the current production capacity is enough and the paper pulp selling price still remain consistent throughout the whole year.

2. International industry situation

Summary of Thai industrial economic in Q2/2021

The industrial economic in Q2/2564, the Manufacturing Production Index's expanded at 20.41% compared with Q1/2021 which expands only 0.85%. It is partly the result from the lower base of Q2/2020 which was the period of the first wave COVID-19 pandemic, and this year export has expanded more than the same period of the last year.

The Manufacturing Production Index Expand 0.4% (%YoY)



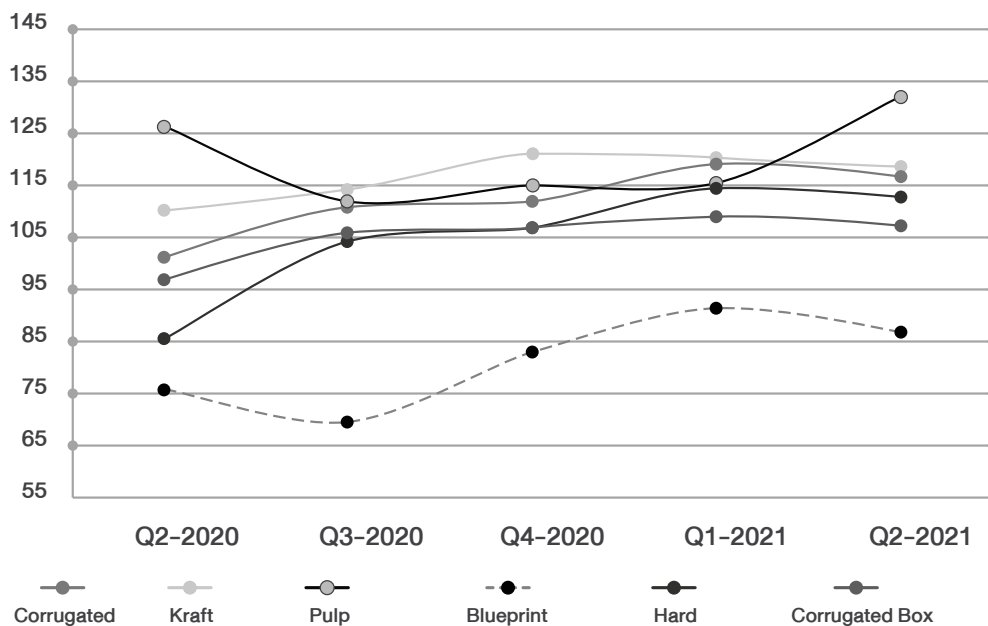
source : office of Industrial Economics

In term of paper pulp sector and printing in Q2/2021 compared on %QoQ basis, every products expanded except kraft paper. And, compared on %YoY basis, the increased production of hard paper, kraft paper and corrugated paper was mainly for packaging boxes. The export and import has increased when compared both on %QoQ and %YoY basis.

2.1 The production of pulp and paper

The production of paper pulp in Q2 of 2021 compared on %QoQ basis has expanded in paper pulp sector 14.43%, but decreased in paper sector which are hard paper, corrugated paper, printing paper and paper boxes due to the many import. But when compared on (%YoY) basis, the production has increased through the whole supply chain from paper pulp, hard paper, kraft paper and corrugated paper to produce paper boxes which becomes highly demanded due to online shopping under COVID-19 pandemic.

Paper pulp and Paper Manufacturing Production Index

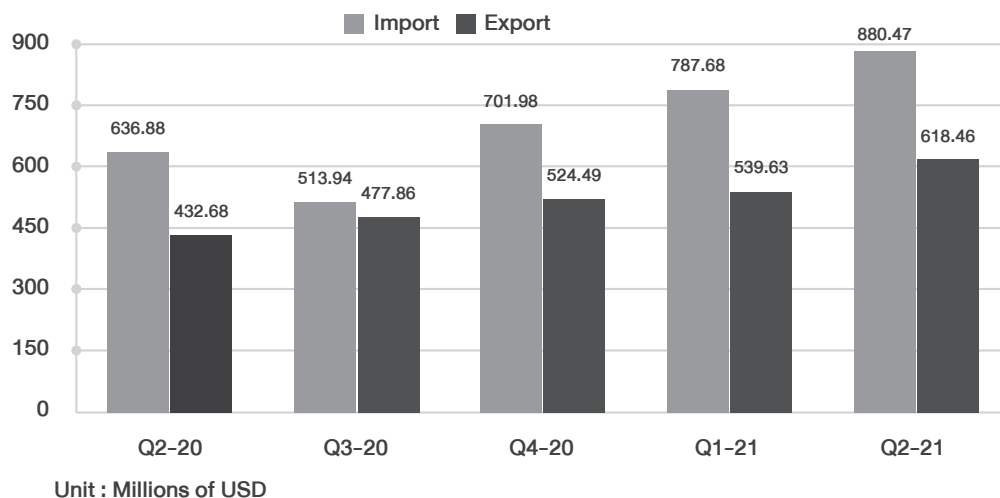


source : office of Industrial Economics

2.2 Export Situation of pulp and printing paper

In Q2/2021, the export value amounted to USD 618.46 million. The sections of paper and printing paper increased 14.61% mostly exported to China and the USA. When compared on %YoY, the export value increased 42.49% from paper pulp export which increased 221.51% which 90% of such export is China. The paper, paper product and printing increased 19.02% and 14.92% accordingly, and Vietnam and the USA. are the major trade parties.

Export - Import Paper Pulp and Printing Paper



source : Information and Communication Technology Center, Ministry of Commerce

2.3 Import Situation of paper pulp and printing paper

In Q2/2021, the import value amounted to USD 880.47 million increased 11.78% and 38.25% when compared on a (%QoQ) and a (%YoY) basis accordingly due to the increase of paper pulp and paper trash and printing. Such increase is caused by the increase of high domestic demand for paper product. The paper product import has been continuously increased due the change of living as the result of COVID-19 pandemic.

Trend in Q3/2021

The trend is expected that paper product (hard paper, corrugated paper and kraft paper), which is used in packaging boxes, shall expand with the rise of domestic consumption. Meanwhile, the paper product shall vastly expand in the time of new normal and online shopping. The paper pulp export shall also expand.

Related Government Policies

Goods and services price authority has determined the measure on 24th February 2021 that the notification of reusable paper trash amount and price to maintain the decreasing paper trash price, which shall have a positive effect to environment and domestic producers. However, some domestic producers need to import paper trash and recycle paper due to the lower price. Therefore, the price controlling measure should be fair to all stakeholders. On 30th June 2021, the regulation was made that corrugated paper, hard paper and printing paper are price-controlled goods to control the fair price for consumers due to the expansion of growing paper boxes because of the growth of E-commerce business under lock down period.

The Water Resources Act is in the progress of subordinate law legislation to determine the zoning of water resource, it shall result in unavoidably higher cost of pulp and paper industry and other industries.

3. Bagasse pulp market situation 2020, and trends in 2021.

3.1 Bagasse pulp market situation in 2021

In 2021, the global economic is still in the downturn and the regression is worldwide which casue by the pandemic. However, the demand for bagasse still continuously remains for the production of food packaging and environment friendly packaging. The lockdown helps E-commerce and delivery business expand vastly.

However, the short fiber pulp price has increased highly include the development of Chinese bagasse, which has the quality close to company's bagasse with lower price. EPPCO market share in China, where is our big market, was significantly affected. Most of bagasse mold producers in China prefer to use Chinese bagasse to reduce the cost, some of them turn to use shot pulp wood fiber such Eucalyptus.

Due to the limited amount of bagasse received from sugar mills in the production year of 2020/2021, the amount of product is less than the last year. Therefore, the Company has faced the problem in the sale to maintain current customer and need to significantly increase the price especially in China where is company major market. The Customers in other countries still have the high demand for bagasse pulp as usual, but they slow down the purchase order due to the economic downturn. The major factor which slows down the sale of the bagasse pulp is the high sea freight cost and the limited amount of sea freight due to COVID-19 control.

In term of company selling price, in 2021, the Company has increased the bagasse pulp price to be suited the world market situation. The price was adjusted from FOB average price USD 640 per ton in September 2020 to FOB average price USD 830 per ton in September 2021.

3.2 EPPCO bagasse pulp market estimation in 2022

In 2022, the trend of bagasse pulp industry is expected to improve in accordance with worldwide paper industry. Since worldwide E-commerce has expanded due to COVID-19 that will cause more demand for bagasse pulp.

The negative factor of the scarcity of sea freight container and high sea freight price shall remain. It shall cause the delay in delivery and high logistic cost, which shall cause bagasse price to remain high throughout 2022.

The expected bagasse allocated to EPPCO from KTIS sugar mills will be the same as the production year 2020/ 2021. It is much less than the actual capacity of EPPCO. EPPCO is expected to product the bagasse pulp approximately 20,001 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.

EPPCO bagasse pulp international market situation

The major domestic customers are the current customers. But in 2022, when EPAC starts its operation, it will require 8,000 tons of bagasse pulp in the first year which account to 40% of expected amount of bagasse pulp produced in the production year 2021/2022. And, EPAC shall increase its demand in later years which shall decrease the bagasse pulp sold to the market.

In summary, in 2022 the domestic and bagasse pulp demand for bagasse pulp will expand due to the effect of environment policy, the countries unlock to recover economic after COVID-19. Such policy will focus more on environment friendly product, which will result in the expansion of environmental friendly product's production and also includes KTIS expansion of bagasse pulp packaging as well.

Thailand paper pulp production situation

In 2022, 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	110	Eucalyptus
Thai Paper	290	Eucalyptus
EPPCO	100	Bagasse
Fiber Pattana	56	UHT box
EcoFriendly Thai	5	Recycle pulp
Total	1,208	

source : 2020 – 2022 Directory of the Thai Pulp and Paper Industries Association (TPPIA)

EPPCO competition strategy

1. 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 first quarter of 2022.

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 2021/2022, EPPCO is expected to receive the raw material with the same amount as 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

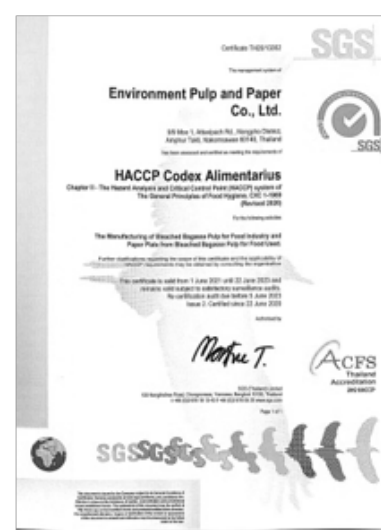
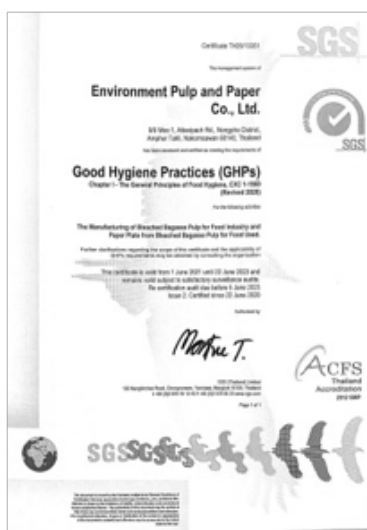
EPPCO distributes bleached bagasse pulp directly to industrial customers on a monthly basis or as agreed with customers. Strategic customers of EPPCO include major leading paper product manufacturers in Thailand using eco-friendly pulp in their operations such as SCG Paper Plc., Kimberly-Clark (Thailand) Co., Ltd., and Biodegradable Packaging for Environment Co. Ltd. To promote customer satisfaction, EPPCO has technical sales personnel who are highly knowledgeable and can provide customers with useful information for correct and efficient use of bleached bagasse pulp.

Moreover, in 2022, EPPCO plans 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 2022 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

2021/2022 Pulp mold market situation

The COVID-19 pandemic will remain in 2021-2022, it will result in the demand for environment friendly packaging. Bagasse pulp packing has worldwide continuously grown in accordance with E-commerce business growth and the expansion of the use of food packaging during COVID-19 pandemic. The demand for food packaging for take home is still high and is expected to continuously high.

The major bagasse pulp product producers are in China, who also have their own bagasse pulp factories. So, they could easily procure raw material than domestic factories without their own bagasse pulp factories. But the majority of producers use wood pulp to mix in to reduce the cost when wood pulp is cheaper than bagasse pulp. In India, there are bagasse pulp factories which are small and product quality is not so good. These factories produce cheap biodegradable for domestic sale, especially in the states that ban the use of plastic and foam. The producers in Malaysia and Vietnam are small producers whose major raw material is other pulp.

The major market for biodegradable packaging is the USA and European countries, and the market has expanded to many countries that focus on the environment policy.

For Thailand market, the demand for such packaging has also grown under COVID-19 pandemic and the positive effect from the support and promotion from government and private sector in 2021 and continue to grow in 2022.

Currently Thailand has 3 major producers of the biodegradable paper pulp made packaging which are Packaging 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 Q1 of 2022.

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 safe 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 preservable	✓	✓	✓
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°	?	✗	✓
9. Environment friendly	✗	✗	✓
10. No cancer substance contained in the products	✗	✗	✓
11. Good perception for the organization	✗	✗	✓

Pulp Mold Pulp mold distribution channel

In 2022, EPAC has targeted the distribution ratio 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 22 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.

The preparation of pulp mold export is expected to sale at USD 2,250-2,300 per ton and EPAC has already contacted and coordinated with foreign Distributor Agent.

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 from alternative products such as paper and bio-plastic packaging.

Price is still 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.

The Company also plans to emphasize the quality and safety to the customers to persuade them to buy the products.

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

2.1 distribution channel

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

- 2.1.1 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.
- 2.1.2 Sale to packaging wholesale distributor in each province and to nationwide agent system.
- 2.1.3 Direct sale to government and private organization such as hospitals, schools, universities.
- 2.1.4 Retail sale in online marketing platforms for personal consumers. The Company has already register with platforms for future plan such as Shopee and Lazada.

2.2 Other marketing plan

The Company has already prepared other marketing plan as follows :

2.2.1 Selling price determination the marketing unit has studied selling price of currently available products of all producers to determine competitive and affordable price.

2.2.2 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.

2.2.3 the advertisement the Company has advertised 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 2022



COMPANY PROFILE

Because **ZERO-WASTE** is our core model.



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 7¹, are PTTOR Plc., Thai Oil Plc. and Shell Company of Thailand etc. The revenue from domestic fuel ethanol sale accounts to 1005 of the revenue from ethanol sale as of 31st December 2020.

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. Previous year, the Company did not export fuel and industrial 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 30th September 2021. 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.

Market and Competition

Domestic industry situation Thailand's fuel ethanol capacity production in 2021 is expected to decrease a bit from last 5 year to 1.4 billion liters, due to COVID-19 pandemic at the beginning of the year which is correlate to the decrease of the domestic consumption.

The reference domestic price increased with the increasing raw material price. The average Thai ethanol price is 25.40 Baht per liter 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, especially the molasses amount which decreased from the decreased amount of sugarcane in the production year of 2021/2022.

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.

In 2021 (as of August 2021), Thailand totally had 27 operating ethanol plants, with the registered capacity of 6.275 million liter daily. The list of large ethanol plants are as follows.

The situation of Thailand ethanol production capacity (as of August 2021).

	Producer	Capacity registered with the Excise Department (liter/day)	Raw material
1	Mitr Phol Biofuel Co.,Ltd. (Chaiyabhum)	500,000	Molasses
2	E 85 Co.,Ltd.	500,000	Cassava/Starch
3	Ubol Bio Ethanol Co.,Ltd. (Public)	400,000	Cassava/Chip
4	Upvenger Co.,Ltd phase 1 Thai Agro Energy Co.,Ltd.	340,000	Chip
5	Mitr Phol Biofuel Co.,Ltd.(Kuchinarai/Kalasin) Upvenger Co.,Ltd.	320,000	Molasses
6	Thai Rungruang Power Co.,Ltd.	300,000	Molasses
7	KSL Green Innovation Co.,Ltd. (Public) (Bor Ploy)	300,000	Molasses
8	Tai Ping Co.,Ltd.	300,000	Cassava
9	KI Ethanol Co.,Ltd.	250,000	Molasses
10	KTIS Bio Ethanol Co.,Ltd.	230,000	Molasses
	Others	2,835,000	
	Total current capacity	6,275,000	

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 since 16th March 2021. The demand for alcohol form ethanol plants with the public health purpose is as follows :

	Ethanol from the plants (Liter)		
	Not for sale	For sale	Total
March 2020	1,456,150.93	12,453,560.54	13,909,711.47
April 2020	2,481,036.82	19,244,687.20	21,725,724.02
May 2020	308,934.10	3,616,471.57	9,925,405.67
June 2020	93,278.20	718,829.75	812,107.95
July 2020	17,175.54	366,385.88	383,561.42
August 2020	31,304.55	791,618.00	822,922.55
September 2020	40,422.62	273,587.00	314,009.62

	Ethanol from the plants (Liter)		
	Not for sale	For sale	Total
October 2020	25.20	41,070.00	41,095.20
November 2020	37.50	51,542.00	51,579.50
December 2020	17,508.53	220,404.50	237,913.03
January 2021	275,350.90	362,345.25	637,696.15
February 2021	17,806.37	120,557.20	138,363.57
March 2021	8,424.64	92,202.80	100,627.44
April 2021	52,704.05	150,272.00	202,976.05
Total	4,800,159.95	38,503,533.69	43,303,693.64

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 which consists of 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. Phase 2 is expected to invest in bioplastic industry, using advanced and environment friendly technology. It is expected that the project could commercially operate within Q1 of 2023.

Therefore, GKBI has the status as the joint-company of KTBE. KTBE also has the shareholder agreement with CCG Biochemical Co.,Ltd. (GGC Bio) which is another shareholder. The summary of such agreement between KTBE and GGC Bio is available in the topic of the monitor of subsidiaries and joint - company.

Electricity : Generation and Distribution Business

KTIS group has the companies which have steam and electricity generation capacity from sugar mills, bleached paper pulp plant, ethanol plant and power plants. Bagasse which is by-product from sugar production is the major raw material. The generated steam and electricity are used in sugar production of 3 sugar mills and other plants and sold to Electricity Generating Authority of Thailand and Provincial Electricity Authority (EGAT). The electricity is sold in Adder and Feed-in tariff systems. The total electricity purchase agreement of the Company is 152 MW./H.

Further, KTIS has jointly invested with Global Green Chemical PLC (GGC) in Nakhonsawan Biocomplex under the entity of GGC KTIS Bio Industrial Co.,Ltd. which will operate the sugarcane crushing and ethanol production from sugarcane juice. The project also has the capacity to produce steam and electricity of 5 MW./H. The remaining electricity after its own use and is ready to distribute is 34 MW/H.

The Company's entities have been granted the tax exemption right. In 2021 the tax exemption is 100% and will be 50% in 2022. Kaset Thai Bio Power Co.,Ltd. tax exemption right will expire in 2026, Thai Eckaluck Power Co., Ltd. tax exemption right will expire in 2029 and Ruamphol Bio Power Co.,Ltd. tax exemption right will expire in 2027.

Market and competition

1. Domestic Industry

Thailand electricity production development plan 2018-2037 the first revision PDP 2018 Revision 1 composes of 4 sectors as follows :

- 1.1 Powerplants under government support: the policy of powerplant for base economic which is a policy to encourage renewable energy such as community's garbage and powerplants in 3 southern border provinces.
- 1.2 Major fossil fuel powerplants: composes of powerplants of EGAT, major independent power producers and purchase electricity from abroad. This sector still maintains production capacity as per contracted and the effective date of electricity purchase is in accordance with PDP 2018. The powerplants are allocated in to 7 areas which are northern, northeastern, eastern, western, central, southern and metropolitan. There are a necessary and a sufficiency to maintain reach area electricity security. EGAT will be the security keeper of the electricity to maintain the retail price of electricity.
- 1.3 The renewable powerplants under the policy of renewable support are biomass, biogas, solar, floating solar with hydro powerplants, EGAT small hydro powerplants and other renewable sources. The annual purchase target is in accordance with renewable electricity production policy with the purchasing price not exceed Grid Parity to maintain retail price of electricity.
- 1.4 The energy conservation policy under the conservation plan that proves the confidence with quality and competitiveness of price not exceed Grid Parity.

2. Domestic electricity demand

In 2021 (January to July), the peak demand of electricity in EGAT system was 30,135.30 MW in April 2021 and the peak demand of electricity in July was 28,690.50 MW on 3rd July 2021 at the time of 20.40.

3. Domestic Capacity Production

Electricity production development plan of Thailand 2018-2037 the first revision 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 powerplants of 56,431 MW. and there has been the discharge of old powerplants 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 powerplants

	MW.	Percentage
Renewable energy powerplants	18,833	33.37
Community's powerplants	1,933	3.43
Pumped storage powerplant	500	0.89
Co-generation powerplant	2,112	3.74
Combined cycle powerplant	15,096	26.75
Coal/lignite powerplant	1,200	2.13
New/replaced powerplant	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 2021, the available electricity production is 46,102.37 MW. excluding the very small producers as follows :

	MW.	Percentage
Electricity Generating Authority of Thailand	16,037.32	34.79
Independent Power Producer (IPP)	14,873.50	32.26
Small Power Producer (SPP)	9,470.95	20.54
Purchase from abroad	5,720.60	12.41
Total	46,102.37	

The electricity production ratio from sources of fuel

Fuel category	Accumulated from Jan-Jul 2021	
	Amount (Million KW/hour)	Percentage
Natural gas	67,123.86	58.59
Coal (lignite included)	26,409.63	23.05
Renewable energy (hydro and others)	19,595.36	17.11
Fuel oil	324.72	0.28
Diesel oil	106.81	0.09
Others (Laos, Malaysia, Lumentakomg)	1,008.93	0.88
Total	114,569.31	

Remark : Very Small Power Producer (VSPP) not included

The electricity production by renewable energy ratio

Renewable energy	Unit	Target at 2037	2017	2018	2019	2020	2021 target
Wind	MW	2,989.00	627.82	1,102.82	1,506.82	1,506.82	475.73
Solar	MW	12,139.00	2,697.26	2,962.44	2,982.62	2,982.62	2,993.29
Garbage	MW	900.00	191.47	317.82	314.67	333.68	460.00
Biogas	MW	565.00	475.42	505.24	529.98	557.25	836.05
Small hydro plants	MW	308.00	182.28	187.72	187.85	190.39	259.34
biomass	MW	5,790.00	3,157.28	3,372.94	3,410.14	3,517.38	3,940.65
Large hydro plants	MW	2,920.00	2,906.40	2,919.66	2,919.66	2,919.66	2,906.40
Total	MW	25,611.00	10,237.93	11,368.64	11,851.74	12,007.80	11,871.46

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. 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.

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

1. Product's feature

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 Kachasam" (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.

2. Market and Competition

Although bio-economic policy under government project Thailand 4.0 focuses on adding the value to Thailand's economic plants such as rice, sugarcane, cassava and helps motivate farmers to return to economic plant plantation. But the decreased of sugar price in world market, together with the drought in Thailand last year, resulted in lesser sugarcane yield and price. The plantation areas also decreased, and sugarcane farmers also control their production cost. Therefore, the demand for bio fertilizer is not so much. However, the Company implement the promotion by encourage the use of both bio and special chemical fertilizer to reduce the use of chemical fertilizer, which shall increase the yield and preserve soil condition to be sustainably suitable for sugarcane plantation.

2.1 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.
- Periodic 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.

2.2 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.

➤ 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 to use the good quality fertilizer and creates brand recognition.

2.3 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. 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, formular 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.

3. Production procurement

KTBF has the powder bio fertilizer production capacity of 5,000 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.

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.

Since 2016-2020, KTRD has been doing the research for the group with 29 projects and with more than 90 million Baht total budget. The research and development in raw material aspect focuses on the cane breed development such as the project to develop the new cane breed which is suitable to specific environment and contain local disease and pest tolerance. The new cane breed is expected to be available to contracting farmers in 2022, and is expected to create the increase cane yield and quality and the security of raw material of sugar business and continuing business.

Meanwhile, research and development projects in terms of products entail the study of the impact of planting soil and wastewater on tarramba and nepier, to which treated wastewater provides important nutrients for plant growth as well as helps reduce transportation costs, and the mature plants can be used in its biomass power plant.

KTRD's future plan is to provide the services for the group such as the laboratory analytic services for soil, fertilizer and water, laboratory analytic services for cane and sugar quality, the production of disease - free cane breed through the method of tissue culture and through the monitor of white leaf of sugarcane disease, microbial culture service and bio-refinery laboratory service. The Company also responds for patent registration, the group research collection and advancement.

Joint research with government and private sectors in 2020

In 2020, KTIS Research and Development Co., Ltd. conducted the joint research projects with 3 institutions for 5 projects with the total budget of 9.055 with following detail:

1. Mahidol University

- Enhancement of drought tolerant in sugarcane by growth promoting bacteria : A field study
- Developing Biometrics by Unmanned aerial vehicle for Monitoring Sugarcane Yield Estimation
- The study of evapotranspiration and crop coefficient of sugarcane under climate change by Bowen ratio and Lysimeter

2. King Mongkut's University of Technology North Bangkok

- Application of multi-layered PTA hardfacing on agriculture part

3. Naresuan University

- Utilization and Development of Sugarcane Stubble Splitter on Platy pleura cespitcola Boulard Management and Ratoon Cane Improvement

List of Assets used for Business Operation

Core Operating Assets of the Company and its subsidiaries

As of September 30, 2021, the Company and its subsidiaries have core operating assets, as followings :

Items	Net Book Value (THB Million)	Ownership	Encumbrance
1. Land and land improvement 9,713 rai 1 Ngan 30.67square wah.	380.55	owner	partly as Collateral Loan
2. Building and buildings improvements	1,633.13	owner	partly as Collateral Loan
3. Machinery and tooling	4,687.26	owner	partly as Collateral Loan
4. Motor Vehicles	69.93	owner	-

Items	Net Book Value (THB Million)	Ownership	Encumbrance
5. Furniture, fixtures and office equipment	24.41	owner	-
6. Motor vehicles	497.56	owner	-
7. Assets under installation	1,442.40	owner	-
Total	8,735.24		

Note 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, 2021

- (1) Leasehold of Kaset Thai International Sugar Corporation PLC for sugarcane plantation, the leasehold covers 194 plots with total area of 4,092 rai 51.20 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 405 rai, 45.20 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 16 plots, total area of 213 rai, 1 ngan, 86 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 8 plots, total area of 108 rai, 2 ngan, 43 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 56rai 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 36.60 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 365 rai 1 ngan 77.50 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 205 rai, 2 ngan, 75.80 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 151 plots, total area 3,649 rai 1 ngan 39 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 15 plots, total area 444 rai, 2 ngan, 88.70 square wa, under 3 years lease. The leased land located at Amphur Phrom Phiram, Amphur Thong Saen Khan, Amphur Tron, 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) Leasehold of Thai Identity Sugar Co.,Ltd. for parking area for sugarcane trucks and filter cakes, the leasehold covers 6 plots, total area 38 rai, 2 ngan, 40 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.

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

Trademark	Objective	Registration Date
	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.	Pending registration
	Used as a trademark for hand sanitizer alcohol.	Pending registration

Promotion privileges

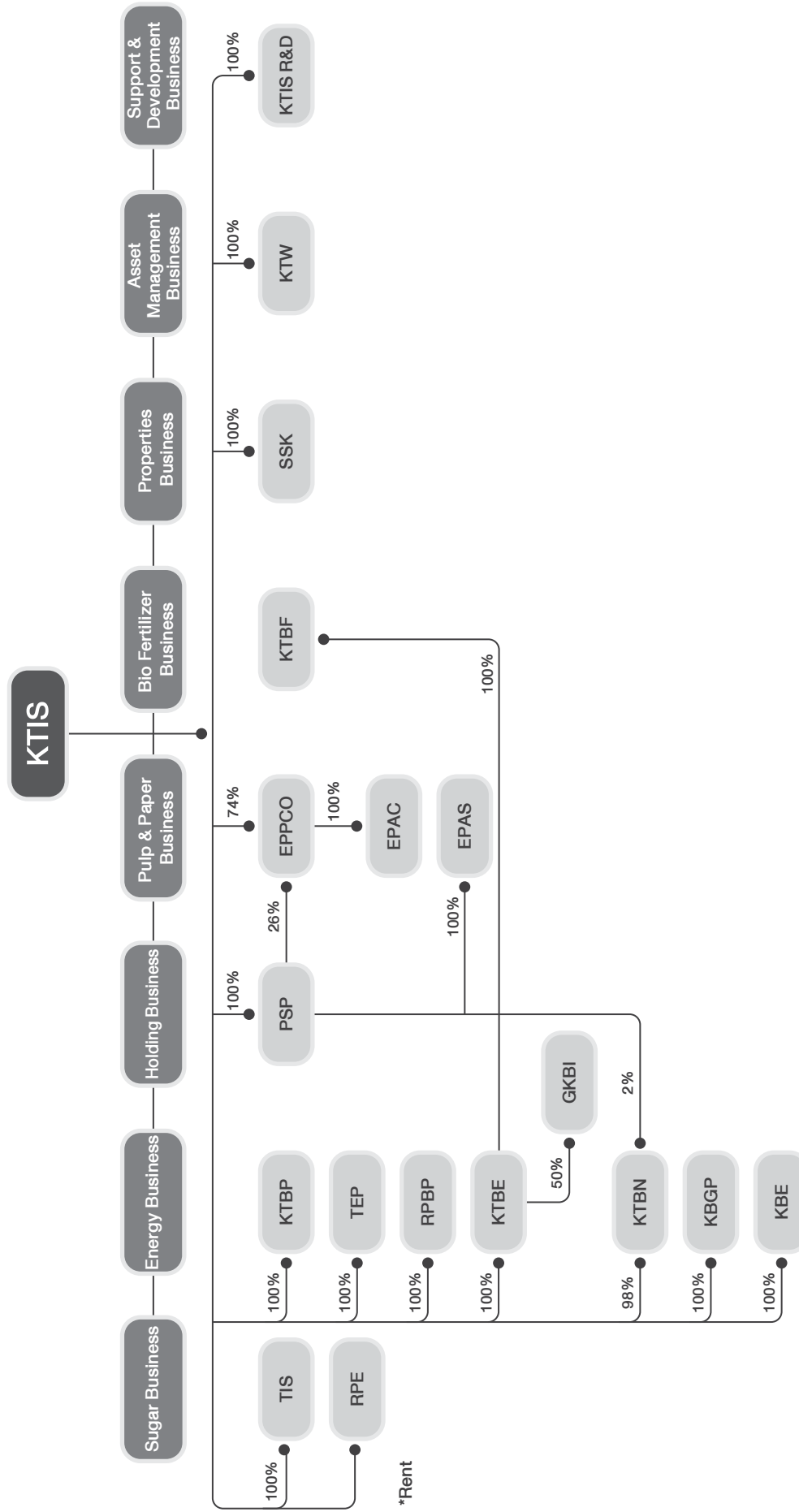
By virtue of provisions of the Industrial Investment Promotion act of B.E. 2520, the subsidiaries were granted privileges by the Board of Investment which included exemption from payment of income tax for certain operations. The details of each privilege are as follows :

1. Certificate No.	1095(1)/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	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								
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 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	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	Not yet Commence	Not yet Commence	14-Oct-20

The Company has no income from BOl-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 30,2021)

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
Environment 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	2,618,250,000

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, 2021, 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	35.00
2	3S HOLDING COMPANY LIMITED ¹	972,000,010	25.00
3	BANK OF SINGAPORE LIMITED	243,138,600	6.25
4	MR. SIRAPAK SIRIVIRIYAKUL	190,698,000	4.90
5	DBS BANK LTD	128,000,000	3.29
6	MRS. NAWARAT WANGPREEDALERTKUL	126,909,526	3.26

No.	Name	No. of Shares	% of Total Shares
7	MR. SIRAPAT SIRIVIRIYAKUL	120,892,900	3.11
8	MR. POOMRERK WANGPREEDALERTKUL	114,646,200	2.95
9	Group of KING WAN CORPORATION LIMITED	12,341,000	2.88
	KING WAN CORPORATION	87,267,000	2.24
	KING WAN INDUSTRIES PTE. LTD.	25,074,000	0.64
10	MR. POOMRATA WANGPREEDALERTKUL	62,492,000	1.61
	Total	3,431,918,236	88.27

***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, 2021, 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

²The 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, 2021, 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. POOMRERK 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, 2020, 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	2019	2020	2021 (Proposed)
1. Net Profit (Baht)	379,160,109	459,019,562	(561,672,416)
2. Number of shares			
2.1 Number of shares at interim dividend	-	-	-
2.2 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)			
3.1 Interim dividend (Baht : Share)	-	-	-
3.2 annual dividend (Baht : Share)	0.15	-	0.10
Total dividends paid (Baht)*	579,000,001.50	-	386,000,001
Dividend Payout Ratio	152.71%	0.15	-



Risk Management

The board of directors has assigned KTIS group's risk management committee to be a monitoring and management body in term of company's macro view. In 2021, the risk management committee has assessed the ended risk management, assessed the efficiency of risk management system to develop risk management policy and framework, by continuously applying the framework of risk management COSO-ERM 2017: Enterprise Risk Management Integrating with Strategy and Performance to be suitable with the Company's system and environment. ORM: Operation Risk Management Team is an assigned team to manage risk as per determined policy and framework, to set up measure to assure that the major risk shall be managed to be in the risk appetite level and which is set to be in accordance with the Company's goal, and to assure stakeholders about the operation and management shall be in accordance with the Company's objective.

In term of risk management monitor, the risk management committee has considered the list of Corporate Risk Profile, Key Risk Indicator and Risk Management Plan to be in accordance with the business direction, strategy, goal and changing environment which includes the assessment and the report of risk management presented to acknowledge the risk management committee and audit committee.

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 Factor in Business Operation

Information for the year 2021

1. The risk of foreign exchange's volatility

In the past year, the exchange rate slightly weakened from the last year due to COVID-19 pandemic which is severe and widespread in many countries. It directly affected the Company's business operation, since the 60% of the Company derived from the export of sugar and downstream business. Meanwhile, the machinery investment is the import from abroad. Therefore, the Company's income and expenses are directly affected by the fluctuation of exchange rate.

Moreover, 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 the net income of the industry, such net income 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 paid to sugar cane farmers by sugar mills. 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 used in the calculation of income distribution to sugar cane farmers. If any sugar mill could sell with the lower price than the selling price made by TCSC, such sugar mill shall pay the higher than the standard price for sugar cane and bear the higher than the standard cost of production.

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 income. The Company also monitors and analyzes an economic movement and other factors that may affect the exchange rate, so that the in-time management could be made.

The loss from exchange prevention may be both positive and negative to the Company's annual performance. Since the Company has to record the loss from exchange. Such loss is the difference between the receipt and payment from foreign currency sale and purchase agreement and compared with the exchange rate at the date of goods delivery which is recorded. The Company has carefully been cautious in the risk management of exchange rate without the act of speculation.

2. 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's fundamental factors. It also includes the movement of fuel price of ethanol produced from sugarcane and molasses used 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 affect 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. It shall also affect the sugarcane amount entered in to production.

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 keep 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.

3. Risk from trade measures of trading partner countries

Japan is the main export market of the Company. The changes in Japan's tax policy, quota, regulation and trade convention membership always affects the revenue from the Company's main export market. Previously, Japanese customers imported a lot of raw sugar J-spec from the Company. Later, 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. The Company losses amount of its revenue from J-spec sugar.

The Company has improved the machine so that it can produce more Hi-pol raw sugar. And, the Company reduced J-Spec raw 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.

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

4.1 The amendment of Sugarcane and Sugar Act BE.2527 which was proposed to revise the whole act by government agency, sugarcane farmers and political sector. Currently, there are 8 drafts of such act amendment under the consideration of the commissioner, the amendment shall significantly affect sugar industry which are the edition of by-product definition which originally is just molasses. Some drafts proposed to add bagasse and filter cake and ethanol in to by-product definition. If the amended Sugarcane and Sugar Act which will soon get the approval from the cabinet contain the aforementioned definition of by product, there would be avoidable chaos occur to sugar industry includes the Company.

4.2 The policy, which aims to reduce burnt cane to solve environment problem in upcoming production year 2021/2022, has determined the ratio of fresh sugarcane at 90% and burnt cane not exceeding 10%. Although the government tries to motivate sugarcane farmers by fresh sugarcane subsidization at 120 Baht per ton, but the scarcity of labour is an issue especially in the production season under COVID-19 pandemic, and the import of foreign labour and movement of non-local labour is very difficult. The available sugarcane harvesters are not sufficient to the harvest. Therefore, the reduction of burnt cane to 10% is difficult to succeed. The penalty for the violation of such policy is only the deduction of money from sugarcane farmer only 30 Baht per ton, and there is effect to the Company. Last year, the fresh sugarcane ratio of the Company is 82% which is better than the goal of 80% or more determined by the government.

4.3 The measure to maintain production efficiency that determined each sugar mill to maintain its production efficiency, by using 1 ton of sugarcane at 10 CCS to produce the sugar at 94 NT and shall receive at least 90 kg. of sugar, Meanwhile, there are many other variable factors, such as the method to random trash sampling which include bract and leaf, that could vary and may not create the fair result. Therefore, such measure has not been fully implemented. Meanwhile, sugarcane farmers also urged the government to strictly imposed such measure to help increasing sugarcane price. The strict implementation is soon expected to be enforced.

The Company has prepared to handle the risk by the machinery improvement to maximize efficiency and reduce loss in the process. The Company also arrange "Fresh and Clean Sugarcane Project" together with the contracted sugarcane farmers.

5. The risk from the competition of domestic sugar trade

The domestic sugar sale under quota system is cancelled, and the price control policy is also cancelled to solve the international trade disputed raised by Brazil to WTO. The allegation stated that Thailand has the sugar price subsidization policy which affects sugar price in world market. In the period that the foreign white sugar price was lower than the domestic price, there was the severe competition. Meanwhile, COVID-19 situation has recently relieved by the government's expedition of vaccination. The businesses begin to return to the operation which should help stimulate the sale of domestic white sugar to be in the uptrend.

The Company has been slightly affected because most of its customers are industrial sector which uses sugar as the raw material. Some industries are still in the uptrend.

The Company also improve the quality of sugar and increase the product variety such as liquid sugar and super refined sugar. The production of retail sugar, in sizes of 1 kg. 500 g. and 300 g., to directly and indirectly meet the demand of consumers.

6. Risk from government policy uncertainty (Ethanol business) and changes in energy policy

For the domestic ethanol usage which was supported by government under AEDP2018 plan, there has been the decrease of ethanol usage target in logistic section from 11.3 million liters per day to 7.5 million liters per day in 2037, and the support of E20 gasoline to be a base benzine gasoline. Moreover, there shall be the decrease of financial compensation to subsidize gasoline which contains biofuel for E20 gasoline and E85 gasoline from Oil Fuel Fund within 7 years to maximize the subsidization. These factors are all negative effect to future business. Last year, the Company sale of ethanol for logistic sector decreased about 30%.

Under the COVID-19 pandemic, the Excise Department had allow ethanol plants to use Converted Alcohol over 80 degree to produce the hand sanitizer for public benefit and for sale that shall end in 30 September 2021. However, the hand sanitizer sale volume could not substitute fuel ethanol sale.

According to such risk from government's change, the group company, as the member of Thai Ethanol Trader Association, has met with relevant authorities such as Energy Policy and Planning Office, Department of Alternative Energy Development and Efficiency to expedite the ethanol consumption to be suitable with production capacity through each kind of gasoline price mechanism and the money paid from and received in Oil Fuel Fund to support E20 to be standard fuel and to cancel gasohol 91, and also met with the Excise Department about the allowance of the usage of Converted Alcohol over 80 degree in other industries. Further, the Company also increase 99.5% industrial ethanol distribution channels for government agency, entrepreneurs and public to produce hand sanitizer for use or for sale. The Company also produced its own 70% hand sanitizer gel and 75% hand sanitizer spray under the brand KNAS and KNAS Plus which are directly distributed, or through agents and contract parties.

If the domestic situation does not proceed as expected, the group company still has capability to produce high quality alcohol to by the relationship with international traders, the capability of port and storage facilities for export and the expertise in exporting process which was practiced many times. This is also other channel to generate income under the severe ethanol competition which is more severe than last year. All of these risk management measures is to mitigate risk from the changes of policy which have the severe consequence by lessening the negative consequences or even cause no damages to the Company.

7. The risk of COVID-19 pandemic

The recent COVID-19 pandemic has not much effected sugarcane and sugar industry. There has been the decrease of infection from those relevant to the Company such as sugarcane farmers, truck drivers, sugarcane harvest labor forces and the outsider who needs to get into the factory. The government also determined the measure, regulation of travel restriction in each area, the limitation of shop's business hours to reduce public gathering. It does help control the disease spread to be in limited area and to be easily managed. However, the disease has spread into industrial sector nationwide, include some sugar mills detected many infections outside operating season, which caused the concern and alert to sugar mills' entrepreneurs to determined diseased control that the employees must strictly abide by.

The Company has been slightly affected by COVID-19 for the domestic and international logistic and the decrease of customers since the majority customers are industrial sector. Some of the Company's investment project has been postponed the completion due to the machinery, equipment and foreign experts could not enter into Thailand for the installation and test run. There has been no cluster among the Company's employees.

The Company's risk management begins from focusing on employees' behavior with the government recommendation of each area. The penalty is made to those who do not comply or violate to preserve employees' common interest and to prevent the consequence of surrounding communities. To secure the production area, the Company has limited the amounts of guesses and proceed the screening before the entrance such as temperature check, ATK test, the encouragement of the employees wearing masks, hand cleaning by alcohol gel and the vaccination support to employees and their family to create the herd immunity to the Company.

However, the Company has determined the practice in case of infection detection under Bubble and Seal practice, and has prepared the quarantine facility for preliminary cure before the delivery to hospital.

8. The risk of sugarcane procurement

In the production year of 2020/2021, the sugarcane amount crushed by Kaset Thai sugar mill is small, the amount decreased 245 from last year. The nationwide sugarcane amount goes in a same direction which decreased to 66 million tons due to the drought and sugarcane procurement competition. The quality of Kaset Thai's sugarcane in the production year of 2020/2021 in terms of CCS and fresh cane has improved but there was a problem of fresh sugarcane contamination.

In the production year of 2021/2022, the Company has determined the farm department's risk management to suit with risk circumstance as follows :

1. The events that cause the risks and possible consequences

1.1 The amount of rainfall : after the long continuous drought since 2018, has decrease below the amount needed by sugarcane.

This year, rainfall was heavy and came early in April then faded away for 3 months and then there was some slight rainfall between the end of August to the end of October. Therefore, the total amount of rainfall in this year is more than past 3 years, and the sugarcane amount tends to increase.

- 1.2 Sugarcane price : the preliminary sugarcane price of 2020/2021 was 920 Baht at 10 CCS which is better than a year before which was 700 Baht at 10 CCS. Furthermore, the final sugarcane price of northern zone 3 is expected to increase for 70-100 Baht at 10 CCS per ton and that makes farmers think the price is going up. The sugar mills association launched the price guarantee program for 2 years of year 2021/2022 and 2022/2023 to ensure the minimum price at 1,000 Baht at 10 CCS and that makes farmers think that sugarcane plantation generates a good return. The consequence is that farmers pay more attention to sugarcane maintenance to maximize yield production and encourage farmers who plants other crops to turn to sugarcane.
- 1.3 Competing crop : in the area of KTIS' sugarcane crop, there are important competitive crops which are cassava, corn and rice. In past 3 years, all these competing crops, which are alternative of farmers, could take plantation areas from sugarcane due to the subsidy from government and climate of drought is suitable for cassava crop and the price was increasing. However, the rainfall in September makes many cassava crops rotten. Corn, although has a risk of climate, but with the high price and short crop cycle of 3 months is some of farmers choice to get a quick income. Although rice's price is not so good but some farmers are still get used to these crops as a practice inherited from their ancestors.
- 1.4 COVID-19 pandemic : The continuing COVID-19 situation from the beginning of 2020 and became severe, but with government action has affected the plantation and harvest of sugarcane. As labor forces for plantation and harvest are people from other areas, they are subject to quarantine before begin the work.
- 1.5 Other sugar mill : Although the sugarcane amount in 2021/2022 has increased in the aspects of plantation areas and production yield from previous years, and it is expected that Thailand total sugarcane amount will be around 85-90 million tons which increased significantly from year 2019/2020. But the capacity of large sugar mills and the new sugar mills, the competition for sugarcane procurement shall be very competitive.
- 1.6 The government's fresh sugarcane harvest policy : Last year, KTIS has cooperated with relevant sugarcane farmers associations encourage the increase of fresh sugarcane. However, some of farmers faced the problems and have to reduce the plantation since the scarcity of labor forces for the harvest as the government policy for this year fresh sugarcane ration is 90%. The farmers who harvest fresh sugarcane will receive financial support at 120 Baht per ton and the burnt sugarcane price shall be reduced at 30 Baht per ton to become financial support for fresh sugarcane harvest. Sugar mills also support relevant equipment such as sugarcane harvesters, raptor, leaf combing machine to ensure farmers' success for fresh sugarcane harvest.

The risk from the procurement of qualified and sufficient sugarcane: from the aforementioned event and possible consequences, the Company assessed the relevant risk as the high level, and determined the mitigation measure as follows :

2.1 Risk mitigation of sugarcane amount

- 2.1.1 The procurement and creation water sources and water distribution to nearby plantation : KTIS has supported its contracted sugarcane farmers to procure and create water sources such as pool digging, underground waterway digging, watering equipment, plastic grounded pools, solar cell and distribution of water to nearby plantation which is financed by Bank of Agriculture and Cooperation and guaranteed by sugar mills, further the sugar mills also provide their own annual budget to farmers for such process as well.
- 2.1.2 The increase of contract farming which comes from current farmers due to increased rainfall, the good maintenance and better yield production, and from new farmers who have sugarcane plantation but never signed contract with any sugar mill. These sugarcane farmers interest to sign contract due to their confidence in KTIS sugarcane promotion and logistic system.
- 2.1.3 Sugarcane planation and yield has increased due to better rainfall amount, together with sugar mill association price guarantee. Therefore, farmers pay more attention to sugarcane maintenance such as shoveling, fertilization, pest control, watering in a period of rainfall shortage. The Company has determined the monitor of the progress in all plantations

- 2.1.4 The monitor of pest and disease spreading : Many years ago, KTIS had faced the spreading of sugarcane's disease and pest which destroy production. Therefore, the survey team was established to monitor disease and pest. The biological prevention method is implemented under academic division responsibility such as the use of parasitoid, earwigs and Green muscardine. Moreover, the sugarcane survey is made every year and the education about survey and pest control knowledge is provided to farmers. Therefore, there is not significant economic damage occurs in recently years.
- 2.1.5 The monitor of other sugar mills : the Company has its units in every area of contracted sugarcane plantation. The responsibility of staff of such units is to monitor the movement of other sugar mills in their responded area, together with a good relationship with sugarcane farmers, the Company acknowledge the movement on time and could adjust the strategy in time.
- 2.1.6 The monitor of competing crops : the Company focuses on this issue, and set up the team to all the time monitor situation of competing crops which are cassava, corn and rice. The monitor covers the plantation areas, production, purchase price and others to determine the effect to the Company. Such monitor helps farm division determine the action that suits with such situation.
- 2.1.7 The determination of the appropriate mill opening day : Since the sugarcane amount is not exceed the capacity, therefore, the determination of appropriate mill opening day will help sugarcane has the appropriate quality for sugar production and gain the weigh at the maturity. It also helps the mill opening get along with the capacity to harvest and the plantation access to reduce the sugarcane shortage at the beginning of the opening.
- 2.2 Measure to mitigate the risk of sugarcane quality
- 2.2.1 The selection of sugarcane from maturity : From the data collection of each contracted plantation at the day of plantation completion and the day of harvest, the types of breeding, it is able to determine the appropriate time for the harvest at the time of each plantation maturity. No early harvest or no delayed harvest is made. This information helps the Company inform farmers to harvest at the most appropriate time. The sugarcane juice intensiveness, used Brix handle refractometer of each staff, helps farmers select the appropriate plantation to harvest.
- 2.2.2 The solution for farmers being warned or reduced sugarcane price in last year : From the record of 2021/2021, the sugarcane farmers who is warned or reduced price shall be approached by senior staff of the Company before the new season. The cooperation and solution are proposed by the staff to such farmers to prevent the delivery of low quality sugarcane.
- 2.2.3 The climate tracking and forecast for advance notification is made in the planting process, maintenance process and harvest process to receive the perfectly grown sugarcane under the climate condition to get the best quality. Meanwhile the climate tracking and forecast of upcoming season will help the harvest, the logistic and the receipt of sugarcane get along with climate, which helps reduce the low quality sugarcane.
- 2.2.4 The sugarcane harvester training to the Company staff using simulator : when there is the more sugarcane harvester to harvest fresh sugarcane. Therefore, there are many sugarcane top, leaf and other contaminated comes with sugarcane and cause KTIS the problems of trash and sand soi. KTIS emphasized the training for sugarcane harvester drivers by providing a training with simulators to upskill the drivers even out of harvest season.
- 2.2.5 Sugarcane quality survey at sugar mills : Apart from focusing on sugarcane quality in plantation, the Company also determined the quality survey by surveying all the sugarcane trucks once arrive at the sugar mills. The survey is done at survey point, waiting for dumping area and dumping control point. This is to ensure that all batches of sugarcane delivered are qualified. If the survey found unqualified sugarcane such as over dirt percentage, contamination, soil and sand, under CCS and purity parameters, such batched shall be suspended and the report is made to responded team for rectification.

2.2.6 The use of leaf plucking machine : The farmers who comply with government policy and use labor forces to harvest fresh sugarcane, there are many leaves contaminated. The Company has encouraged the use of leaf plucking machine before the harvest to get the fresh and clean cane, and supported labor group to buy such machine by financing from Bank of Agriculture and Cooperation's special program, providing manual for correct usage and the demonstration the usage of such machine.

9. The risk from unrepaid debt from sugarcane farmers' financing

For the debt occurs from sugarcane farmers' financing, there are specific measures and system for debt collection. The unit in each area shall be responded unit and their performance is used for the efficiency assessment. Such measure has performed well and could efficiently collect the debt. It is expected that once the final sugarcane price is announced, some amount of debt could be collected. In this year, the Company has the unrepaid debt occurred from contracted farmers in a very small ratio compared to the total amount same year's financing.

The risk from unrepaid debt from sugarcane farmers' financing and its consequences is determined by the Company to be the high risk, therefore the Company has determined the mitigation measure as follows :

1. The farmers screening process for contract and financing : From past years' experience, the problem of unrepaid debt occurred from financing, even such problem did not turn into non-performed loan. The major cause of such problem is the farmers who is the debtors. Then, the Company determined the screening process to farmers who applied for financing. Before the contact, there shall be the consideration of an individual in aspect of occupation, financial status, plantation area, household labor, agriculture equipment etc. The Company's staff in each unit have a good knowledge about each financing applicants and know that should the financing be granted or not.
2. Risk mitigation from the sugarcane promotion : In the sugarcane farmers promotion manual, there are many process and method to mitigate risk such as the survey of plantation's appropriateness before an approval, the education about plantation and maintenance to all sugarcane farmers especially the new farmers, the condition that farmers have to jointly invest, the system of financing limitation, the system of collateral, the plantation visit and suggest for best practices in sugarcane plantation.
3. The climate tracking and forecast for advance notification : Apart from providing benefit to sugarcane quality, it also helps sugarcane farmers properly process the sugarcane plantation and maintenance in accordance with climate condition. It helps mitigate risk of agriculture from climate which is major factor of crops loss. Furthermore, farmers with precise climate knowledge will get the benefit in higher sugarcane yield production.
4. When the sugarcane maintenance is done and the sugarcane yield production of each farmer is made, the Company has created a detection system with forecasted sugarcane price and could forecast the farmers with unrepaid debt in such year. Therefore, the Company could take care of such farmers to prevent unrepaid debt or minimize unrepaid debt such as help them to sell sugarcane breed, take care of harvest to get the highest price or to harvest at the highest CCS value, help control their harvest expenses.
5. The increase of farmers' income by fresh sugarcane harvest : Apart from being government policy to conserve environment and reduce PM 2.5 dust, it is expected that the fresh sugarcane harvest could reduce the destruction of insects that are sugarcane's pest enemies, it also helps sugarcane trunks better grow again. The fresh sugarcane harvest also increases farmers incomes from not being deducted the price as the burnt sugarcane and get the additional financial support as per Thailand's regulation. The government also supports the fresh sugarcane harvest expenses.
6. The arrangement and process of debt collection : In case the Company decided not to further promote any contracted farmers. The local staff shall collect his unpaid debt and the debt collection is used to assess the staff. The local staff have the information about farmers, their guarantor, collateral and other properties, therefore, the debt collection is effective

10. The risk of paper pulp's raw material scarcity

The severe drought has caused the nationwide sugarcane amount to decrease and also consequentially decreased the bagasse amount derive from sugarcane crushing production, and some of bagasse is allocated to the electricity production. Therefore, the bagasse allocated to pulp production is insufficient. The amount of bagasse put into paper pulp production decreased significantly from last year.

The Company continuously improves machinery's efficiency to decrease cost and increase yield production. The research and development of the use of rice straw as the raw material. The value increasing methods for bagasse pulp and bagasse are made, the investment in environment friendly packaging is made under Environment Pulp and Packaging Co., Ltd. with the capital registration of USD 650 million and 50 ton daily production capacity or 859 million pieces per year. Such project is expected to produce and distribute the products to market in the first quarter of 2022. The revenue from the project is expected to be more than 1 billion Thai baht per year, and the project also helps preserve global environment as well.

11. The risk of raw material scarcity

The severe drought in last year has caused the amount of sugar highly decreased. The molasses which is by-product from sugar business also decreased in the same direction. Therefore, the price of molasses which is the raw material also increased. The pandemic control has slowed down transportation sector, which also affected that the domestic ethanol consumption did not meet the goal. The situation of ethanol over supply occurred and some plants must stop increasing production capacity, because domestic ethanol demand is not as planned. In 2021 the nationwide total production capacity is 6.275 million liters but the actual use is 3.8 million liters. Although 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. However, the sale of alcohol hand sanitizer resulted in 1-2% of total ethanol production capacity.

The forecast of sugarcane and sugar production trend of next year is slightly increase, while the pandemic situation is uncertain. These are factors which results to ethanol's amount and production cost. The Company determine the risk management measure by keep monitoring the risk that may occurs from such factors. The Company also has the joint meeting with its subsidiaries, ethanol trader association, Federation of Thai Industry, to acknowledge the updated information and apply such information in time.

12. The risk of powerplant's raw material scarcity

The Company has always focused on the electricity production business, due to it is an important business with fewer volatility and with no competition. The Company has electricity sale contracts of large amount of electricity with Electricity Generating Authority and Provincial Electricity Authority. The Company electricity is generated from biomass, mainly from bagasse, which is the clean energy. The decreased amount of sugarcane causes the insufficiency of powerplants' raw material.

The Company has developed the substitute raw material by using agricultural byproducts such as sugarcane leaf, corn trunk, millet trunk and rice straw. Apart from, increasing the Company's electricity production, it also helps increase farmers' income.



Sustainability Oriented Business Drive

ESG (Environmental, Social and Governance) Policies and Goals

For more than 54 years of business, 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



- TIS : “Excellence Sugar Factory Award” authorized by Office of the Cane and Sugar Board, Ministry of Industry, for 7 years
- TIS : “Conservative Cane for the World Award” authorized by Office of the Cane and Sugar Board, Ministry of Industry, for 4 years



- 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)





- KTIS/KTBP, KTIS 3/RPBP, TIS/TEP :

"THAI STOP COVID Plus" Certificates authorized by the Department of Health, Ministry of Public Health, affirming the organization's health and safety measures are up to standard amid the COVID-19 pandemic



- KTIS 3 / TIS :

"Good Labour Practices: GLP" Certificates authorized by the Department of Labour Protection and Welfare, Ministry of Labour



- KTIS : "Outstanding organization for Social Security contribution" Plaque authorized by Nakhon Sawan Provincial Social Security Office



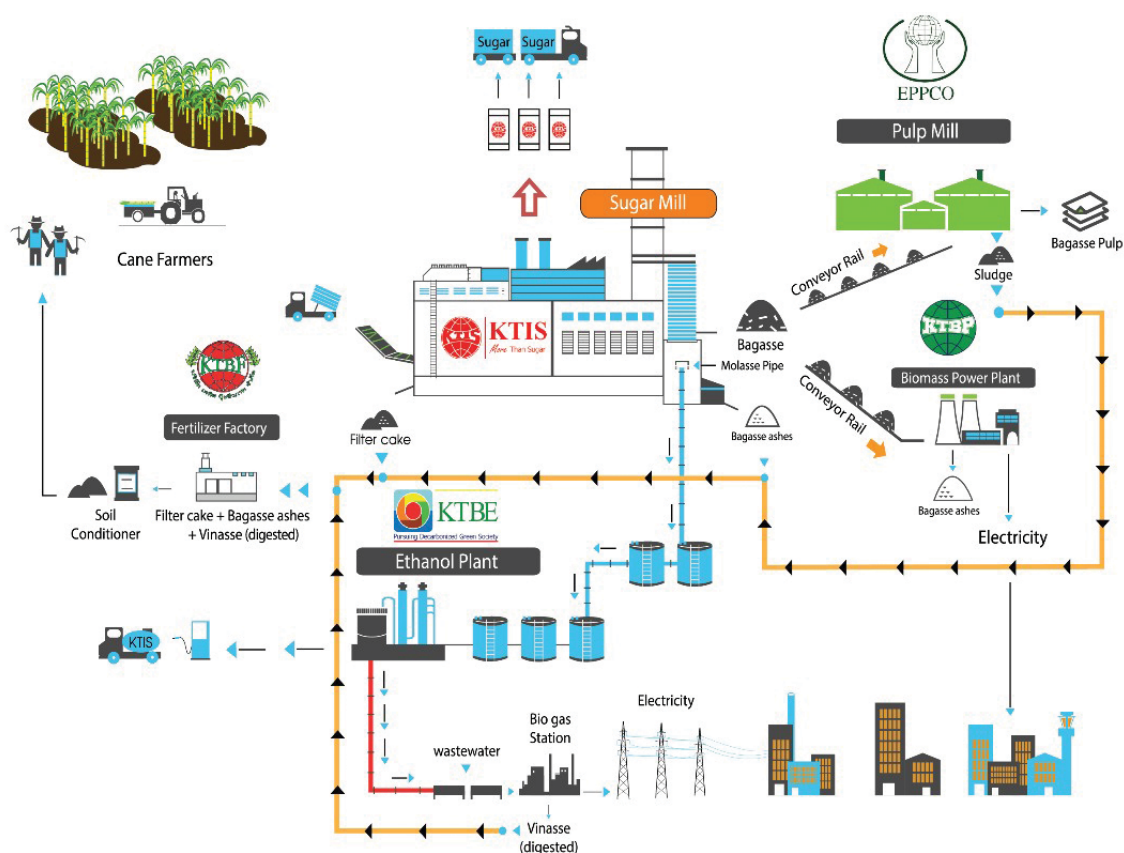
- KTIS 3 : “Thailand Labour Management Excellence Award” Certificates authorized by the Department of Labour Protection and Welfare, Ministry of Labour, for 12 consecutive years
- KTIS 3 : “Prevention and resolution of drug problems in workplace” Certificates authorized by the Department of Labour Protection and Welfare



- TIS : “Excellence Sugar Factory Award for the raw material advancement and development” authorized by Office of the Cane and Sugar Board, Ministry of Industry
- TIS : “Excellence Sugar Factory Award for the production efficiency advancement and development” authorized by Office of the Cane and Sugar Board, Ministry of Industry

KTIS Group's Value Chain

KTIS - More Than Sugar (Fully-Integrated Business)



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 (bagasse pulp mold 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

KTIS Group gives importance to risk management as it is fundamental to long-term business sustainability. Meanwhile, changes in the current business environment, especially climate change, affect the stability of the Company's raw materials to reassure all stakeholders by preventing losses or damage from difficult-to-predict uncertainties. At the same time, it seeks opportunities to add value to the business by using technology to increase production and management efficiency. In order to achieve the objectives and goals of the organization, in line with good corporate governance and in accordance with the international standards of COSO Enterprise Risk Management (ERM 2017).

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, an analysis and identification of a list of risks that may be caused by such significant environmental changes, a collection of a list of risk profiles, a conduct of risk level assessments to prioritize and a grouping of the risk list that the organization focuses on, which is likely to be a risk event that significantly affects the goal of achieving business goals before analyzing the root cause to determine the effective Mitigation Plan. It also focuses on emerging risks that have a significant impact on achieving long-term business goals.

During the pandemic of COVID-19, the Company has established control and prevention measures from the beginning of the pandemic in accordance with the Crisis Management framework, with the commitment not to spread to affect business operations during the crushing season. It begins with the screening process of employees, including third parties, who come into close contact. Further, it includes supporting and pushing employees and families to be fully vaccinated, implementing preventive measures in accordance with Bubble and Seal measures, which separates employees into subgroups to reduce the likelihood of infection and widespread epidemics, as well as coordinating with relevant government agencies and surrounding communities to implement the announcement rules, and relevant regulations.

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

Under the circumstances of the coronavirus pandemic (COVID-19)

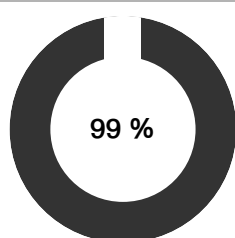
As a result of the COVID-19 pandemic that has occurred quickly and strongly, it is not yet known when it will end, creating uncertainty and affecting the change of business operations. This causes disruption to business operations such as a shortage of raw materials used in production, travel restrictions which affects the transportation of raw materials and goods. As a result, goods prices have increased, as well as labor problems that were unable to work during the COVID-19 pandemic. As a result, the KTIS group needs to make adjustments to the supply chain system to be more flexible and agile to reduce the risk of disruption to production processes. The ability to deliver products in order to provide quality raw materials, manufacture and delivery to customers, the Company has established measures to assist partners as follows :

- In the consequences of the COVID-19 pandemic which has affected small and medium-sized enterprises (SMEs), the Company has helped entrepreneurs achieve better financial liquidity. The Company paid the debt to its suppliers within 30 days from the date of receipt of the goods or services, the product or service with the completed and the documents received.
- The Company together with partners jointly adjust supply chain plans and services, both in the aspects of raw materials, production, quality and on-time delivery of products.

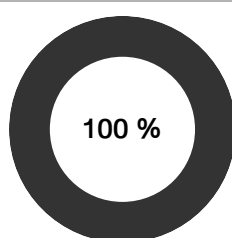
Procurement and Selection of potential partners

KTIS Group also values and sets out sustainable development guidelines by setting evaluation criteria for the potential and qualifications of new partners. Assessment criteria include important factors such as product properties, delivery capabilities, and more, quality service system, traceability. We perform these assessments regularly on an annual basis.

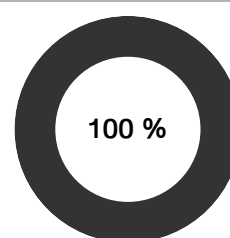
Y-2021 Supplier Performance Appraisal



Percentage of
domestic suppliers



On-time delivery
performance



Product Quality
management

Assess the risk of partners

KTIS Group's key factors has continuously assessed and managed risk throughout the supply chain from the beginning to end, to ensure that risks arising are properly mitigated through monitoring tools.

Customers & Consumers

Challenge

Conducting businesses of KTIS Group under the slogan More Than Sugar, we have focused on customers and consumers as well as caring and preserving the environment. Due to the epidemic situation of COVID-19, the behavior of customers and consumers has changed significantly. Consumers are increasingly paying attention to health care. In addition, environmental problems are becoming more and more serious. Global warming problems make the international community more alert and serious in solving the problems. KTIS Group is part of the response to solve environmental problems and pay attention to the health of consumers by committing to produce good quality products and concerns for consumer's safety in every step of the production process.

Management Approach on sustainability

Customers and consumers are considered to be one of the most important stakeholders of KTIS Group. We have created awareness among everyone in the organization to produce quality products to meet the needs of customers and consumers as well as focusing on product development and providing better services to customers and consumers. At every step of the production process, we pay attention and focus on supervision, inspection with quality control systems and product traceability according to international standards and environmentally friendly to build confidence of customers and consumers. KTIS Group also conducts a survey to assess customer and consumer satisfaction through a close monitoring process every year, as well as using customer and consumer feedback to develop products. and services to meet the needs of customers and consumers as well as being part of creating sustainability for customers and consumers.

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 and personal data security in accordance with government policy, 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

Challenges and Approaches

KTIS Group focuses on personality development to grow and create sustainability in the organization by focusing on the employees as the most important and the beginning to many creations. The focus is on continuously developing employees at all levels, with a clear workforce development plan by constantly establishing a learning system, by establishing Training Road Map to provide everyone with knowledge, skill and behavior or attributes that meet the expectations of the organization. All KTIS employees at all levels must work professionally in all positions (Professional), evaluated by assessing their performance with performance management system (PMS),

which reflects the results of work in all aspects of employees' actions, including performance, quality, cost, delivery, safety, employee morale and loyalty to the organization (Moral), legal and ethic, as well as none of environment compliant. The aforementioned will give a concrete glorification of the success of the organization's goals and indicate the direction of the business and can work effectively regardless of the problem or crisis.

Commitment and development to achieve growth and sustainability

KTIS Group has focused on work management towards the Company's vision, mission and values. The core values has shaped into the Company's unique culture, for instance, being thinkers, engaging in creativity and innovation, open-mindedness and improving workflow efficiency to develop well-rounded employees. Re-Skilling is needed to foster performance excellence, Up-skilling is needed to develop new competencies by identifying employees' core skills or the skills that are required. This is to demonstrate our commitment to development. There is talent management system, to retain employees with high abilities and skills to grow and work with the Company, career management for advancement opportunities and chart career paths, and successor system to replace all key positions, which carry out in systematic and fair manners. We shape KTIS group's employees to be "good and talented" in all roles, internally and externally.

Learning from the Crisis

As facing the current crisis, KTIS has learned from such situations as drought, floods, global warming, COVID-19 pandemic crisis, which each crisis condition gives us opportunities to learn and manage them, by recognizing the problems and using internal audits and risk management, so that imposing a policy focused on human resource management to create behavioral adjustments to work; that is understanding the goals, paying attention to detail, analyzing the information to identify the actual causes and providing systematic solutions, encouraging continuous learning and implement Knowledge Management (KM). With such approaches, employees must focus on learning processes that need to be measured in a concrete way, learn from mistakes, respond quickly (Quick Action) and avoid repeating the same mistakes (Preventive Action), by using 70:20:10 Model for Learning and Development, namely, on the Job Training (OJT) methods as a part of Re-Skill, which helps develop 70% skills, Train the Trainer methods as a part of Up-Skill to develop an internal training team, which helps develop 20% of instructional skills, and external training as a part of New-Skill to gain new knowledge and develop new skill.

Challenges and Approaches under COVID-19 pandemic

Human resources are the most valuable resource in the Company. In recent years, challenges have arisen from the worldwide pandemic of COVID-19. Under severe pandemic circumstances, the Company however has to process and deliver goods to domestic and international customers. Measures ranging from prevention, surveillance and handling unexpected situations effectively must be taken so as not to cause operational problems and to reassure customers and consumers. In addition, collaborating with local communities and government agencies is important to help reduce the risk of the outbreaks. At the same time, amid rapidly changing world, developing existing skills, adding new skills continues to be carried out especially in highly volatile, uncertain, complex and ambiguous environments, just well-rounded employees are the key driving the success of the business.

The approach to management during the COVID-19 pandemic of KTIS is to monitor, prevent and deal with in a timely manner. The policy requires employees and their families to be vaccinated to prevent severe illness. And if there is an infection, it must be accessed to treatment as soon as possible. During prevention, strict measures must be taken based on the D-M-H-T-T principles of the Ministry of Public Health. Adjusting work from home operations in areas of severe outbreaks and bubble and sealing within production facilities and randomly detecting infections periodically to reduce the risk of outbreaks as much as possible and to assure its consumers and the public of the quality and safety with COVID-19 free of KTIS products.

As part of human resource development, KTIS Group has ideas to improve its employees' personal qualities and skills, by emphasizing on increase of skills needed in the future and empowering employees via analyzing and developing personalized development guidelines and conducting development through operations such as classroom training, on-site training, and project or assignments.

The ultimate policy is to improve employees' well-being in the workplace, as workplace wellbeing will facilitate team bonding and spur work productivity that contributes to the success of the business. During the COVID-19 pandemic, KTIS group provides personal protective equipment for employees including surgical face masks, hand sanitizers, and activities to reduce employee stress and to form a collaborative culture.

Performance

Employees, contractors and operators who work for KTIS Group are fully vaccinated, either vaccinated by government agencies or alternative vaccines provided by the Company. Prevention and surveillance in production areas can prevent infection with no production halted and for those who have been treated are able to get back to their normal life.

In the previous year, training hour per person per year was at an average of 20.2 hours.

In addition, KTIS group has been continuously awarded Thailand Labour Management Excellence Award from Department of Labour Protection and Welfare, Ministry of Labour, for many consecutive years.

Occupational Health and Working Environmental Management

In productions, a variety of heavy machinery is required with many workers involved in the production lines, safety and work environment is extremely important to prevent and reduce accidents, injuries or sickness from work, not just for employees but also subcontractors with the Zero Accident Campaign.

Management guidelines start from providing appropriate education to all employees in on the risk of accidents or occupational diseases basis. There is a policy to raise safety awareness through activities such as Safety Week, KYT Clip Contest, "Wearing a helmet or a seatbelt while driving" campaigning, exercise before and before work to reduce the risk of office syndrome, etc. Safety, Occupational Health and Working Environmental board has been established in each factory to raise awareness and carry out activities according to the control plan and reduce significant risks from the safety and risk assessment.

There is a policy to continuously monitor and evaluate safety through the examination of potentially pathogenic factors based on risk factors with regular safety patrol and safety audit arrangements to monitor safety operations.

In addition, KTIS group also provides in-house infirmary so that employees can receive medical advices, by providing regular healthcare workers during working hours and providing annual health check-ups for employees, both general health check-ups and risk-based check-ups, and after receiving the results, individual consultations will be conducted to plan for further health treatment.

Performance

In the past year, Lost Time Injury Frequency Rate (LTIFR) was 1.02 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 :



- 1. No poverty
- 2. Zero hunger
- 4. Quality education
- 8. Decent work and economic growth
- 13. Climate action

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 57 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.

Environmental Performance

KTIS group is aware of its operations, and environmental impacts must be taken into account. The operations are focused on management under the cooperation between factories and stakeholders, dividing the mission into 4 parts, as follows :

- Resource and Waste Management
- Water Resource Management
- Air Quality and Particulate Matter (PM) 2.5 Management
- In-house Energy Management

Environment Dimension regarding Resource and Waste Management

At present, we have challenges in managing waste materials of industrial waste arising from everyday use, both through our understanding of material handling and poor management, which result in these waste materials becoming environmentally polluted. Whether it’s contamination in the environment affects the living conditions of animals, including contamination in meat consumed by humans, this has become a problem that requires nationwide and global management cooperation.

KTIS group is aware of potential problems in the future, therefore, instill values in handling materials to employees, raise awareness and set a good example for communities and society. We have a policy to manage waste materials based on 3R principle, which is Reduce, Reuse and Recycle as well as campaign of each type of waste sorting for proper disposal. In addition, there is a policy to further the use of industrial waste into products that can be substituted and environmentally friendly.

Performance on waste and industrial waste management

From KTIS Group Management, all possible replacement materials that can be biodegradable are the products of the Company itself. 91.3% of waste and industrial waste from manufacturing are developed into products, both internally used and sold externally, and hazardous waste management is managed in conjunction with reduced use, in cooperation with third-party companies to manage and dispose of waste materials in proper ways.

Environment Dimension regarding Water Resource Management

Water is a factor in the livelihoods of every life on Earth. In recent years, Thailand’s challenge has always been droughts that have occurred across the country. This year is the second year to be affected by drought caused by the effects of climate change from global warming. The challenge of KTIS group is jointly management of water used in factories and surrounding communities in order to provide sufficient water for living and conducting activities.

KTIS group gives importance and recognizes that it is not possible to manage water resources by just one person, but also to be cooperative with the community. Therefore, there is a policy to manage water using treated water for agriculture within a 5 kilometer around the plants. Treated water management policy with the villages surrounding the plant raises awareness of water treatment for employees.

Performance on Water Resource Management

In the past year, KTIS group has implemented an economical water campaign, such as contests for water reduction projects in factories, water management knowledge promotion program which can reduce water consumption by 19.8% compared to water consumption in previous years. In addition, it has been working with the community by delivering treated water to more than 300 farmers and farmers around the area, totaling more than 1.2 million cubic meters for agricultural use during drought water shortages, and has managed to deliver 1.3 billion cubic meters of clean water to surrounding communities.

Environment Dimension regarding In-house Energy Management

Growing economic and social conditions each year will increase energy consumption, which requires more planning, production and import of energy from neighboring countries, thus affects energy security. In addition to that, increasing production has also affected the country's use of resources, therefore, energy savings is a must do approach.

KTIS Group's approach is to conduct activities to raise awareness for employees and surrounding communities to gain an understanding of energy efficiency, such as holding energy saving project contests, organizing Energy Week events. In addition, investment plans are being developed to reduce energy consumption in the plants.

Performance on In-house Energy Management

In the past year, the KTIS group has reduced energy consumption in production by 8.2% compared to the previous year, and investments have been made to reduce energy consumption by 15% in the following year.

Environment Dimension regarding Air Quality and Particulate Matter (PM) 2.5 Management

In winter, Thailand experiences PM 2.5 problems caused by activities both in the country and in neighboring countries. One of the causes is burning in open areas from agriculture, such as burning after harvesting in rice fields. Sugarcane farms, corn fields are produced by harvesting, and sugarcane farm activities are part of the cause of the problem.

The KTIS group's approach to address this issue can be divided into 2 approaches: pre-harvest management and post-harvest management, as both activities can also create problems. Sugarcane cutting activities are required by farmers to burn before cutting to remove trapped sugarcane leaves and help them cut faster. In addition to burning reduction campaigns and fire watch prevention, there are also fire prevention campaigns. The solution can be done by using a tool to remove sugarcane leaves before cutting or using sugarcane harvesters to replace labor force. The second approach is to manage after harvesting, since the remaining sugarcane leaves after cutting the sugarcane will still be left in the field, which will become a problem, causing it to be burned, the way to manage it is to use the sugarcane leaves to be useful, such as mashing the soil into fertilizer.

Performance on Air Quality and Particulate Matter (PM) 2.5 Management

In the past year, as a result of the campaign and support for the KTIS group's counterparts by supporting more than 300 sugarcane leaf pruning rollers, covering more than 70% of workers, of which used to cope with continuing labor shortage. At present, we own more than 200 sugarcane harvesters, resulting in an increase of the cutting of fresh sugarcane by 82.48%, up from 31.34% last year. As for the post-cut management section.



Management Discussion & Analysis

Overall operation of 2021

The total income composes of income from sale and service, income from the return of sugar production and sale, income from sugar cane farmers and sugar mill supporting project and other income. For 2021 financial year ended on 30th September 2021, the Company has the total income of 10,412.2 million Baht, while in 2020 financial year ended on 30th September 2020 the Company has the total income of 13,985.4 million Baht.

Income from sale and services in 2021 decreased for 3,114.7 million Baht or 23.3 % from 2020 since the decline of sugarcane amount in the production year 2020/2021 and COVID-19 pandemic that caused the continuing decrease of income in sugar and bio business sectors. The detail is explained as follows :

Production year		2019/2020	2020/2021	
Thailand	Sugarcane	74.9	66.7	Million tons
	Sugar	82.9	75.9	Million sacks (100 kilograms per sack)
	Molasses	3.4	2.8	Million tons
Company	Sugarcane	5.7	4.3	Million tons
	Sugar	6.0	4.7	Million sacks (100 kilograms per sack)
	Molasses	0.3	0.2	Million tons

Source : Office of Sugar and Cane Committee date 6th May 2021

- An income in sugar business decreased for 26.6 % from the decrease of sugar and molasse sale
- An income from bagasse pulp business increased for 0.2 % due to the increase of average bagasse pulp price
- An income from ethanol business decreased for 27.2 % due to the decrease of total amount of ethanol sale.
- An income from electricity decreased for 36.8 % due to the decrease of total amount of electricity and the decrease of average per unit sale price.
- An income from other sale and service increased for 36.3 % due to the increase of the variety of agricultural machine services, sale of fertilizer, pesticide and others

An income from the compensation of sugar production and distribution in 2020 is 12.4 million Baht and in 2.2 million 2021. This compensation is paid to the Company by the Cane and Sugar Fund since the production year 2017/2018 the final cane price and return from sugar production and distribution is expected to be lower than the preliminary price. The cane and sugar act designated the fund to compensate such difference to the Company and sugarcane farmers do not have to return the surplus of their sugarcane price.

An income from sugar cane farmers and sugar mill supporting program in 2020 is 282.3 million Baht, this income is paid from the Cane and Sugar Fund according to sugar cane farmers and sugar mill supporting program of the production year 2018/2019.

Other income composes of interest received, gain from exchange and profit for future contract of sugar sale in 2021 decreased 166.0 million Baht or decreased 49.5 % from last year due to the decrease of other income.

Cost of sale and services in 2021 is 9,325.6 million Baht decreased for 18.5 % from 2020 in proportion to the decrease of Income from sale and services.

Expense for sale and services in 2021 is 1,184.3 million Baht or decreased for 29.8 % from 2021 due to the decrease of export expenses, human resources expenses, logistic expense money, storage expense and other expenses.

Moreover, the Company has incurred losses from loss on fair value adjustment from derivatives of 507.6 million Baht, loss on exchange of 33.3 million Baht which increased 276.6% from 2020, and loss from sugar futures contracts of 197.6 million Baht compared to 2019 which profit from sugar futures contracts is 17.8 million Baht.

In 2021 the Company has the finance cost of 166.4 million Baht decreased 21.9% from 2020, and 2021 corporate income tax is 72.2 million Baht decreased 10.1% from 2020 due to the decrease of corporate income tax.

According to the aforementioned factors, in 2021 the Company gained the net loss of 1,114.4 million Baht decreased for 296.0% compared with the net profit in 2020 which is 568.7 million Baht.

Income	2020 (million Baht)	2021 (million Baht)	Changes (million Baht)	Changes (million Baht)
Income from sale and services	13,355.3	74.9 10,240.6	(3,114.7)	(23.3%)
Sugar production and distribution business	9,552.8	7,012.7	(2,540.1)	(26.6%)
Income from sugar distribution	8,628.5	6,520.9	(2,107.6)	(24.4%)
Income from molasses distribution	924.3	491.8	(432.6)	(46.8%)
Downstream business	3,802.5	3,227.9	(574.6)	(15.1%)
Income from bagasse pulp	698.3	699.7	1.4	0.2%
Income from ethanol	1,359.5	990.1	(369.5)	(27.2%)
Income from electricity	1,148.5	725.3	(423.1)	(36.8%)
others	596.2	812.8	216.6	36.3%
Income from the return of sugar production and sale	12.4	2.2	(10.2)	(81.9%)
Income from sugar cane farmers and sugar mill supporting program	282.3	-	-	-
Other income	335.3	169.3	(166.0)	(46.7%)
Total income	13,985.4	10,412.2	(3,573.2)	(25.5%)

Source : The Company

The analysis of the operation

Total income

The Company's total income in 2021 is 10,412.2 million Baht decreased for 25.5% from total income in 2020 which is 13,985.4 million Baht with following detail.

Sugar production and distribution business

Income of sugar production and distribution business in 2021 and 2020 is 7,012.7 million Baht and 9,552.8 million Baht accordingly and decreased for 26.6% due to these following factors:

- The domestic sale amount of sugar in 2021 is 335,823.2 tons increased 46.1% from 2020. And the international sale amount of sugar in 2021 is 133,057.2 tons decreased 75.3% from 2020.
- The domestic average sale price of sugar in 2021 is 17,272.1 Baht per ton decreased 0.3% from 2020 due to the floating sugar price from the beginning of 2020. And, the international average sale price of sugar in 2021 is 12,002.7 Baht per ton increased 22.3% from 2019 due the increase of international sugar price.

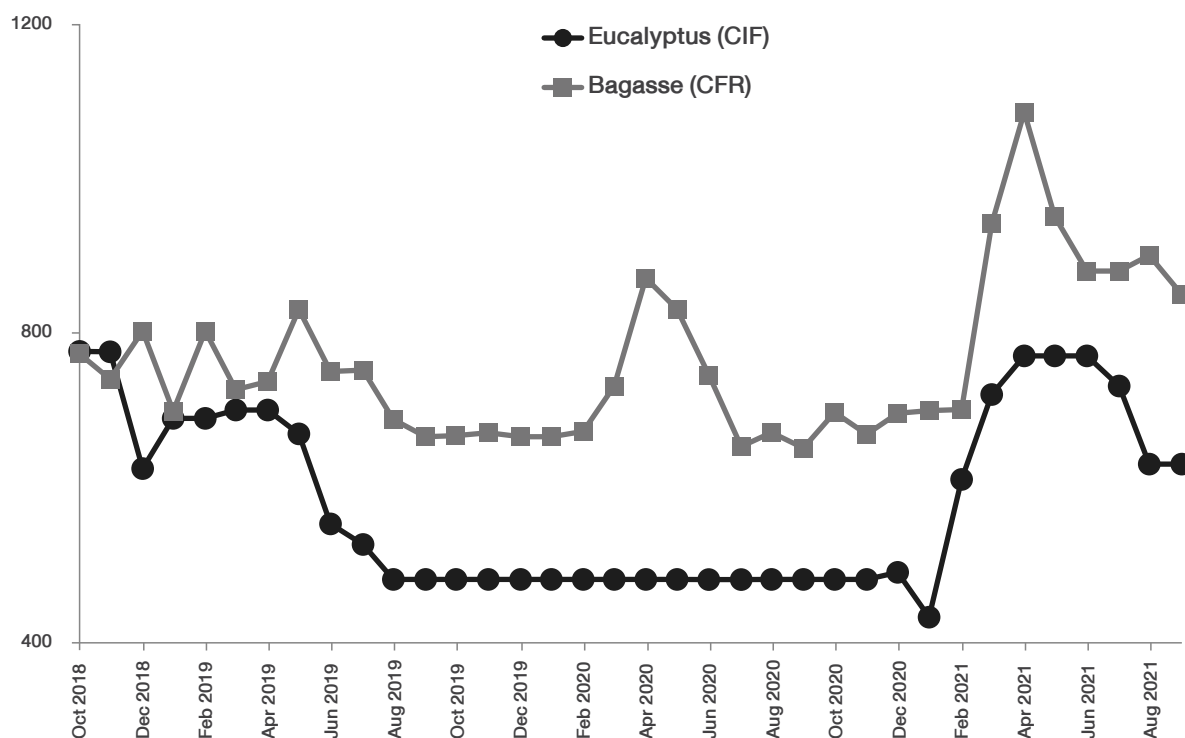
- The molasses sale amount in 2021 is 93,212.2 tons decreased 30.2% from 2020.
- The average sale price of molasses in 2021 is 5,275 Baht per ton increased 7.0% from 2020 due to the scarcity of molasse cause the price to increase.

Downstream business

The Company's income of downstream business in 2021 is 3,227.9 million Baht decreased 15.1% from 2020 which is 3,802.5 million Baht as the consequence of

- (1) Income from electricity sale in 2021 and 2020 is 725.3 million Baht and 1,148.5 million Baht accordingly, decreased 36.8% due to the amount of electricity sold decreased, meanwhile the average electricity price per unit in 2021 also decreased. In 2021 it is 2.81 Baht decreased 9.8% compared to the average electricity price per unit in 2020 which is 3.11 Baht.
- (2) Income from bagasse pulp in 2021 is 699.7 million Baht increased 0.2% from 2020 which is 698.3 million Baht due to these following factors
 - The sale amount of bagasse pulp in 2021 and 2020 is 30,198.7 tons and 32,512.8 tons. accordingly or decreased 7.1% from the decrease of domestic and international sale amount.
 - The domestic average sale price of bagasse pulp decreased to 23,525.8 Baht per ton on 2021 from the price 23,750.8 Baht per ton in 2020, the international average sale price of bagasse pulp increased to 23,115.4 Baht per ton in 2021 from the price 21,030.6 Baht per ton in 2020.

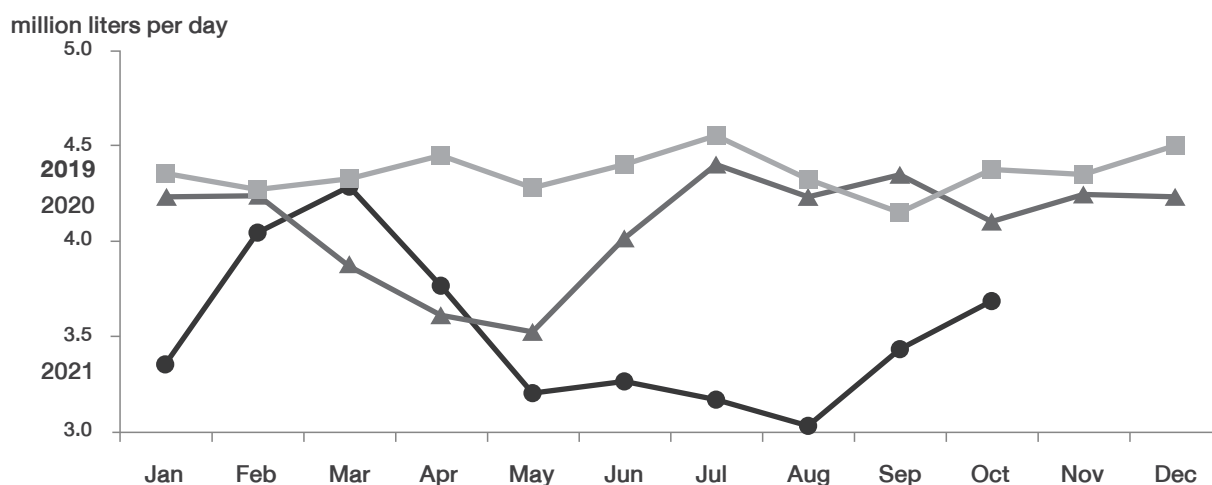
This graph exhibits the pulp price in last 3 years.



Source : RISI+Company

- (3) Income from ethanol in 2021 and 2020 is 990.1 million Baht and 1,359.5 million Baht accordingly, decreased 27.2% due to these following factors
 - The sale amount of ethanol in 2021 and 2020 is 39.9 million liters and 60.6 million liters accordingly or increased 34.2%
 - The domestic average sale price bagasse pulp in 2021 is 24.81 Baht per liter increased 10.6% from 2020 which is 22.42 Baht per liter as the result of the increase of international oil price.

This graph exhibits the ethanol price in last 3 years.



Source : Ministry of energy

(4) Income from other services and others in 2021 and 2020 is 812.8 million Baht and 596.2 million Baht accordingly increased 36.3 due to the increase of the variety of agricultural machine services, sale of fertilizer, pesticide and others

Income from the compensation of sugar production and distribution

An income from the compensation of sugar production and distribution in 2020 is 12.4 million Baht and in 2021 is 2.2 million Baht. This compensation is expected to be paid to the Company by the Cane and Sugar Fund since the production year 2018/2019 the final cane price and return from sugar production and distribution is expected to be lower than the preliminary price. The cane and sugar act designated the fund to compensate such difference to the Company and sugarcane farmers do not have to return the surplus of their sugarcane price.

Income from sugar cane farmers and sugar mill supporting program

An income from sugar cane farmers and sugar mill supporting program in 2020 is 282.3 million Baht, this income is paid from the Cane and Sugar Fund according to sugar cane farmers and sugar mill supporting program of the production year 2018/2019.

Other income

Other income in 2021 decreased 166.6 million Baht or 49.5% from 2020 due to the increase of other income.

Cost of sale and services and gross profit margin

Cost of sale and services in 2021 is 9,325.6 million Baht decreased for 18.5% from 2020 as proportionated to the decreased customers.

Cost of sale and services and gross profit margin of 2021 and 2020 comparison is exhibited in below table

Income	2020 (million Baht)	2021 (million Baht)	Changes (million Baht)	Changes (million Baht)
Income from sale and services	13,355.3	10,240.6	(3,114.7)	(23.3%)
Sugar production and distribution business	9,552.8	7,012.7	(2,540.1)	(26.6%)
Downstream business	3,802.5	3,227.9	(574.6)	(15.1%)
Cost of sale and services	11,441.3	9,325.6	(2,115.7)	(18.5%)
Sugar production and distribution business	8,402.2	6,703.8	(1,698.4)	(20.2%)
Downstream business	3,039.1	2,621.8	(417.3)	(13.7%)
Gross profit	1,914.0	915.0	(999.1)	(52.2%)
Sugar production and distribution business	1,150.6	308.9	(841.8)	(73.2%)
Downstream business	763.4	606.1	(157.3)	(20.6%)
Gross profit margin	14.3%	8.9%	-	(5.4%)
Sugar production and distribution	12.0%	4.4%	-	(7.6%)
Downstream business	20.1%	18.8%	-	(1.3%)

Source : The Company

The gross profit in 2021 is 915.0 million Baht decreased from the gross profit of 2020 which is 1,914.0 million Baht or decreased 52.2 % due to the decrease of gross profit of sugar production and distribution business and downstream business.

The gross profit from industrial business continuously decreased due to the decrease of sugarcane amount in the production year 2020/2021 which also decreased the by-products which are the raw material of downstream business with following detail:

- The amount of sold electricity in 2021 is 258,268,590 units decreased 36.8% from 2020 which is 368,854,007 units. The sale price also decreased from 2020 from 3.11 Baht per unit to 2.81 Baht per unit in 2021.
- The sale amount of bagasse pulp in 2021 is 30,198.7 tons increased 7.1% from 2020 which is 32,512.8 tons, although the average sale price bagasse pulp in 2021 decreased for 7.9% from 2020 which is 21,478.1 Baht per ton to 23,171.3 Baht per ton in 2021.
- The sale amount of ethanol in 2021 is 39.9 million liters decreased 34.2% from 2020 which is 60.6 million liters accordingly. Although the domestic average sale price of ethanol in 2021 increased 10.6% from 2020 which is 22.42 Baht per liter to 24.81 Baht per liter in 2021.

The gross profit of sugar production and distribution business decreased due to the decline of cost of sale and service of the sugar production decreased from 8,402.2 million Baht in 2020 to 6,703.8 million Baht in 2020.

The expense of sale and management

The expense of sale and management in 2021 is 1,184.3 million Baht decreased 29.8% from 2020 due to the decrease of export expenses, human resources expenses, logistic expense money, storage expense and other expenses.

The financial expense

The financial expense in 2021 is 166.4 million Baht decreased 21.9% from 2020.

Income tax

Tax expense in 2021 is 72.2 million Baht decreased 10.1% from 2020 due to the decrease of corporate income tax.

Net profit and net profit margin

In 2021 the Company has the net loss of 1,114.4 million Baht compared with 2020 which is net profit of 568.7 million Baht. The net profit margin in 2021 and 2020 is -11.87% and 4.26% accordingly.

Financial Analysis

Asset

On 30th September 2021 the non-current asset of company is 15,758.3 million Baht increased 2.4% from 2020 which is 15,395.0 million Baht.

- The current asset of 30th September 2021 is 4,652.3 million Baht decreased 11.2% from 2020 which is 4,185.0 million Baht with following factors
 - Other current financial assets such as derivative increased 711.3 million Baht.
 - Account receivable increased 191.3 million Baht.
 - Planter receivable increased 66.9 million Baht.
 - Biological assets increased 29.7 million Baht.
- the non-current asset of company at 30th September 2021 is 11,106.0 million Baht decreased for 0.9% from 2020 which is 11,210.0 million Baht with following factors
 - Property, plant and equipment decreased 564.4 million Baht.
 - Other non-current financial assets decreased 89.0 million Baht.
 - Deferred tax assets decreased 28.7 million Baht.
 - Intangible assets decreased 15.9 million Baht.

Debt

On 30th September 2021 debt of the Company is 8,580.9 million Baht increased 22.2% from 2020 which is 7,022.4 million Baht.

- The current liability at 30th September 2021 is 6,507.2 million Baht increased for 43.7% from 2020 which is 4,528.1 million Baht with following factors
 - The other current liability such as derivative debt, debt from related transaction for 1,292.7 million Baht.
 - The overdraft and the short-term loan from banks increase 643.8 million Baht.
 - Short term loan of Sugarcane and Sugar Fund increased 1,170.9 8 million Baht.
 - Long term loan from Sugarcane and Sugar Fund increased will son mature increased 277.39
 - Deferred tax decreased 9.2%

- The non-current liability at 30th September 2021 is 2,073.7 million Baht increased for 16.9% from 2020 which is 2,494.3 million Baht.
 - Other non-current debt increased 419.4 million Baht.
 - Lease liabilities - net of current portion increased 158.7 million Baht.
 - Provision for long-term employee benefits increased 5.9 million Baht.

Equity

On 30th September 2021 equity of the Company is 7,177.4 million Baht decreased 14.3% from 2020 which is 8,372.6 million Baht from the loss return in 2021.

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 2021, the Company has the net loss of 1,114.4 million Baht. The depreciation and amortization is 1,256.2 million Baht. After the adjustment of non-cash items, the Company has the profit from operation before changes in asset and debt at 920.77 million Baht. After the calculation of changes in asset and debt, the net cash from operation after interest and tax is 789.8 million Baht. The net cash for investment activities is 155.4 million Baht and the net cash for financing activities is 155.4 million Baht, so the net cash and cash equivalent increase is 54.3 million Baht. The cash and cash equivalent at the beginning period is 277.7 million Baht and the cash and cash equivalent at the end period is 332.0 million Baht.

Financial Liquidity

The liquidity ratio under consolidated financial report at 30th September 2021 is 0.71 which slightly decreased from the last year which was 0.92, and the quick ratio is 0.14

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

After the Company began to restructure its and its subsidiaries' financial structure since 2015 by long term loan from financial institutions, which shall be repaid within 2022. However, in 2021 the Company has received additional long term loan from financial institutions for its subsidiaries' investment and shall be gradually withdrawn. Currently the Company has the remaining long-term loan with financial institutions after the loan due within 1year for 198.1 million Baht.

The debt to equity ratio at 30th September 2021 is 1.20 increased from 2020 which is 0.84. Such ration shall not cause any significant financial risk. Further, the Company still has the capability to leverage for the operation of the Company and its subsidiaries which includes the opportunity for future project.

Investment expense and source of fund

In 2021 the Company has the net cashflow spent for investment at 580 million Baht. The majority of the investment is the investment in land, building and equipment and also includes the debt repayment for the debtors of land building and equipment purchase.

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 upward trend of Thailand sugarcane amount this year, but still not sufficient to the nationwide demand of sugar mills. Therefore the amount of raw material for sugar and downstream business should slightly increase from last year.

To conform with 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 stakeholder 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	: http://www.ktisgroup.com
Company Secretary	: Mr.Poomrerk Wangpreedalertkul Tel. (66) 2692-0869 to 73 ext. 175
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 Telephone (66) 2692-0869 to 73
Factory:	42/1 Moo 8 Ban Hardsuatan, Kungtapao Sub-District, Muang District, Uttaradit Province Telephone (66) 5544-9010 to 1, (66) 5540-7111

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 Telephone (66) 2692-0869 to 73 (2) 133 Vibhavadi Rangsit Rd., Samsennai, Phayathai, Bangkok Telephone (66) 2692-0869 to 73
Factory :	(1) 9/9 Moo 1 Attavipach Rd., Nong Pho Sub-District, Taklee District, Nakhonsawan Province Telephone (66) 56-338-338, (66) 62-310-0314 to 6 (2) 200 Moo 6 Phayuha Sub-District, Phayuhakeeree District, Nakhonsawan Province Telephone (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 Telephone (66) 2692-0869 to 73 (2) 133 Vibhavadi Rangsit Rd., Samsennai, Phayathai, Bangkok Telephone (66) 2692-0869 to 73
Factory :	888 Moo 1 Nong Pho Sub-District, Taklee District, Nakhonsawan Province Telephone (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 Telephone (66) 2692-0869 to 73 (2) 133 Vibhavadi Rangsit Rd., Samsennai, Phayathai, Bangkok Telephone (66) 2692-0869 to 73
Factory :	9 Moo 14 Nong Pho Sub-District, Taklee District, Nakhonsawan Province Telephone (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 Telephone (66) 2692-0869 to 73
Factory :	555 Moo 14 Nong Pho Sub-District, Taklee District, Nakhonsawan Province Telephone (66) 62-310-0311 to 5 ext 200

Energy Business : Thaikaluck 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 Telephone (66) 2692-0869 to 73
Factory :	42/2 Moo 8 Ban Hardsuatan, Kungtapao Sub-District, Muang District, Uttaradit Province Telephone (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 Telephone (66) 2692-0869 to 73
Factory :	128 Moo 7 Banmakhua Sub-District, Muang District, Nakhonsawan Province Telephone (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 Telephone (66) 2692-0869 to 73 (2) 133 Vibhavadi Rangsit Rd., Samsennai, Phayathai, Bangkok Telephone (66) 2692-0869 to 73
Factory :	888 Moo 1 Nong Pho Sub-District, Taklee District, Nakhonsawan Province Telephone (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 Telephone (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 Telephone (66) 2692-0869 to 73
Factory :	888 moo 14 Nong Pho Sub-District, Taklee District, Nakhonsawan Province Telephone (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 Telephone (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 Telephone (66) 2692-0869 to 73 (2) 133 Vibhavadi Rangsit Rd., Samsennai, Phayathai, Bangkok Telephone (66) 2692-0869 to 73
Factory :	9 Moo 14 Nong Pho Sub-District, Taklee District, Nakhonsawan Province Telephone (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 Telephone (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 Telephone (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 Telephone (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 Telephone (66) 2692-0869 to 73
Factory :	99 Moo 14 Nong Pho Sub-District, Taklee District, Nakhonsawan Province Telephone (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	2,618,250,000 Baht
BKK office :	133 Vibhavadi Rangsit Rd., Samsennai, Phayathai, Bangkok Telephone (66) 62-310-8898
Factory :	333 Moo 14 Nong Pho Sub-District, Taklee District, Nakhonsawan Province Telephone (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 :	02-695-9999
Facsimile :	02-695-9660
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 :	02-009-9000
Facsimile :	02-009-9991
SET Contact Center :	02-009-9999
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 : 02-009-9000
Facsimile : 02-009-9991
SET Contact Center : 02-009-9999
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 : 02-264-0777, 02-661-9190
Facsimile : 02-264-0789 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 : 02-838-1793
Facsimile : 02-838-1795

Legal Disputes

As of September 30, 2021, the Company and its subsidiary had the dispute which is a series of lawsuit regarding the request for the repayment from the Sugarcane and Sugar Committee and the Sugarcane and Sugar Fund. According to the Sugarcane and Sugar Act B.E. 2527 (the "Act"), the sugar factory is required to contribute an equal amount of the differences between the net income and the final cane price combined with the final cost of the sugar's production and distribution to the Sugarcane and Sugar Fund (the "Fund") as prescribed by the Sugarcane and Sugar Committee (the "Committee") (which is called the Fund for Stability Maintenance of Sugarcane and Sugar Industry). The Company, therefore, has considered that the money which is collected on fix rate is not the legitimate money collection made by the Committee and the Fund does not have legitimate authority to retain such money. Therefore, the Company and its subsidiary decided to file the lawsuit against the Committee and the Fund to the Central Administrative Court.

Kaset Thai International Sugar Corporation Co., Ltd. (Public)

Undecided case no. 1463/2560 and decided case no. 193/2563 matter: the request for the repayment of the money which is not the Fund for Stability Maintenance of Sugarcane and Sugar Industry under section 27(3) of Sugarcane and Sugar Act B.E. 2527 and which the Company has submitted the Fund for Stability Maintenance of Sugarcane and Sugar Industry from the production season 2007/2008 to 2013/2014 for the amount of 544,527,508.65 Baht.

This case is currently in the appeal procedure in the Supreme Administrative Court undecided case no. AorRor 90/2563.

Thai Identity Sugar Co., Ltd.

Undecided case no. 1464/2560 and decided case no. 194/2563 matter: the request for the repayment of the money which is not the Fund for Stability Maintenance of Sugarcane and Sugar Industry under section 27(3) of Sugarcane and Sugar Act B.E. 2527 and which Thai Identity Sugar Co., Ltd. (the subsidiary) has submitted the Fund for Stability Maintenance of Sugarcane and Sugar Industry from the production season 1996/1997 to 2013/2014 for the amount of 379,579,218.84 Baht.

This case is currently in the appeal procedure in the Supreme Administrative Court undecided case no. AorRor 91/2563.



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 :

1. 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.

2. 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.

3. 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, Nomination and Remuneration 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.

4. 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.

5. 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.

6. Board of Directors' Meeting

- 1) The Board of Directors will convene a Board of Directors' Meeting at least five 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 to the 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 and the 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 thereof 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.

7. 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, nomination and remuneration 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.

8. 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.

9. 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

1. Shareholders

1.1 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 the right 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.

1.2 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.

1.3 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 Directors 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.

2. Interested parties

2.1 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 consideration of 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

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.

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

1) 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.

2) 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.

2.3 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. 175 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.

2.4 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 other information, in an accurate, complete, timely, and transparent manner, via easily-accessible channels, and in a fair and reliable manner.

1. 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) The 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.

2. 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	1
Company Visit	1
Contact Us by Email	20
Factory Visit	27

3. 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.

4. 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.

5. 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.

6. 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.

7. 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

1. 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; and
- Undertake acts in a manner which is compliant with competition laws and requirements, as well as cooperate with government officials

2. 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.

3. 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.

4. 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.

5. 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.

6. 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.

7. 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. 3/2021 dated 14 May 2021 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 2021 (CGR 2021) and received a rating of

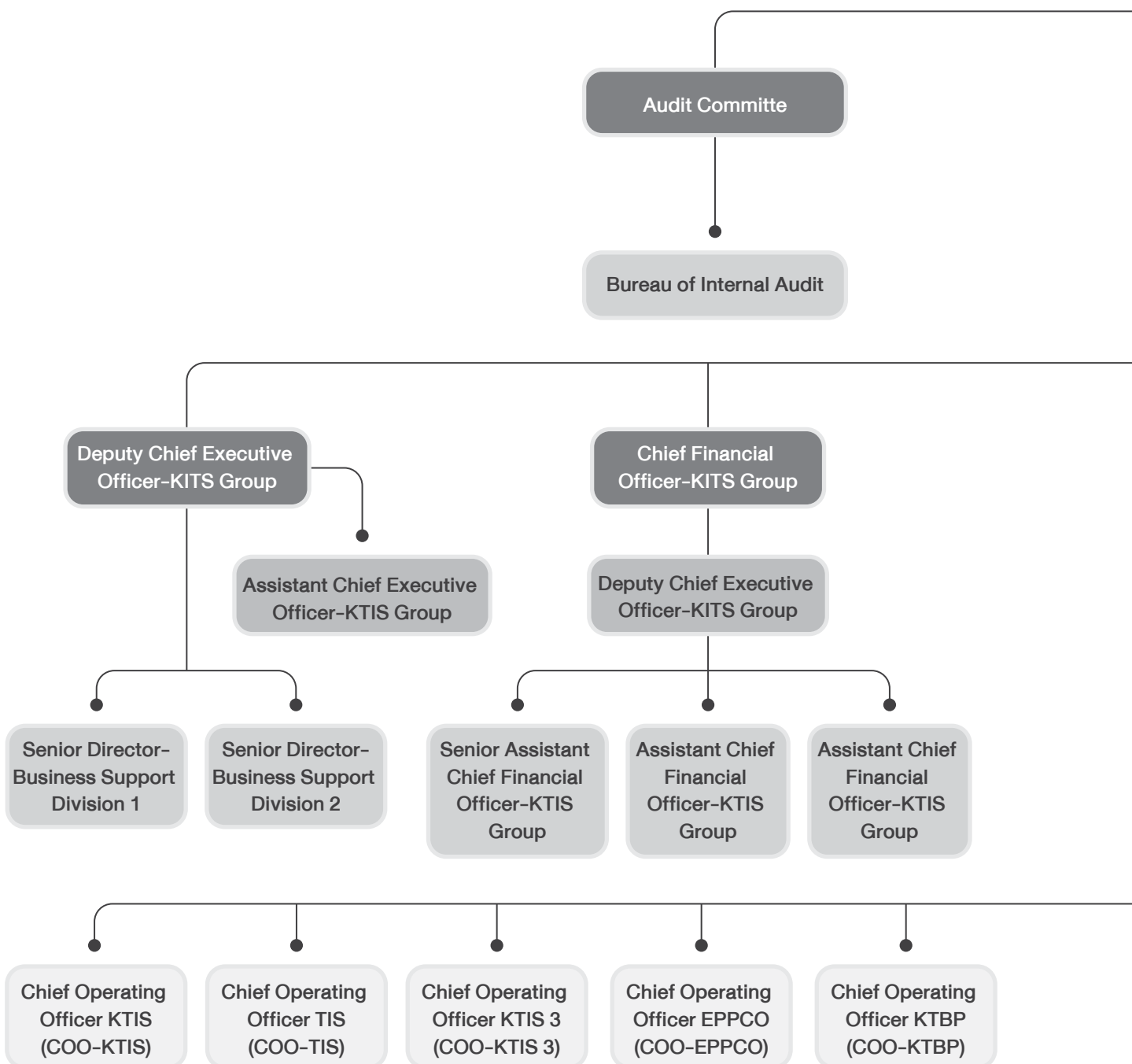


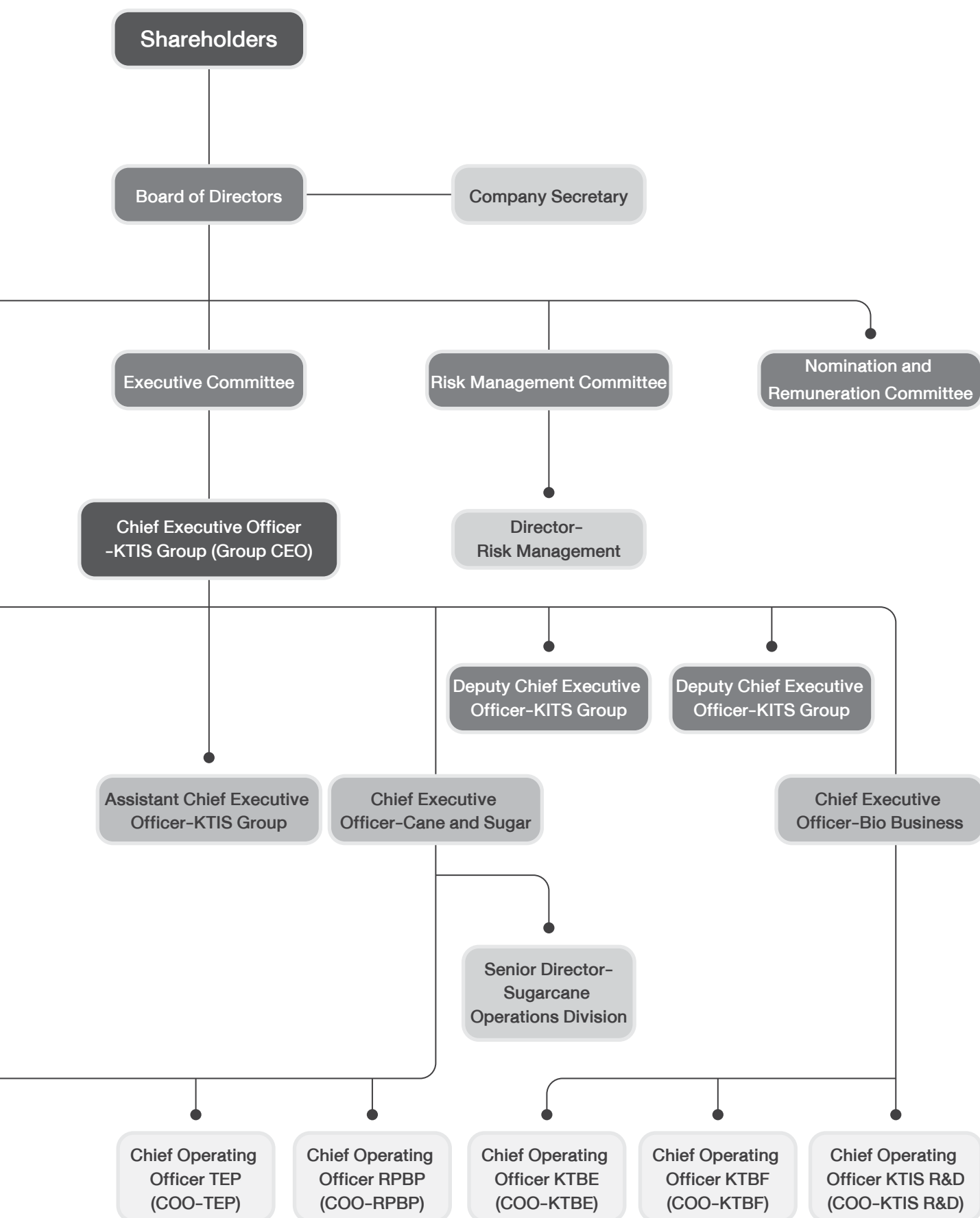
The Company was evaluated at a level of 98 in the Thai-Thai Investors Association's Annual General Meeting of Shareholders (AGM) assessment project for the 2021 Annual General Meeting of Shareholders.



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 and Remuneration Committee and the Executive Committee.

Details of the Board of Directors of the Company

As at September 30, 2021, 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	-	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 2021 of the board of directors appears in the heading "Report on the Performance the Board of Directors".

Directors who are Authorized Signatories

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	

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 2021.

Name		Non-Executive Director	Independent Director	Executive Director
1. Mr. Pricha	Attavipach			✓
2. Mr. Parphan	iriviriyakul			✓
3. Mr. Nathapun	Siriviriyakul			✓
4. Mrs. Darat	Vibhatakalasa			✓
5. Mr. Prasert	Siriviriyakul			✓
6. Mr. Sirapak	Siriviriyakul			✓
7. Mr. Sirivuthi	Siamphakdee			✓
8. Mr. Apichart	Noochprayoon			✓
9. Mr. Somchai	Suwachittanont			✓
10. Ms. Chua	Eng Eng			✓
11. Mr. Krairit	Nilkuha	✓	✓	
12. Mr. Sathaporn	Kotheeranurak	✓	✓	
13. Acting Sub Lt. T-rayooth	Changpetch	✓	✓	
14. Mr. Issakan	Krivitthaya	✓	✓	
15. 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, 2021

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 2021 Number of Shares (Shares)	Shares held on	Total Percentage of Voting Shares (%)	Remark
			Sep 30, 2020	Increase / decrease	Sep 30, 2021		
1. Mr. Picha	Attavipach	Chairman	6,152,800	2,900,000	3,252,800	0.084	
2. Mr. Parphan	Siriviriyakul	Director	3,100	-	3,100	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	Director	-	-	-	-	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/ Chairman of Audit Committee	-	-	-	-	None
14. Acting Sub Lt. T-rayooth	Changpetch	Independent Director/ Chairman 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 and Remuneration 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 per cent 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 relationship¹ 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;

- 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;

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.

- 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.

As at September 30, 2021, 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 and Remuneration 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; and

Number of Meeting Attended

The table below shows the attendance of the Audit Committee in 2021.

Name		2021
1. Mr. Krairit	Nilkuha	5/5
2. Mr. Sathaporn	Kotheeranurak	5/5
3. Acting Sub Lt. T-rayooth	Changpetch	5/5

The details of the operation for the year 2021 of the Audit Committee appears in the heading “Report on the Performance of Audit Committee Committee”

2. Nomination and Remuneration Committee

Composition and Appointment of the Nomination and Remuneration Committee

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

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

As at September 30, 2021, Nomination and Remuneration Committee consists of the following members:

Name		Position
1. Mr. Issakan	Krivithaya	Chairman
2. Mrs. Darat	Vibhatakalasa	Member
3. Mr. Phoosak	Boonsalee	Member

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

Membership Term

The term of membership of the chairman and members of the Nomination and Remuneration Committee is three years from the date of their appointment. Any retiring member of the Nomination and Remuneration 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 and Remuneration Committee

- The Nomination and Remuneration Committee shall review our business organization and the qualifications of our Directors and Chief Executive Officer in accordance with our business requirements;
- The Nomination and Remuneration 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 and Remuneration 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 and Remuneration Committee shall propose such remuneration at a Board meeting and/or a shareholders' meeting for approval;
- The Nomination and Remuneration 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 and Remuneration Committee shall conduct performance evaluations and prepare an evaluation report for the Board; and
- The Nomination and Remuneration Committee shall perform any other activities as designated by the Board.

Number of Meeting Attended

The table below shows the attendance of the Nomination and Remuneration Committee in 2021.

Name		2021
1. Mr. Issakan	Krivitthaya	2/2
2. Mrs. Darat	Vibhatakalasa	2/2
3. Mr. Phoosak	Boonsalee	2/2

The details of the operation for the year 2021 of the Nomination and Remuneration Committee appears in the heading "Report on the Performance of Nomination and Remuneration 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, 2021, 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 2021.

Name	2021
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

Name		2021
5. Mr. Nathapun	Siriviriyakul	3/4
6. Mr. Issakan	Krivithaya	4/4

The details of the operation for the year 2021 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, 2021, 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 2021.

Name		2021
1. Mr. Nathapun	Siriviriyakul	12/13
2. Mr. Parphan	Siriviriyakul	13/13
3. Mrs. Darat	Vibhatakalasa	13/13
4. Mr. Prasert	Siriviriyakul	13/13
5. Mr. Sirapak	Siriviriyakul	13/13

The details of the operation for the year 2021 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 2020 evaluation, the overall rating under each category is as follows :

Evaluation Category	Performance of Audit Committee	Nomination and Remuneration Committee	Risk Management Committee	Executive Committee
1. Board structure and qualifications of directors	5.00	4.86	4.38	4.61
2. Board meeting	4.78	4.67	4.53	4.58
3. Roles, duties and responsibilities of Board	4.71	4.61	4.53	4.63
Average	4.83	4.72	4.47	4.38

Remark : Total score = 5

Details of the Executive

As at September 30, 2021, 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 :

***Remarks :** 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 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 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 2021 evaluation, the overall rating under each category is as follows :

Evaluation Category	CEO Group
1. Leadership	4.93
2. Strategy formulation	4.93
3. Strategy execution	5.00
4. Financial planning and performance	5.00
5. Relationship with Board of Directors	4.90
6. Relationship with external parties	5.00
7. Administration and employee relations	4.13
8. Product and service knowledge	5.00
Average	4.97

Remark : Total score = 5

Remuneration of the Executives

The table below represents the remuneration details of our Executives in 2019, 2020 and 2021.

Type of Remuneration	Number (persons)	2019 (Baht)	2020 (Baht)	2021 (Baht)
Salary	6	30,125,412	28,878,993	21,507,490
Bonus	6	2,915,514	-	483,072
Total		33,040,926	28,878,993	21,990,562

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 resigned 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 2019, 2020 and 2021.

Type of Remuneration	Number (persons)	2019 (Baht)	2020 (Baht)	2021 (Baht)
Provident fund	6	672,968.52	688,663.6	645,224.70
Total		672,968.52	688,663.6	645,224.70

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 resigned 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 **2,880** employees and the remuneration expenses in 2021 amounted to Baht **832,664,993.26** 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	2021				
	Service No. of Employee	Management No. of Employee	Head Office No. of Employee	Total	Total 2020 Personnel Expenses
Sugarcane and Sugar Business	2,508	91	119	2,718	783,499,409.58
Bio Business	125	13	24	162	49,165,583.68
Total	2,633	104	143	2,880	832,664,993.26

Note 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) **K**nowledge 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) **T**eamwork 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 exchange experience and opinion to achieve the goal under the same direction.
- 3) **I**ntelligent 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) **S**mart 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 training to improve job description to be suited with the actual position and duty, the analysis of work to create workflow used in working and training manual and also used in the improvement of the working process to increase productivity.
- 3.3 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 employee scholarship is granted for the education and specific technical training for the sharing of knowledge and experience. The fulfillment of actual working is also conducted to add value to human resources.
- 4.3 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. Although there has been COVID-19 pandemic, the Company focused on employees' health by implementing control and preventive measures, social distancing to reduce the travel which is risky to infection. The Company has never stopped its development by using electronic channels. The training and meeting have been made through VDO conference with the support from Federation of Thai Industry, the employees have trained the interested courses by online channel. From September 2020 to September 2021, there were 246 training courses.

Other important information

Information about persons assigned to perform various duties in the Company

1. 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 Wangpreedalerkul. 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.

2. Accounting supervisor

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

3. 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

Email ir@ktisgroup.com

Remuneration for the External Audit

1. Audit Fee

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

- The Company's external audit (Miss Vilailak Laohasrisakul) 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	2019	2020	2021
1	Kaset Thai International Sugar Corporation Pcl. (KTIS)	1,290,000	1,290,000	1,290,000
2	Thai Identity Sugar Factory Co., Ltd. (TIS)	520,000	550,000	550,000
3	Environment Pulp and Paper Co., Ltd. (EPPCO)	360,000	360,000	360,000
4	KTIS Bioethanol Co.,Ltd. (KTBE)	390,000	390,000	390,000
5	Kaset Thai Bio Power Co., Ltd. (KTBP)	250,000	290,000	290,000
6	Thaiekaluck Power Co., Ltd. (TEP)	250,000	290,000	290,000
7	Ruampol Bio Power Co., Ltd. (RPBP)	250,000	290,000	290,000
8	Permsin pattana Co., Ltd. (PSP)	35,000	35,000	35,000
9	Sapsirikaset Co., Ltd. (SSK)	47,000	50,000	50,000
10	Environment Pulp and Packaging Co., Ltd. (EPAC)	35,000	65,000	65,000
11	KTIS Bio Natural Co., Ltd. (KTBN)	35,000	35,000	35,000
12	Environment Pulp and Straw Co., Ltd. (EPAS)	35,000	35,000	35,000
13	KTIS Bio Energy Co., Ltd. (KBE)	35,000	35,000	35,000
14	KTIS Biogas Power Co., Ltd. (KBGP)	35,000	35,000	35,000
15	Kasetthai Wiwat Co., Ltd. (KTW)	100,000	100,000	100,000
16	KTIS Research and Development Co.,Ltd (KTIS R&D)	38,000	90,000	90,000
17	KTIS Bio Fertiliser Co.,Ltd (KTBF)	50,000	110,000	110,000
Total		3,755,000	4,050,000	4,050,000

2 Non-audit fee

No.	The Company and its subsidiaries	2020			2021		
		non-audit service	Remuneration for other services (Baht)		non-audit service	Remuneration for other services (Baht)	
			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)	62,500	-	Review BOI (in Baht)	62,500	-
2	Thai Ekarak Power Co.,Ltd (TEP)	"	62,500	-	"	-	-
3	Ruampol Bio Power Co., Ltd.(RPBP)	"	62,500	-	"	-	-
Total			187,500	-	"	62,500	-



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 and Remuneration 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. ThorChor. 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 :

1. 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 and Remuneration 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 :

- each shareholder shall have one vote per share;
- 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; and
- 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.

2. 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, and
- 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.

3. 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 and Remuneration Committee for consideration once again that the said list will be submitted to the Board of directors

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		ACP11/2006				
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 Suwachittanont		DAP 55/2006					

Meeting attendance of the Board of Directors individually

Name	Position	Number of Meeting Attended in 2020	Annual General Meeting of Shareholders 2021
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

Name	Position	Number of Meeting Attended in 2020	Annual General Meeting of Shareholders 2021
9. Mr. Apichart Noochprayoon	Director	4/4	1/1
10. Mr. Somchai Suwachittanont	Director	2/2 (Date of Appointment 14 May 2021)	0/0
11. Ms. Chua Eng Eng	Director	4/4	0/1
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 Krivitthaya	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 25, 2021 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
	Director	-	30,000
Risk Management Committee	Chairman	-	40,000
	Director	-	20,000
Nomination and Remuneration Committee	Chairman	-	40,000
	Director	-	20,000

Remark There are not any other benefit.

The below table shows the remuneration details of our Directors for the year 2020 and 2021.

Name of Director	Position 2020	2020						2021					
		Remuneration	BOD	Audit Committee	Nomination and Remuneration	Risk management	Total (baht)	Remuneration	BOD	Audit Committee	Nomination and Remuneration	Risk management	Total (baht)
1. Mr. Prida Attavipach	Chairman	600,000	200,000				800,000	600,000	200,000				800,000
2. Mr. Parphan Siviriyakul	Director	300,000	100,000			80,000	480,000	300,000	100,000			80,000	480,000
3. Mr. Nathapun Siviriyakul	Director	300,000	100,000			80,000	480,000	300,000	100,000			80,000	480,000
4. Mrs. Darat Vibhatakalasa	Director	300,000	100,000		20,000		420,000	300,000	100,000			60,000	460,000
5. Mr. Prasert Siviriyakul	Director	300,000	100,000			80,000	480,000	300,000	100,000		40,000		440,000
6. Mr. Sirapak Siviriyakul	Director	300,000	100,000				400,000	300,000	100,000			80,000	480,000
7. Mr. Sivuthi Siamphakdee	Director	300,000	100,000			80,000	480,000	300,000	100,000				400,000
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	180,000			580,000	300,000	100,000	150,000			550,000
11. Acting Sub Lt. T-rayooth Changpetch	Independent Director	300,000	100,000	180,000		160,000	740,000	300,000	100,000	150,000		160,000	710,000
12. Mr. Issakan Krivitthaya	Independent Director	300,000	100,000		40,000	80,000	520,000	300,000	100,000		80,000	80,000	560,000
13. Mr. Phoosak Boonsalee	Independent Director	300,000	100,000		20,000		420,000	300,000	100,000		40,000		440,000
14. Mr. Krairit Nilkuha	Independent Director	300,000	100,000	360,000			760,000	300,000	100,000	300,000			700,000
15. Mr. Kunihiro Tahara	Director	300,000	100,000				400,000	150,000	50,000				200,000
16. Mr. Somchai Suwachtitanont	Director							113,333	50,000				163,333
Total		4,800,000	1,575,000	720,000	80,000	560,000	7,735,000	4,763,333	1,600,000	600,000	160,000	540,000	7,663,333

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 2021 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	4.69	4.70
2. Board meeting	4.79	4.62
3. Roles, duties and responsibilities of Board	4.82	4.75
4. Performance of duties of directors	-	4.81
5. Relationship with the management	-	4.72
6. Self-development of directors and executive development	-	4.74
Average	4.78	4.70

Remark: 1. Total score = 5

2. Performance evaluation of Individual Directors have only 3 categories.

Onboarding Program for New Directors :

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- 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 to 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 of 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 % of all issued shares.

Monitoring to ensure compliance with good corporate governance policies and practices

1. 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.

2. 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 or 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.

3. 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.

The roles of the committee are to respond with the review of financial report, related transactions and internal audit and also includes the promotion and encouragement of the compliance with the good practice of the listed company to ensure the Company's good governance, the risk management and efficient internal control.

In 2021, the audit committee held 5 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 :

1. 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 2021 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.

2. The review of the related transactions and the transactions that may contain conflict of interest

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.

3. 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.

4. 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.

5. 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 base and internal control assessment 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 is no significant issues that may affect the Company's operation.

6. 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.

7. 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 2021-2022. 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 2021 on the whole committee basis compare with its charter and good practice. 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

The risk management committee report of 2021

Dear the shareholders of Kaset Thai International Sugar Corporation PLC

As the Company has been realizing the importance of the risk management as a fundamental to the business' sustainability. Under the changing environment which is uncertain and hard to be predicted and may cause losses or damage to the business and is also the chance for value added to the business, the board of directors has assigned the risk management committee which composed 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 2021, 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	Krivithaya	director	4/4
3. Mr. Sirivuthi	Siamphakdee	director	4/4
4. Mr. Parphan	Siriviriyakul	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 :

1. The designation and follow up of the operation of the risk management policy

The committee has reviewed and approved the risk management policy of 2021 to be used as a guideline to frame risk management operation, designated the operation and meeting schedule of the risk management policy, reviewed the risk assessment criteria to be easy for consideration and to match with the operation, approved the changes of the assessment method to conform with the activities' objective , include opined and proposed the development of the risk management process to be more efficient.

2. 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, key indicator risk and risk appetite 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. The water resources management in future shall conform with provisions from Water Resources Act BE 2561 which means the focus on the use of water from the use in process, treatment, recycle includes the release to public with the eligible quality.
2. The development of powerplants' biomass usage, apart from increase stability to electricity generation, is also the benefit to community by increasing the income from biomass under the relevant regulation.
3. The designation of fire prevention in bagasse which requires all section's manager to review and test the operation of staff to be strict, complete and correct, by studying from the bagasse biomass powerplants which shall be used to improve the efficiency.

4. The risk of sale and storage of alcohol sanitizer and the logistic shall comply with all relevant regulation, and also be stringent to the operation to prevent the risk occurred inside Company's area and the responsibility when the incident happens in 3rd party's property.

5. From the COVID-19 pandemic clusters in factories which also affects the surrounding community and needs the intervention from government to suspend the operation and affects the image of the Company. The designation of emergency measures under Bubble and Seals concept to control and minimize the spreading helps the infection control inside the factories and does not need the operation suspension.

6. The increase of risk management process's efficiency by the review of risk management measure which may not cause preventive consequences shall be analyzed the root cause especially the measures about risk focus, since it will affect the operation in the corporate policy level. Meanwhile, the operation also needs to increase frequencies of monitor to ensure the actual consequences as mentioned specified in the risk registration.

The annual review and identification of risk, the Company has reviewed the situations and changing environments both inside and outside the Company that may affect the achievement of the business objective goal, and also serve the expectation of all stakeholders and having the critical role in the Company's long term business operation.

The risk management committee



(Acting sub Lt. T-rayooth Changpetch)
Chairman of risk management committee

Report on the Performance of Nomination and Remuneration Committee

Dear Shareholders

Throughout 2021, the nomination and remuneration committee has comprised of Mr. Issakan Krivitthaya (an independent director) who has held the position of the chairman, Mrs. Darat Vibhatakalasa and Asst. Prof. Dr. Phoosak Boonsalee (an independent director).

The nomination and remuneration committee has completely performed its duty designated by the charter and by the board of directors' assignment through 2 meetings. The summary of significant agenda are

1. 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 and remuneration committee has nominated Mr. Pricha Attavipach, Mr. Sirivuthi Siamphakdee, Mr. Parphan Siriviriyakul, Acting Sub Lt. T-rayooth Changpetch and Mr. Issakan Krivitthaya 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 consideration of the recruitment and selection of the directors to replace the resigned director during the term of 2021. The committee nominated Mr. Somchai Suwachittanont to the board of directors for the approval, such nomination is conducted based on the legal qualification, corporate governance policy and the good matching of his personal skill and knowledge with Board Skills Matrix. The board of directors resolved as per the aforementioned proposal.

2. The determination of directors' remuneration

- The determination of the board directors and the specific committee's remuneration in 2021 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.

3. The appraisal of the board of directors and the chief executive officer performance of 2021.

- The review of appraisal form for the board of directors and the top executive performance of 2021 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.

4. The development of the performance of the nomination and remuneration committee report

- The schedule of the committee meeting in 2022 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 2021 appraisal form was conducted to be updated, comprehensive and aligned with CG code and the committee charter.
- The 2021 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 nomination and remuneration 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 and Remuneration Committee



(Mr. Issakan Krivitthaya)

the Chairman of the Nomination and Remuneration 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 assess the internal control by the creation of internal control assessment form of 2021 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.1/2565 on the date of 29 November 2121 and it will be later presented to board of directors for 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 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 2019, 30 September 2020 and 30 September 2021 are as summarized below:

Related Person/ Companies	Nature of Relationship	Nature of Transaction
1. S.I. Property Co., Ltd. ("S.I. Property") (In the business of leasing property)	<ul style="list-style-type: none"> S.I. Property has 4 common directors with the Company: <ol style="list-style-type: none"> Mr. Nathapun Siriviriyakul Mr. Pricha Attavipach Miss Chua EngEng Mr. Sirapak Siriviriyakul Related companies hold shares of S.I. Property are Aekphol Sugar Co., Ltd. and SuebSiriSawat Co., Ltd. 	<p><u>Office rental and related service fees</u> S.I. Property office space for rent As office rental income Central service fees and electricity and other related service charges from the Company and TIS.</p> <p><u>Office rental and related services</u> It is the rental and service fee according to the finance lease.</p> <p><u>Accrued expenses</u> Is an accrued building service fee</p> <p><u>Office rental insurance receivables</u> As office rental insurance</p> <p><u>Office rental insurance receivables</u> As a rental security deposit under the finance</p> <p><u>leaseInterest income</u> Interest income received under the finance lease</p> <p><u>Financial cost</u> Interest paid under the finance lease</p> <p><u>Finance lease liabilities</u> Finance lease liabilities</p> <p><u>Deferred interest</u> Deferred interest under finance lease</p> <p><u>Sales revenue</u> 70% ethyl alcohol value</p> <p><u>Other receivables</u> Ethyl alcohol 70%</p>
2. Aekphol Sugar Co., Ltd. ("APS") (In the business of leasing property)	<ul style="list-style-type: none"> APS has 4 common directors with the Company: <ol style="list-style-type: none"> Mr. Apichart Noochprayoon Mr. Nathapun Siriviriyakul Mrs. Darat Vibhatakalasa Mr. Sirapak Siriviriyakul Related companies hold shares of APS is Jaroon Hatai Ake Holding Co.Ltd 	<p><u>Office Rental Expenses and Related Charges</u> Rental expenses and related charges paid by KTIS Group</p> <p><u>Office rental and related services</u> It is the office rent and services under the financial lease agreement.</p> <p><u>Accrued expenses</u> It is accrued rental and related service fees.</p> <p><u>Office rental insurance receivables</u> As office rental insurance</p> <p><u>Office rental insurance receivables</u> Finance lease deposit</p>

Transaction Value (THB)			Rationale of the transaction
30 September 2019	30 September 2020	30 September 2021	
1,395,953.61	1,681,763.68	-	<ul style="list-style-type: none"> 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.
2,470.50	-	1,204,923.14	
401,773.90	3,591.94	34,833.14	
-	401,773.90	-	
-		342,157.79	
-		5,316.21	
-		250,045.21	
-		7,462,224.00	
-		1,167,247.36	
-	1,214,953.27	1,568,785.08	
-	-	440,000.00	
14,710,334.74	14,663,488.57	-	<ul style="list-style-type: none"> 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.
132,418.86	-	14,493,373.07	
3,033,099.00	140,728.90	124,872.32	
-	3,033,099.00	-	
-	-	2,566,146.40	

Related Person/ Companies	Nature of Relationship	Nature of Transaction
		<p><u>Interest income</u> Interest income received under the finance lease</p> <p><u>Financial cost</u> Interest paid under the finance lease</p> <p><u>Finance lease liabilities</u> Finance lease liabilities</p> <p><u>Right to use assets</u> Right to use assets under financial lease agreements</p>
3. Thas Thai Business Co., Ltd. ("TT") (In the business of operating and establishing petrol stations)	<ul style="list-style-type: none"> Related companies hold shares in TT is Poompattana Business Co.Ltd 	<p><u>Purchase of Gasoline</u> TT sold gasoline to the Company, TIS, KTBE, EPPCO and KTBF</p> <p><u>Accounts Payable</u> Accounts payable related to the purchase of gasoline by the Company, TIS, KTBE and EPPCO from TT.</p> <p><u>Purchase of Vehicle Tyres</u> TT sold vehicle tyres to the Company and TIS.</p> <p><u>Accounts Payable</u> Accounts payable related to the purchase of vehicle tyres the Company and TIS from TT.</p> <p><u>Revenue from Land Lease</u> The Company and TIS leased landfor TT to operate its gas stations.</p> <p><u>Other Payable</u> The Company and TIS received land lease fee in advance.</p> <p><u>Revenue from Sale of Materials</u> The Company and TIS sold materials to TT.</p> <p><u>Other receivables</u> Material cost</p> <p><u>Other income</u> Ethyl alcohol 70%</p> <p><u>Other receivables</u> Ethyl alcohol 70%</p> <p><u>Selling expenses</u> Ethanol transportation cost</p>
4. TISS Co., Ltd. ("TISS") (In the business of exporting sugar)	<ul style="list-style-type: none"> 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. 	<p><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.</p> <p><u>Accrued Expenses</u> Accrued expenses of TIS for export fees and service provided by TISS.</p>

Transaction Value (THB)			Rationale of the transaction
30 September 2019	30 September 2020	30 September 2021	
-	-	41,641.06	
-	-	2,031,972.01	
-	-	60,099,740.10	
-	-	9,485,544.25	
227,565,058.84	171,420,765.97	134,608,751.57	<ul style="list-style-type: none"> 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.
4,128,745.79	2,479,059.73	2,271,832.35	<ul style="list-style-type: none"> TT sold vehicle tyres to companies in KTIS group. Selling price, terms and conditions are in line with market rates and practices.
14,153,444.79	1,412,700.57	1,078,547.66	<ul style="list-style-type: none"> 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 and conditions are more favorable than the market rates and practices.
469,540.00	161,035.00	69,550.00	
138,000.00	138,000.00	137,023.30	<ul style="list-style-type: none"> The Company and TIS sold waste and materials to TT. Selling price, terms and conditions are in line with market rates and practices.
69,047.27	69,047.27	70,023.97	<ul style="list-style-type: none"> KTBE sells 70% ethyl alcohol to TT. Selling price, terms and conditions are in line with market rates and practices.
5,826.40	1,430.53	440.00	
-	283.94	-	
-	8,741,947.66	30,506,675.71	
-	-	12,133,992.00	
-	58,614.95	-	
37,386,625.62	58,699,914.89	19,393,812.46	<ul style="list-style-type: none"> 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.
5,429,968.90	3,760,555.26	1,257,636.69	<ul style="list-style-type: none"> 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.

Related Person/ Companies	Nature of Relationship	Nature of Transaction
		<p><u>Other Receivable</u> Sugar export fee which TISS must pay to TCSC.</p> <p><u>Other Receivable</u> Revenue from sale of sugar export</p>
5. Siam P.P. International Co., Ltd. ("Siam PP") (In the business of producing and distributing lime)	<ul style="list-style-type: none"> Siam PP has 1 common director with the Company: (1) Mr. Nathapun Siriviriyakul. Related companies hold shares in Siam PP is Aekphol Sugar Co., Ltd. 	<p><u>Lime Trading</u> Siam PP sold lime, a raw material used in the production of sugar and pulp, to the Company and EPPCO.</p> <p><u>Accounts Payable</u> Accounts payable associated with the purchase of lime by the Company and EPPCO from Siam PP.</p> <p><u>Other income</u> Ethyl alcohol 70%</p> <p><u>Other receivables</u> Ethyl alcohol 70%</p>
6. RuamkijAngthong Warehouse Co., Ltd. ("Ruamkij") (In the business of leasing warehouses)	<ul style="list-style-type: none"> 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 are <ol style="list-style-type: none"> Aekphol Sugar Co., Ltd. Ruamtoon Trading Nakhornsawan Co., Ltd. Jaroon Hatai Ake Holding Co., Ltd 	<p><u>Storage Service Fees</u> The Company and TIS rent Ruamkij's warehouses.</p> <p><u>Accrued Expenses</u> Accrued warehouse rental expenses of the Company and TIS payable to Ruamkij.</p> <p><u>Logistics Service Fee</u> In addition to warehouse leasing, Ruamkij provides logistics services to the Company and TIS.</p> <p><u>Accrued Expenses</u> Accrued logistics service fees of the Company and TIS payable to Ruamkij.</p> <p><u>Other Revenue</u> Package</p> <p><u>Other Receivable</u> Ethyl alcohol 70%</p> <p><u>Other</u> Cost of goods</p> <p><u>Other receivables</u> Compensation for damaged sugar</p>
7. RuamToon Warehouse Nakornsawan Co., Ltd. ("RuamToon") (In the business of leasing warehouses)	<ul style="list-style-type: none"> RuamToon has 1 common director with the Company: (1) Mr. Prasert Siriviriyakul The Company's shareholders and related companies hold shares in RuamToon are Jaroon Hatai Ake Holding Co.,Ltd and Aekphol Sugar Co., Ltd. 	<p><u>Storage Service Fees</u> The Company and TIS rent Ruamkij's warehouses.</p> <p><u>Accrued Expenses</u> Accrued warehouse rental expenses of the Company and TIS payable to RuamToon.</p> <p><u>Logistics Service Fee</u> In addition to warehouse leasing, RuamToon provides logistics services to the Company and TIS.</p>

Transaction Value (THB)			Rationale of the transaction
30 September 2019	30 September 2020	30 September 2021	
50,063.26	17,172.86	-	<ul style="list-style-type: none"> Under the Sugarcane and Sugar Act, sugar mills are required to sell 400,000 tons of raw sugar to TCSC for export at the price determined by TCSC. Fee to be paid to TCSC is 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
8,237,967.13	298,145.89	397,096.03	
84,654,777.37	55,284,847.64	29,831,559.49	<ul style="list-style-type: none"> 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. KTBE sells 70% ethyl alcohol to Siam PP. Selling price, terms and conditions are in line with market rates and practices.
3,850,707.23	-	-	
-	2,056,074.77	2,285,252.34	
-	-	440,000.00	
114,656,156.65	52,927,803.94	29,750,071.02	<ul style="list-style-type: none"> Ruamkij has 4 warehouses in (1) 1 Pa Mok, Angthong and (2) 3 Plakod, Angthong. for the purpose of sugar storage. Rental prices, terms and conditions are in line with the market rates and practices. 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.
15,071,478.78	4,322,374.31	4,146,363.37	
114,306,470.25	100,934,977.40	33,819,955.48	
24,551,182.12	2,238,141.92	6,544,957.72	
-	53,490.00	7,300.00	
-	280,373.83	3,573,697.20	
-	-	1,991,220.00	
-	182,357.69	-	
67,357,775.00	27,088,187.93	14,891,576.07	<ul style="list-style-type: none"> 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.
10,888,544.84	1,912,568.66	183,673.30	
24,031,569.50	15,280,576.31	-	

Related Person/ Companies	Nature of Relationship	Nature of Transaction
		<p><u>Accrued Expenses</u></p> <p>Accrued logistics service fees of the Company and TIS payable to RuamToon.</p> <p><u>Other income</u></p> <p>Material cost and others</p> <p><u>Other Receivable</u></p> <p>Accrued income of the Company from sale of materials.</p> <p><u>Office expenses</u></p> <p>KTW pay office rent</p> <p><u>Accrued expenses - Rent</u></p> <p>KTW accrued office rental</p>
8. Thai Wisanu Nakornsawan Co., Ltd. ("Thai Wisanu") (In the hotel business)	<ul style="list-style-type: none"> Thai Wisanu has 4 common directors with the Company: <ol style="list-style-type: none"> Mr.Parphan Siriviriyakul Mrs. Darat Vibhatakalasa Mr. Prasert Siriviriyakul Mr. Nathapun Siriviriyakul Related companies hold shares in Thai Wisanu is Jaroon Hatai Ake Holding Co., Ltd. 	<p><u>Hotel Fees</u></p> <p>The Company and TIS have occasionally used accommodations and services from the hotel.</p> <p><u>Accrued Expenses</u></p> <p>Fees for hotel rooms and services payable by the Company and TIS to Thai Wisanu.</p> <p><u>Other Receivable</u></p> <p>Ethyl alcohol 70%</p> <p><u>Trade accounts receivable</u></p> <p>Ethyl alcohol value</p> <p><u>Sales revenue</u></p> <p>Sugar</p>
9. Weswisanu Co., Ltd. ("Weswisanu") (In the business of leasing hostels)	<ul style="list-style-type: none"> Related companies hold shares in Thai Wisanu is Jaroon Hatai Ake Holding Co., Ltd. 	<p><u>Employee Dormitory Rent</u></p> <p>Dormitory rent for employees.</p> <p><u>Employee dormitory rental</u></p> <p>It is the rent of dormitories for employees under a financial lease.</p> <p><u>Accrued Expenses</u></p> <p>Accrued expenses of KTBE and EPPCO payable to Weswisanu for employee dormitory rent.</p> <p><u>Other income</u></p> <p>EPPCO sells water to Weswisanu</p> <p><u>Other receivables</u></p> <p>EPPCO accrued water bill</p> <p><u>Financial cost</u></p> <p>Interest paid under the finance lease</p> <p><u>Finance lease liabilities</u></p> <p>Finance lease liabilities</p> <p><u>Right to use assets</u></p> <p>Right to use assets under financial lease agreements</p>

Transaction Value (THB)			Rationale of the transaction
30 September 2019	30 September 2020	30 September 2021	
7,204,054.54	1,373,181.51	-	<ul style="list-style-type: none"> 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.
33,000.00	1,825.00	-	
29,270.00	-	-	
24,000.00	24,000.00	24,000.00	
18,000.00	18,000.00	18,000.00	
342,697.20	219,910.29	128,891.60	<ul style="list-style-type: none"> Thai Wisanu is the owner of Grand Wisanu Plaza Hotel located at 26-28 Attakaweroad, Muang, Nakornsawan. The Company and TIS have occasionally used accommodations 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.
61,000.00	22,800.00	16,600.00	
-	728,224.30	2,261,682.25	
-	-	1,497,500.00	
-	3,700.00	-	
4,116,990.56	4,301,230.35	-	<ul style="list-style-type: none"> 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 Vishnu 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.
-	-	6,557,805.00	
370,330.00	367,405.00	126,580.00	
-	215,150.00	282,390.00	
-	13,589.00	48,642.00	
-	-	2,006,363.99	
-	-	55,641,000.000	
-	-	10,587,023.76	
-	-	-	

Related Person/ Companies	Nature of Relationship	Nature of Transaction
10. SuebSiriSawat Co., Ltd. ("SuebSiri Sawat") (In the business of selling, purchasing and leasing property business)	<ul style="list-style-type: none"> SuebSiriSawat has 2 common directors with the Company: <ul style="list-style-type: none"> (1) Mr. Prasert Siriviriyakul (2) Mr. Sirapak Siriviriyakul Related companies hold shares in SuebSiriSawat is Jaroon Hatai Ake Holding Co., Ltd. 	<p><u>Land Lease Expense</u></p> <p>KTBE pay for the land lease fees</p> <p><u>land rent</u></p> <p>Land rent under financial lease agreement</p> <p><u>Prepaid Lease Fees</u></p> <p>Prepayment of the land lease fees</p> <hr/> <p><u>Accrued expenses</u></p> <p>Accrued land rent</p> <p><u>Financial cost</u></p> <p>Interest paid under the finance lease</p> <p><u>Finance lease liabilities</u></p> <p>Finance lease liabilities</p> <p><u>Right to use assets</u></p> <p>Right to use assets under financial lease agreements</p> <hr/>
11. RuamToon Trading Nakornsawan Co., Ltd. ("RuamToon Trading Nakornsawan") (In the transportation business)	<ul style="list-style-type: none"> RuamToon Trading has 1 common director with the Company: <ul style="list-style-type: none"> (1) Mr. Prasert Siriviriyakul. Related companies hold shares in RuamToon Trading is Jaroon Hatai Ake Holding Co., Ltd. 	<p><u>Sugar Transportation Cost</u></p> <p>TIS engaged RuamToon Trading in the transportation of sugar to the warehouses.</p> <p><u>Accrued Transportation Expenses</u></p> <p>Sugar transportation expenses</p> <p><u>Other Revenue</u></p> <p>Compensation for damage of goods (sugar)</p> <p><u>Deposit – Transportation Cost</u></p> <p>Cost to guarantee the payment of compensation for damage during the transportation.</p> <hr/>
12. Siri Charoen Export Co., Ltd. ("Siri Charoen") (Currently not involved in any business)	<ul style="list-style-type: none"> Siri Charoen has 1 common director with the Company: <ul style="list-style-type: none"> (1) Mr. Sirapak Siriviriyakul Directors and related parties hold shares in Siri Charoen are Jaroon Hatai Ake Holding Co., Ltd. and Akephol Co., Ltd. 	<p><u>Loan Payable from Restructured Debts</u></p> <ul style="list-style-type: none"> TIS owed debts from loan SiriCharoen Interest expense Accrued interest payable

Transaction Value (THB)			Rationale of the transaction
30 September 2019	30 September 2020	30 September 2021	
231,278.29	233,217.32	-	<ul style="list-style-type: none"> KTBE leases the land of 48 rai and 44 sq. wah in Nhong Po, Taklee, Nakornsawan from SuebSiriSawatfor use as a pathway to KTBE's plant. The price, terms and conditions are more favorable for KTBE than the market rates and conditions.
-	-	233,790.68	
175,750.36	175,907.04	3,092.83	
-	-	-	
-	-	203,847.54	
-	-	6,603,735.00	
-	-	2,707,849.34	
-	-	-	
6,076,851.67	8,020,741.56	3,236,211.89	<ul style="list-style-type: none"> TIS engaged RuamToon 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 delivery of goods to the destination.
1,745,253.53	-	753,943.31	
8,336.45	11,992.99	5,046.73	
13,910.00	566,899.69	93,219.65	
67,900,000.00	63,050,000.00	58,200,000.00	<ul style="list-style-type: none"> 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. NowaratWangpredalertkul, 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.
286,858.23	158,017.49	69,524.31	
509,154,203.30	479,312,220.79	449,381,745.10	

Related Person/ Companies	Nature of Relationship	Nature of Transaction
13. Ruampol Enterprise Co., Ltd. ("RPE") (Formerly operated sugar production and trading business but currently is not in business operation.)	<ul style="list-style-type: none"> RPE has 6 common directors with the Company: <ol style="list-style-type: none"> (1) Mr. Parphan Siriviriyakul (2) Mr. Prasert Siriviriyakul (3) Mr. Nathapun Siriviriyakul (4) Mr. Sirivuthi Siamphakdee (5) Mrs. Darat Vibhatakalasa (6) Mr. Sirapak Siriviriyakul The Company's shareholders and related companies hold shares in RPE are Siricharoen Export Co., Ltd. and Jaroon hatai Ake Holding Co., Ltd 	<p><u>Land Lease Expenses</u> KTIS pay for the land lease fees</p> <p><u>Rent</u> Rent under finance lease</p> <p><u>Deposit – Factory Lease Fees</u> Rental deposit for land and machinery of sugar factories.</p> <p><u>Rental deposit receivable</u> Finance lease deposit</p> <p><u>Prepaid Expenses</u> Prepayment of the land, factory and machinery lease fees</p> <p><u>Debts under Financial Lease</u> Debts under financial lease for building and machinery</p> <p><u>Accrued interest payable</u> Interest payable on finance leases.</p> <p><u>Financial cost</u> Interest paid under finance lease, building and machinery, land</p> <p><u>Interest income</u> Interest income received under the finance lease</p> <p><u>Finance lease liabilities</u> It is a liability under the finance lease agreement.</p> <p><u>Deferred interest</u> Deferred interest under finance lease</p> <p><u>Land Lease Expenses</u> KTIS leased land</p> <p><u>Electricity charge</u> electricity charge</p> <p><u>Accrued expenses</u> Accrued electricity</p> <p><u>Prepaid Lease Fees</u> Prepayment of the land lease fees</p> <p><u>Other Payable</u> Material cost</p> <p><u>Other creditors</u> Power Development Fund</p>

Transaction Value (THB)			Rationale of the transaction
30 September 2019	30 September 2020	30 September 2021	
			<ul style="list-style-type: none"> 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.
6,134,385.44	5,300,000.00	-	<ul style="list-style-type: none"> 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. 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.
101,000,000.00	101,000,000.00	-	
-	-	36,448,102.14	
4,637,500.00	4,637,500.00	-	
-	-	92,979,910.32	
782,418,229.73	772,784,235.00	762,090,500.85	
10,758,250.66	10,625,783.24	10,478,744.38	
86,901,385.44	85,933,537.85	88,391,780.65	
-	-	1,825,746.68	
-	-	106,831,952.68	
-	-	40,917,849.31	
6,167,734.60	884,080.94	586,936.53	
206,212.24	243,087.81	208,267.57	
17,599.45	17,154.55	18,175.05	
516,288.60	516,467.96	31,208.75	
-	-	-	
38,271.03	-	-	

Related Person/ Companies	Nature of Relationship	Nature of Transaction
14. SiriCharoen Sapraiwan Co., Ltd. ("SSPW") (operates hotel and resort business)	<ul style="list-style-type: none"> SSPW has 3 common directors with the Company: <ol style="list-style-type: none"> Mr. Pricha Attavipach Miss Chua EngEng Mr. Sirapak Siriviriyakul The Company's shareholders and related companies hold shares in SSPW is Aekphol Sugar Co., Ltd. 	<p><u>Resort Fees</u> Accommodation fees for rooms and services</p> <p><u>Accrued Expenses</u> Accrued expenses of accommodation fees for rooms and services</p> <p><u>Other income</u> Ethyl alcohol 70% and molasses</p> <p><u>Other receivables</u> Ethyl alcohol value</p>
15. Nakornsawan Ruamtoonpattana Co., Ltd. ("Nakornsawan Ruamtoonpattana") (In the transportation business)	<ul style="list-style-type: none"> Nakornsawan Ruamtoonpattana has 1 common director with the Company: <ol style="list-style-type: none"> Mr. Prasert Siriviriyakul. The Company's shareholders and related companies hold shares in Nakornsawan Ruamtoonpattana is Jaroon Hatai Ake Holding Co., Ltd. 	<p><u>Sugar Transportation Cost</u> TIS engaged Nakornsawan Ruamtoonpattana in the transportation of sugar to the warehouses.</p> <p><u>Accrued Transportation Expenses</u> Sugar transportation expenses</p> <p><u>Other Revenue</u> Compensation for damage of goods (sugar)</p> <p><u>Sales revenue</u> Sugar</p> <p><u>Deposit received</u> Receive a deposit for sugar</p> <p><u>Insurance money</u> Insurance</p>
16. PoomPattana Business Co., Ltd. ("PP") (Property Business)	<ul style="list-style-type: none"> SuebSiriSawat has 2 common directors with the Company: <ol style="list-style-type: none"> Mr. Prasert Siriviriyakul Mr. Sirapak Siriviriyakul The Company's shareholders and related companies hold shares in PP is Jaroon Hatai Ake Holding Co., Ltd. 	<p><u>Land Lease Expenses</u> Leased land</p> <p><u>Land Lease Expenses</u> Land rent under financial lease agreement</p> <p><u>Accrued expenses</u> Costs payable from KTBK leased land.</p> <p><u>Prepaid Expenses</u> Prepayment of the land lease fees</p> <p><u>Financial cost</u> Interest paid under the finance lease</p> <p><u>Finance lease liabilities</u> Finance lease liabilities</p> <p><u>Deferred interest</u> Right to use assets under financial lease agreements</p>

Transaction Value (THB)			Rationale of the transaction
30 September 2019	30 September 2020	30 September 2021	
-	-	105,000.00	<ul style="list-style-type: none"> 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.
-	-	-	
-	4,616,822.43	123,036,574.79	
-	-	7,432,440.00	
6,448,045.75	7,650,775.68	3,030,670.35	<ul style="list-style-type: none"> 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.
447,131.31	106,620.64	-	
13,009.35	13,724.30	6,841.12	
-	23,350,050.00	75,512,945.81	
-	-	138,000.00	
-	-	97,754.00	
7,936,618.44	8,832,525.74	-	<ul style="list-style-type: none"> 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 practices.
-	-	8,574,192.57	
2,514.22	1,439.78	2,985.92	
4,759,104.15	4,771,885.38	167,867.68	
-	-	1,025,325.28	
-	-	28,835,496.42	
-	-	10,278,759.91	

Related Person/ Companies	Nature of Relationship	Nature of Transaction
17. Agro Ethanol Co., Ltd. ("Agro Ethanol") (Property Business)	<ul style="list-style-type: none"> Agro Ethanol has 1 common director with the Company: (1) Mr. Sirapak Siriviriyakul Related company shareholders in Agro Ethanol is Aekphol Sugar Co., Ltd. 	<p><u>Land Lease Expenses</u> Leased land</p> <p><u>Land Lease Expenses</u> Land rent under financial lease agreement</p> <p><u>Prepaid Expenses</u> Prepayment of the land lease fees</p> <p><u>Financial cost</u> Interest paid under the finance lease</p> <p><u>Finance lease liabilities</u> Finance lease liabilities</p> <p><u>Deferred interest</u> Right to use assets under financial lease agreements</p>
18. EPC Power Co., Ltd. ("EPC Power") (Property Business)	<ul style="list-style-type: none"> EPC Power has 1 common director with the Company: (1) Mr. Sirapak Siriviriyakul Related company shareholders in EPC Power is Aekphol Sugar Co., Ltd. 	<p><u>Land Lease Expenses</u> Leased land</p> <p><u>Prepaid Expenses</u> Prepayment of the land lease fees</p>
19. Kaset Thai Sugar Co., Ltd. ("KT") (Formerly operated sugar production and trading business but currently is not in business operation.)	<ul style="list-style-type: none"> KT has 1 common director with the Company: (1) Mr. Sirapak Siriviriyakul Related company shareholders in KT is Aekphol Sugar Co., Ltd. 	<p><u>Land Lease Expenses</u> Land Lease Expenses</p> <p><u>Prepaid land Lease</u> Prepaid land Lease</p>
20. Siriviriyakul Co., Ltd. ("Siriviriyakul") (Property Business)	<ul style="list-style-type: none"> Siriviriyakul has 1 common director with the Company: (1) Mrs. Darat Vibhatakalasa The Company's shareholders and related companies hold shares in Siriviriyakul is Jaroon Hatai Ake Holding Co., Ltd 	<p><u>Land Lease Expenses</u> Land Lease Expenses</p> <p><u>Prepaid land Lease</u> Prepaid land Lease</p>
21. Hua Hin Pearl Resort Company Limited ("Hua Hin Pearl") (Hotel and Resort Business)	<ul style="list-style-type: none"> Hua Hin Pearl has 1 common director with the Company: (1) Mr. Sirapak Siriviriyakul The Company's shareholders and related parties hold shares in are <ol style="list-style-type: none"> Jaroon Hatai Ake Holding Co., Ltd. Siri Charoen Export Co., Ltd. Akephol Sugar Co., Ltd. 	<p><u>Other Receivable</u> Ethyl alcohol 70%</p> <p><u>Debtor</u> Receivable</p> <p><u>Accommodation cost</u> Room rental</p>

Transaction Value (THB)			Rationale of the transaction
30 September 2019	30 September 2020	30 September 2021	
207,459.72	382,657.60	-	<ul style="list-style-type: none"> 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.
-	-	457,395.63	
45,092.29	198,738.69	-	
-	-	24,621.95	
-	-	494,278.80	
-	-	6,982.77	
280,216.38	347,612.14	250,093.60	<ul style="list-style-type: none"> 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.
107,353.61	118,933.47	82,683.87	
33,828.03	45,103.98	45,104.00	<ul style="list-style-type: none"> 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.
26,310.63	26,310.65	26,310.65	
117,920.61	117,920.00	58,959.98	<ul style="list-style-type: none"> 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.
58,959.80	58,959.98	58,960.02	
-	1,121,495.33	662,233.65	<ul style="list-style-type: none"> KTBE sells 70% ethyl alcohol to Hua Hin Pearl. Selling price, terms and conditions are in line with market rates and practices.
-	-	2,860.00	
-	-	13,200.00	

Conclusions relating to the related party transactions

After having thoroughly considered all the connected transactions for the financial year ended September 30, 2021, as well as having obtained information from the management and verified the information specified in the notes to the financial statements, the audit committee, at Audit Committee Meeting, no. 1/2022 held on November 29, 2021, concluded that the connected transactions for the financial year ended September 30, 2021 were conducted in the ordinary course of business. The transactions were also deemed to be conducted on an arm's length basis. There was also no transfer or diversion of interests between our Company and persons who may have conflicts of interests.

The approval procedure for related party transactions

Our policy and procedures for related party transactions with persons who may have conflicts of interests are summarized as follows.

We shall abide with all principles and procedures as provided in the Securities Act, the Notification of Capital Market Supervisory Board, ref. Tor.Jor. 21/2551 (A.D. 2008) on related party transaction principle, the Notification of the Board of Governors of the Stock Exchange of Thailand on the disclosure of information and other acts of listed companies concerning related party transactions, relevant rules of the Securities and Exchange Commission and the Stock Exchange of Thailand and the provisions on disclosure of related party transactions in notes to audited financial statements and annual registration statements (56-1) One Report.

The audit committee shall evaluate any transaction for which prior approval from the board of directors or shareholders is required by law. The audit committee's opinions will be presented at the board and shareholder meetings. This ensures that we will only enter into transactions which are in our best interests.

In the event that other parties in proposed related transactions may face conflicts of interests, the audit committee will provide an opinion on the necessity of entering into the transaction, on whether the terms and the prices have been offered according to industry practice and how they compare to terms offered by other vendors. In addition, where required, we may appoint an independent specialist to provide an opinion on the transaction. Directors with vested interests in the transactions will be precluded from voting and such transactions must be disclosed in the notes to the audited financial statements.

As a rule, the management is authorized to approve transactions if their trading terms and conditions were determined on an arm's length basis. We will be issuing a summary report on transactions with total values in excess of Baht 5,000,000, at our next board meeting.

Our policy towards future related party transactions

All related party transactions shall only be carried out in adherence with all applicable rules and principles of the Stock Exchange of Thailand and the Securities and Exchange Commission.

We will continue to strictly observe and abide by the aforementioned policy and procedures for related party transactions. The audit committee provides guidance on the approval of related party transactions. It will consider the necessity of a transaction for our business operations and compare it against prices and terms offered by other vendors, if any. The audit committee will also take into account size of the transaction.

If the audit committee does not specialize in a particular kind of transaction, we will appoint persons with the requisite skills and knowledge to provide their opinions on the transaction. Such persons may be independent auditors or real estate appraisers whose opinions will facilitate the decision making processes of our board of directors or shareholders, ensure that the transaction does not involve a transfer or diversion of interests between companies within KTIS group or among our shareholders and that shareholders' interests are protected.

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 2021, 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 2021, 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 as issued by the Federation of Accounting Professions as relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code. 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.

Net realisable value of finished goods in manufacture and distribution of sugar segment

The Group had a significant outstanding balance of inventory of the manufacture and distribution of sugar segment as at 30 September 2021, amounting to Baht 1,477 million, of which 77% was finished goods. Since sugar is a commodity and prices are set by global demand and supply, the sugar price for export sales fluctuates with the market price. As a result, estimating the net realisable value of finished goods is an area of significant management judgement that requires detailed analysis of the competitive environment, economic circumstances, the situation within the industry and the basis to be applied in estimating the price of sugar exports. There is thus a risk with respect to the amount of provision set aside for diminution in the value of finished goods.

I assessed and tested the internal controls of the Group relevant to the determination of provision for diminution in the value of finished goods in manufacture and distribution of sugar segment.

I also evaluated the method and the assumptions applied by management in determining such provision. The procedures that I performed included:

- Gaining an understanding of the basis applied in determining the provision for diminution in value of finished goods and reviewing the consistency of the application of that basis.
- Comparing details of sales contract occurring after the date of the financial statements with the cost of finished goods for each product line.
- Reviewing the appropriateness of the sales forecasts by product line that were prepared by the Group's management, in comparison with global sugar prices.

Impairment of investments in subsidiaries in the separate financial statements

As of 30 September 2021, the Company has investments in subsidiaries of Baht 11,635 million which are accounted for in the separate financial statements using the cost method. I have paid particular attention to the determination of allowance for impairment loss 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 impairment loss accounts.

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.



Vilailak Laohasrisakul

Certified Public Accountant (Thailand) No. 6140

EY Office Limited

Bangkok: 29 November 2021

Kaset Thai International Sugar Corporation Public Company Limited and its subsidiaries

Statement of financial position

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
		As at	As at	As at	As at
	Note	30 September 2021	30 September 2020	30 September 2021	30 September 2020
Assets					
Current assets					
Cash and cash equivalents	9	332,038,389	277,736,739	189,054,193	160,914,009
Trade and other receivables	8, 10	589,711,061	398,371,173	376,258,538	230,287,425
Planters receivable	11	409,789,273	342,878,320	303,418,482	266,284,956
Short-term loans to related parties	8	-	-	1,934,125,495	1,414,753,860
Inventories	12	1,801,217,102	1,887,927,624	1,273,801,785	1,018,519,027
Biological assets	13	74,267,850	44,545,615	52,411,514	32,747,083
Factory overhaul costs		427,833,180	626,073,977	314,863,089	531,777,425
Current portion of amounts due from the Office of the Cane and Sugar Fund	14	223,194,792	528,020,179	184,217,591	421,599,438
Other current financial assets	37.1	711,259,463	-	711,259,463	-
Other current assets	8	83,014,290	79,412,985	18,158,560	23,603,940
Total current assets		4,652,325,400	4,184,966,612	5,357,568,710	4,100,487,163
Non-current assets					
Other non-current financial assets	8	49,201,830	-	39,238,771	-
Investments in subsidiaries	15	-	-	10,989,687,369	11,192,687,369
Investments in joint venture	16	1,232,553,440	932,199,308	-	-
Other long-term investments		-	262,450	-	50,975
Investment properties	17	329,595,670	327,039,274	12,183,735	12,378,480
Property, plant and equipment	18	8,735,267,704	9,299,677,804	2,540,975,186	2,958,125,259
Right-of-use assets	24	242,160,837	-	176,923,723	-
Intangible assets	19	229,587,373	245,487,929	6,504,171	5,866,619
Deferred tax assets	30	166,847,982	195,575,940	150,388,259	179,504,011
Other non-current assets	8	120,785,668	209,748,577	74,033,234	167,169,826
Total non-current assets		11,106,000,504	11,209,991,282	13,989,934,448	14,515,782,539
Total assets		15,758,325,904	15,394,957,894	19,347,503,158	18,616,269,702

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	As at	As at	As at
		30 September 2021	30 September 2020	30 September 2021	30 September 2020
Liabilities and shareholders' equity					
Current liabilities					
Bank overdrafts and short-term loans from financial institutions	20	3,082,824,491	2,438,976,185	3,082,824,491	2,438,360,819
Trade and other payables	8, 21	1,178,341,930	1,354,429,640	618,060,880	652,771,946
Short-term loans from related parties	8	-	-	2,360,536,477	2,328,947,318
Current portion of lease liabilities	8, 24	42,555,146	10,693,734	33,915,495	10,693,734
Current portion of long-term loans from financial institutions	22	837,220,150	599,301,566	749,720,150	599,301,566
Current portion of long-term loans from related party	8	4,850,000	4,850,000	-	-
Current portion of long-term loans from the Office of the Cane and Sugar Fund	23	-	8,411,144	-	-
Income tax payable		36,933,461	27,736,231	-	-
Other current financial liabilities	8, 37.1	1,292,739,952	-	1,223,130,934	-
Other current liabilities	8	31,765,100	83,664,047	14,137,818	22,966,220
Total current liabilities		6,507,230,230	4,528,062,547	8,082,326,245	6,053,041,603
Non-current liabilities					
Lease liabilities - net of current portion	8, 24	920,831,250	762,090,501	863,662,830	762,090,501
Long-term loans from financial institutions - net of current portion	22	198,060,000	749,720,150	-	749,720,150
Long-term loans from related party - net of current portion	8	53,350,000	58,200,000	-	-
Provision for long-term employee benefits	25	448,429,368	442,562,279	268,061,517	256,989,195
Provision for decommissioning costs		33,644,739	32,440,013	-	-
Other non-current financial liabilities	8	419,381,745	-	-	-
Other non-current liabilities	8	-	449,312,221	-	-
Total non-current liabilities		2,073,697,102	2,494,325,164	1,131,724,347	1,768,799,846
Total liabilities		8,580,927,332	7,022,387,711	9,214,050,592	7,821,841,449

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 2021	As at 30 September 2020	As at 30 September 2021	As at 30 September 2020
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					
Appropriated - statutory reserve	27	347,435,411	347,435,411	347,435,411	347,435,411
Unappropriated		1,144,046,879	2,339,218,490	1,096,153,555	1,757,129,242
Total shareholders' equity		7,177,398,572	8,372,570,183	10,133,452,566	10,794,428,253
Total liabilities and shareholders' equity		15,758,325,904	15,394,957,894	19,347,503,158	18,616,269,702
		-	-	-	-

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 2021

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
Revenues					
Revenues		10,240,577,555	13,355,300,194	6,445,685,180	7,459,276,973
Revenue from compensating of sugar productions and distributions	14	2,246,705	12,412,635	1,421,375	11,322,458
Revenue under the project to support sugar cane planters and sugar plants	21	-	282,334,957	-	213,824,261
Other income					
Dividend income	15	-	-	573,907,294	1,002,172,414
Gain on sugar futures contracts		-	17,793,963	-	17,793,963
Others		169,332,446	317,515,931	114,494,556	273,469,799
Total revenues		10,412,156,706	13,985,357,680	7,135,508,405	8,977,859,868
Expenses					
Cost of sales		9,325,613,123	11,441,278,962	6,118,522,983	6,659,428,179
Selling expenses		222,469,340	453,328,791	126,589,103	247,375,445
Administrative expenses		961,837,797	1,233,236,190	555,477,494	792,692,909
Loss on fair value adjustment from derivatives	37.1	507,570,122	-	507,570,122	-
Loss on exchange		33,269,285	8,830,724	25,978,926	6,356,692
Loss from sugar futures contracts		197,599,865	-	197,599,865	-
Loss on impairment of investment in subsidiary	15	-	-	-	635,000,000
Total expenses		11,248,359,532	13,136,674,667	7,531,738,493	8,340,853,225
Operating profit (loss)		(836,202,826)	848,683,013	(396,230,088)	637,006,643
Share of loss from a joint venture	16	(46,638,447)	(22,916,684)	-	-
Finance income		6,987,936	36,392,506	50,804,319	69,980,363
Finance cost	28	(166,359,788)	(213,086,253)	(192,643,865)	(232,933,547)
Profit (loss) before income tax expenses		(1,042,213,125)	649,072,582	(538,069,634)	474,053,459
Income tax expenses	30	(72,224,991)	(80,364,978)	(23,602,782)	(15,033,897)
Profit (loss) for the year		(1,114,438,116)	568,707,604	(561,672,416)	459,019,562
Other comprehensive income:					
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>					
Actuarial gain (loss) - net of income tax		3,711,981	40,733,428	(8,814,876)	28,842,315
Share of other comprehensive income from actuarial loss of a joint venture	16	(1,382,421)	-	-	-
Other comprehensive income for the year		2,329,560	40,733,428	(8,814,876)	28,842,315
Total comprehensive income for the year		(1,112,108,556)	609,441,032	(570,487,292)	487,861,877
Earnings per share	32				
Basic earnings (loss) per share					
Profit (loss) attributable to equity holders of the Company		(0.29)	0.15	(0.15)	0.12

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 2021

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Cash flows from operating activities				
Profit (loss) before tax	(1,042,213,125)	649,072,582	(538,069,634)	474,053,459
Adjustments to reconcile profit (loss) before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	1,256,253,258	1,283,534,409	559,584,962	600,728,404
Gain on realised discount from transferring right of planters receivable	(2,187,347)	(4,671,519)	(1,796,549)	(4,326,028)
Reversal of allowance for expected credit losses/allowance for doubtful accounts	(47,901,665)	(28,279,987)	(38,389,473)	(16,142,534)
Reduction cost of inventories to net realisable value (reversal)	506,562	(309,518,906)	21,638,810	(122,216,348)
Loss (gain) arising from change in fair value of biological assets	(13,007,343)	744,031	(4,503,600)	(142,759)
Unrealised loss (gain) on exchange	9,412,650	262,019	(914,988)	174,650
Loss on fair value adjustment of financial instruments	502,847,515	-	491,375,656	-
Loss on impairment of investment in subsidiary	-	-	-	635,000,000
Share of loss from a joint venture	46,638,447	22,916,684	-	-
Loss on impairment of investment properties (reversal)	3,206,781	(1,596)	194,745	-
Loss on impairment of property, plant and equipment	11,394,592	33,073,943	1,063,508	9,440,128
Gain on sales of investment properties	(30,827)	(23,750)	-	-
Gain on sales of equipment and vehicles	(1,731,829)	(690,907)	(1,518,059)	(884,808)
Long-term employee benefits expenses	38,109,925	29,617,113	24,130,944	16,406,328
Dividend income	-	-	(573,907,294)	(1,002,172,414)
Finance income	(6,987,936)	(36,392,506)	(50,804,319)	(69,980,363)
Finance cost	166,359,788	213,086,253	192,643,865	232,933,547
Profit from operating activities before changes in operating assets and liabilities	920,669,446	1,852,727,863	80,728,574	752,871,262
Operating assets (increase) decrease				
Trade and other receivables	(189,863,469)	911,456,696	(143,848,015)	568,686,596
Planters receivable	(91,025,561)	65,465,110	(68,055,078)	749,097
Inventories	86,203,960	1,838,828,902	(276,921,568)	886,305,920
Biological assets	(16,714,892)	2,189,835	(15,160,831)	4,378,038
Amounts due from the Office of the Cane and Sugar Fund	243,500,384	(42,966,920)	193,392,393	(39,193,147)
Other current assets	194,640,992	122,611,937	222,360,716	34,932,107
Other non-current assets	(1,866,840)	23,528,556	17,124,211	8,337,096
Operating liabilities increase (decrease)				
Trade and other payables	(175,358,440)	79,135,082	(44,273,662)	(137,997,059)
Other current liabilities	22,011,420	17,892,181	(4,527,053)	1,714,970
Cash paid for long-term employee benefits	(30,622,686)	(18,613,317)	(24,077,217)	(11,973,141)
Cash flows from (used in) operating activities	961,574,314	4,852,255,925	(63,257,530)	2,068,811,739
Interest paid	(117,609,091)	(167,786,825)	(117,474,832)	(157,026,002)
Corporate income tax paid	(54,141,048)	(105,067,574)	(8,564,930)	(3,482,107)
Net cash flows from (used in) operating activities	789,824,175	4,579,401,526	(189,297,292)	1,908,303,630

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 2021

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Cash flows from investing activities				
Decrease (increase) in short-term loans to related parties	-	-	(519,371,635)	1,629,572,897
Acquisition of investment properties	(5,582,616)	(550,000)	-	-
Proceed from sales of investment properties	376,466	363,750	-	-
Acquisition of property, plant and equipment	(570,654,556)	(1,051,047,941)	(39,912,997)	(130,060,532)
Proceed from sales of equipment and vehicles	2,009,952	2,387,927	1,527,551	2,318,395
Cash paid for payable from purchases of property, plant and equipment	(10,270,955)	(21,227,230)	(3,406,832)	(6,067,321)
Acquisition of intangible assets	(1,007,963)	(4,551,846)	(955,716)	(3,524,940)
Dividend received	-	-	573,907,294	1,002,172,414
Interest received	5,093,565	3,980,419	49,575,187	49,383,524
Net cash flows from (used in) investing activities	(580,036,107)	(1,070,644,921)	61,362,852	2,543,794,437
Cash flows from financing activities				
Increase (decrease) in bank overdrafts and short-term loans from financial institutions	643,848,306	(1,409,522,580)	644,463,672	(1,406,394,745)
Cash receipt from short-term loans from related parties	-	-	3,516,332,350	7,503,676,082
Repayment of short-term loans from related parties	-	-	(3,484,743,191)	(6,903,835,294)
Cash receipt from long-term loans from financial institutions	290,560,000	-	-	-
Repayment of long-term loans from financial institutions	(605,000,000)	(749,521,352)	(600,000,000)	(600,000,000)
Repayment of long-term loans from related party	(4,850,000)	(4,850,000)	-	-
Repayment of long-term loans from the Office of the Cane and Sugar Fund	(8,540,640)	(12,910,658)	-	-
Repayment of principal portion of lease liabilities	(123,129,084)	(95,700,000)	(122,978,207)	(95,700,000)
Cash received for reduction of capital of subsidiary	-	-	203,000,000	-
Cash paid for increase share capital of subsidiary	-	-	-	(2,385,000,000)
Cash paid for increase share capital of joint venture	(348,375,000)	(674,500,000)	-	-
Dividends paid	-	(578,980,265)	-	(578,980,265)
Net cash flows from (used in) financing activities	(155,486,418)	(3,525,984,855)	156,074,624	(4,466,234,222)
Net increase (decrease) in cash and cash equivalents	54,301,650	(17,228,250)	28,140,184	(14,136,155)
Cash and cash equivalents at beginning of year	277,736,739	294,964,989	160,914,009	175,050,164
Cash and cash equivalents at end of year	332,038,389	277,736,739	189,054,193	160,914,009
	-	-	-	-
Supplemental cash flows information:				
Non-cash items consist of				
Acquisition of property, plant and equipment for which no cash had been paid	76,744,721	10,270,955	73,013,007	3,406,832
Increase in investment properties due to collection from planters receivable	717,321	3,263,923	-	-
Increase in land due to collection from planters receivable	4,349,464	12,805,793	4,349,464	12,805,793
Dividend payables	203,016	203,016	203,016	203,016
Decreased in short-term loans from the Office of the Cane and Sugar Fund due to the offset of amounts due from the Office of the Cane and Sugar Fund	-	1,170,920,794	-	923,501,258
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	61,325,003	373,070,649	43,989,454	291,887,992

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 2021

(Unit: Baht)

	Consolidated financial statements						Total shareholders' equity
	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	Unappropriated	
Balance as at 1 October 2019	3,860,000,010	5,202,881,296	(3,577,165,024)	200,200,000	324,484,433	2,331,728,303	8,342,129,018
Profit for the year	-	-	-	-	-	568,707,604	568,707,604
Other comprehensive income for the year	-	-	-	-	-	40,733,428	40,733,428
Total comprehensive income for the year	-	-	-	-	-	609,441,032	609,441,032
Dividend paid (Note 33)	-	-	-	-	-	(578,999,867)	(578,999,867)
Statutory reserve (Note 27)	-	-	-	-	22,950,978	(22,950,978)	-
Balance as at 30 September 2020	3,860,000,010	5,202,881,296	(3,577,165,024)	200,200,000	347,435,411	2,339,218,490	8,372,570,183
Balance as at 1 October 2020	3,860,000,010	5,202,881,296	(3,577,165,024)	200,200,000	347,435,411	2,339,218,490	8,372,570,183
Cumulative effect of change in accounting policy (Note 4)	-	-	-	-	-	(83,063,055)	(83,063,055)
Balance as at 1 October 2020 - as restated	3,860,000,010	5,202,881,296	(3,577,165,024)	200,200,000	347,435,411	2,256,155,435	8,289,507,128
Loss for the year	-	-	-	-	-	(1,114,438,116)	(1,114,438,116)
Other comprehensive income for the year	-	-	-	-	-	2,329,560	2,329,560
Total comprehensive income for the year	-	-	-	-	-	(1,112,108,556)	(1,112,108,556)
Balance as at 30 September 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
							-

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 (continued)

For the year ended 30 September 2021

(Unit: Baht)

	Separate financial statements						Total shareholders' equity
	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 Appropriated	Unappropriated	
Balance as at 1 October 2019	3,860,000,010	5,202,881,296	(573,217,706)	200,200,000	324,484,433	1,871,218,210	10,885,566,243
Profit for the year	-	-	-	-	-	459,019,562	459,019,562
Other comprehensive income for the year	-	-	-	-	-	28,842,315	28,842,315
Total comprehensive income for the year	-	-	-	-	-	487,861,877	487,861,877
Dividend paid (Note 33)	-	-	-	-	-	(578,999,867)	(578,999,867)
Statutory reserve (Note 27)	-	-	-	-	22,950,978	(22,950,978)	-
Balance as at 30 September 2020	3,860,000,010	5,202,881,296	(573,217,706)	200,200,000	347,435,411	1,757,129,242	10,794,428,253
Balance as at 1 October 2020	3,860,000,010	5,202,881,296	(573,217,706)	200,200,000	347,435,411	1,757,129,242	10,794,428,253
Cumulative effect of change in accounting policy (Note 4)	-	-	-	-	-	(90,488,395)	(90,488,395)
Balance as at 1 October 2020 - as restated	3,860,000,010	5,202,881,296	(573,217,706)	200,200,000	347,435,411	1,666,640,847	10,703,939,858
Loss for the year	-	-	-	-	-	(561,672,416)	(561,672,416)
Other comprehensive income for the year	-	-	-	-	-	(8,814,876)	(8,814,876)
Total comprehensive income for the year	-	-	-	-	-	(570,487,292)	(570,487,292)
Balance as at 30 September 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

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 2021

1. General information

1.1 Corporate 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.

1.2 Coronavirus disease 2019 Pandemic

The Coronavirus disease 2019 pandemic is resulting in an economic slowdown and adversely impacting most businesses and industries. This situation may bring uncertainties and have an impact on the environment in which the group operates. The Group's management has continuously monitored ongoing developments and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities, and has used estimates and judgement in respect of various issues as the situation has evolved.

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	
			2021	2020	2021	2020
					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
Sapsirkaset Co., Ltd.	Thailand	Property rental and trading	108 Million Baht	311 Million Baht	100	100
Thaikaluck 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 Wivat 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 (revised 2019) and new financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2020. 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. However, the new standard involves changes to key principles, which are summarised below:

Financial reporting standards related to financial instruments

A set of TFRSs related to financial instruments consists of five accounting standards and interpretations, as follows:

Financial reporting standards:

TFRS 7	Financial Instruments: Disclosures
TFRS 9	Financial Instruments

Accounting standard:

TAS 32	Financial Instruments: Presentation
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Financial Reporting Standard Interpretations:

TFRIC 16	Hedges of a Net Investment in a Foreign Operation
TFRIC 19	Extinguishing Financial Liabilities with Equity Instruments

These TFRSs related to financial instruments make stipulations relating to the classification of financial instruments and their measurement at fair value or amortised cost (taking into account the type of instrument, the characteristics of the contractual cash flows and the entity's business model), calculation of impairment using the expected credit loss method, and hedge accounting. These include stipulations regarding the presentation and disclosure of financial instruments.

The adoption of these standards has the impact on the Group's financial statements to result in the following adjustments.

- Classification and measurement of investments in equity instruments of non-listed companies. The Group measures investments in equity instruments of non-listed companies at fair value and classifies the investments as financial assets at fair value through profit or loss.
- Recognition of expected credit losses. The Group recognises an allowance for expected credit losses on its financial assets, and it is no longer necessary for a credit-impaired event to have occurred. The Group applies the simplified approach to consider impairment of trade receivables and the general approach to consider impairment of planters receivable, post-date cheques issued to planters, other receivables and loans.
- Recognition of derivatives. The Group initially recognises derivatives at their fair value on the contract date and subsequently measure them at fair value at the end of each reporting period. Changes in the fair value of derivatives are recognised in profit or loss.

The Group recognised the cumulative effect of the adoption of these financial reporting standards as an adjustment to the retained earnings as at 1 October 2020, and the comparative information was not restated.

The cumulative effect of the change is described in Note 4.

TFRS 16 Leases

TFRS 16 supersedes TAS 17 Leases together with related Interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases, and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is low value.

Accounting by lessors under TFRS 16 is substantially unchanged from TAS 17. Lessors will continue to classify leases as either operating or finance leases.

The Group recognised the cumulative effect of the adoption of this financial reporting standard as an adjustment to the retained earnings as at 1 October 2020, and the comparative information was not restated.

The cumulative effect of the change is described in Note 4.

3.2 Financial reporting standards that became effective in the future

The fiscal years begin on or after 1 January 2021

The Federation of Accounting Professions issued a number of revised financial reporting standards and interpretations, which are effective for fiscal years beginning on or after 1 January 2021. 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 fiscal years begin on or after 1 January 2022

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 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 for some standards provide practical reliefs or temporary exemptions for users of the standards.

The management of the Group has believed that these standards do not have any significant impact on the Group's financial statements in the year when they are adopted.

4. Cumulative effects of changes in accounting policies due to the adoption of new financial reporting standards

As described in Note 3.1 to the financial statements, during the current period, the Group has adopted financial reporting standards related to financial instruments and TFRS 16. The cumulative effect of initially applying these standards is recognised as an adjustment to retained earnings as at 1 October 2020. Therefore, the comparative information was not restated.

The impacts of changes in accounting policies on the statements of financial position at the beginning of 2020 due to the adoption of these standards are presented as follows:

(Unit: Thousand Baht)

	Consolidated financial statements			
	30 September 2020	The impacts of		1 October 2020
		Financial reporting		
		standards related to financial instruments		
TFRS 16				
Statement of financial position				
Assets				
Current assets				
Planters receivable	342,878	(69,137)	-	273,741
Other current financial assets	-	49,875	-	49,875
Non-current assets				
Other non-current financial assets	-	38,686	-	38,686
Other long-term investments	262	(262)	-	-
Property, plant and equipment	9,299,678	-	(40,435)	9,259,243
Right-of-use assets	-	-	299,984	299,984
Deferred tax assets	195,576	(10,163)	-	185,413
Other non-current assets	209,749	(37,484)	(66,952)	105,313
Liabilities and shareholders' equity				
Current liabilities				
Current portion of lease liabilities	10,694	-	17,477	28,171
Other current financial liabilities	-	54,578	-	54,578
Non-current liabilities				
Lease liabilities - net of current portion	762,091	-	175,120	937,211
Other non-current financial liabilities	-	449,312	-	449,312
Other non-current liabilities	449,312	(449,312)	-	-
Shareholders' equity				
Retained earnings - unappropriated	2,339,219	(83,063)	-	2,256,156

(Unit: Thousand Baht)

	Separate financial statements			
		The impacts of		
		Financial reporting standards related to financial instruments	TFRS 16	1 October 2020
Statement of financial position				
Assets				
Current assets				
Planters receivable	266,285	(66,758)	-	199,527
Other current financial assets	-	38,404	-	38,404
Non-current assets				
Other non-current financial assets	-	36,898	-	36,898
Other long-term investments	51	(51)	-	-
Property, plant and equipment	2,958,125	-	(40,435)	2,917,690
Right-of-use assets	-	-	223,236	223,236
Deferred tax assets	179,504	(7,716)	-	171,788
Other non-current assets	167,170	(36,667)	(66,763)	63,740
Liabilities and shareholders' equity				
Current liabilities				
Current portion of lease liabilities	10,694	-	9,174	19,868
Other current financial liabilities	-	54,598	-	54,598
Non-current liabilities				
Lease liabilities - net of current portion	762,091	-	106,864	868,955
Shareholders' equity				
Retained earnings - unappropriated	1,757,129	(90,488)	-	1,666,641

4.1 Financial instruments

- a) Details of the impact on retained earnings as at 1 October 2020 due to the adoption of financial reporting standards related to financial instruments are presented as follows:

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Recognition of an allowance for expected credit losses on financial assets - net of income tax	(69,137)	(66,758)
Fair value measurement of investments in equity instruments of non-listed companies - net of income tax	752	144
Recognition of derivatives at fair value through profit or loss - net of income tax	<u>(14,678)</u>	<u>(23,874)</u>
Impacts on retained earnings due to the adoption of financial reporting standards related to financial instruments	<u>(83,063)</u>	<u>(90,488)</u>

- b) The classifications, measurement basis and carrying values of financial assets in accordance with TFRS 9 as at 1 October 2020, and with the carrying amounts under the former basis, are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements			
	The former	Classification and measurement in accordance with TFRS 9		
	carrying amount	Fair value through profit or loss	Amortised cost	Total
Financial assets as at 1 October 2020				
Cash and cash equivalents	277,737	-	277,737	277,737
Trade and other receivables	398,371	-	398,371	398,371
Planters receivable	342,878	-	273,741	273,741
Amounts due from the Office of the Cane and Sugar Fund	528,020	-	528,020	528,020
Other current financial assets	-	49,875	-	49,875
Other non-current assets/other non-current financial assets*	210,011	1,202	37,484	38,686
Total financial assets	1,757,017	51,077	1,515,353	1,566,430

*Other non-current assets/other non-current financial assets consist of other long-term investment and deposits of lease agreements in respect of land with related parties, which some of these deposits were classified to right-of-use assets.

(Unit: Thousand Baht)

	Separate financial statements		
	The former	Classification and measurement in accordance with TFRS 9	
	carrying amount	Fair value through profit or loss	Amortised cost
Total			
Financial assets as at 1 October 2020			
Cash and cash equivalents	160,914	-	160,914
Trade and other receivables	230,287	-	230,287
Planters receivable	266,285	-	199,527
Short-term loans to related parties	1,414,754	-	1,414,754
Amounts due from the Office of the Cane and Sugar Fund	421,599	-	421,599
Other current financial assets	-	38,404	-
Other non-current assets/other non-current financial assets*	167,221	231	36,667
Total financial assets	2,661,060	38,635	2,463,748
			2,502,383

* Other non-current assets/other non-current financial assets consist of other long-term investment and deposits of lease agreements in respect of land with related parties, which some of these deposits were classified to right-of-use assets.

As at 1 October 2020, the Group has not designated any financial liabilities at fair value through profit or loss except derivative liabilities of which fair value is Baht 55 million (Separate financial statements: Baht 55 million).

4.2 Leases

Upon initial application of TFRS 16 the Group recognised lease liabilities previously classified as operating leases at the present value of the remaining lease payments, discounted using the Group's incremental borrowing rate at 1 October 2020. For leases previously classified as finance leases, the Group recognised the carrying amount of that lease assets and lease liabilities before transition as right-of-use assets and lease liabilities, respectively at the date of initial application.

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Operating lease commitments as at 30 September 2020	79,322	24,944
Less: Short-term leases and leases of low-value assets	(2,579)	(5,772)
Add: Option to extend lease term and others	214,724	155,677
Less: Contracts reassessed as service agreements	(20,537)	(5,530)
Less: Deferred interest expenses	(78,333)	(53,281)
Increase in lease liabilities due to the adoption of TFRS 16	192,597	116,038
Liabilities under finance lease agreements as at 30 September 2020	772,785	772,785
Lease liabilities as at 1 October 2020	965,382	888,823
Incremental borrowing rate (percent per annum)	3.87 - 5.15	3.87 - 5.15
Comprise of:		
Current lease liabilities	28,171	19,868
Non-current lease liabilities	937,211	868,955
	965,382	888,823

The adjustments of right-of-use assets due to the adoption of TFRS 16 as at 1 October 2020 are summarised below:

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Land and land improvement	102,179	78,646
Buildings and building improvement	98,305	45,090
Machinery and equipment	99,500	99,500
Total right-of-use assets	299,984	223,236

5. Significant accounting policies

5.1 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.

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.

5.2 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.

5.3 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".

5.4 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.

5.5 Agriculture

The Group's biological assets are sugar cane and acacia, and agricultural produces are harvested cane and acacia which were measured at their fair value less costs to sell at the point of harvest.

The fair value of cane and acacia are 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.

5.6 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.

5.7 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 net of allowance for impairment loss (if any).

5.8 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.

5.9 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.

5.10 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.

5.11 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 a systematic 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:

	<u>Useful lives</u>
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.

5.12 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

Accounting policies adopted since 1 October 2020

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.

Accounting policies adopted before 1 October 2020

Leases of property, plant or equipment which transfer substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lower of the fair value of the leased assets and the present value of the minimum lease payments. The outstanding rental obligations, net of finance charges, are included in long-term payables, while the interest element is charged to profit or loss over the lease period. The assets acquired under finance leases is depreciated over the shorter of the useful life of the asset and the lease period.

Leases of property, plant or equipment which do not transfer substantially all the risks and rewards of ownership are classified as operating leases. Operating lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term.

5.13 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 associated companies, 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.

5.14 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.

5.15 Impairment of non-financial assets

At the end of each reporting period, the Group performs impairment reviews in respect of the investments, 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.

5.16 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.

5.17 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.

5.18 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.

5.19 Financial instruments

Accounting policies adopted since 1 October 2020

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 neither transferred nor retained substantially all the risks and rewards of the asset but 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 in 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. It is 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.

Accounting policies adopted before 1 October 2020

Trade and other accounts receivable

Trade and other accounts receivable are stated at the net realisable value. Allowance for doubtful accounts is provided for the estimated losses that may be incurred in collection of receivables. The allowance is generally based on collection experience and analysis of debt aging.

Investments

Investments in non-marketable equity securities, which the Group classifies as other investments, are stated at cost net of allowance for impairment loss (if any).

The weighted average method is used for computation of the cost of investments.

5.20 Derivatives

Accounting policies adopted since 1 October 2020

The Group uses derivatives, such as forward currency contracts and commodity forward contracts, to hedge its foreign currency 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. 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.

5.21 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.

5.22 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.

6. 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 non-financial assets

In determining allowance for impairment of a 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 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.

7. 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.

8. 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		Separate		Transfer Pricing Policy
	financial statements		financial statements		
	2021	2020	2021	2020	
Transaction with subsidiary companies					
(eliminated from the consolidated financial statements)					
Sales of goods and services	-	-	976	1,053	Contract price
Dividend income	-	-	574	1,002	As declared
Interest income	-	-	47	44	3 % per annum
Other income	-	-	5	15	Mutual agreement
Purchases of goods and services	-	-	300	288	Contract price
Administrative expenses	-	-	20	12	Mutual agreement
Interest expenses	-	-	31	24	0.38% to 2.50 % per annum (2020: 0.38% to 3.95% per annum)
Transactions with joint venture					
Sales of goods and services	79	12	79	-	Contract price
Other income	29	44	29	44	Mutual agreement
Purchases of goods and services	2	-	-	-	Contract price
Transactions with related companies					
Sales of goods and services	240	42	141	-	Contract price
Interest income	2	-	2	-	3.87% to 5.15 % per annum
Purchases of goods and services	166	228	93	129	Contract price
Selling expenses	99	256	67	140	Mutual agreement
Administrative expenses	16	24	8	7	Mutual agreement
Rental expenses under lease agreement	116	113	105	101	Contract price

The outstanding balance of the Group and the related parties as at 30 September 2021 and 2020 were as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Trade and other receivables - related parties				
Subsidiaries	-	-	106,700	49,293
Joint venture	28,591	3,481	28,591	3,481
Related companies (common shareholder/director)	24,384	892	397	498
Total trade and other receivables - related parties	<u>52,975</u>	<u>4,373</u>	<u>135,688</u>	<u>53,272</u>
Short-term loans to related parties				
Subsidiaries	-	-	1,934,125	1,414,754
Total short-term loans to related parties	<u>-</u>	<u>-</u>	<u>1,934,125</u>	<u>1,414,754</u>
Other current assets - related parties				
Related companies (common shareholder/director)	370	10,505	141	7,408
Total other current assets - related parties	<u>370</u>	<u>10,505</u>	<u>141</u>	<u>7,408</u>
Other non-current assets/other non-current financial assets - related parties				
Related companies (common shareholder/director)	39,356	104,435	38,524	103,429
Total other non-current assets/other non-current financial assets - related parties	<u>39,356</u>	<u>104,435</u>	<u>38,524</u>	<u>103,429</u>
Trade and other payables - related parties				
Subsidiaries	-	-	7,033	9,315
Joint venture	6,210	-	6,210	-
Related companies (common shareholder/director)	45,640	63,451	11,831	18,771
Total trade and other payables - related parties	<u>51,850</u>	<u>63,451</u>	<u>25,074</u>	<u>28,086</u>
Short-term loans from related parties				
Subsidiaries	-	-	2,360,536	2,328,947
Total short-term loans from related parties	<u>-</u>	<u>-</u>	<u>2,360,536</u>	<u>2,328,947</u>
Other current liabilities/other current financial liabilities - related party				
Related company (common shareholder/director)	191	567	191	267
Total other current liabilities/other current financial liabilities - related party	<u>191</u>	<u>567</u>	<u>191</u>	<u>267</u>

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Lease liabilities - related party				
Related companies (common shareholder/director)	963,386	772,785	897,578	772,785
Total lease liabilities - related party	<u>963,386</u>	<u>772,785</u>	<u>897,578</u>	<u>772,785</u>
Long-term loans from related party				
Related company (common shareholder/director)	58,200	63,050	-	-
Total long-term loans from related party	<u>58,200</u>	<u>63,050</u>	<u>-</u>	<u>-</u>
Other non-current liabilities/other non-current financial liabilities - related party				
Related company (common shareholder/director)	419,382	449,312	-	-
Total other non-current liabilities/other non-current financial liabilities - related party	<u>419,382</u>	<u>449,312</u>	<u>-</u>	<u>-</u>

Short-term loans to related parties

During the year ended 30 September 2021, movements of the short-term loans to related parties were summarised below.

(Unit: Thousand Baht)

	Separate
	financial statements
Balance as at 1 October 2020	1,414,754
Increase during the year	2,489,329
Collection during the year	<u>(1,969,958)</u>
Balance as at 30 September 2021	<u>1,934,125</u>

The balances of short-term loans to related parties as at 30 September 2021 and 2020 were as follows:

(Unit: Thousand Baht)

	Separate	
	financial statements	
	2021	2020
Subsidiary companies		
Thaiekaluck Power Co., Ltd.	493,025	475,604
KTIS Bio Ethanol Co., Ltd.	1,241,000	930,500
Sapsirikaset Co., Ltd.	200,100	-
Environment Pulp and Paper Co., Ltd.	-	8,650
Total short-term loans to related parties	<u>1,934,125</u>	<u>1,414,754</u>

As at 30 September 2021 and 2020, short-term loans to related parties carried interest at a rate of 3.00% per annum with repayment at call.

Short-term loans from related parties

During the year ended 30 September 2021, movements of the short-term loans from related parties were summarised below.

(Unit: Thousand Baht)

	Separate financial statements
Balance as at 1 October 2020	2,328,947
Increase during the year	3,516,332
Repayment during the year	(3,484,743)
Balance as at 30 September 2021	2,360,536

The balances of short-term loans from related parties as at 30 September 2021 and 2020 were as follows:

(Unit: Thousand Baht)

	Separate financial statements	
	2021	2020
Subsidiary companies		
Environment Pulp and Paper Co., Ltd.	243,309	-
Kaset Thai Bio Power Co., Ltd.	777,495	858,849
Permsin Pattana Co., Ltd.	1,310	4,750
KTIS Bio Energy Co., Ltd.	12,380	12,330
KTIS Research and Development Co., Ltd.	31,750	28,257
KTIS Biogass Power Co., Ltd.	570	570
Kaset Thai Wiwat Co., Ltd.	28,000	19,000
KTIS Bio Natural Co., Ltd.	12,550	12,550
Ruamphol Bio Power Co., Ltd.	72,970	106,523
Thai Identity Sugar Factory Co., Ltd.	1,180,202	1,285,448
Sapsirikaset Co., Ltd.	-	670
Total short-term loans from related parties	2,360,536	2,328,947

As at 30 September 2021, short-term loans from related parties carried interest at rates of 0.38% to 2.50% per annum (2020: between 0.38% to 3.95% per annum) with repayment at call.

Long-term loans from related party

As at 30 September 2021 and 2020, long-term loans from related party were as follows:

(Unit: Thousand Baht)

	Consolidated financial statements	
	2021	2020
Long-term loans	58,200	63,050
Less: Portion due within one year	(4,850)	(4,850)
Long-term loans from related party		
- net of current portion	<u>53,350</u>	<u>58,200</u>

During the year ended 30 September 2021, movements of the long-term loans from related party were summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements
Balance as at 1 October 2020	63,050
Repayment during the year	<u>(4,850)</u>
Balance as at 30 September 2021	<u>58,200</u>

The balances of long-term loans from related party as at 30 September 2021 and 2020 were as follows:

(Unit: Thousand Baht)

	Consolidated financial statements	
	2021	2020
Related company		
Siricharoen Export Co., Ltd.	<u>58,200</u>	<u>63,050</u>
Total long-term loans from related party	<u>58,200</u>	<u>63,050</u>

As at 30 September 2021 and 2020, 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 2021 and 2020, the Group had employee benefit expenses payable to their directors and management as below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Short-term employee benefits	31,940	43,584	29,180	40,824
Post-employment benefits	299	292	299	292
Total	32,239	43,876	29,479	41,116

9. Cash and cash equivalents

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Cash	2,780	2,841	903	968
Bank deposits	329,258	274,896	188,151	159,946
Total	332,038	277,737	189,054	160,914

As at 30 September 2021 and 2020, bank deposits in saving accounts carried interests between 0.05% to 0.13% per annum.

10. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Trade receivables - related parties				
Aged on the basis of due dates				
Not yet due	12,881	-	9	39,818
Past due				
Up to 3 months	10,666	-	99,574	2,846
Total trade receivables - related parties	23,547	-	99,583	42,664

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Trade receivables - unrelated parties				
Aged on the basis of due dates				
Not yet due	369,548	230,640	149,719	93,808
Past due				
Up to 3 months	129,008	64,505	59,412	39,096
6 - 12 months	5	-	-	-
Over 12 months	102	102	-	-
Total trade receivables - unrelated parties	498,663	295,247	209,131	132,904
Less: Allowance for expected credit losses				
/allowance for doubtful debts	(102)	(102)	-	-
Total trade receivables - unrelated parties, net	498,561	295,145	209,131	132,904
Total trade receivables - net	522,108	295,145	308,714	175,568
Other receivables				
Advances	34,503	38,057	31,011	33,340
Interest receivables - related parties	-	-	4,544	3,332
Interest receivables - unrelated parties	128	107	8	11
Accrued income - unrelated parties	1,287	57,330	-	10,522
Other receivables - related parties	29,428	4,373	31,561	7,276
Other receivables - unrelated parties	2,257	3,359	421	238
Total other receivables	67,603	103,226	67,545	54,719
Total trade and other receivables - net	589,711	398,371	376,259	230,287

11. 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.

11.1 The balances of planters receivable and non-performing planters receivable purchased for debt management and collection as at 30 September 2021 and 2020, aged on the basis of due dates, are summarised below.

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Not yet due	376,988	209,729	272,917	136,812
Past due				
Up to 1 year	44,757	133,149	42,105	129,473
1 - 5 years	42,012	30,501	38,588	26,725
Over 5 years	626,698	631,116	373,523	370,418
	713,467	794,766	454,216	526,616
Total	1,090,455	1,004,495	727,133	663,428
Less: Discount received from				
receipt of transfer of right				
to claim planters receivable	(272,018)	(274,206)	(206,822)	(208,619)
Allowance for expected				
credit losses/allowance for				
doubtful debts	(408,648)	(387,411)	(216,893)	(188,524)
Total planters receivable - net	409,789	342,878	303,418	266,285

11.2 Movements in allowance for expected credited losses of planters receivable are as follows.

(Unit: Thousand Baht)

	Consolidated	Separate
	financial	financial
	statements	statements
Balance as at 1 October 2020	387,411	188,524
Adjustment of expected credit losses due to the		
adoption of financial reporting standards related to		
financial instruments	69,137	66,758
Provision for expected credit losses	152,550	150,738
Amount written off	(200,450)	(189,127)
Balance as at 30 September 2021	408,648	216,893

12. Inventories

12.1 Details of inventories

(Unit: Thousand Baht)

	Consolidated financial statements					
	Cost		Reduce cost to net realisable value		Inventories - net	
	2021	2020	2021	2020	2021	2020
Raw material	17,944	6,300	-	-	17,944	6,300
Finished goods	1,359,697	1,435,020	(14,878)	(25,949)	1,344,819	1,409,071
Merchandise inventories	15,992	25,200	-	-	15,992	25,200
Spare parts, factory supplies and supplies	464,473	478,838	(60,692)	(49,115)	403,781	429,723
Work in process	18,681	17,634	-	-	18,681	17,634
Total	1,876,787	1,962,992	(75,570)	(75,064)	1,801,217	1,887,928

(Unit: Thousand Baht)

	Separate financial statements					
	Cost		Reduce cost to net realisable value		Inventories - net	
	2021	2020	2021	2020	2021	2020
Finished goods	1,034,073	784,507	(13,835)	(1,981)	1,020,238	782,526
Merchandise inventories	19,047	21,036	-	-	19,047	21,036
Spare parts, factory supplies and supplies	259,043	229,699	(24,526)	(14,742)	234,517	214,957
Total	1,312,163	1,035,242	(38,361)	(16,723)	1,273,802	1,018,519

12.2 Inventories balance by significant segment

(Unit: Thousand Baht)

	Production and distribution of sugar		
	segment	Other segments	Total
2020			
Cost	1,324,967	638,025	1,962,992
Less: Reduce cost to net realisable value	(44,908)	(30,156)	(75,064)
Total inventories - net	1,280,059	607,869	1,887,928
2021			
Cost	1,477,202	399,585	1,876,787
Less: Reduce cost to net realisable value	(49,712)	(25,858)	(75,570)
Total inventories - net	1,427,490	373,727	1,801,217

12.3 Movements in the reducing cost of inventories to net realisable value by significant segment are summarised below.

(Unit: Thousand Baht)

	Production and distribution of sugar segment	Other segments	Total
As at 1 October 2019	358,654	25,929	384,583
Add: Increase during the year	1,036,037	9,556	1,045,593
Less: Allowance was reversed during the year	(1,349,783)	(5,329)	(1,355,112)
As at 30 September 2020	44,908	30,156	75,064
Add: Increase during the year	566,747	3,837	570,584
Less: Allowance was reversed during the year	(561,943)	(8,135)	(570,078)
As at 30 September 2021	49,712	25,858	75,570

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.

13. Biological assets

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Balance at beginning of the year	44,546	47,479	32,747	36,982
Increases due to cultivate	61,261	45,240	47,908	32,555
Gain (loss) arising from changes in fair value	13,007	(744)	4,504	143
Decreases due to harvest	(44,546)	(47,429)	(32,747)	(36,933)
Balance at end of the year	74,268	44,546	52,412	32,747

14. Amounts due from the Office of the Cane and Sugar Fund

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Amounts due from the Office of the Cane and Sugar Fund				
Receivable from sugar cane price	161,662	1,450,408	133,720	1,145,892
Receivable from compensation for production and distribution of sugar	104,848	621,604	83,160	491,096
Total amounts due from the Office of the Cane and Sugar Fund	266,510	2,072,012	216,880	1,636,988
Less: Contribution payable to the Office of the Cane and Sugar Fund (Note 21)	(43,315)	(373,071)	(32,662)	(291,888)
Less: Short-term loans from the Office of the Cane and Sugar Fund	-	(1,170,921)	-	(923,501)
Total amounts due from the Office of the Cane and Sugar Fund - net	223,195	528,020	184,218	421,599

As at 30 September 2021, 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 2018/2019 harvesting year (2020: 2017/2018 and 2018/2019 harvesting years) the final sugar cane price and the final compensation for the production and distribution of sugar will be less than the initial sugar cane price and the initial compensation for the production and distribution of sugar. In accordance with Section 56 of the Cane and Sugar Act B.E. 2527, the Cane and Sugar Fund is to pay compensation to the 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.

On 4 February 2021, 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 2017/2018 harvesting year to the Group, bringing the short-term loans from the Office of the Cane and Sugar Fund under a loan scheme to increase the liquidity of sugar cane mills and the contribution payable to the Office of the Cane and Sugar Fund to offset with the compensation. There was the remaining amount after being offset which the Group already received the full payment on 16 February 2021.

In May 2021, 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. There is the remaining amount after being offset which the Group has not yet received the payment.

The Group expects 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 2021, 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.

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		Dividend received during the year	
	2021	2020	2021	2020	2021	2020	2021	2020
Thai Identity Sugar Factory Co., Ltd.	3,654,853	3,654,853	(635,000)	(635,000)	3,019,853	3,019,853	-	-
Permsin Pattana Co., Ltd.	1,010,905	1,010,905	-	-	1,010,905	1,010,905	-	50,720
Kaset Thai Bio Power Co., Ltd.	2,461,000	2,461,000	-	-	2,461,000	2,461,000	224,784	439,236
Environment Pulp and Paper Co., Ltd.	2,668,873	2,668,873	-	-	2,668,873	2,668,873	-	155,577
KTIS Bio Ethanol Co., Ltd.	870,946	870,946	-	-	870,946	870,946	223,513	228,659
Sapsirikaset Co., Ltd.	108,000	311,000	-	-	108,000	311,000	-	-
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	125,610	127,980
KTIS Biogas 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	11,837,687	(645,000)	(645,000)	10,989,687	11,192,687	573,907	1,002,172

15.2 Change in investments in subsidiary during the year 2020

On 29 November 2019, Thai Identity Sugar Factory Co., Ltd., a subsidiary, registered an increase in its share capital from Baht 1,215 million (12.15 million ordinary shares at a par value of Baht 100 each) to Baht 3,600 million (36.0 million ordinary shares at a par value of Baht 100 each). The Company paid for the increased shares at the same proportion of the original investment, totaling Baht 2,385 million.

As at 30 September 2020, the Company estimated the recoverable amount of investments in Thai Identity Sugar Factory Co., Ltd. based on the expected future cash flows method, which were discounted to the present value. The estimated results showed that the recoverable amount was less than the book value amount. Therefore, the Company recorded allowance for impairment of such investments amounting to Baht 635 million in profit or loss in the separate financial statements.

15.3 Change in investments in subsidiary during the year 2021

On 23 July 2021, the Extraordinary General Meeting of Shareholders of Sapsirikaset Co., Ltd., the Company's subsidiary, passed a resolution to reduce the issued and paid-up share capital of the subsidiary from Baht 311 million (3.11 million ordinary shares with a par value of Baht 100 each) to Baht 108 million (1.08 million ordinary shares with a par value of Baht 100 each). On 26 August 2021, the Company received the payment from capital reduction amounting to Baht 203 million. The Company still had the same shareholding proportion subsequent to the completion of the registration for the subsidiary's share capital reduction.

15.4 The Company has determined 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 Thai identity Sugar Factory Co., Ltd.

Key assumptions used in value in use calculations are as follows.

- Growth rate of 0% per annum
- Pre-tax discount rate of 8% 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.

Management believes that any reasonably possible change in the key assumptions on which the units' recoverable amount are based would not cause the units' carrying amount to exceed its 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	Shareholding percentage		Consolidated financial statements			
				Carrying amount based		Carrying amount based	
				on equity method		on cost method	
				2021	2020	2021	2020
		2021	2020				
		(%)	(%)				
GGC KTIS Bioindustrial Co., Ltd.	Manufacture and distribution of ethanol	50	50	1,232,553	932,199	1,309,125	960,750
Total				1,232,553	932,199	1,309,125	960,750

16.2 Change in investments in joint venture during the year 2020

On 9 October 2019, GGC KTIS Bioindustrial Co., Ltd., a joint venture of KTIS Bio Ethanol Co., Ltd. (subsidiary of the Company), registered an increase in its share capital from Baht 700 million (7.0 million ordinary shares at a par value of Baht 100 each) to Baht 2,600 million (26.0 million ordinary shares at a par value of Baht 100 each), of which 25 percentage of increased shares is to be initially called up. KTIS Bio Ethanol Co., Ltd. paid for the increased shares at the same proportion of the original investment, totaling Baht 237.5 million on 7 October 2019.

On 17 April 2020, GGC KTIS Bioindustrial Co., Ltd. called up the additional share of 16 percent of 19.0 million ordinary shares with a par value of Baht 100 each, totaling Baht 152 million. KTIS Bio Ethanol Co., Ltd. fully paid in the additional share on 11 May 2020.

On 28 May 2020, GGC KTIS Bioindustrial Co., Ltd. called up the additional share of 12 percent of 19.0 million ordinary shares with a par value of Baht 100 each, totaling Baht 114 million. KTIS Bio Ethanol Co., Ltd. paid in the additional share on 13 July 2020.

On 17 August 2020, GGC KTIS Bioindustrial Co., Ltd. called up the additional share of 18 percent of 19.0 million ordinary shares with a par value of Baht 100 each, totaling Baht 171 million. KTIS Bio Ethanol Co., Ltd. paid in the additional share on 14 September 2020.

16.3 Change in investments in joint venture during the year 2021

On 27 October 2020, GGC KTIS Bioindustrial Co., Ltd. called up the additional share of 9 percent of 19.0 million ordinary shares with a par value of Baht 100 each, totaling Baht 85.5 million. KTIS Bio Ethanol Co., Ltd. fully paid in the additional share on 26 November 2020.

On 21 December 2020, GGC KTIS Bioindustrial Co., Ltd. called up the additional share of 70 percent of 1.7 million ordinary shares with a par value of Baht 100 each, totaling Baht 59.5 million. KTIS Bio Ethanol Co., Ltd. fully paid in the additional share on 25 January 2021.

On 29 March 2021, GGC KTIS Bioindustrial Co., Ltd. called up the additional share of 10 percent of 19.0 million ordinary shares with a par value of Baht 100 each, totaling Baht 95.0 million. KTIS Bio Ethanol Co., Ltd. fully paid in the additional share on 27 April 2021.

On 1 July 2021, GGC KTIS Bioindustrial Co., Ltd., called up the additional share of 2 percent of 19.0 million ordinary shares with a par value of Baht 100 each, totaling Baht 19.0 million. KTIS Bio Ethanol Co., Ltd. fully paid in the additional share on 27 July 2021.

On 2 September 2021, GGC KTIS Bioindustrial Co., Ltd., registered an increase in its share capital from Baht 2,600 million (26.0 million ordinary shares at a par value of Baht 100 each) to Baht 3,315 million (33.15 million ordinary shares at a par value of Baht 100 each), of which 25 percentage of increased shares is to be initially called up. KTIS Bio Ethanol Co., Ltd. paid for the increased shares at the same proportion of the original investment, totaling Baht 89.4 million on 10 September 2021.

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:

Joint venture	(Unit: Thousand Baht)	
	Consolidated financial statements	
	2021	2020
GGC KTIS Bioindustrial Co., Ltd.	(48,021)	(22,917)
Total	(48,021)	(22,917)

There was no dividend from joint venture during the years ended 30 September 2021 and 2020.

16.5 Summarised financial information of the joint venture

Summarised information about financial position as at 30 September 2021 and 2020.

(Unit: Thousand Baht)

	2021	2020
Cash and cash equivalents	180,823	81,659
Other current assets	292,606	228,964
Non-current assets	6,586,945	4,473,372
Total assets	7,060,374	4,783,995
Other current liabilities	90,658	97,994
Other non-current liabilities	4,473,191	2,802,241
Total liabilities	4,563,849	2,900,235
Net assets	2,496,525	1,883,760
Shareholding percentage (%)	50	50
Share of net assets	1,248,263	941,880
Elimination entries	(15,710)	(9,681)
Carrying amounts of joint venture based on equity method	1,232,553	932,199

Summarised information about comprehensive income for the years ended 30 September 2021 and 2020.

(Unit: Thousand Baht)

	2021	2020
Revenue	6,970	17,265
Net loss	(89,148)	(25,503)
Other comprehensive income	(2,765)	-
Total comprehensive income	(91,913)	(25,503)

17. Investment properties

17.1 The net book value of investment properties is 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 2021				
Cost	358,297	2,170	360,467	24,910
Less: Accumulated depreciation	-	(1,395)	(1,395)	-
Less: Allowance for impairment loss	(29,476)	-	(29,476)	(12,726)
Net book value	328,821	775	329,596	12,184

(Unit: Thousand Baht)

	Consolidated financial statements			Separate financial statements
	Land awaiting sales	Office building for rent	Total	Land awaiting sales
As at 30 September 2020				
Cost	352,174	2,344	354,518	24,910
Less: Accumulated depreciation	-	(1,209)	(1,209)	-
Less: Allowance for impairment loss	(26,270)	-	(26,270)	(12,532)
Net book value	325,904	1,135	327,039	12,378

17.2 A reconciliation of the net book value of investment properties is presented below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Net book value at beginning of the year	327,039	323,741	12,378	12,378
Acquisition	6,300	3,814	-	-
Disposals - net book value at disposal date	(345)	(340)	-	-
Depreciation	(192)	(178)	-	-
Loss on impairment	(3,206)	-	(194)	-
Reversal of loss on impairment	-	2	-	-
Net book value at end of the year	329,596	327,039	12,184	12,378

17.3 The fair value of the investment properties as at 30 September 2021 and 2020 stated below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Land awaiting sales	399,522	394,706	15,758	15,953
Office building for rent	3,578	3,578	-	-

The fair values of investment properties are measured by independent valuers, using the net replacement cost method and the comparative price method. Sales prices of comparable land and buildings in close proximity are adjusted for differences in key attributes such as property size and the locations of the investment properties.

18. Property, plant and equipment

Consolidated financial statements									(Unit: Thousand Baht)
	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 2019	519,221	2,854,396	13,564,847	568,284	193,688	1,376,331	1,121,483	20,198,250	
Additions	15,621	4,151	78,403	19,457	10,689	30,326	915,477	1,074,124	
Disposals	-	(1,754)	(2,018)	(1,165)	(828)	(4,936)	-	(10,701)	
Transfer in (out)	7,029	120,864	620,726	5,963	4,009	-	(758,591)	-	
As at 30 September 2020	541,871	2,977,657	14,261,958	592,539	207,558	1,401,721	1,278,369	21,261,673	
Adjustments due to the adoption of									
TFRS 16	-	(4,238)	(202,755)	-	-	-	-	(206,993)	
Additions	6,511	615	16,343	10,137	3,266	100,976	513,900	651,748	
Disposals	-	-	(3,068)	(2,182)	(2,827)	(9,031)	-	(17,108)	
Transfer in (out)	-	76,882	106,306	264	896	-	(184,348)	-	
As at 30 September 2021	548,382	3,050,916	14,178,784	600,758	208,893	1,493,666	1,607,921	21,689,320	
Accumulated depreciation									
As at 1 October 2019	118,053	1,085,300	7,936,413	459,852	162,488	763,486	-	10,525,592	
Depreciation for the year	13,169	162,850	911,936	43,291	13,876	121,362	-	1,266,484	
Depreciation on disposals	-	(840)	(1,989)	(655)	(711)	(4,809)	-	(9,004)	
As at 30 September 2020	131,222	1,247,310	8,846,360	502,488	175,653	880,039	-	11,783,072	
Adjustments due to the adoption of									
TFRS 16	-	(1,722)	(164,836)	-	-	-	-	(166,558)	
Depreciation for the year	12,369	171,634	813,067	30,431	11,525	125,025	-	1,164,051	
Depreciation on disposals	-	-	(3,068)	(2,099)	(2,700)	(8,962)	-	(16,829)	
As at 30 September 2021	143,591	1,417,222	9,491,523	530,820	184,478	996,102	-	12,763,736	

(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 2019	13,754	660	-	-	-	-	145,849
Increase during the year	9,415	-	-	-	-	-	33,170
Decrease during the year	-	(96)	-	-	-	-	(96)
As at 30 September 2020	23,169	564	-	-	-	-	178,923
Increase during the year	1,063	-	-	-	-	-	11,393
As at 30 September 2021	24,232	564	-	-	-	-	190,316
Net book value							
As at 30 September 2020	387,480	1,729,783	5,415,598	90,051	31,905	521,682	9,299,678
As at 30 September 2021	380,559	1,633,130	4,687,261	69,938	24,415	497,564	8,735,268
Depreciation							
2020 (Baht 1,148 million included in manufacturing cost, and the balance in selling and administrative expenses)							1,266,484
2021 (Baht 1,010 million included in manufacturing cost, and the balance in selling and administrative expenses)							1,164,051

(Unit: Thousand Baht)

Separate financial statements							Total	
	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
Cost								
As at 1 October 2019	273,310	1,161,270	4,288,939	314,756	70,555	717,350	177,092	7,003,272
Additions	14,021	4,150	22,910	4,618	3,551	17,229	79,793	146,272
Disposals	-	(1,754)	-	(740)	(26)	(3,965)	-	(6,485)
Transfer in (out)	7,028	13,054	204,850	2,594	101	-	(227,627)	-
As at 30 September 2020	294,359	1,176,720	4,516,699	321,228	74,181	730,614	29,258	7,143,059
Adjustments due to the adoption of								
TFRS 16	-	(4,238)	(202,755)	-	-	-	-	(206,993)
Additions	6,511	134	3,451	5,881	709	73,619	26,970	117,275
Disposals	-	-	-	(790)	(84)	(4,016)	-	(4,890)
Transfer in (out)	-	10,636	22,068	264	-	-	(32,968)	-
As at 30 September 2021	300,870	1,183,252	4,339,463	326,583	74,806	800,217	23,260	7,048,451
Accumulated depreciation								
As at 1 October 2019	27,741	405,734	2,481,417	248,648	59,839	343,006	-	3,566,385
Depreciation for the year	8,655	84,025	405,691	25,466	5,114	71,481	-	600,432
Depreciation on disposals	-	(840)	-	(241)	(26)	(3,945)	-	(5,052)
As at 30 September 2020	36,396	488,919	2,887,108	273,873	64,927	410,542	-	4,161,765
Adjustments due to the adoption of								
TFRS 16	-	(1,722)	(164,836)	-	-	-	-	(166,558)
Depreciation for the year	8,278	77,137	314,228	15,452	3,620	74,202	-	492,917
Depreciation on disposals	-	-	-	(790)	(82)	(4,009)	-	(4,881)
As at 30 September 2021	44,674	564,334	3,036,500	288,535	68,465	480,735	-	4,483,243

(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 2019	13,729	-	-	-	-	-	13,729
Increase during the year	9,440	-	-	-	-	-	9,440
As at 30 September 2020	23,169	-	-	-	-	-	23,169
Increase during the year	1,064	-	-	-	-	-	1,064
As at 30 September 2021	24,233	-	-	-	-	-	24,233
Net book value							
As at 30 September 2020	234,794	687,801	1,629,591	47,355	9,254	320,072	2,958,125
As at 30 September 2021	231,963	618,918	1,302,963	38,048	6,341	319,482	2,540,975
Depreciation							
2020 (Baht 506 million included in manufacturing cost, and the balance in selling and administrative expenses)							600,432
2021 (Baht 437 million included in manufacturing cost, and the balance in selling and administrative expenses)							492,917

As at 30 September 2021, 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 4,939 million (2020: Baht 4,158 million) (The Company only: Baht 1,971 million, 2020: Baht 1,426 million).

The Group had pledged its property, plant and equipment with net book values as at 30 September 2021 of approximately Baht 3,291 million (2020: Baht 3,656 million) (The Company only: Baht 346 million, 2020: Baht 372 million) as collateral against short-term and long-term credit facilities received from financial institutions.

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
As at 30 September 2021								
Cost	16,510	2,144	319,447	6,213	344,314	9,302	100	6,213
Less: Accumulated amortisation	(14,684)	(2,075)	(97,968)	-	(114,727)	(9,011)	(100)	-
Net book value	1,826	69	221,479	6,213	229,587	291	-	6,213
As at 30 September 2020								
Cost	16,458	2,144	319,447	5,257	343,306	9,302	100	5,257
Less: Accumulated amortisation	(13,931)	(1,871)	(82,016)	-	(97,818)	(8,692)	(100)	-
Net book value	2,527	273	237,431	5,257	245,488	610	-	5,257

19.2 A reconciliation of the net book value of intangible assets were presented below.

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Net book value at beginning of the year	245,488	257,809	5,867	2,638
Acquisition	1,008	4,552	956	3,525
Amortisation	(16,909)	(16,873)	(319)	(296)
Net book value at end of the year	229,587	245,488	6,504	5,867

20. Bank overdrafts and short-term loans from financial institutions

(Unit: Thousand Baht)

	Interest rate		Consolidated		Separate	
			financial statements		financial statements	
	2021	2020	2021	2020	2021	2020
	(% per annum) (% per annum)					
Bank overdrafts	MOR	MOR	3,123	616	3,123	1
Promissory notes and bills of exchange	1.20	1.20	3,079,701	2,438,360	3,079,701	2,438,360
Total			3,082,824	2,438,976	3,082,824	2,438,361

Bank overdrafts and short-term loans from financial institutions of the Company are 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 are 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

As at 1 October 2020, the Group received a memo from the Office of the Cane and Sugar Fund regarding the write-off of the grants received from the project to support sugar cane planters and sugar plants amounting to Baht 282 million (The Company only: Baht 214 million), which the Group has been received under the project to support sugar cane planters and sugar plants for the 2018/2019 harvesting year. Therefore, the Group recorded it as "Revenue under the project to support sugar cane planters and sugar plants" in the statement of comprehensive income.

As at 30 September 2021, the Group offset the contribution payable to the Office of Cane and Sugar Fund for the 2020/2021 harvesting year (2020: 2017/2018 and 2018/2019 harvesting years) with the compensation as described in Note 14.

22. Long-term loans from financial institutions

(Unit: Thousand Baht)

Loan	Interest rate (% per annum)	Repayment schedule	Consolidated financial statements		Separate financial statements	
			2021	2020	2021	2020
1	The rates referred 6M THBFIX plus a certain margin per annum	Repayable in semi-annual installments, and the final installment is due in June 2022	749,720	1,349,022	749,720	1,349,022
2	The rates referred 6M THBFIX plus a certain margin per annum	Repayable in quarterly installment, and the final installment is due in December 2026	285,560	-	-	-
Total			1,035,280	1,349,022	749,720	1,349,022
Less: Current portion			(837,220)	(599,302)	(749,720)	(599,302)
Long-term loans from financial institutions - net of current portion			198,060	749,720	-	749,720

Movements of the long-term loans account during the year ended 30 September 2021 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Balance as at 1 October 2020	1,349,022	1,349,022
Increase during the year	290,560	-
Repayment during the year	(605,000)	(600,000)
Amortisation of deferred discounts	698	698
Balance as at 30 September 2021	1,035,280	749,720

The loans of the Company are secured by mortgages of property, plant and equipment of the Company as described in Note 18.

The loans of the subsidiary are secured by mortgages of plant and equipment of the subsidiary as described in Note 18 including to be secured by 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 restrictions on mortgages of property, plant and equipment.

23. Long-term loans from the Office of the Cane and Sugar Fund

These long-term loans were loans that the Group had borrowed from the Office of the Cane and Sugar Fund under a loan scheme for purchases of sugar cane harvesters. The loans bear average interest rates of 2.12% per annum. The principals and interests were be paid annually according to the factoring agreements between the Group and the Office of the Cane and Sugar Fund. These loans were secured by authorised directors of the Group. The Group already paid the full payment during June 2021.

24. Leases

The Group as a lessee

a) Right-of-use assets

Movement of right-of-use assets for the year ended 30 September 2021 are summarised below:

(Unit: Thousand Baht)

	Consolidated financial statements			
	Land and land improvement	Buildings and building improvement	Machinery and equipment	Total
As at 1 October 2020	102,179	98,305	99,500	299,984
Additions	-	20,037	-	20,037
Decrease from lease modifications	-	(2,757)	-	(2,757)
Depreciation for the year	(10,051)	(11,945)	(53,107)	(75,103)
As at 30 September 2021	92,128	103,640	46,393	242,161

(Unit: Thousand Baht)

	Separate financial statements			
	Land and land improvement	Buildings and building improvement	Machinery and equipment	Total
As at 1 October 2020	78,646	45,090	99,500	223,236
Additions	-	20,037	-	20,037
Depreciation for the year	(6,404)	(6,838)	(53,107)	(66,349)
As at 30 September 2021	72,242	58,289	46,393	176,924

A subsidiary's right-of-use assets with net book values as at 30 September 2021 of Baht 7.54 million are used as collateral against long-term credit facilities received from financial institution.

b) Lease liabilities

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Lease payments	2,179,968	2,009,700	2,091,700	2,009,700
Less: Deferred interest expenses	(1,216,582)	(1,236,915)	(1,194,122)	(1,236,915)
Total	963,386	772,785	897,578	772,785
Less: Portion due within one year	(42,555)	(10,694)	(33,915)	(10,694)
Lease liabilities - net of current portion	920,831	762,091	863,663	762,091

A maturity analysis of lease payments is disclosed in Note 37.2 under the liquidity risk.

c) Expenses relating to leases that are recognised in profit or loss

(Unit: Thousand Baht)

	For the year ended 30 September 2021	
	Consolidated	Separate
	financial statements	financial statements
Depreciation expense of right-of-use assets	74,485	65,731
Interest expense on lease liabilities	93,179	90,328
Expense relating to short-term leases	1,889	3,276
Expense relating to leases of low-value assets	754	301

d) Other

The Group had total cash outflows for leases for the year ended 30 September 2021 of Baht 126 million, including the cash outflow related to short-term lease and leases of low-value assets. Moreover, the Group had non-cash additions to right-of-use assets and lease liabilities of Baht 20 million.

25. Provision for long-term employee benefits

The components of the provision for long-term employee benefits of the Group are as follows:

1. Defined benefit plan compensation under labour 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.

25.1 Provision for long-term employee benefits as at 30 September 2021 and 2020 were as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Present value of the long-term employee benefit obligation	525,034	534,012	307,108	306,886
Fair value of plan asset	(76,605)	(91,450)	(39,046)	(49,897)
Net liability	448,429	442,562	268,062	256,989

Plan asset is a provident fund that invests in bills of exchange, bond, debt instruments and equity instruments.

25.2 Provision for long-term employee benefits for the years ended 30 September 2021 and 2020 were as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Provision for long-term employee benefits at beginning of the year	442,562	481,441	256,989	288,609
Included in profit or loss:				
Current service cost	25,037	25,856	13,418	14,375
Interest cost	5,613	5,817	3,008	3,194
Actuarial gain arising from other long-term benefit	(788)	(2,056)	(590)	(1,163)
Included in other comprehensive income:				
Actuarial loss (gain) arising from Financial assumptions changes	(28,110)	(52,523)	(15,949)	(27,155)
Experience adjustments	26,489	2,640	26,968	(8,898)
Total	(1,621)	(49,883)	11,019	(36,053)
Benefits paid during the year	(22,374)	(18,613)	(15,782)	(11,973)
Provision for long-term employee benefits at end of the year	448,429	442,562	268,062	256,989

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Provision for defined benefit plans	443,342	436,887	265,291	253,901
Provision for other long-term employee benefits	5,087	5,675	2,771	3,088
Total	448,429	442,562	268,062	256,989

The Group expects to pay Baht 113 million of long-term employee benefits during the next year (2020: Baht 106 million) (The Company only: Baht 80 million, 2020: Baht 76 million).

As at 30 September 2021 and 2020, the weighted average duration of the liabilities for long-term employee benefit of the Group is 7 years (The Company only: 7 years).

25.3 Significant actuarial assumptions are summarised below.

(Unit: percent per annum)

	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Discount rate	1.9%	1.7%	1.9%	1.7%
Salary increase rate	4.0%	4.0%	4.0%	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 2021 and 2020 were summarised below.

(Unit: Million Baht)

	As at 30 September 2021			
	Consolidated		Separate	
	financial statements		financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(34)	36	(17)	19
Salary increase rate	37	(32)	19	(17)

(Unit: Million Baht)

	As at 30 September 2020			
	Consolidated		Separate	
	financial statements		financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(36)	39	(18)	20
Salary increase rate	44	(39)	23	(20)

26. Sugar cane price

For the 2020/2021 and 2019/2020 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 2020/2021 and 2019/2020 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 2020/2021	Harvesting year 2019/2020	Harvesting year 2020/2021	Harvesting year 2019/2020	Harvesting year 2020/2021	Harvesting year 2019/2020	Harvesting year 2020/2021	Harvesting year 2019/2020
For the year ended 30 September 2021								
Sugar cane price at a sweetness of 10 C.C.S.	920.00	-	978.18 - 1,023.59	-	1,029.21	-	-	-
Increase or decrease in price for each 1 C.C.S. variation	55.20	-	58.69 - 61.42	-	61.75	-	-	-
For the year ended 30 September 2020								
Sugar cane price at a sweetness of 10 C.C.S.	-	750.00	-	804.57 - 822.18	-	-	864.73	-
Increase or decrease in price for each 1 C.C.S. variation	-	45.00	-	48.27 - 49.33	-	-	51.88	-

27. 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 it reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution.

28. Financial cost

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Interest expense of loan	71,976	125,993	102,316	147,000
Interest expense of lease liabilities	93,179	85,933	90,328	85,934
Other financial cost	1,205	1,160	-	-
Total	166,360	213,086	192,644	232,934

29. Expenses by nature

Significant expenses classified by nature for the years ended 30 September 2021 and 2020 were as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Salaries and wages and other employee benefits	1,002,810	1,214,100	605,833	703,443
Depreciation and amortisation	1,256,253	1,283,534	559,585	600,728
Electricity and energy expenses	1,009,497	826,973	867,963	555,045
Transportation expenses	180,413	277,978	59,162	101,139
Repair and maintenance expenses	322,095	622,382	155,550	263,382
Stabilisation cost, research fees and contribution				
paid to the Office of the Cane and Sugar Fund	162,580	140,501	123,039	93,295
Raw materials and consumables used	5,899,153	6,254,560	4,288,110	3,983,064
Changes in inventories of finished goods and work				
in progress	(74,275)	(1,947,772)	249,566	(945,884)

30. Income tax

30.1 Income tax expenses for the years ended 30 September 2021 and 2020 are made up as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Current income tax:				
Current income tax charge	(51,223)	(67,044)	-	-
Adjustment in respect of income tax of previous year	-	(818)	-	-
Deferred tax:				
Relating to origination and reversal of temporary differences	(21,002)	(12,503)	(23,603)	(15,034)
Income tax expense reported in profit or loss	(72,225)	(80,365)	(23,603)	(15,034)

30.2 The amounts of income tax relating to each component of other comprehensive income for the years ended 30 September 2021 and 2020 were as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Deferred tax on:				
Actuarial gain (loss)	(2,092)	9,150	(2,203)	7,211
Share of other comprehensive income from actuarial loss of joint venture	(345)	-	-	-
	(2,437)	9,150	(2,203)	7,211

30.3 The reconciliation between accounting profit (loss) and income tax expense for the years ended 30 September 2021 and 2020 were shown below.

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Accounting profit (loss) before tax	(1,042,213)	649,073	(538,070)	474,053
Applicable tax rate	20%	20%	20%	20%
Accounting profit (loss) before tax multiplied by income tax rate	(208,442)	129,815	(107,614)	94,811
Adjustment in respect of income tax of previous year	-	818	-	-
Deferred tax assets have not been recognised during the year	289,931	12,299	248,087	121,797
Utilisation of previously unrecognised deferred tax assets	(1,291)	(2,848)	-	-
Effects of:				
Promotional privileges	(12,246)	(68,303)	-	-
Income not subject to tax	-	-	(114,781)	(200,435)
Non-deductible expenses	4,629	8,442	884	3,711
Additional expense deduction allowed	(6,050)	(17,595)	(2,973)	(4,850)
Others	5,694	17,737	-	-
Total	(7,973)	(59,719)	(116,870)	(201,574)
Income tax expense reported in profit or loss	72,225	80,365	23,603	15,034

30.4 A reconciliation of deferred tax assets (liabilities) is presented below.

(Unit: Thousand Baht)

	Consolidated	Separate
	financial statements	financial statements
As at 1 October 2020	195,576	179,504
Cumulative effect of change in accounting policy	(10,163)	(7,716)
Recognised in income statement income during the year	(21,002)	(23,603)
Recognised in other comprehensive income during the year	2,437	2,203
As at 30 September 2021	166,848	150,388

30.5 The components of deferred tax assets as stated in the statement of financial position were as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Deferred tax assets				
Unused tax losses	116,296	-	116,296	-
Allowance for diminution in value of inventories	209	1,041	-	-
Allowance for impairment loss of investment properties	629	629	-	-
Finance leases	140,786	152,211	140,547	152,211
Provision for long-term employee benefits	52,471	47,047	37,589	32,750
Provision for decommissioning costs	6,729	6,488	-	-
Others	3,549	3,551	3,380	3,383
Total	320,669	210,967	297,812	188,344
Deferred tax liabilities				
Accumulated depreciation	(8,722)	(15,195)	(4,180)	(8,644)
Gain on fair value adjustment from derivatives	(142,252)	-	(142,252)	-
Others	(2,847)	(196)	(992)	(196)
Total	(153,821)	(15,391)	(147,424)	(8,840)
Net	166,848	195,576	150,388	179,504

As at 30 September 2021, the Group has deductible temporary differences and unused tax losses totaling Baht 3,879 million (2020: Baht 3,026 million)(The Company only: Baht 3,254 million 2020: Baht 2,477 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 2021, the unused tax losses of the Group, which were not recognised to deferred tax assets, will expire in 2030 (2020: expire in 2030).

31. Promotional privileges

The Group granted significant privileges by the Board of Investment were as follows:

1. Certificate No.	1095(1)/2555	Electricity generating from biomass and stream	8 years	Received	7-Oct-13
2. Promotional privileges for	1557(1)/2558	Electricity generating and stream production from biomass	8 years	Received	7-Jul-16
3. The significant privileges are	59-1195-0-00-1-0	Packaging for foods (Biodegradable)	8 years	Not received	31-Oct-16
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	59-0348-0-13-2-0	Electricity generating and stream production from biomass	8 years	Received	26-May-17
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.	59-0268-0-00-2-0	Biogas	8 years	Not received	Not yet Commence
4. Date of first earning operation income	63-0968-1-00-1-0	Packaging from hygienic paper	3 years	Not received	Not yet Commence
	60-1022-0-00-1-0	Biological fertilisers	3 years	Not received	Not yet Commence
	64-0666-1-00-1-0	Straws from bagasse	3 years	Not received	14-Oct-20

The Company has no income from BOI-promoted operations.

32. 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.

33. Dividends

Dividends	Approved by	Total dividends (Million Baht)	Dividend per share (Baht)
Final dividends for 2019	Annual General Meeting of the shareholders on 31 January 2020	579	0.15
Total for 2020		579	0.15

34. 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.

34.1 Below is the consolidated financial information of the Group for the years ended 30 September 2021 and 2020 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		Other segments		Elimination		Consolidation	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Revenue from sales and services														
- Local	7,076	5,780	184	192	1,210	1,521	906	1,484	182	118	(1,530)	(1,969)	8,028	7,126
- Overseas	1,599	5,630	614	599	-	-	-	-	-	-	-	-	2,213	6,229
Total	8,675	11,410	798	791	1,210	1,521	906	1,484	182	118	(1,530)	(1,969)	10,241	13,355
Segment profit (loss)	(266)	1,412	150	77	303	341	(9)	432	31	26	3	(61)	212	2,227
Unallocated income and expenses:														
Other income													169	318
Selling and administrative expenses													(1,184)	(1,687)
Loss on exchange													(33)	(9)
Share of loss from a joint venture													(47)	(23)
Finance income													7	36
Finance cost													(166)	(213)
Income tax expenses													(72)	(80)
Profit (loss) for the year													(1,114)	569

Transfer prices between business segments are as set out in Note 8.

34.2 Major Customers

For the year ended 30 September 2021, the Group has revenue from one major customer in amount of Baht 2,056 million, arising from sales by the production and distribution of sugar segment (2020: Baht 1,897 million and Baht 1,511 million derived from two major customers, arising from sales by the production and distribution of sugar segment).

35. 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 2021 amounting to Baht 14 million (2020: Baht 15 million) (The Company only: Baht 8 million, 2020: Baht 9 million) were recognised as expenses.

36. Commitments and contingent liabilities

36.1 Capital commitments

As at 30 September 2021 and 2020, 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	
	2021	2020	2021	2020
Baht	84	89	66	3
US dollar	8	12	-	-

36.2 Short-term leases and service commitment

As at 30 September 2021, 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
Payable		
In up to 1 year	29	6
In over 1 and up to 5 years	1	1
In over 5 years	1	-

36.3 Uncalled portion of investments

- a) As at 30 September 2021 and 2020, the Company has commitment in respect of the uncalled portion of investments in subsidiary amounting to Baht 37 million.
- b) As at 30 September 2021, KTIS Bio Ethanol Co., Ltd., a subsidiary, has commitment in respect of the uncalled portion of investments in joint venture amounting to Baht 348 million (2020: Baht 339 million).

36.4 Bank guarantees

As at 30 September 2021 and 2020, 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 are as follows:

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Guarantees for sugar sale agreements	-	1	-	1
Guarantees electricity used	33	21	1	1

36.5 Post-dated cheques

As at 30 September 2021 and 2020, the Group had post-dated cheques issued to planters for purchasing sugar cane as follows:

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Post-dated cheques	2,371	1,962	1,917	1,625

37. Financial instruments

37.1 Derivatives

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Derivative assets				
Derivative assets not designated as hedging instruments				
Foreign exchange forward contracts	-	11,472	-	-
Commodity futures contracts	711,259	38,403	711,259	38,404
Total derivative assets	<u>711,259</u>	<u>49,875</u>	<u>711,259</u>	<u>38,404</u>
Derivative liabilities				
Derivatives liabilities not designated as hedging instruments				
Foreign exchange forward contracts	550,500	6,902	550,500	6,902
Commodity futures contracts	668,329	47,676	668,329	47,696
Total derivative liabilities	<u>1,218,829</u>	<u>54,578</u>	<u>1,218,829</u>	<u>54,598</u>

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 5 months to 17 months.

37.2 Financial risk management objectives and policies

The Group's financial instruments principally comprise cash and cash equivalents, trade and other receivables, planters receivable, 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 and therefore does not expect to incur material financial losses. 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
- 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, these forward contracts mature within one year.

As at 30 September 2021 and 2020, The Group had the outstanding balances of financial assets and liabilities denominated in foreign currencies are summarised below.

As at 30 September 2021					
Foreign currency	Consolidated		Separate		Average exchange rate (Baht per 1 foreign currency unit)
	financial statements		financial statements		
	Financial	Financial	Financial	Financial	
	assets	liabilities	assets	liabilities	
	(Million)	(Million)	(Million)	(Million)	
US dollar	2.2	4.1	0.9	-	33.92

As at 30 September 2020					
Foreign currency	Consolidated		Separate		Average exchange rate (Baht per 1 foreign currency unit)
	financial statements		financial statements		
	Financial	Financial	Financial	Financial	
	assets	liabilities	assets	liabilities	
	(Million)	(Million)	(Million)	(Million)	
US dollar	0.6	1.5	-	-	31.66

Foreign currency sensitivity

The following table demonstrates the sensitivity of the Group's loss before tax to a reasonably possible change in US dollar exchange rate, with all other variables held constant. The impact on the Group's loss before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives as at 30 September 2021.

Currency	Change in FX rate	Effect on loss before tax increase (decrease)
	(%)	(Million Baht)
US dollar	+5	3.32
	-5	(3.32)

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 2021 and 2020, significant financial assets and liabilities classified by type of interest rate are 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.

	30 September 2021					30 September 2020				
	Fixed interest rates			Non-interest bearing	Total	Fixed interest rates			Non-interest bearing	Total
	Within 1 year	1 - 5 years	Over 5 years			Within 1 year	1 - 5 years	Over 5 years		
Financial assets										
Cash and cash equivalents	-	-	-	329	332	-	-	-	275	278
Trade and other receivables	-	-	-	-	590	-	-	-	-	398
Planters receivable	-	-	-	-	410	-	-	-	-	343
Amounts due from the Office of the Cane and Sugar Fund	-	-	-	-	223	-	-	-	-	528
	-	-	-	329	1,555	-	-	-	275	1,547
Financial liabilities										
Bank overdrafts and short-term loans from financial institutions	3,080	-	-	3	3,083	2,438	-	-	1	2,439
Trade and other payables	-	-	-	-	1,178	-	-	-	1,354	1,354
Lease liabilities	43	113	807	-	963	11	56	706	-	773
Long-term loans from financial institutions	-	-	-	1,035	1,035	-	-	-	1,349	1,349
Long-term loans from related party	-	-	-	58	58	-	-	-	63	63
Long-term loans from the Office of the Cane and Sugar Fund	-	-	-	-	-	8	-	-	-	8
	3,123	113	807	1,096	6,317	2,457	56	706	1,413	5,986

Financial assets

Cash and cash equivalents

Trade and other receivables

Planters receivable

Amounts due from the Office of the Cane and Sugar Fund

Financial liabilities

Bank overdrafts and short-term loans

from financial institutions

Trade and other payables

Lease liabilities

Long-term loans from financial institutions

Long-term loans from related party

Long-term loans from the Office of

the Cane and Sugar Fund

Interest rate sensitivity

The following table demonstrates the sensitivity of the Group's loss before tax to a reasonably possible change in interest rates on that portion of loans affected as at 30 September 2021.

Currency	Increase/decrease (%)	Effect on loss before tax
		increase (decrease) (Million Baht)
Baht	+5	2.94
	-5	(2.94)

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.

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. 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.

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 summarises the maturity profile of the Group's non-derivative financial liabilities and derivative financial instruments as at 30 September 2021, 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
Non-derivatives					
Bank overdraft and short-term loans					
from financial institutions	-	3,119,707	-	-	3,119,707
Trade and other payables	-	1,178,342	-	-	1,178,342
Lease liabilities	-	124,406	461,239	1,594,324	2,179,969
Long-term loans from financial institutions	-	855,977	201,582	-	1,057,559
Long-term loans from related party	-	34,856	174,278	209,134	418,268
Other financial liabilities	-	73,910	-	-	73,910
Total non-derivatives	-	5,387,198	837,099	1,803,458	8,027,755
Derivatives					
Derivative liabilities: net settled	-	1,218,829	-	-	1,218,829
Total derivatives	-	1,218,829	-	-	1,218,829

(Unit: Thousand Baht)

	Separate financial statements				
	On demand	Less than 1 year	1 to 5 years	Over 5 years	Total
Non-derivatives					
Bank overdraft and short-term loans					
from financial institutions	-	3,119,707	-	-	3,119,707
Trade and other payables	-	618,061	-	-	618,061
Short-term loans from related parties	2,397,947	-	-	-	2,397,947
Lease liabilities	-	113,023	432,935	1,545,743	2,091,701
Long-term loans from financial institutions	-	766,921	-	-	766,921
Other financial liabilities	-	4,301	-	-	4,301
Total non-derivatives	2,397,947	4,622,013	432,935	1,545,743	8,998,638
Derivatives					
Derivative liabilities: net settled	-	1,218,829	-	-	1,218,829
Total derivatives	-	1,218,829	-	-	1,218,829

37.3 Fair values of financial instruments

Since the majority of the Group's financial assets and liabilities 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 2021, the Group had the assets and liabilities that were measured at fair value as follows:

- The fair value includes in level 2 as present in Note 37.1.
- The fair value includes in level 3 as present in Note 13.

As at 30 September 2021, the Group had the asset that were disclosed at fair value as described in Note 17. The fair value includes in level 3.

During the years ended 30 September 2021 and 2020, there were no transfers within the fair value hierarchy.

38. 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 2021, the Group's debt-to-equity ratio was 1.20:1 (2020: 0.84:1) and the Company's was 0.91:1 (2020: 0.72:1).

39. Event after the reporting period

At the Company's Board of Directors' meeting on 29 November 2021, it approved a dividend payment at Baht 0.10 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 2021 for further consideration and approval.

40. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 29 November 2021.



Attachment 1

Profiles of Directors, Executives, Controlling Persons and Person Taking the Highest Responsibility in Finance and Accounting

1

Name : Mr. Pricha Attavipach

Age : 83 Year

Position : Chairman

Authorized Director

Period of Directorship : 9 year (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 Sapraiwai 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	Siam Cement Pcl.
	Member of The Audit Committee	
	Member of the Governance and Nomination Committee	
2000 – 2020	Chairman	Pan-Paper (1992) Co., Ltd.
1993 – 2020	Director	H.C. Starck Co., Ltd.
2011 – 2013	Director	PTT Exploration and Production Public Company Limited
2008 – 2013	Chairman	Thai Sugar Industry Co., Ltd.
2000 – 2014	Chairman	Ruamkij Angthong Warehouse Co., Ltd.
1999 – 2000	Chairman	National Petrochemical Public Company Limited
1997 – 1998	Chairman	Petroleum Authority of Thailand
1997 – 1999	Chairman	Electricity Generating Authority of Thailand
1996 – 1999	Permanent Secretary	Ministry of Industry

2

Name : Mr. Parphan Siriviriyakul **Age** : 69 Year

Position : Director
Chief Executive Officer
Risk Management Committee
Authorized Director

Period of Directorship : 9 year (Appointed on 29 January 2013)

Education/Training with IOD :

- Honorary Bachelor of Arts, Nakhon Sawan Rajabhat University
- Director Accreditation Program (DAP 96/2012)

Shareholding (%) : 0.000

Family Relationship among Company's Directors : Father to Mr. Sirapak Siriviriyakul
Elder brother to Mrs. Darat Vibhatakalasa
Elder brother to Mr. Prasert Siriviriyakul
Elder brother to Mr. Nathapun Siriviriyakul

Period	Positon	Company
Current Positions in other listed companies		
2013 – Present	Director	Kaset Thai International Sugar Corporation Pcl.
	Chief Executive Officer	
	Risk Management Committee	
Current Positions in other non-listed companies		
2019 – Present	Director	GGC KTIS Bio Industrial Co., Ltd.

Period	Positon	Company
2015 – Present	Director	KTIS Research and Development Co., Ltd.
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 Biogas 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	Permsinattana Co., Ltd.
2002 – Present	Chairman	Environment Pulp and Paper Co., Ltd.
1998 – Present	Director	KTIS Bioethanol Co., Ltd.
1995 – Present	Director	Ruampol Industries Nakornsawan Co., Ltd.
1989 – Present	Director	Thai Wisanu Nakornsawan Co., Ltd.
1973 – Present	Chairman	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	Director	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** : 57 Year

Position : Director
 Chairman of Executive Committee
 Deputy to Chief Executive Officer
 Risk Management Committee
 Authorized Director

Period of Directorship : 9 year (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 (DAP 96/2012)

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	
2013 – Present	Director and Risk Management Committee	
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	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.

Period	Positon	Company
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	Kaset Thai Sugar Industry Co., Ltd.
	Chief Executive Officer – Bio Energy & Product	
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** : 68 Year

Position : Director
 Deputy to Chief Executive Officer
 Nomination and Remuneration Committee
 Authorized Director

Period of Directorship : 9 year (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 Siriviriyakul
 Elder Sister to Mr. Nathapan Siriviriyakul

Period	Positon	Company
Current Positions in other listed companies		
2013 – Present	Director	Kaset Thai International Sugar Corporation Pcl.
	Deputy to Chief Executive Officer	
	Nomination and Remuneration Committee	
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		
2017 – Present	Vice President	Chaopraya University
2016 – Present	Qualified Member	Education committee, Nakhon Sawan
1990 – Present	Chairman of Executive Committee	Viriyalai Nakhonsawan Vocational College
Economic Sector		
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	Nakhonsawan joint government and private sector committee for the development and economic problem solving.
2010 – Present	Honorary President	The Northern Region of F.T.I

Period	Positon	Company
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 Committee	Federation of Thai Industries (F.T.I.)
2018 – 2020	Vice Chairman	The institute of human capability development, the federation of Thai industries
2016 – 2017	Director	Promoting University committee, Naresuan University
2015 – 2019	Subcommittee	The Justice fund subcommittee of Nakhonsawan province
2014 – 2018	Director	The Federation of Thai Industries (F.T.I.)
2014 – 2018	President	The Federation of Nakhonsawan Industries
2013 – 2015	Executive Committee	Association of Private Higher Education Institutions of Thailand Under the Patronage of Her Royal Highness Princess Maha Chakri Sirindhorm (APHEIT)
2012 – 2014	Vice Chairman	Federation of Thai Industries (F.T.I.)
2011 – 2015	Vice Chairman	Private Cooperation Center, Nakhonsawan
2011 – 2015	Advisor	Inspector General, Office of the Prime Minister, Academic Sector
2010 – 2014	Director	Forty-two Educational Service Office Area
2010 – 2012	Deputy to Secretary	The Federation of Thai Industries (F.T.I.)
2010 – 2012	President	Nakhonsawan Girls' School Alumni Association
2009 – 2016	Director	Board Governance Committee, Nakhonsawan
2007 – 2011	Advisor	Inspector General of Prime Minister office on Economy
2007 – 2021	Member	National People's Assembly of Thailand
2007 – 2021	Director	T.Y.T. Trading Co., Ltd.
2006 – 2012	Director	Vocational Education Area 1.
2006 – 2010	President	The Northern Region of F.T.I.
2005 – 2007	Chairman	Chulalongkorn University Alumni Association of Nakhonsawan Chapter
2002 – 2006	Director	Nakhonsawan joint government and private sector committee for the development and economic problem solving.
2002 – 2006	President	The Federation of Nakhonsawan Industries
2000 – 2010	Director	The Federation of Thai Industries (F.T.I.)
1998 – 2016	Vice President for Management	Chaopraya University

Period	Positon	Company
1992 – 2006	Director	Cane and Sugar Board
1991 – 1993	President	Provincial Red-cross of Phrae
1989 – 1991	President	Provincial Red-cross of Maha Sarakham

5

Name : Mr. Prasert Siriviriyakul **Age** : 64 Year

Position : Director
Deputy to Chief Executive Officer
Risk Management Committee
Authorized Director

Period of Directorship : 9 year (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 Biogas 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.

Period	Positon	Company
2003 – Present	Director	Environment Pulp and Paper Co., Ltd.
2003 – Present	Director	Permsin pattana 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 and 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 Siriviriyakul **Age** : 38 Year

Position : Director
 Chief Financial Officer
 Authorized Director

Period of Directorship : 6 year 8 months (Appointed on 14 May 2015)**Education/Training with IOD :**

- Bachelor of Education (Business Education), Chulalongkorn University
- Master of Business Administration, Chulalongkorn University
- CFO's Orientation Course for New IPO class 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"

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.

Period	Positon	Company
Current Positions in other non-listed companies		
2020 – Present	Director	KTIS Bio Natural Co., Ltd.
2020 – Present	Director	Sapsirikaset Co.,Ltd.
2020 – Present	Director	Environment Pulp and Straw 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	HuaHinPearl 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.
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** : 71 Year**Position** : Independent Director

Chairman of Audit Committee

Period of Directorship : 7 year 11 months (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)
- 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	Independent Director and 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** : 65 Year**Position** : Independent Director

Audit Committee

Period of Directorship : 9 year (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 WorPorOr2005, National Defense College
- Royal Thai Army War College Program 44 Institute of Advanced Military Studies
- Diploma in higher PorSorSor 1, PorRorMor 1 and PorPorPor 1 King Prajadhipok's Institute

- Diploma in SorJorVor 81 Applied Psychology Institute
- Diploma BorRorOr 1 Royal Thai Police
- Diploma In higher BorMorChor 3 National Intelligence Agency
- Certificate of Public Law Class 6 Faculty of Law, 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 and 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.
2012 – 2015	Chairman of Audit Committee	Gunkul Engineering Pcl.
	Independent Director	
	Risk Management Committee	
2011 – 2014	Member of Social Anti-Corruption Committee	Office of the National Anti - Corruption

Period	Positon	Company
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	Chairman of Audit Committee and Independent Director	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** : 79 Year**Position** : Independent Director

Chairman of Risk Management Committee

Audit Committee

Period of Directorship : 9 year (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	Kaset Thai International Sugar Corporation Pcl.
	Chairman of Risk Management Committee	
	Audit Committee	

Period	Positon	Company
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** : 78 Year
Position : Director
Risk Management Committee
Authorized Director

Period of Directorship : 9 year (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 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	Chairman	Thew River Place Condominium Juristic Person
Present	Director	The Grand UB Co., Ltd.
Past Experiences		
2020	Chairman	Liberty Plaza Condominium Juristic Person

Period	Positon	Company
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 and 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** : 78 Year

Position : Independent Director
 Chairman of Nomination and Remuneration Committee
 Risk Management Committee

Period of Directorship : 9 year (Appointed on 29 January 2013)**Education/Training with IOD :**

- Bachelor of Accounting, Thammasat University
- Master of Economics, North Dagota State University U.S.A
- Certificate, American Institute of Banking (New York) U.S.A
- 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	Kaset Thai International Sugar Corporation Pcl.
	Chairman of Nomination and Remuneration Committee	
	Risk Management Committee	
Current Positions in other non-listed companies		
None		
Past Experiences		
2012 – 2013	Independent Director	Kaset Thai Sugar Industry Co., Ltd.

12

Name : Mr. Phoosak Boonsalee **Age** : 73 Year**Position** : Independent Director
Nomination and Remuneration Committee**Period of Directorship** : 9 year (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 Chairman of Executive Committee	Saksiam Leasing Pcl.
2013 – Present	Independent Director and Nomination and Remuneration 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.
1995 – 2016	Director and Chief Executive Officer	Saksiam Commercial Leasing Co., Ltd.

13

Name : Mr. Somchai Suwachittanont **Age** : 60 Year**Position** : Director
Chief Executive Officer, Cane and Sugar Business**Period of Directorship** : 8 months (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		
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.

Period	Positon	Company
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		
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.
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.

Name : Mr. Apichart Noochprayoon **Age** : 49 Year

Position : Director

Chief Executive Officer – Bio

Assistant to Chief Executive Officer

Authorized Director

Period of Directorship : 9 year (Appointed on 29 January 2013)

Education/Training with IOD :

- Bachelor of Economics (International Economics), Chulalongkorn University
- Executive MBA, Sasn Graduate Institute of Business Administration of Chulalongkorn University
- Director Accreditation Program (DAP 96/2012)

Shareholding (%) : 0.000

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		
2019 – Present	Advisor of Director	GGC KTIS Bio Industrial Co., Ltd.
2015 – Present	Managing Director and 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.
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 – 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.
2005 – 2012	Deputy Managing Director	Kaset Thai Sugar Industry Co., Ltd.

15

Name : Miss Chua Eng Eng**Age** : 51 Year**Position** : Director

Authorized Director

Period of Directorship : 9 year (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 non-listed companies		
2013 – Present	Director	Grand Helio Pte. Ltd.
2013 – 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.
2012 – Present	Director	Siri Charoen Sapraivan 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.
2011 – Present	Director	Soon Li Investments Pte. Ltd.
2010 – Present	Director	S.I. Property Co., Ltd.
2004 – Present	Director	King Wan Industries Pte. Ltd.
2002 – Present	Director	Xylem Investments Pte. Ltd.
2001 – Present	Director	King Wan Development Pte. Ltd.
2000 – Present	Managing Director	King Wan Corporation Pte. Ltd.
1996 – Present	Director	King Wan Construction Pte. Ltd.
1994 – Present	Managing Director	K&W Mobile Loo Services 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** : 50 Year**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 (Implementation and examples)
- TFRS 16 Lease agreement and Deferred Tax
- Summary of important issues of TFRS for PAEs which are changed amended in 2021
- Financial Reporting Trends 2021
- Finance Transformation : Consolidation and Reporting (using LucaNet)
- Risk analysis of audit on price determination in

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 Wangpreedaertkul **Age** : 30 Year**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				
Thai Identity Sugar Co., Ltd.		X, 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					
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										
Kaset Thai Bio Fertilizer Co., Ltd.		X, 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				
Sapsirikaset Co., Ltd.		X, 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				
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					
Environment Pulp and Straw Co., Ltd.		X, V			I, V	I, V					I, V		I, V			
KTIS Bio Energy Co., Ltd.		I, V		X, V	I, V	I, V										
KTIS Biogas Power Co., Ltd.		I, V		X, V	I, V	I, V										
KTIS Research and Development Co., Ltd.		X, V	I, V	I, V	I, V	I, V					I, V	I, V				
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 Ruanmoon Patthana Co., Ltd.						I, V										

Company	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
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	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	I, V										
Siri Charoen Export Co., Ltd.											I, V					
Siri Charoen Sapraiwai 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 and Remuneration Director
VII = Controlling Person

Remark (2)

1. Mr.Pricha
2. Mr.Parphan
3. Ms.Darat
4. Mr.Sirivuthi
5. Mr.Nutthapun
6. Mr.Prasert
7. Acting Sub Lt. T-rayooth
8. Mr.Sathaporn
- Attavipach
Siriviriyakul
Vibhatakalasa
Siamphakdee
Siriviriyakul
Siriviriyakul
Changpetch
Kotheeranurak
- Mr.Issakan
Mr.Phoonsak
Mr.Sirapak
Mr.Apichart
Mr.Somchai
Ms.Chua
Mr.Krairit
Ms.Ratchada
Boonwanno
- Kriththaya
Boonsalee
Siriviriyakul
Noochprayoon
Suwachtitanont
Eng Eng
Nilkuha
Boonwanno



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 transfer of the manager of internal audit department shall be made by the approval of the Audit Committee as per the charter.

Name	Mrs.Natthira Paisayom
Age	46
Position	Manager- Internal Audit Department
Education	<ul style="list-style-type: none"> Bachelor majoring in Accounting, General Management, Suan Sunandha Rajabhat University Certificate (Vocational Certificate - High Vocational Certificate, Nakhon Sawan Vocational
Seminar on Role and Responsibility	<ul style="list-style-type: none"> 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 (%)	None
Family Relationship among Company's Directors	None

Director/Management Position in other companies		
Listed Companies		
Present	Manager- Internal Audit Department	Kaset Thai International Sugar Corporation Pcl.
Non-Listed Companies		
None		
Other companies that may cause any conflict of interests to the Company		
None		
Working Background		
2008 - 2012	Internal Audit Senior Officer	Prasit Patana Co., Ltd.



Attachment 4

List of Assets used for Business Operation and Appraisal

Core Operating Assets of the Company and its subsidiaries

As of September 30, 2021, the Company and its subsidiaries have core operating assets, as followings :

Items	Net Book Value (THB Million)	Ownership	Encumbrance
Consolidated financial statements			
1. Land and land improvement 9,713 rai 1 Ngan 30.67square wah.	380.55	owner	partly as Collateral Loan
2. Building and buildings improvements	1,633.13	owner	partly as Collateral Loan
3. Machinery and tooling	4,687.26	owner	partly as Collateral Loan
4. Motor Vehicles	69.93	owner	-
5. Furniture, fixtures and office equipment	24.41	owner	-
6. Motor vehicles	497.56	owner	-
7. Assets under installation	1,442.40	owner	-
Total	8,735.24		

Note 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, 2021

- (1) Leasehold of Kaset Thai International Sugar Corporation PLC for sugarcane plantation, the leasehold covers 194 plots with total area of 4,092 rai 51.20 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 Manorum 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 405 rai, 45.20 square wa, under one year lease. The leased land located at Amphur Takhli, Manorum 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 16 plots, total area of 213 rai, 1 ngan, 86 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 8 plots, total area of 108 rai, 2 ngan, 43 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 56rai 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 36.60 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 365 rai 1 ngan 77.50 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 205 rai, 2 ngan, 75.80 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 151 plots, total area 3,649 rai 1 ngan 39 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 15 plots, total area 444 rai, 2 ngan, 88.70 square wa, under 3 years lease. The leased land located at Amphur Phrom Phiram, Amphur Thong Saen Khan, Amphur Tron, 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) Leasehold of Thai Identity Sugar Co.,Ltd. for parking area for sugarcane trucks and filter cakes, the leasehold covers 6 plots, total area 38 rai, 2 ngan, 40 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.

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

Trademark	Objective	Registration Date
	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	Pending registration
KNAS	Used as a trademark for hand sanitizer alcohol.	Pending registration

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) /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	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								
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 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	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	Not yet Commence	Not yet Commence	14-Oct-20

The Company has no income from BOI-promoted operations.

Policy on Investment in Subsidiaries and Associate Companies

It is the Company's policy to invest only in businesses that are related to its core business and are beneficial to or support for the business operations of the Company in order to capture new sources of revenue and leverage its profitability. The Company will nominate an appropriate proportion of its representative directors to the boards of its subsidiaries or associate companies to oversee and steer their businesses towards the right direction and the best benefits of the Company.

As of September 30, 2021, the Company has investments in subsidiaries. Joint venture companies, associated companies and other companies as follows :

Subsidiary	Initials	Type of Business	Registered capital	Paid-up capital	Shareholding (%)
Thai Identity Sugar Factory Co.,Ltd. (TIS)	TIS	Sugar production and distribution	3,600,000,000	3,600,000,000	100.0
KTIS Bioethanol Co.,Ltd. (KTBE)	KTBE	Molasses-based ethanol production and distribution	256,000,000	256,000,000	100.0
Environment Pulp and Paper Co.,Ltd. (EPPCO)	EPPCO	Production and distribution of bleached bagasse pulp and Pulp Mold	2,400,000,000	2,400,000,000	100.0 ¹
Environment Pulp and Packaging Co.,Ltd.(EPAC)	EPAC	Production and distribution of Pulp Mold	650,000,000	650,000,000	100.0 through EPPCO
Kaset Thai Bio Power Co.,Ltd. (KTBP)	KTBP	Electricity generation	1,260,000,000	1,260,000,000	100.0
Thaiekaluck Power Co.,Ltd. (TEP)	TEP	Electricity generation	350,000,000	350,000,000	100.0
Ruampol Bio Power Co.,Ltd. (RPBP)	RPBP	Electricity generation	395,000,000	395,000,000	100.0
KTIS Bio Fertiliser Co.,Ltd. (KTBF)	KTBF	Production and distribution of bio soil conditioner and bio fertilizer products	35,000,000	35,000,000	100.0 through KTBE

Subsidiary	Initials	Type of Business	Registered capital	Paid-up capital	Shareholding (%)
Permsinpattana Co.,Ltd. (PSP)	PSP	A holding company which holds 26.0% shares of EPPCO	317,000,000	317,000,000	100.0
Sapsirikaset Co.,Ltd. (SSK)	SSK	Land acquisition to support the group's business expansion	108,000,000	108,000,000	100.0
KTIS Bio Natural Co.,Ltd. (KTBN)	KTBN	Ethanol production and distribution	50,000,000	12,500,000	100.0 ²
Enviroment Pulp and Straw Co.,Ltd. (EPAS)	EPAS	Production and distribution of bleached Pulp Mold and Straw	2,000,000	2,000,000	100.00 through PSP
KTIS Biogas Power Co.,Ltd. (KBGP)	KBGP	Electricity generation and sale	1,000,000	1,000,000	100.0
KTIS Bio Energy Co.,Ltd. (KBE)	KBE	Ethanol production and distribution	20,000,000	20,000,000	100.0
Kaset Thai Wiwat Co.,Ltd. ("KTW")	KTW	Support company's asset management	61,000,000	61,000,000	100.0
KTIS Research and Development Co.,Ltd. ("KTIS R&D")	KTIS R&D	Support company's businesses and its growth aspiration.	20,000,000	20,000,000	100.0
GGC KTIS Bio Industrial Co.,Ltd (GKBI)	GKBI	Joint venture in bio industry promotion zone	3,315,000,000	2,618,250,000	50.00 through KTBE

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.

Details about the property appraisal list

- None



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

CG Policy



CG Policy

File size : 542 KB.

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CG Policy

Kaset Thai International Sugar Corporation Public Company Limited

Code of Conduct



Code of Conduct and Business Ethics

File size : 680 KB.

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Code of Conduct and Business Ethics

Kaset Thai International Sugar Corporation Public Company Limited



Attachment 6

Audit Committee Report

Detailed information on Topic :

Report on the Performance of Audit Committee.



KTIS
More Than Sugar

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