

Minutes of 2018 Annual General Meeting, 1/2019
Khon Kaen Sugar Industry Public Company Limited
Friday, February 22, 2019

**Kamolthip 2-3 Ballroom , 2nd Floor, The Sukosol Hotel No.477, Sriayudhya
Road, Thanonphayathai Sub-district, Rajthevi District, Bangkok**

The meeting was commenced at 9:30 AM.

Mr. Manu Leopaiprote (Chairman and Independent Director) as Chairman of the meeting took the chair. The Chairman extended a warm welcome to shareholders present at the Annual General Meeting of the Company.

The Chairman reported that there were now 111 shareholders who self-attended the meeting and 124 proxies, totaling 235 shareholders representing 3,182,532,272 shares. There were more than 25 shareholders including proxies and the total number of shares representing 72 percent, which was more than one-thirds of the 4,410,232,619 paid-up shares and, hence, met the quorum requirement.

Directors present:

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

Director not present:

- None -

In Attendance:

Mr. Dhajjai Subhapholsiri

Company Secretary and Legal Office/ Company Secretary - Vice President

Mr. Meechai Piyavisadpat

Acting Assistant Vice President – Accounting and Finance (CFO)

Invitees:

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

1. Ms. Juntira Juntrachaichoat

2. Mr. Nipat Silapakul

3. Ms. Nuttida Jitwattanasuk

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

1. The Company provides video recordings of the Meeting.

2. The meeting documents for AGM for the year 2017 No. 1/2018 had been publicized in the company website since January 21, 2019 And the Securities Exchange of Thailand had been duly informed.

3. The Company had posted the invitation through the company website to shareholders to propose agenda and qualified persons for directorship in accordance with the Company's criteria during 1 October 2018 to 30 November 2018. No shareholder has proposed any agenda or candidate for directorship.

4. Voting, Vote Counting and Vote announcement

4.1 Voting

(1) Voting shall be made in an open manner. One share shall be counted one vote. The resolution shall be made with the following votes.

– In ordinary matter, the resolution shall be made with majority votes of the shareholders who attend the meeting and cast their votes (abstention shall not be counted). In case of equal votes, the Chairman shall make the casting vote.

– In the matter that is prescribed by law or by company's articles of association which is different from the above-mentioned, the resolution shall be made according to the laws or the company's articles of association.

The Chairman shall inform the shareholders of such voting rules before the voting in each agenda.

(2) In each agenda, a shareholder shall vote only either for or against or abstain. The shares shall not be divided for different ways of voting.

(3) In case of proxy, the proxy shall vote in accordance with the instruction of the shareholder as specified in the proxy.

4.2 Vote Counting In order to save the time and to comply with the normal practice of general meeting of shareholders, if there is no disapproval or abstention, the matter shall be deemed approved by the meeting. Should any shareholder wish to vote against or abstain, he/she is requested to vote with the given ballot. The disapproval votes and abstention shall be deducted from the total attending votes, the remaining shall be deemed the approval votes.

The number of shareholders and attending votes in each agenda may differ as there may be more shareholders attend the meeting afterwards.

4.3 Announcement of Vote Counting The announcement shall be made in each agenda except that more time is needed to count the votes. In such case, the Chairman shall proceed with the next agenda and shall announce the vote counting as soon as the Chairman receive the vote counting result.

5. A shareholder who wants to pose questions or opinions is requested to raise his/her hand and identify self with name and last name including status as a shareholder or a proxy, when the shareholder is allowed to speak by the Chairman.

6. As to the site visit in 2019, the Company has sent the invitation letter along with the meeting invitation to the shareholders to visit the New Krung Thai factory at Boploy, Kanchanaburi (Bo Ploy Bio-Refinery Complex) and Natural Agricultural Center at KSL River Kwai by a one-day trip on Friday, March 15, 2019. The shareholder who is interested in the visit may send the acceptance form back to the Company. The Company shall random through the list of shareholders who have never made such visit and send the confirmation to the invited shareholders.

7. After the meeting, shareholders are requested to return the ballots to the Company staff in front of the meeting hall.”

To ensure compliance with good practice for shareholders’ meetings of listed companies, a person was asked to observe and witness the counting of votes, namely,

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

The Chairman, after confirming that the requisite quorum was present, called the meeting to order.

Agenda 1: To Acknowledge the Operating Results of the Company for the Year 2018

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

The Implementation of the Annual General Meeting of Shareholders for the Year 2017, No. 1/2018 on February 20, 2018

Company Secretary and Legal Office - Vice President (Mr. Dhajjai Subhapholsiri) presented the implementation of the Annual General Meeting of Shareholders for the Year 2017, No. 1/2018 on Tuesday, February 20, 2018 as follows:

Agenda 1: To acknowledge the Operating Results of the Company for the year 2017

The meeting acknowledged.

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

The meeting approved.

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

The meeting approved the payment of dividend for the Year 2017 in form of cash dividend of THB 0.05 per share, of the amount not exceeding THB 220,511,631. The Company allocated the profit as legal reserve which is not less than ten percent of the registered capital.

(As such, the Company paid the dividend within the scheduled time.)

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

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

(As such, the seven directors resumed in office for another term.)

Agenda 5: To consider and approve directors' remunerations

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

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

(As such, the Company paid the remuneration not exceeding the approved amount to directors.)

Agenda 6: To consider and approve the appointment of auditor and audit fee for the year 2018

The meeting approved.

(As such, The Company appointed Deloitte Touche Tohmatsu Jaiyos Audit Co., Ltd as auditor for the year 2018 at the fee of 2,650,000 Baht.)

Agenda 7: Other Matters (questions and observations by shareholders)

Operating Results for the year 2018 of Khon Kaen Sugar Industry Public Company Limited and subsidiaries

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

Vision We are Natural Energy Innovation for All

Mission

1. Create income for farmers through efficient processes and high quality agricultural yields.
2. Develop manufacturing process and technology to achieve highest efficiency and effectiveness.
3. Create an environment that mutually benefits our partners of success.
4. Develop down-stream businesses to maximize the usage of raw materials, byproducts, and other resources.

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

In the previous year 2018, the operating result revealed diminishing figure, mainly from these causes:

1. Increase of revenue due to increase of sugar cane crushing.
2. Decrease of net profit due to the drop of sugar market price and there was no special profit from amalgamation in 2018.

The lowering of sugar world market price

In 2017, the world market price of sugar was adjusted to 15 -21 cents/lbs

In 2018, the price dropped rapidly to 11-15 cents/lbs due to increasing production in 2018 which caused oversupply situation.

Global Sugar Balance

The deficit would be approximately 1.3 million tons in 2019, while the sugar stock maintained at the normal level at 40%

KSL group's production

The production of KSL domestic factories grew 62% due to the successful operation of the investment in manufacturing process. The climate in 2017 also helped increase the country's overall production, including KSL's, to grow more than the production in the previous year, In 2018, KSL had the market share based on sugar cane volume at 8.2% in comparison with 7.3% of the previous year.

The increase of sugar cane for crushing had impact upon:

Sugar business

- (1) Decrease of cost of production per unit
- (2) Increase of by-product (molasses)

Electricity business

- (1) Bagasse used as fuel is enough for production and, hence, there was no cost for procuring additional fuel.
- (2) More sale of electricity to Electricity Authority

Corporate Social Responsibility (CSR) and Anti – Corruption

Chief Executive Officer and President (Mr. Chamroon Chinthammit) presented KSL Group's operation as for the part of corporate social responsibility (CSR) that in 2018 the Group focused on activities for community and society under the concept "Tracing the King's footsteps for sustainability" by adopting the Sufficiency Economy Principles as guidelines to propel the activities for community and society as a whole which comprise of various stakeholders, namely, employees, communities around factories, sugar cane farmers, suppliers and external entities. Examples of the 2018 CSR activities included:

1. The King's Disciplines towards Leadership Project and Living Quality in the Community with Sufficiency Economy Principles Project with the main objective to make the attendants to have knowledge and understanding of sustainable self-reliance.
2. Development of selected 37 Sufficiency Economy Centers to enable villagers to increase their agricultural products so that they can rely on themselves with additional revenue as well as to build network that supports distribution of products.
3. School Model for Sufficiency Economy by coordinating with schools in Tamaka District and Boploy District in Kanchanaburi Province so that the students can train at the learning base of KSL River Kwai Natural Agricultural Center with the objective to build up discipline, responsibility, unity, sharing behavior and self-reliance pursuant to the Sufficiency Economy Principles.
4. Sustainability Project with Coco-Cola (2nd year) with the objective to have the factory staff and the female cane farmers of Tamaka factory and New Krung Thai factory be trained to administer revenue and expense and to earn additional income for their families.
5. Joint Activities with external entities by conveying knowledge to schools, communities and general interested persons, e.g. the Department of Business Development, students in Patrol Police School, Community Development Provincial Office, etc. through training and observation tour at the learning bases of KSL River Kwai Natural Agricultural Center.

Anti-Corruption

1. The Company was certified a three-year member of the Private Sector Collective Action Coalition against Corruption (CAC) on 9 March 2017.
2. The Office of Risk Management was assigned the holistic administration including the evaluation and monitoring the related risks, staff training and internal coordination.

3. In 2018, the Company conducted several activities in regard with anti-corruption such as
- ☐ Review and amendment of the Anti-Corruption Policy and the Corruption Countering Measures Manual and provision of the Risk Management Manual on Anti-Corruption.
 - ☐ Training and test the knowledge of staff at the head office and 6 sugar factories regarding the examination of fraud and corruption.
 - ☐ Assessment of risk regarding fraud and corruption in factory so as to use the assessment result to further formulate plans/activities as well as to prepare for the CAC recertification.
 - ☐ Support for internal functional units to prepare risk assessment regarding fraud and corruption in accordance with Fraud Risk Assessment Tool in order to specify major risk factors as well as preventive and mitigating measures by having the Internal Audit Office review the operational data.

The Company would submit the CAC re-certification within December 2019.

Other information relating to corporate social responsibility in 2018, such as

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

2.Tamaka Sugar Industry Co., Ltd. received 3Rs Awards, Zero Waste Achievement Award 3Rs+ Award (bronze level) from the Department of Industrial Work, Ministry of Industry.

3. Network Group 9 tracing the King's Footsteps to continue good virtue of Tamaka Sugar Industry Co., Ltd. received the first rank award for Excellent Industry Network for environmental conservation.

Thai Investors Association Representative: PM (Particulate Matter) 2.5 from combustion and plant burning is a problem. Some sugar mills bought burnt sugar cane for crushing. Did the group have any measure as to this matter?

Chairman and Independent Director (Mr. Manu Leopaiprote) : The Company advised the farmers not to burn sugar cane and to abide by other rules set for supplying sugar cane to factories. The Company always complied with the regulations of the Ministry of Industry and the Ministry of Environment. The fact that a subsidiary of the Company received an environment first rank award from the Ministry of Industry supported the Company's care about this matter.

Shareholder : The Company's attention to corporate social responsibility, anti-corruption and corporate governance as shown in the Annual Report and presented in the meeting was appreciated.

Shareholder: In 2018, the sugar price in domestic market was adjusted in line with the world market price because the price was higher than that in other countries, partly from the subsidy policy. When this change happened, the question was whether the Thai sugar industry could compete with Brazilian

industry or other foreign ones and whether there was any impact on farmers. As the Company would suffer less profit but needed to sell more due to the price decrease and the termination of domestic sale quota, how would the Company handle these matters?

Chairman and Independent Director (Mr. Manu Leopaibote) : Twenty five years ago, Thailand used to be at the bottom line of sugar export. After the use of benefit sharing scheme which was the cooperation among cane farmers, sugar mills and government, Thai sugar industry became much stronger and stable. Sugar manufacturers invested in factory and machinery of high efficiency. The cane production was also higher. Overall, Thai sugar industry could well compete with foreign industry in the world market. Thailand is now second only to Brazil in terms of sugar export. Thailand recently faced an impact regarding the trade rules of WTO regarding domestic subsidy. However, we had solved the issues to the satisfaction of WTO and our competitors. There was no significant impact upon the industry at present remaining. The Company still proceeded well with the production of sugar and the use of by-products from sugar manufacturing process to add more value to other business, for example, molasses for ethanol production, bagasse for electricity production and filter cake for organic fertilizer. The Company tried its best to connect those businesses as a full circle.

Shareholder : In the past, Thailand could compete with foreign business because there was quota to sell domestically at high price. Now the structure had been changed. Could Thailand still compete in this circumstance?

Chairman and Independent Director (Mr. Manu Leopaibote): Sugar industry was a competitive industry because of the fluctuation of price. The world market price went down in some years and vice versa. The price mostly depended on the supply of sugar. The supply mostly depended on the climate. This fact was vital to the production of sugar in Thailand, Brazil, South African countries and others. Of course, Thailand faced the same type of price fluctuation. However, the analysis from several sources saw a good trend of higher price.

Director and Senior Vice President - Office of Innovation (Mr. Pornsin Thaemsirichai) : The benefit sharing scheme did not subsidize the sugar manufacturers. The added 5 Baht to the local market price was coined for the benefit of farmers only. The impact from price float policy had both positive and negative sides, depending on the market price. If the world market price went up, the consumers had to bear cost. On the contrary, if the world market price went down, the consumers benefited. From now on, the fluctuation of price tended to occur frequently. The timing for sale or buy would be significant for the operation result.

Director and Vice President – Office of the President (Mr. Chalush Chinthammit): Before the floating price policy, assumedly the factory price was 20 Baht, the seller would receive net 12.30 Baht (white sugar) or 13.30 Baht (refined sugar) after tax and 5 Baht premium. The impact of the floating price policy upon the seller could be evaluated by the net revenue of the seller. Indeed, the income of the seller was close to that before the application of the policy because without domestic quota, the price became more competitive. Today, white sugar cost 15 Baht while refined sugar was 16-17 Baht. The farmers might suffer some adverse impact because there was no direct subsidy for them anymore.

As for the competitiveness of Thailand with other countries, particularly Brazil, Thailand still gained advantage because we were the only sugar exporter in Asia. If Brazil wanted to sell here, she could do that with high cost of transportation plus customs tax. It was not correct to say that Thai people bought

sugar more expensive than consumers in other countries. The price comparison was wrong because it was compared with the world market price, not the local price. If local price in various countries were compared, the selling price in Thailand would be the lowest while the average price in other countries' local market would be around 1 US dollar or about 30 Baht.

An uncontrollable factor in the competition was the foreign exchange rate that certainly affected cost structure. At present, every business in Thailand had less competitive edge because of strong Baht, resulting in the reduction of Baht income from export. This is uncontrollable external factor that Company had to manage further.

In terms of cost-effectiveness, the production efficiency of Thai sugar mills was not inferior to those in Brazil. Besides, technology used in Thai sugar factories was inferior to no one. One problem remaining in the world market competition was that we could not force every country to strictly abide by the rules of WTO. For an example, the increase of sugar production in the last two years was apparently from India. The subsidy for the cane plantation by the Government of India lured the farmers to grow excessive sugar cane, which finally resulted in the export volume and the distortion of world market price.

Shareholder : asked about the comparison of sugar sale volume in 2017 and 2018 and the projected sale in 2019.

Acting Assistant Vice President (CFO) (Mr. Meechai Piyavisadpat) : In 2018, the sale volume was approximately 1,000,000 tons and in 2017 approximately 600,000 tons. It is expected that the sale volume in 2019 would be close to that in 2018, namely, 1,000,000 tons.

Shareholder : asked about the Company's full capacity of sugar production?

Acting Assistant Vice President (CFO) (Mr. Meechai Piyavisadpat) : The year 2018 saw the highest crushing volume in comparison with the past years. Nonetheless, the crushing capacity could increase if there was more supply of sugar cane. Another way of increasing to full capacity was to extend the crushing period with no need of more investment in machinery.

Shareholder: asked whether the company use Brazil's price as the market price for export?

Chairman of the Board of Directors and Independent Director (Mr. Manu Leopairote) : The export price was subject to the price quoted in London Market and New York market.

Shareholder : Bloomberg reports that 2019 will be a good year for sugar due to the effect of El Nino and La Nina. What is the company's response?

Chairman of the Board of Directors and Independent Director (Mr. Manu Leopairote): The analysis results from a good deal of data which was an optimistic view regarding the cane and sugar industry.

Shareholder: asked whether there was any impact upon the company from the imposition of sugar tax to food and drink manufacturers?

Director and Vice President - Office of the President (Mr. Chalush Chinthammit): The sugar tax had just been imposed and the long-run monitoring was needed. The consumption of sugar in the past year decreased a little bit. However, the newly launched drinks that contained low sugar or non-sugar did not gain much popularity from the consumers. The Company produced the same volume of sugar because we could export white sugar and raw sugar quite well. The domestic consumption was around 20% while 80% of sugar production was exported.

Shareholder: What contributes to the 1,000,000 ton sale volume in 2018?

Director and Vice President - Office of the President (Mr. Chalush Chinthammit): We had invested in the expansion of factory in the last five years and the operation meets the target. The climate also accommodated the growth of sugar cane supply. Thailand made a new record of more than 130 million tons of sugar cane supply last year. The Company invested in more machinery and built a new factory in Loei Province that optimized the capacity of machinery.

The meeting acknowledged the Operating Results of the Company for the Year 2018.

Agenda 2: To consider and approve the audited statement of the financial position and profit and loss statements for the year ended October 31, 2018.

The Chairman informed the meeting that, in accordance with the Public Limited Company Act B.E. 2535 (1992), the Company had made an annual financial report for the year ending October 31, 2018 that was audited and certified by appointed accountant and approved by the Audit Committee and Board of Directors, details as shown in the annual report which had been sent to the shareholders in advance. The Chairman asked the Acting Assistant Vice President (CFO) (Mr. Meechai Piyavisadpat) to present the financial statements.

Acting Assistant Vice President (CFO) (Mr. Meechai Piyavisadpat) reported to the meeting for consideration the details of Statements of Financial Position, Statements of Profit or Loss of Khon Kaen Sugar Industry Public Company Limited and its subsidiaries as follows:

(Unit : Million Baht)	Consolidated financial statement		Separated financial statement	
	Year 2018	Year 2017	Year 2018	Year 2017
Total assets	45,542	42,991	31,255	28,976
Total liabilities	26,903	24,898	22,387	19,249
Total revenues	17,813	15,623	9,819	8,416
Profit before interest and income tax expenses	1,702	3,180	(88)	2,143
Net profit	848	1,970	(566)	1,312
Earnings per share	0.19	0.45	(0.128)	0.297

Shareholder: asked about details in the financial statements as follows.

1. On page 108 of the Annual Report, why the specific financial report showed the loss, despite the gross profit looked good?

2. Why there was no profit in 2018 but such profit was shown in 2017 statement.

3. What was the cause of increasing cost of capital?

and suggested that the Company solve the issues that were not directly related to the operation, such as the devaluation, etc.

Acting Assistant Vice President (CFO) (Mr. Meechai Piyavisadpat):

1. The gross profit from sale was less than the increasing sale expense, due to the decrease of average selling price but the increase of sale volume.

2. In 2017, the Company amalgamated a subsidiary which operated ethanol business with bio-fuel business of Bangchak Corporation PLC and formed a new company. In accounting, such activity was deemed a sale of business that made profit and the profit was booked. There was no such profit in 2018 shown in the statement because the sale of business had already been done and booked last year.

3. The reason for 2018 high cost of fund, in comparison with 2017, was due to the 62% increase of cane crushing and the use of more current fund.

Shareholder: asked about details in the financial statements as follows.

1. On page 108 of the annual report, the cost of sale in 2018 is higher than that in 2017. What is the cause for the higher figure?

2. What is the percentage of profit from export and domestic sale?

3. On page 143 in the annual report, what is the reason for increasing devaluation of investment in Wynn In Trading Co., Ltd. ?

4. On page 143 in the annual report, what is the reason for the loss of Koh Kong Plantation Co., Ltd. In 2017 and 2018.

Acting Assistant Vice President (CFO) (Mr. Meechai Piyavisadpat):

1. The cost of sale, which was mainly the transportation cost and storage cost, directly varied with the sale volume.

2. Due to the float of sugar price last year, the net selling price in domestic market less the fee paid to the Cane and Sugar Fund was close to the export price.

3. The devaluation value reflected the actual operation and value of assets of Koh Kong Plantation Co., Ltd., a subsidiary in Cambodia.

4. It was the estimation of devaluation of investment that was mainly calculated from value of assets and operation results.

Chief Executive Officer and President (Mr. Chamroon Chinthammit): The business in Cambodia encountered the rapid decrease of market price and the higher price of sugar cane than sugar product. The more production would cause more loss. The Board of Koh Kong Plantation Co., Ltd. resolved to suspend the business for 3 years to observe the market price.

Shareholder: asked about details on page 8 of the Annual Report as follows.

1. The increase of cost of sale in 2018 in comparison with that in 2017 and higher revenue from operation.
2. The beginning of Koh Kong business and the present situation as well as the business in Lao PDR.
3. Any promotion of cane plantation in Koh Kong? Any plantation currently? Who was the buyer? How much higher the cost in Koh Kong compared to in Thailand?

Chief Executive Officer and President (Mr. Chamroon Chinthammit): The investment in Lao PDR began about 10 years ago. The operation result was gradually better. The company promoted the plantation of sugar cane. The quality of the cane was satisfactorily good and the supply for crushing increased. However, the transportation was rather high because there was no port in Lao. The shipment had to be made through Thai ports. As for the operation in Cambodia, the investment started 10 years ago likewise. There was too much rainfall that constrained the use of land for plantation. The price of sugar cane was higher than the price of sugar in the market. The production cost was still high. These impediments convinced the board of directors to suspend the operation to monitor the price situation of sugar.

Shareholder: Why did the Company invest in Lao and Cambodia?

Chief Executive Officer and President (Mr. Chamroon Chinthammit): The Company's subsidiaries were granted plantation concession about 40,000 rai by the the Lao government and 200,000 rai from the Cambodian Government respectively. This size of plantation plot was not available in Thailand.

Shareholder: How does the Company calculate the cost of sale?

Chief Executive Officer and President (Mr. Chamroon Chinthammit): Due to the production surplus of sugar in 2018, the remaining stock was to be sold in 2019. As the market price went down and transportation cost to the port increased, the unsold sugar stock bore interest and more bank loan contributed to higher cost of sale.

Shareholder : asked questions on page 138 of the Annual Report that showed higher inventory of sugar and molasse and decrease of bagasse in 2018 whether bagasse was more utilized. How would the Company manage this situation?

Acting Assistant Vice President (CFO) (Mr. Meechai Piyavisadpat): The Company's subsidiary produced more electricity for sale in 2018. The stock of bagasse decreased but sufficed the use in the current manufacturing season.

Shareholder : asked about the progress of Employee Stock Option Program (ESOP) of BBGI PLC.

Acting Assistant Vice President (CFO) (Mr. Meechai Piyavisadpat) : The ESOP was designed for the issuance of BBGI shares to executives and employees of BBGI. Nonetheless, BBGI had not made the initial public offering (IPO), so there was no distribution of shares yet.

There were no further questions from the shareholders. The Chairman asked the shareholders to cast their votes which required the majority of votes from the shareholders who attended the meeting and cast their votes. Abstention would not be counted.

The meeting resolution: The meeting adopted the Statements of Financial Position and the Statements for Profit or Loss for the year ending October 31, 2018 with majority votes of the shareholders who attended the meeting and cast their votes.

Approval	3,230,164,531	votes	99.999	%
Disapproval	31,352	votes	0.001	%
Abstention	2,535,192	votes	-	%
Voided ballot	-	votes	-	%

(From Agenda 2, total of attending shareholders 3,232,731,075 shares)

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

The Chairman requested Acting Assistant Vice President (CFO) (Mr. Meechai Piyavisadpat) to present the details to the meeting.

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

The Statement of Financial Position showed that Khon Kaen Sugar Industry PCL had net loss (separated financial statement) of 2018 of THB 566,206,169. However, the Board of Directors deemed it appropriate to pay dividend in form of cash for the year 2018 to shareholders at the value of THB 0.05 per share, of the amount not exceeding THB 220,511,631, or equal to 26 percent of net profit of consolidated financial statement. The dividend would be paid from accumulated profit of the Company which bore 0 percent tax of net profit. All dividends would be subject to withholding tax as prescribed by law. The Company fully allocated the profit as legal reserve which was not less than ten percent of the registered capital.

The record date for shareholders entitled to dividend would be March 5, 2019 and the dividend payment would be made on March 20, 2019.

Comparison of Dividend Payment in 2016 – 2018

Details of Dividend Payment	2018	2017	2016
1. Net profit (million Baht) of consolidated financial statement	848	1,970	1,426
2. Net profit (million Baht) of separated financial statement	(566)	1,311	234
3. Volume of Shares	4,410,232,619	4,410,232,619	4,410,232,619
4. Dividend per share (Baht : share)	0.05	0.05	0.10
5. Total dividend payment (million Baht)	220.51	220.51	441.02
6. Percentage of dividend to net profit (percent of consolidated financial statement)	26.00	11.19	30.92
7. Percentage of dividend to net profit (percent of separated financial statement)	n/a	16.81	188.24

Shareholder: The cash dividend 0.005 baht per share was to be paid from the profit which would be taxable at 0 per cent of net profit. Hence, the shareholders could not benefit from tax credit and asked whether the Company had the profit which was taxable at 25 per cent? If so, the dividend ought to be paid from that earnings.

Acting Assistant Vice President (CFO) (Mr. Meechai Piyavisadpat): The Company did not have enough earnings which were taxable 25 or 30 per cent to pay the whole amount of dividend this year. Therefore, the Company would pay dividend from the profit that was 0 per cent taxable.

Shareholder: asked if the dividend was paid from a portion of retained earnings.

Acting Assistant Vice President (CFO) (Mr. Meechai Piyavisadpat): The dividend was all paid from the retained earnings.

Shareholder: asked why the Company did not invest the retained earnings in another business?

Chairman of the Board of Directors and Independent Director (Mr. Manu Leoparote) : The Board of Directors would explore this matter further thoroughly by considering all relevant factors.

Shareholder: The Company was deemed a growth company, even though the business operation was regarded rather conservative. It was advisable that the Company pay attention to the control of significant cost and expenses, e.g. cost of goods sold, etc.

There were no other questions from shareholders. The Chairman asked the shareholders to cast their votes which required the majority votes of the shareholders who attended the meeting and cast their votes. Abstention would not be counted.

The meeting resolution: The meeting approved the allocation of profit for dividend payment for the year 2018 in form of cash at 0.05 Baht per share, or in the amount not exceeding THB 220,511,631,

or equal to 26 percent of net profit of consolidated financial statement. The dividend would be paid from accumulated profit of the Company which bore 0 percent tax of net profit. All dividends would be subject to withholding tax as prescribed by law. The Company fully allocated the profit as legal reserve which was not less than ten percent of the registered capital.

The record date for shareholders entitled to dividend would be March 5, 2019 and the dividend payment would be made on March 20, 2019.

The meeting approved this agenda with majority votes of the shareholders who attended the meeting and cast their votes.

Approval	3,232,731,075 votes	100.00 %
Disapproval	- votes	- %
Abstention	- votes	- %
Voided ballot	- votes	- %

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

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

For 2018 Annual General Meeting of Shareholder, there were 7 directors whose terms had ended as follows:

1) Mr. Manu	Leopairote	Independent Director
2) Mr. Chamroon	Chinthammit	Director
3) Mr. Pornsin	Thaemsirichai	Director
4) Mr. Chalush	Chinthammit	Director
5) Mr. Chatri	Chinthammit	Director
6) Pol. Gen. Boonpen	Bumpenboon	Independent Director
7) Ms. Nongluck	Phinainitisart	Independent Director

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

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

There were no other questions from shareholders. The Chairman asked the shareholders to cast their votes which required majority votes of the shareholders who attended the meeting and cast their votes. Abstention would not be counted.

The meeting resolution: The meeting re-appointed 7 corporate directors retiring by rotation to resume their responsibilities with majority votes of the shareholders who attended the meeting and cast their votes.

1) Mr. Manu Leopairote Independent Director

Approval	3,228,513,895 votes	99.8695 %
Disapproval	4,217,180 votes	0.1305 %
Abstention	- votes	- %
Voided ballot	- votes	- %

2) Mr. Chamroon Chinthammit Director

Approval	3,231,510,543 votes	99.9622 %
Disapproval	1,220,532 votes	0.0378 %
Abstention	- votes	- %
Voided ballot	- votes	- %

3) Mr. Pornsin Thaemsirichai Director

Approval	3,230,079,463 votes	99.918 %
Disapproval	2,651,612 votes	0.082 %
Abstention	- votes	- %
Voided ballot	- votes	- %

4) Mr. Chalush Chinthammit Director

Approval	3,229,988,719 votes	99.9152 %
Disapproval	2,742,356 votes	0.0848 %
Abstention	- votes	- %
Voided ballot	- votes	- %

5) Mr. Chatri Chinthammit Director

Approval	3,230,059,463 votes	99.9174 %
Disapproval	2,671,612 votes	0.0826 %
Abstention	- votes	- %
Voided ballot	- votes	- %

6) Pol.Gen Boonpen Bumpenboon Independent Director

Approval	3,231,248,379 votes	99.9541%
Disapproval	1,482,696 votes	0.0459 %
Abstention	- votes	- %
Voided ballot	- votes	- %

7) Ms. Nongluck Phinainitisart Independent Director

Approval	3,232,699,459 votes	99.999 %
Disapproval	31,616 votes	0.001 %
Abstention	- votes	- %
Voided ballot	- votes	- %

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

Agenda item 5: To consider and approve the remuneration of directors

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

The Company Secretary and Legal Office - Vice President (Mr. Dhajjai Subhapholsiri) explained to the meeting that the Nomination and Remuneration Committee and the Board of Directors took into consideration suitability and benefits in relation to the Company's operations, thus, had resolved that the meeting consider the following remuneration of directors as follows:

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

Shareholder: The development and morale of company directors is normally desirable through various channels, e.g. independent development plan, directors and officers liability insurance, life insurance for directors whose age are over fifty years, etc.

There were no further questions from the shareholders. The Chairman asked the shareholders to cast their votes which required no less than two-thirds of the votes of the shareholders who attended the meeting.

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

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

The meeting approved this agenda with the number of votes not less than two-thirds of the shareholders who attended the meeting as follows:

Approval	3,232,699,723 votes	99.999 %
Disapproval	31,352 votes	0.001 %
Abstention	- votes	- %
Voided ballot	- votes	- %

Agenda 6: To consider and approve appointment of the Company's auditor and the auditor's fee for the Year 2019

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

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

1. Appointed Deloitte Touche Tohmatsu Jaiyos Audit Co., Ltd. as the Company's auditor for the Year 2019 with the following auditors:

<u>Name</u>	<u>CPA Number</u>	<u>Year of Audit for the Company</u>
1. Ms. Juntira Juntrachaichoat	6326	1
2. Ms. Wimolporn Boonyasthian	4067	5 (2011-2015)
3. Ms. Duangrudee Choochart	4315	-
4. Mr. Choopong Surachutikarn	4325	-

2. Approved the audit fee at the amount of THB 2,715,000.- The fees included the audit service for the Company's consolidated financial statements and separated financial statements for the accounting period ending October 31, 2019.

Table indicating audit fees for comparison

(Unit : Baht)	Year 2019	Year 2018
Annual Financial Statements	1,485,000.-	1,450,000.-
Financial Statements in Three Quarters	1,230,000.-	1,200,000.-
Total	2,715,000.-	2,650,000.-

Shareholder: suggested that the Company explore new initiatives regarding the disclosure of information as it is directly beneficial to investors.

There were no further questions from the shareholders. The Chairman asked the shareholders to cast their votes which required the majority votes of the shareholders who attended the meeting and cast their votes. Abstention would not be counted.

The meeting resolution: The meeting approved 1) the appointment of Deloitte Touche Tohmatsu Jaiyos Audit Co., Ltd. as the Company's auditor for the Year 2019 with the following auditors:

1) Ms. Juntira Juntrachaichoat (CPA 6326) or, 2) Ms. Wimolporn Boonyasthin (CPA 4067) or, 3) Ms. Duangrudee Choochart (CPA 4315) or, and 4) Mr. Choopong Surachutikarn (CPA 4325); and 2) approved auditor's fee of 2,715,000 Baht for the year 2019 with majority votes of the shareholders who attend the meeting and cast their votes as follows:

Approval	3,232,699,723 votes	99.999 %
Disapproval	31,352 votes	0.001 %
Abstention	- votes	- %
Voided ballot	- votes	- %

Agenda 7: To consider any additional matters

Shareholder : asked questions as follows :

1. Whether Thai Fermentation Co., Ltd., in which the Company held 42.76% of equity, could make good profit.
2. How would the Company manage the sugar business amidst the situation of sugar price and the demand of bagasse for electricity production?
3. How would the business look like in the circumstance of strong Baht?

Chief Executive Officer and President (Mr. Chamroon Chinthammit):

1. Thai Fermentation Co., Ltd. was neither a subsidiary nor an affiliate. The Company did not invest in Thai Fermentation Co., Ltd. Some shareholders in the Company personally hold shares in the company.
2. Crushing more sugar cane to gain more bagasse was a better choice than procuring bagasse from outside.
3. Generally, strong baht benefited importers. Exporters of sugar which traded in US dollars would get less Baht.

Shareholder: suggested that the Company pay attention to various volatility risks which were inclined to occur rapidly and could cause significant impact, e.g. foreign exchange, etc. Close surveillance and mitigation plans would be helpful.

There were no further questions and suggestions by the shareholders.

At the end of the meeting, there were 163 shareholders who self-attended the meeting and 147 proxies, totaling 310 shareholders representing 3,232,731,075 shares which accounted for 73 per cent of the total shares.

With all the agenda being considered, the Chairman thanked all the shareholders for attending the Meeting and thanked them for their active participation in the Annual General Meeting.

Thereafter, The Chairman declared the Meeting as concluded at 12:15 PM.

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

(Mr. Dhajjai Subhapholsiri)
Company Secretary

(TRANSLATION)

If any shareholder would like to amend the Minute of 2018 Annual General Meeting, No. 1/2019 of Khon Kaen Sugar Industry PLC on February 22, 2019, please contact us at secretary@kslgroup.com within March 31, 2019.