

**REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION
BY THE INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS**

TO THE BOARD OF DIRECTORS

KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED

We have reviewed the consolidated statement of financial position of Khon Kaen Sugar Industry Public Company Limited and its subsidiaries and the separate statement of financial position of Khon Kaen Sugar Industry Public Company Limited as at July 31, 2018, and the related consolidated and separate statements of profit or loss and statements of profit or loss and other comprehensive income for the three-month and nine-month periods then ended, and consolidated and separate statements of changes in shareholders' equity and cash flows for the nine-month period then ended, and the condensed notes to interim financial statements. The Company's management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard No. 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

We conducted our review in accordance with Thai Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the aforementioned interim financial information has not been prepared, in all material respects, in accordance with Thai Accounting Standard No. 34 "Interim Financial Reporting".

BANGKOK
September 11, 2018

Juntira Juntrachaichoat
Certified Public Accountant (Thailand)
Registration No. 6326
DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT CO., LTD.

KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT JULY 31, 2018

UNIT : THOUSAND BAHT

	Notes	Consolidated Financial Statements		Separate Financial Statements	
		"Unaudited"		"Unaudited"	
		As at	As at	As at	As at
		July 31, 2018	October 31, 2017	July 31, 2018	October 31, 2017
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	4.2	146,044	153,004	37,732	11,894
Temporary investments		24	24	-	-
Trade and other current receivables	6	2,921,793	1,198,418	1,349,536	872,711
Short-term loans	7	1,335,536	1,569,259	3,414,116	5,373,550
Inventories		8,551,573	3,099,982	5,568,692	1,884,928
Current biological assets	8	141,432	111,895	7,022	5,854
Other current assets		76,534	63,931	54,912	46,061
Total Current Assets		13,172,936	6,196,513	10,432,010	8,194,998
NON-CURRENT ASSETS					
Investments held as available for sale		314,874	377,849	314,874	377,849
Investments in associates	9	3,863,580	3,746,845	3,380,381	3,381,615
Investments in subsidiaries	10	-	-	4,775,811	4,775,811
Other long-term investments		27,501	27,486	20,327	20,325
Trade and other non-current receivables		84,748	93,175	8,598	8,183
Long-term loans		324,453	393,199	4,134,812	1,404,915
Investment property	11	4,924,921	4,917,207	1,545,121	1,544,915
Property, plant and equipment	12	26,212,631	26,354,312	9,432,795	9,203,864
Other intangible assets		44,445	48,147	33,448	37,041
Deferred tax assets	17.2	8,448	13,214	-	-
Other non-current assets		817,358	822,774	43,128	26,964
Total Non-Current Assets		36,622,959	36,794,208	23,689,295	20,781,482
TOTAL ASSETS		49,795,895	42,990,721	34,121,305	28,976,480

See the condensed notes to the interim financial statements

KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION (CONTINUED)

AS AT JULY 31, 2018

UNIT : THOUSAND BAHT

	Notes	Consolidated Financial Statements		Separate Financial Statements	
		"Unaudited"		"Unaudited"	
		As at	As at	As at	As at
		July 31, 2018	October 31, 2017	July 31, 2018	October 31, 2017
LIABILITIES AND SHAREHOLDERS' EQUITY					
CURRENT LIABILITIES					
Short-term borrowings from financial institutions		10,972,368	8,508,780	6,351,011	4,260,785
Trade and other current payables	13	1,009,376	1,595,348	645,897	1,101,787
Current portion of long-term debentures	15	1,999,385	2,998,989	1,999,385	2,998,989
Current portion of long-term borrowings	16	1,772,000	1,623,833	1,620,000	1,223,833
Short-term borrowings	5.1	3,500	5,000	366,000	545,200
Current income tax payable		65,875	30,393	-	-
Provision for production costs	14	931,538	-	428,600	-
Other current liabilities		77,543	55,954	16,705	11,969
Total Current Liabilities		<u>16,831,585</u>	<u>14,818,297</u>	<u>11,427,598</u>	<u>10,142,563</u>
NON-CURRENT LIABILITIES					
Long-term debentures	15	9,493,330	6,494,445	9,493,330	6,494,445
Long-term borrowings	16	3,420,000	2,032,000	3,420,000	1,980,000
Deferred tax liabilities	17.3	1,124,189	1,190,007	403,701	477,892
Non-current provision for employee benefit		268,641	264,742	111,854	112,076
Other non-current liabilities		109,209	98,998	48,769	41,651
Total Non-Current Liabilities		<u>14,415,369</u>	<u>10,080,192</u>	<u>13,477,654</u>	<u>9,106,064</u>
TOTAL LIABILITIES		<u>31,246,954</u>	<u>24,898,489</u>	<u>24,905,252</u>	<u>19,248,627</u>

STATEMENTS OF FINANCIAL POSITION (CONTINUED)

AS AT JULY 31, 2018

UNIT : THOUSAND BAHT

	Notes	Consolidated Financial Statements		Separate Financial Statements	
		"Unaudited"		"Unaudited"	
		As at	As at	As at	As at
		July 31, 2018	October 31, 2017	July 31, 2018	October 31, 2017
LIABILITIES AND SHAREHOLDERS' EQUITY (CONTINUED)					
SHAREHOLDERS' EQUITY					
SHARE CAPITAL					
Authorized share capital					
		2,205,122	2,205,122	2,205,122	2,205,122
4,410,243,648 ordinary shares of Baht 0.50 each					
Issued and paid-up share capital					
4,410,232,619 ordinary shares of Baht 0.50 each					
		2,205,116	2,205,116	2,205,116	2,205,116
fully paid					
		2,946,439	2,946,439	2,946,439	2,946,439
SHARE PREMIUM ACCOUNT - ORDINARY SHARES					
RETAINED EARNINGS					
Appropriated					
		220,512	220,512	220,512	220,512
Legal reserve					
		11,097,647	10,584,283	3,092,653	3,554,073
Unappropriated					
		1,650,787	1,693,640	751,333	801,713
OTHER COMPONENTS OF EQUITY					
		18,120,501	17,649,990	9,216,053	9,727,853
TOTAL EQUITY ATTRIBUTABLE TO OWNERS					
		428,440	442,242	-	-
OF THE PARENT					
		18,548,941	18,092,232	9,216,053	9,727,853
NON-CONTROLLING INTERESTS					
		49,795,895	42,990,721	34,121,305	28,976,480
TOTAL SHAREHOLDERS' EQUITY					
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY					

See the condensed notes to the interim financial statements

KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF PROFIT OR LOSS

FOR THE THREE-MONTH PERIOD ENDED JULY 31, 2018

"UNAUDITED"

UNIT : THOUSAND BAHT

	Notes	Consolidated		Separate	
		Financial Statements		Financial Statements	
		2018	2017	2018	2017
Revenues from sales and rendering of services					
Revenues from sales		5,188,202	4,125,408	2,353,360	2,376,422
Revenues from rendering of services		105,132	65,630	47,967	75,884
		<u>5,293,334</u>	<u>4,191,038</u>	<u>2,401,327</u>	<u>2,452,306</u>
Costs of sales of goods and rendering of services					
Costs of sales of goods		(4,521,922)	(3,385,730)	(2,162,098)	(2,160,464)
Costs of rendering of services		(38,446)	(21,886)	(37,568)	(48,381)
		<u>(4,560,368)</u>	<u>(3,407,616)</u>	<u>(2,199,666)</u>	<u>(2,208,845)</u>
Gross profit		732,966	783,422	201,661	243,461
Other incomes		95,240	84,042	203,784	43,565
Distribution costs		(556,929)	(352,308)	(257,313)	(158,183)
Administrative expenses		(152,678)	(186,861)	(68,309)	(63,127)
Management benefit expenses	5.2	(26,491)	(30,707)	(10,963)	(11,454)
Finance costs		(232,752)	(174,124)	(197,415)	(131,943)
Share of gain of associates		27,359	5,087	-	-
Profit (loss) before income tax (expense) income		<u>(113,285)</u>	<u>128,551</u>	<u>(128,555)</u>	<u>(77,681)</u>
Income tax (expense) income		(9,703)	(57,378)	25,689	7,829
NET PROFIT (LOSS) FOR THE PERIODS		<u><u>(122,988)</u></u>	<u><u>71,173</u></u>	<u><u>(102,866)</u></u>	<u><u>(69,852)</u></u>
PROFIT (LOSS) ATTRIBUTABLE TO :					
Owners of the parent		(94,884)	58,339	(102,866)	(69,852)
Non-controlling interests		(28,104)	12,834	-	-
		<u>(122,988)</u>	<u>71,173</u>	<u>(102,866)</u>	<u>(69,852)</u>
EARNINGS (LOSS) PER SHARE	21				
Basic earnings (loss) per share		BAHT (0.022)	0.013	(0.023)	(0.016)
Basic number of ordinary shares		THOUSAND SHARES 4,410,233	4,410,233	4,410,233	4,410,233

See the condensed notes to the interim financial statements

KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE THREE-MONTH PERIOD ENDED JULY 31, 2018
"UNAUDITED"

UNIT : THOUSAND BAHT

	Consolidated		Separate	
	Financial Statements		Financial Statements	
	2018	2017	2018	2017
Net profit (loss) for the periods	(122,988)	71,173	(102,866)	(69,852)
Other comprehensive income (expense):				
Items that will be reclassified subsequently to profit or loss:				
Exchange differences on translating financial statements	115,133	(89,295)	-	-
Losses on remeasuring investments held as available for sale	(13,855)	-	(13,855)	-
Total items that will be reclassified subsequently to profit or loss	<u>101,278</u>	<u>(89,295)</u>	<u>(13,855)</u>	<u>-</u>
Other comprehensive income (expense) - net of tax	<u>101,278</u>	<u>(89,295)</u>	<u>(13,855)</u>	<u>-</u>
TOTAL COMPREHENSIVE EXPENSE FOR THE PERIODS	<u><u>(21,710)</u></u>	<u><u>(18,122)</u></u>	<u><u>(116,721)</u></u>	<u><u>(69,852)</u></u>
TOTAL COMPREHENSIVE EXPENSE ATTRIBUTABLE TO				
Owners of the parent	(16,624)	(13,105)	(116,721)	(69,852)
Non-controlling interests	(5,086)	(5,017)	-	-
	<u><u>(21,710)</u></u>	<u><u>(18,122)</u></u>	<u><u>(116,721)</u></u>	<u><u>(69,852)</u></u>

See the condensed notes to the interim financial statements

KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF PROFIT OR LOSS

FOR THE NINE-MONTH PERIOD ENDED JULY 31, 2018

"UNAUDITED"

UNIT : THOUSAND BAHT

	Notes	Consolidated		Separate	
		Financial Statements		Financial Statements	
		2018	2017	2018	2017
Revenues from sales and rendering of services					
Revenues from sales		11,822,019	11,540,468	5,992,614	5,915,814
Revenues from rendering of services		301,822	183,387	152,826	162,802
		<u>12,123,841</u>	<u>11,723,855</u>	<u>6,145,440</u>	<u>6,078,616</u>
Costs of sales of goods and rendering of services					
Costs of sales of goods		(9,141,964)	(8,691,040)	(5,322,630)	(5,280,685)
Costs of rendering of services		(154,618)	(62,591)	(107,741)	(108,619)
		<u>(9,296,582)</u>	<u>(8,753,631)</u>	<u>(5,430,371)</u>	<u>(5,389,304)</u>
Gross profit		2,827,259	2,970,224	715,069	689,312
Other incomes		304,811	584,917	332,357	383,279
Distribution costs		(1,295,635)	(1,116,629)	(623,570)	(412,327)
Administrative expenses		(512,360)	(573,970)	(222,654)	(224,307)
Management benefit expenses	5.2	(111,671)	(115,158)	(45,239)	(40,177)
Finance costs		(546,412)	(508,073)	(458,467)	(387,262)
Share of gain of associates		124,360	98,549	-	-
Profit (loss) before income tax (expense) income		<u>790,352</u>	<u>1,339,860</u>	<u>(302,504)</u>	<u>8,518</u>
Income tax (expense) income	17.1	(72,306)	(177,281)	61,596	5,062
NET PROFIT (LOSS) FOR THE PERIODS		<u><u>718,046</u></u>	<u><u>1,162,579</u></u>	<u><u>(240,908)</u></u>	<u><u>13,580</u></u>
PROFIT (LOSS) ATTRIBUTABLE TO :					
Owners of the parent		733,876	1,151,248	(240,908)	13,580
Non-controlling interests		(15,830)	11,331	-	-
		<u>718,046</u>	<u>1,162,579</u>	<u>(240,908)</u>	<u>13,580</u>
EARNINGS (LOSS) PER SHARE	21				
Basic earnings (loss) per share		BAHT 0.166	0.261	(0.055)	0.003
Basic number of ordinary shares		THOUSAND SHARES 4,410,233	4,410,233	4,410,233	4,410,233

See the condensed notes to the interim financial statements

KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE NINE-MONTH PERIOD ENDED JULY 31, 2018
"UNAUDITED"

UNIT : THOUSAND BAHT

	Consolidated		Separate	
	Financial Statements		Financial Statements	
	2018	2017	2018	2017
Net profit (loss) for the periods	718,046	1,162,579	(240,908)	13,580
Other comprehensive income (expense):				
Items that will be reclassified subsequently to profit or loss:				
Exchange differences on translating financial statements	10,288	(117,051)	-	-
(Loss) gain on remeasuring investments held as available for sale	(50,380)	31,096	(50,380)	31,096
Total items that will be reclassified subsequently to profit or loss	<u>(40,092)</u>	<u>(85,955)</u>	<u>(50,380)</u>	<u>31,096</u>
Items that will be not reclassified subsequently to profit or loss:				
Loss on revaluation of assets	(733)	-	-	-
Total items that will be not reclassified subsequently to profit or loss	<u>(733)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other comprehensive (expense) income - net of tax	<u>(40,825)</u>	<u>(85,955)</u>	<u>(50,380)</u>	<u>31,096</u>
TOTAL COMPREHENSIVE INCOME (EXPENSE) FOR THE PERIODS	<u><u>677,221</u></u>	<u><u>1,076,624</u></u>	<u><u>(291,288)</u></u>	<u><u>44,676</u></u>
TOTAL COMPREHENSIVE INCOME (EXPENSE) ATTRIBUTABLE TO				
Owners of the parent	691,023	1,088,692	(291,288)	44,676
Non-controlling interests	(13,802)	(12,068)	-	-
	<u><u>677,221</u></u>	<u><u>1,076,624</u></u>	<u><u>(291,288)</u></u>	<u><u>44,676</u></u>

See the condensed notes to the interim financial statements

KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE NINE-MONTH PERIOD ENDED JULY 31, 2018
"UNAUDITED"

UNIT : THOUSAND BAHT

Note	Owners of the Parent									Total owners of the parent	Non-controlling interests	Total shareholders' equity		
	Issued and paid-up share capital	Share premium account Ordinary shares	Retained Earnings		Other components of equity									
			Appropriated	Unappropriated	Other comprehensive income (expense)			Loss on internal restructure of entities under common control	Loss on change in ratio in shareholding of subsidiaries	Total other components of equity				
			Legal reserve		Exchange differences on translating financial statements	Gain (loss) on remeasuring investments held as available for sale	Gain (loss) on asset revaluation							
For the nine-month period ended July 31, 2017														
	Beginning balance as at November 1, 2016	2,205,116	2,946,439	220,512	9,004,710	40,451	-	2,123,652	(263,276)	(111,494)	1,789,333	16,166,110	484,321	16,650,431
	Changes in shareholders' equity during the period													
18	- Dividends paid	-	-	-	(441,023)	-	-	-	-	-	-	(441,023)	-	(441,023)
	- Total comprehensive income (expense) for the period	-	-	-	1,151,248	(93,652)	31,096	-	-	-	(62,556)	1,088,692	(12,068)	1,076,624
	Ending balance as at July 31, 2017	2,205,116	2,946,439	220,512	9,714,935	(53,201)	31,096	2,123,652	(263,276)	(111,494)	1,726,777	16,813,779	472,253	17,286,032
For the nine-month period ended July 31, 2018														
	Beginning balance as at November 1, 2017	2,205,116	2,946,439	220,512	10,584,283	(55,545)	22,279	2,101,676	(263,276)	(111,494)	1,693,640	17,649,990	442,242	18,092,232
	Changes in shareholders' equity during the period													
18	- Dividends paid	-	-	-	(220,512)	-	-	-	-	-	-	(220,512)	-	(220,512)
	- Total comprehensive income (expense) for the period	-	-	-	733,876	8,229	(50,380)	(702)	-	-	(42,853)	691,023	(13,802)	677,221
	Ending balance as at July 31, 2018	2,205,116	2,946,439	220,512	11,097,647	(47,316)	(28,101)	2,100,974	(263,276)	(111,494)	1,650,787	18,120,501	428,440	18,548,941

See the condensed notes to the interim financial statements

KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES

SEPARATE STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE NINE-MONTH PERIOD ENDED JULY 31, 2018

"UNAUDITED"

UNIT : THOUSAND BAHT

Note	Issued and paid-up share capital	Share premium account Ordinary shares	Retained Earnings		Other components of equity			Total shareholders' equity	
			Appropriated Legal reserve	Unappropriated	Other comprehensive income (expense)		Total other components of equity		
					Gain (loss) on remeasuring investments held as available for sale	Gain on asset revaluation			
For the nine-month period ended July 31, 2017									
	Beginning balance as at November 1, 2016	2,205,116	2,946,439	220,512	2,668,937	-	779,434	779,434	8,820,438
	Changes in shareholders' equity during the period								
	- Dividends paid	18	-	-	(441,023)	-	-	-	(441,023)
	- Total comprehensive income for the period		-	-	13,580	31,096	-	31,096	44,676
	Ending balance as at July 31, 2017	2,205,116	2,946,439	220,512	2,241,494	31,096	779,434	810,530	8,424,091
For the nine-month period ended July 31, 2018									
	Beginning balance as at November 1, 2017	2,205,116	2,946,439	220,512	3,554,073	22,279	779,434	801,713	9,727,853
	Changes in shareholders' equity during the period								
	- Dividends paid	18	-	-	(220,512)	-	-	-	(220,512)
	- Total comprehensive expense for the period		-	-	(240,908)	(50,380)	-	(50,380)	(291,288)
	Ending balance as at July 31, 2018	2,205,116	2,946,439	220,512	3,092,653	(28,101)	779,434	751,333	9,216,053

See the condensed notes to the interim financial statements

KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE NINE-MONTH PERIOD ENDED JULY 31, 2018

"UNAUDITED"

UNIT : THOUSAND BAHT

	Consolidated		Separate	
	Financial Statements		Financial Statements	
	2018	2017	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit (loss) before income tax (expense) income	790,352	1,339,860	(302,504)	8,518
Items to reconcile profit (loss) to cash received (paid):				
Dividend income	(3,542)	(14,956)	(9,933)	(20,449)
Doubtful accounts - trade and other receivables (reversal)	(1,312)	(5,259)	(994)	(2,432)
Share of gain of investment associates	(124,360)	(98,549)	-	-
Amortization (increase) of discount on bonds	(13)	66	-	-
Employee benefit expenses	16,439	13,537	6,831	5,992
Loss from capital reduction of an associate	443	-	443	-
Gain on arising from change in fair value of biological assets	(18,912)	(4,425)	(3,267)	(3,391)
Loss on diminution in value and obsolescence of inventories (reversal)	(143,617)	149,990	(76,758)	45,862
Loss from plantation	987	8,504	-	-
Depreciation and amortization	1,106,289	1,022,446	401,415	315,510
Loss (gain) on disposal and amortization of assets	3,227	22,275	(7,229)	981
Gain on change in fair value of investment property	(916)	-	-	-
Unrealized (gain) loss on exchange rate	(575)	14,269	(40,637)	84,732
Interest incomes	(90,960)	(83,857)	(201,436)	(176,771)
Interest expenses	546,412	508,073	458,467	387,262
	<u>2,079,942</u>	<u>2,871,974</u>	<u>224,398</u>	<u>645,814</u>
Operating assets (increase) decrease				
Trade and other current receivables	(1,721,701)	(484,853)	(455,109)	(191,218)
Inventories	(5,299,389)	(4,706,009)	(3,607,006)	(2,434,986)
Current biological assets	(36,381)	73,745	2,099	4,201
Other current assets	(1,639)	55,381	(1,267)	38,679
Trade and other non-current receivables	8,740	(21,373)	579	(3,288)
Other non-current assets	(13,465)	52,466	(16,164)	(17,895)
Operating liabilities increase (decrease)				
Trade and other current payables	(563,198)	(521,529)	(475,274)	(95,506)
Provision for production costs	931,538	477,997	424,621	119,394
Other current liabilities	21,589	(3,529)	4,736	4,709
Non-current provision for employee benefit	(12,540)	(1,402)	(7,053)	(863)
Other non-current liabilities	10,211	11,399	7,119	8,127
Cash paid from operating activities	(4,596,293)	(2,195,733)	(3,898,321)	(1,922,832)
Interest paid	(498,845)	(476,206)	(409,691)	(357,173)
Income tax expense paid	(96,062)	(108,963)	(7,582)	(5,290)
Net cash used in operating activities	<u>(5,191,200)</u>	<u>(2,780,902)</u>	<u>(4,315,594)</u>	<u>(2,285,295)</u>

KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS (CONTINUED)
FOR THE NINE-MONTH PERIOD ENDED JULY 31, 2018
"UNAUDITED"

UNIT : THOUSAND BAHT

	Consolidated		Separate	
	Financial Statements		Financial Statements	
	2018	2017	2018	2017
CASH FLOWS FROM INVESTING ACTIVITIES				
Cash payments for the purchase of temporary investments	-	(1)	-	-
(Increase) decrease in short-term loans to related and other parties	(17,000)	-	103,483	104,114
Decrease (increase) in short-term loans to farmers	169,760	(141,434)	141,454	(151,755)
Cash payments for investments in associates	(617)	-	(617)	-
Cash received from decrease capital in an associate	1,408	-	1,408	-
Cash payments for investments in subsidiaries	-	-	-	(208,000)
Cash received from sales of investments in subsidiaries	-	-	-	207,929
Cash payments for other long-term investments	(2)	(6,749)	(2)	-
Cash received from redemption of other long-term investments	-	2,700	-	-
Decrease in loans for cane plantation development	155,670	38,534	30,169	14,542
(Increase) decrease in long-term loans to related and other parties	(4,962)	7,856	(1,005,012)	7,206
Cash received from interest income	89,861	85,768	183,779	167,436
Cash received from dividends from other party	9,933	20,449	9,933	20,449
Cash payments for purchases of property, plant and equipment	(1,011,022)	(2,294,046)	(666,550)	(1,070,726)
Cash received from sales of property, plant and equipment	16,248	15,193	20,077	456
Cash payments for purchase of investment property	(4,172)	(2,756)	(206)	(36)
Cash received from sales of investment property	-	65	-	-
Cash payments for purchase of assets not yet used in operation	-	(32)	-	(32)
Cash received from sales of assets not yet used in operation	200	931	-	-
Cash payments of purchase of intangible assets	(1,234)	(279)	(220)	(230)
Net cash used in investing activities	<u>(595,929)</u>	<u>(2,273,801)</u>	<u>(1,182,304)</u>	<u>(908,647)</u>
CASH FLOWS FROM FINANCING ACTIVITIES				
Increase in short-term borrowings from financial institutions	2,461,362	7,588,848	2,088,000	5,133,570
Decrease in short-term borrowings from related parties	(1,500)	(1,600)	(179,200)	(85,400)
Cash received from long-term debentures	1,999,281	2,496,044	1,999,281	2,496,044
Cash payment for long-term debentures	-	(3,000,000)	-	(3,000,000)
Cash received from long-term borrowings	3,000,000	-	3,000,000	-
Cash payment for long-term borrowings	(1,463,833)	(1,411,633)	(1,163,833)	(905,833)
Cash payments for dividends to shareholders of the parent	(220,512)	(441,023)	(220,512)	(441,023)
Net cash provided by financing activities	<u>5,774,798</u>	<u>5,230,636</u>	<u>5,523,736</u>	<u>3,197,358</u>
Exchange differences on translation of cash of foreign subsidiaries	5,371	(557)	-	-
Net (decrease) increase in cash and cash equivalents	<u>(6,960)</u>	<u>175,376</u>	<u>25,838</u>	<u>3,416</u>
Cash and cash equivalents at the beginning of the periods	153,004	82,311	11,894	20,856
Cash and cash equivalents at the end of the periods	<u>146,044</u>	<u>257,687</u>	<u>37,732</u>	<u>24,272</u>

See the condensed notes to the interim financial statements

**KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES
CONDENSED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED JULY 31, 2018
“UNAUDITED”**

1. GENERAL INFORMATION AND THE COMPANY’S OPERATIONS

Khon Kaen Sugar Industry Public Company Limited (the “Company”) was registered as a limited company under the Civil and Commercial Code with the registration number 1163/2519 on October 6, 1976 and was registered as a limited public company on March 18, 2004 with the registration number Bor Mor Jor 0107547000214 and was listed with the Stock Exchange of Thailand on March 7, 2005. Its registered headquarter is located at No. 503 K.S.L. Tower, 9th Floor, Sriayudahaya Road, Thanon Phaya Thai Sub-District, Ratchathewi District, Bangkok, and the locations of its 5 factories (branches) are as follows :

Branch I at No. 43 Moo 10, Tambol Namphong, Amphur Namphong, Khonkaen Province

Branch II at No. 255 Moo 4, Tambol Nongyaplong, Amphur Wangsaphung, Loei Province

Branch III at No. 99 Moo 6, Tambol Lumlang, Amphur Boploy, Kanchanaburi Province

Branch VI at No. 14/1 Moo 10, Saengchooto Road, Tambol Tamaka, Amphur Tamaka, Kanchanaburi Province

Branch V at No. 24 Moo 1, Ban-Nhongbua Road, Tambol Mon-Nang, Amphur Panutnikom, Chonburi Province.

The Company’s main businesses are to manufacture and distribute sugar and molasses and trading of spare parts and supplies to its subsidiaries, subcontractors and farmers who have business with the Company and/or its subsidiaries. The subsidiaries’ main business operations are listed in Note 2.4.

The Company’s major shareholder is K.S.L. Sugar Holding Co., Ltd., a company incorporated in Thailand, which holds 33.26% of issued and paid-up share capital.

2. BASIS FOR PREPARATION AND PRESENTATION OF INTERIM CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

2.1 The interim financial information are prepared in accordance with Thai Accounting Standard No. 34 (Revised 2016) “Interim Financial Reporting” and in accordance with accounting practices generally accepted in Thailand. The interim financial statement presentation is compliance with the Notification of the Department of Business Development dated October 11, 2016 regarding “The Brief Particulars in the Financial Statements (No. 2) B.E. 2559” and the additional disclosures in accordance with the Notification of the Office of the Securities and Exchange Commission.

The Company presents the condensed interim financial information. Therefore, certain financial information which is normally included in the annual financial statements prepared in accordance with Thai Financial Reporting Standards, but is not required to disclose in the condensed interim financial information, has been omitted. Therefore, the condensed interim financial information should be read in conjunction with the audited financial statements for the year ended October 31, 2017.

- 2.2 The unaudited results of operations for the nine-month period ended July 31, 2018 are not necessarily indicative of the operating results anticipated for the full year.
- 2.3 The consolidated and separate statements of financial position as at October 31, 2017, which have been presented herein for comparison, have been derived from the financial statements for the year then ended which have been audited.
- 2.4 These interim consolidated financial statements have been prepared by including the financial information of the Company and its subsidiaries (the “Group”) and have been prepared under the same basis as the consolidated financial statements for the year ended October 31, 2017, as follows:

Company Name	Percentage of Shareholding		Country of Incorporation	Type of Business
	As at July 31, 2018	As at October 31, 2017		
	%	%		
Subsidiaries in which the Company holds shares directly				
New Krung Thai Sugar Factory Company Limited	95.78	95.78	Thailand	Manufacture and distribution of sugar and molasses
Tamaka Sugar Industry Company Limited	90.21	90.21	Thailand	Manufacture and distribution of sugar and molasses
New Kwang Soon Lee Sugar Factory Company Limited	98.61	98.61	Thailand	Manufacture and distribution of sugar and molasses
KSL Material Supplys Co., Ltd.	100.00	100.00	Thailand	Manufacture and distribution of fertilizer and trading spare part of agricultural
Khon Kaen Sugar Power Plant Company Limited	100.00	100.00	Thailand	Production and distribution of electricity
KSL. Agro & Trading Company Limited	100.00	100.00	Thailand	Domestic sugar trading and agricultural business operation
WSP Logistic Company Limited	100.00	100.00	Thailand	Service transport and shipping goods
Savannakhet Sugar Corporation	98.49	98.49	Laos	Agricultural operation, manufacture and distribution of sugar and molasses
Koh Kong Sugar Industry Co., Ltd.	80.00	80.00	Cambodia	Manufacture and distribution of sugar and molasses
Wynn In Trading Co., Ltd.	100.00	100.00	Mauritius	Trading and consultancy services
Subsidiaries in which the Company holds shares indirectly				
K.S.L. Export Trading Co., Ltd.*	79.55	79.55	Thailand	Export sugar as exporting agent
KSL Real Estate Company Limited**	91.02	91.02	Thailand	Housing and land for agriculture estate including holiday resort for training and seminar center and office building for rental
Subsidiary in which the Company holds the shares indirectly through Wynn In Trading Co., Ltd.				
Koh Kong Plantation Company Limited	80.00	80.00	Cambodia	Agricultural operation

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

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

The accounting period of subsidiaries ended the same date as the Company (accounting period ended on October 31) except for 4 subsidiaries whose accounting periods ended December 31, as follows:

- New Krung Thai Sugar Factory Company Limited
- New Kwang Soon Lee Sugar Factory Company Limited
- KSL. Agro & Trading Company Limited (On August 15, 2018, such subsidiary has been permitted by the Revenue Department to change its accounting period end to October 31 of the years.)
- WSP Logistic Company Limited

On July 23, 2018, Tamaka Sugar Industry Company Limited has been permitted by the Revenue Department to change its accounting period end to October 31 of the years.

The consolidated interim financial statements are prepared based on the same accounting policies for the same accounting items or similar accounting events and the same financial reporting period.

Significant balances and transactions between the Company and its subsidiaries including investments in subsidiaries and subsidiaries' share capital were eliminated from the consolidated interim financial statements.

2.5 Thai Financial Reporting Standards affecting the presentation and disclosure in the current period financial statements.

During the period, the Company has adopted the revised and new financial reporting standards issued by the Federation of Accounting Professions which become effective for fiscal years beginning on or after January 1, 2017. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards. The adoption of these financial reporting standards does not have any significant impact on the Company's interim financial statements.

2.6 Thai Financial Reporting Standards announced in the Royal Gazette but not yet effective.

The Federation of Accounting Professions has issued the Notification regarding Thai financial Reporting Standard No. 15 "Revenue from Contracts with Customers" which has been announced in the Royal Gazette on March 14, 2018 and will be effective for the financial statements for the period beginning on or after January 1, 2019 onwards.

The Group's management will adopt such TFRS in the preparation of the Group's financial statements when it becomes effective. Group's management is in the process to assess the impact of this TFRS on the financial statements of the Group in the period of initial application.

2.7 The preparation of interim financial information in conformity with Thai Financial Reporting Standards requires the Group's management to exercise judgments in order to determine the accounting policies, estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expense during the reporting period. Although, these estimates are based on management's reasonable consideration of current events, actual results may differ from these estimates.

3. SIGNIFICANT ACCOUNTING POLICIES

The interim financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended October 31, 2017.

4. ADDITIONAL CASH FLOW INFORMATION AND CASH EQUIVALENTS

4.1 Significant non-cash items in the consolidated and separate financial statements for the nine-month periods ended July 31, are as follows:

Type of Transactions	Unit : Thousand Baht			
	Consolidated		Separate	
	Financial Statements 2018	Financial Statements 2017	Financial Statements 2018	Financial Statements 2017
Purchases of property, plant and equipment which have not yet been paid during the periods	30,267	80,063	28,424	39,605
Transfer of property, plant and equipment to assets not yet used in operations	-	58,458	-	3,361
Transfer of investment property to property, plant and equipment	-	4,849	-	-
Transfer of assets not used in operations to investment property	2,626	-	-	-
Transfer of assets not used in operations to inventories	8,585	-	-	-
Transfer of assets not used in operations to property, plant and equipment	6,754	-	-	-
Transfer of equipment to intangible assets	298	5,969	298	5,779

4.2 Cash and cash equivalents as at July 31, are as follows:

Type of Transactions	Unit : Thousand Baht			
	Consolidated		Separate	
	Financial Statements 2018	Financial Statements 2017	Financial Statements 2018	Financial Statements 2017
Cash	3,286	3,382	2,013	1,901
Savings accounts deposits	107,829	74,019	23,852	13,858
Current accounts deposits	34,929	152,399	11,867	8,513
Deposit in transit	-	27,887	-	-
Total	<u>146,044</u>	<u>257,687</u>	<u>37,732</u>	<u>24,272</u>

5. TRANSACTIONS WITH RELATED PARTIES

The Company and its subsidiaries had transactions incurred with related parties through common shareholdings or directorship. Significant balances and transactions between the Company and its subsidiaries with related parties could be summarized as follows:

5.1 Significant balances with the related parties are as follows:

Type of Balances	Consolidated		Unit : Million Baht Separate	
	As at July 31, 2018	As at October 31, 2017	As at July 31, 2018	As at October 31, 2017
Trade and other current receivables				
Subsidiaries	-	-	87.68	165.68
Associates	1.53	-	1.32	-
Related parties	119.10	34.57	45.32	6.26
Total	<u>120.63</u>	<u>34.57</u>	<u>134.32</u>	<u>171.94</u>
Short-term loans (see Note 7)				
Subsidiaries	-	-	2,803.36	4,625.92
Other current assets				
Subsidiaries	-	-	46.98	32.83
Related parties	0.29	1.02	0.13	0.17
Total	<u>0.29</u>	<u>1.02</u>	<u>47.11</u>	<u>33.00</u>
Long-term loans				
Subsidiaries	-	-	4,042.69	1,300.00
Other non-current assets				
Subsidiaries	-	-	3.29	3.29
Related parties	0.02	0.02	-	-
Total	<u>0.02</u>	<u>0.02</u>	<u>3.29</u>	<u>3.29</u>
Trade and other current payables				
Subsidiaries	-	-	55.76	113.76
Associates	10.65	4.63	0.65	-
Related parties	84.43	8.39	34.52	3.96
Total	<u>95.08</u>	<u>13.02</u>	<u>90.93</u>	<u>117.72</u>
Other accrued expenses (included in other payables)				
Subsidiaries	-	-	40.24	0.68
Short-term borrowings				
Subsidiaries	-	-	362.50	540.20
Related parties	3.50	5.00	3.50	5.00
Total	<u>3.50</u>	<u>5.00</u>	<u>366.00</u>	<u>545.20</u>
Other current liabilities				
Subsidiaries	-	-	0.25	0.03
Related parties	0.02	-	-	-
Total	<u>0.02</u>	<u>-</u>	<u>0.25</u>	<u>0.03</u>
Other non-current liabilities				
Subsidiaries	-	-	0.47	0.47
Related parties	1.32	1.55	1.32	1.55
Total	<u>1.32</u>	<u>1.55</u>	<u>1.79</u>	<u>2.02</u>

As at July 31, 2018 and October 31, 2017, short-term loans to subsidiaries represented promissory notes receivable on demand, carrying interest rates at 1.80% - 3.33% per annum and 1.96% - 3.39% per annum, respectively.

As at July 31, 2018 and October 31, 2017, long-term loans to subsidiaries represented loans with maturity date within 2020 - 2027 and within 2020 respectively, carrying the interest rates at 2.93% - 3.95% per annum and 3.73% per annum, respectively.

As at July 31, 2018 and October 31, 2017, short-term borrowings from subsidiaries and related parties represented promissory notes payable on demand, carrying the interest rates at 1.80% - 3.33% per annum and 1.83% - 1.92% per annum, respectively.

5.2 Significant transactions with related parties for the three-month and nine-month periods ended July 31, are as follows:

Type of transactions	Unit : Million Baht			
	Consolidated Financial Statements for the three-month periods ended July 31,		Separate Financial Statements for the three-month periods ended July 31,	
	2018	2017	2018	2017
Revenues from sales and rendering of services				
Subsidiaries	-	-	537.85	748.71
Related parties	321.82	0.58	144.79	-
Total	<u>321.82</u>	<u>0.58</u>	<u>682.64</u>	<u>748.71</u>
Cost of sales and rendering of services				
Subsidiaries	-	-	619.05	702.54
Associates	0.85	0.71	0.85	0.71
Related parties	14.64	0.84	0.33	0.80
Total	<u>15.49</u>	<u>1.55</u>	<u>620.23</u>	<u>704.05</u>
Other incomes				
Subsidiaries	-	-	57.92	48.86
Associates	4.06	0.38	3.69	0.32
Related parties	2.00	1.11	1.33	1.11
Total	<u>6.06</u>	<u>1.49</u>	<u>62.94</u>	<u>50.29</u>
Distribution costs				
Subsidiaries	-	-	2.15	0.82
Associates	20.95	2.63	1.65	0.10
Total	<u>20.95</u>	<u>2.63</u>	<u>3.80</u>	<u>0.92</u>
Administrative expenses				
Subsidiaries	-	-	2.03	0.82
Related parties	3.88	4.15	1.59	1.47
Related juristic person	2.79	2.11	2.49	1.76
Total	<u>6.67</u>	<u>6.26</u>	<u>6.11</u>	<u>4.05</u>
Financial costs				
Subsidiaries	-	-	1.18	1.21
Related juristic person	0.01	0.18	0.01	0.18
Total	<u>0.01</u>	<u>0.18</u>	<u>1.19</u>	<u>1.39</u>
Management compensation				
Short-term employee benefits	26.49	30.71	10.96	11.46
Post-employment benefits	0.92	1.08	0.48	0.45
Total	<u>27.41</u>	<u>31.79</u>	<u>11.44</u>	<u>11.91</u>

Type of transactions	Unit : Million Baht			
	Consolidated		Separate	
	Financial Statements for the nine-month periods ended July 31,		Financial Statements for the nine-month periods ended July 31,	
	2018	2017	2018	2017
Revenues from sales and rendering of services				
Subsidiaries	-	-	1,934.54	2,573.55
Related parties	1,374.93	1.41	687.48	-
Total	<u>1,374.93</u>	<u>1.41</u>	<u>2,622.02</u>	<u>2,573.55</u>
Cost of sales and rendering of services				
Subsidiaries	-	-	2,218.11	2,401.34
Associates	10.02	11.56	10.02	11.56
Related parties	31.50	1.44	1.19	1.33
Total	<u>41.52</u>	<u>13.00</u>	<u>2,229.32</u>	<u>2,414.23</u>
Other income				
Subsidiaries	-	-	161.54	147.12
Associates	7.75	0.99	7.38	0.32
Related parties	6.85	3.34	4.19	3.34
Total	<u>14.60</u>	<u>4.33</u>	<u>173.11</u>	<u>150.78</u>
Distribution costs				
Subsidiaries	-	-	3.88	1.98
Associates	38.73	12.41	2.58	0.18
Total	<u>38.73</u>	<u>12.41</u>	<u>6.46</u>	<u>2.16</u>
Administrative expenses				
Subsidiaries	-	-	6.26	2.46
Related parties	11.22	12.24	4.69	4.64
Related juristic person	8.25	7.80	7.42	6.81
Total	<u>19.47</u>	<u>20.04</u>	<u>18.37</u>	<u>13.91</u>
Financial costs				
Subsidiaries	-	-	4.38	4.42
Related juristic person	0.06	0.30	0.06	0.30
Total	<u>0.06</u>	<u>0.30</u>	<u>4.44</u>	<u>4.72</u>
Management compensation				
Short-term employee benefits	111.67	115.16	45.24	40.18
Post-employment benefits	2.77	3.24	1.43	1.36
Total	<u>114.44</u>	<u>118.40</u>	<u>46.67</u>	<u>41.54</u>

POLICIES OF INTER-PRICE SETTING

- The inter-purchases/sales of raw sugar transactions among the Group are based on the world market prices.
- In case of the sugar purchases/sales agreements entered into on behalf of the Group, which each company has already been allocated the sales volume, if any company within the Group has no sufficient volume of sugar to sell, the purchases of sugar can be made within the group companies at the same price as stipulated in such sugar purchases/sales agreements.
- The prices for other inter-purchases/sales of goods (except for sugar products) are in accordance with the prices stipulated in the mutually agreed contracts, which are higher than costs.

- The prices for the inter-purchases/sales of assets are in accordance with the agreed prices by counter parties, which are higher than costs.
- Revenues from sales of supplies are in accordance with the agreed prices by counter parties, which are higher than cost.
- Revenues from land leased to a subsidiary are charged according to the lease agreement which term is 30 years, commencing from January 25, 2005 until January 24, 2035 at annual rent of Baht 0.11 million, and will be increased by 10% for every 3 years. Once the lease is expired, ownership rights on all constructions built on the leased land will be vested to the lessor.
- Rental income from land structure and machines which lease terms range from 1 to 3 years are in accordance with the mutually agreed prices.
- Inter-service income, other incomes and expenses are charged according to the normal price charged to general clients.
- Fees for goods custody are charged according to the volume of the goods and the custody period at general market rates.
- Expenses paid on behalf of each other are charged at actual.

5.3 Relationship of related parties other than subsidiaries and associate consisted of:

Company Name	Relationship	Connection
K.S.L. IT Center Co., Ltd.	Related party	Same group of shareholder and Mutual directors
On Nuj Construction Co., Ltd.	Related party	Same group of shareholder and Mutual directors
Raja Ceramics Co., Ltd.	Related party	Same group of shareholders
Thai Fermentation Industry Co., Ltd.	Related party	Same group of shareholders
KSL Tower Juristic Person office	Related Juristic Person	Shared owner of office building
KSL Green Innovation Public Company Limited	Related party	Same common shareholder and Mutual director
Bangchak Bioethanol (Chachoengsao) Co., Ltd.	Related party	Same common Mutual director

All of the aforementioned related entities are incorporated in Thailand.

Prachuap Industry Co., Ltd. holds no part in management of the Company, but is a related company, where certain directors of Prachuap Industry Co., Ltd. are also directors of K.S.L. Export Trading Co., Ltd., which is subsidiary of Khon Kaen Sugar Industry Public Company Limited.

6. TRADE AND OTHER CURRENT RECEIVABLES

Trade and other current receivables consisted of:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	As at July 31, 2018	As at October 31, 2017	As at July 31, 2018	As at October 31, 2017
Trade receivables	987,709	769,947	238,220	591,680
Current farmer receivables	315,604	298,147	196,522	200,497
Receivables from the Office of the Cane and Sugar Fund	1,387,237	-	811,078	-
Other receivables	20,593	18,673	15,374	10,139
Prepaid expenses	55,136	32,738	25,189	17,793
Advance payment	7,719	12,657	3,499	8,146
Accrued income	147,795	66,256	59,654	44,456
Total trade and other current receivables	<u>2,921,793</u>	<u>1,198,418</u>	<u>1,349,536</u>	<u>872,711</u>

6.1 Trade receivables consisted of:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	As at July 31, 2018	As at October 31, 2017	As at July 31, 2018	As at October 31, 2017
Related parties	118,318	33,619	126,365	170,066
Others	869,391	736,328	111,855	421,614
Total trade receivables	<u>987,709</u>	<u>769,947</u>	<u>238,220</u>	<u>591,680</u>

Aging analyzes for trade receivables are as follows:

6.1.1 Trade receivables - related parties

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	As at July 31, 2018	As at October 31, 2017	As at July 31, 2018	As at October 31, 2017
Domestic trade receivables				
Not yet due	118,318	17,114	126,365	131,518
Overdue not over 3 months	-	5	-	23,131
Total	<u>118,318</u>	<u>17,119</u>	<u>126,365</u>	<u>154,649</u>
Foreign trade receivables				
Not yet due	-	16,500	-	6,816
Overdue not over 3 months	-	-	-	8,601
Total	<u>-</u>	<u>16,500</u>	<u>-</u>	<u>15,417</u>
Total trade receivables - related parties	<u>118,318</u>	<u>33,619</u>	<u>126,365</u>	<u>170,066</u>

The normal credit terms granted to the related parties of the Company and subsidiaries range from 7 days to 90 days.

6.1.2 Trade receivables - others

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	As at	As at	As at	As at
	July 31,	October 31,	July 31,	October 31,
	2018	2017	2018	2017
Business are to manufacture and distribute sugar and molasses				
Domestic trade receivables				
Not yet due	508,638	201,273	23,760	72,875
Overdue not over 3 months	59,220	67,278	24,559	34,988
Overdue over 6 months and not over 9 months	14,782	-	13,552	-
Total	<u>582,640</u>	<u>268,551</u>	<u>61,871</u>	<u>107,863</u>
Foreign trade receivables				
Not yet due	102,827	394,101	21,498	292,722
Overdue not over 3 months	33,079	36,065	28,486	21,029
Total	<u>135,906</u>	<u>430,166</u>	<u>49,984</u>	<u>313,751</u>
Total of business are to manufacture and distribute sugar and molasses	<u>718,546</u>	<u>698,717</u>	<u>111,855</u>	<u>421,614</u>
Manufacture and distribution of electricity				
Domestic trade receivables				
Not yet due	101,674	17,748	-	-
Overdue not over 3 months	41,562	15,133	-	-
Total of business of manufacturing and distributing of electricity	<u>143,236</u>	<u>32,881</u>	<u>-</u>	<u>-</u>
Other business				
Domestic trade receivables				
Not yet due	3,864	2,307	-	-
Overdue not over 3 months	2,783	1,969	-	-
Overdue over 3 months and not over 6 months	136	71	-	-
Overdue over 6 months and not over 12 months	446	-	-	-
Overdue over 12 months	380	383	-	-
Total other business	<u>7,609</u>	<u>4,730</u>	<u>-</u>	<u>-</u>
Total trade receivables - others	<u>869,391</u>	<u>736,328</u>	<u>111,855</u>	<u>421,614</u>

The normal credit terms granted by the customers of the Company and subsidiaries range from 5 days to 90 days.

6.2 Current farmer receivables consisted of:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	As at July 31, 2018	As at October 31, 2017	As at July 31, 2018	As at October 31, 2017
Cane receivables				
Before Season 2013/2014	50,848	57,682	11,131	11,282
Season 2013/2014	39,235	39,555	6,252	6,283
Season 2014/2015	44,847	46,777	12,240	12,921
Season 2015/2016	46,033	49,446	13,084	15,331
Season 2016/2017	40,839	53,371	15,539	23,837
Season 2017/2018	34,983	-	12,023	-
Total cane receivables	<u>256,785</u>	<u>246,831</u>	<u>70,269</u>	<u>69,654</u>
Advance payment for purchases of cane				
Season 2017/2018	1,862	197,958	-	164,183
Season 2018/2019	185,988	-	155,446	-
Total advance payment for purchases of cane	<u>187,850</u>	<u>197,958</u>	<u>155,446</u>	<u>164,183</u>
Receivables from fuel oil, fertilizer and other services	<u>18,532</u>	<u>9,681</u>	<u>13,023</u>	<u>9,455</u>
Total	463,167	454,470	238,738	243,292
<u>Less</u> Allowance for doubtful accounts	<u>(67,570)</u>	<u>(69,643)</u>	<u>(33,618)</u>	<u>(34,612)</u>
Total farmer receivables	395,597	384,827	205,120	208,680
<u>Less</u> Non-current portion	<u>(79,993)</u>	<u>(86,680)</u>	<u>(8,598)</u>	<u>(8,183)</u>
Total current farmer receivables	<u>315,604</u>	<u>298,147</u>	<u>196,522</u>	<u>200,497</u>

Cane receivables are farmer receivables which had not yet delivered cane in according to contract, most of cane receivables are secured.

6.3 Receivables from the Office of the Cane and Sugar Fund

For the harvest season 2017/2018, the estimated final cane price and final compensation for the production and distribution of sugar were less than the initial cane price. In accordance to the Cane and Sugar Act B.E.2527, Section 56 the Cane and Sugar Fund has to pay the compensation to the Company and its subsidiaries at the amount equal to the difference, but the cane farmers do not have to return the excess of the cane price received. As at July 31, 2018, Receivables from the Office of the Cane and Sugar Fund in the consolidated and separate financial statements consist of the excess of the initial cane prices, by board resolved by the Cane and Sugar Board (see Note 13), which the Company and its subsidiaries paid to the farmers over the estimate made by the management by Baht 1,387.24 million and Baht 811.08 million, respectively.

In the 3rd quarter the fiscal year, 2018, the Company and its subsidiaries received cash from by the Office of Cane and Sugar Fund to support sugar cane farmers and sugar plants in the consolidated and separate financial statements the amount of Baht 147.09 million and Baht 75.35 million, respectively. Such cash will be offset with the amount to be received from the Fund in calculating the final price of sugar cane and the final yield of production and distribution of sugar for the 2017/2018 harvesting season upon an announcement of the final price of sugar cane and the final yield of production and distribution of sugar.

7. SHORT-TERM LOANS

Short-term loans consisted of:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	As at July 31, 2018	As at October 31, 2017	As at July 31, 2018	As at October 31, 2017
Short-term loans to subsidiaries and related parties (see Note 5.1)	-	-	1,684,266	1,766,197
Short-term loans to other	198,000	181,000	198,000	181,000
Short-term loans to farmers	905,295	1,075,055	332,517	473,971
Current portion of long-term loans to subsidiaries (see Note 5.1)	-	-	1,119,093	2,859,727
Current portion of long-term loans to others	31,683	31,733	31,683	31,733
Current portion of loans for cane plantation development	200,558	281,471	48,557	60,922
Total short-term loans	<u>1,335,536</u>	<u>1,569,259</u>	<u>3,414,116</u>	<u>5,373,550</u>

Short-term loans to other as at July 31, 2018 and October 31, 2017, in the consolidated and separate financial statements represent loans in the form of promissory notes with 90 days maturity, carrying interest rates at MLR - 1.50% per annum. The interest is payable at the end of each month. Such loans are guaranteed by the directors of such company.

Short-term loans to farmers as at July 31, 2018 and October 31, 2017, in the consolidated and separate financial statements represent loans in the form of purchasing back the discounted post-dated checks which the Company and its subsidiaries issued to the farmers for purchases of sugar cane, which the farmers discounted sale to the Company and its subsidiaries with interest rates based on average lending rates of commercial banks.

8. CURRENT BIOLOGICAL ASSETS

Movements of biological assets for the nine-month period ended July 31, 2018 are as follows:

	Unit : Thousand Baht	
	Consolidated	Separate
	Financial Statements	Financial Statements
Beginning book value	111,895	5,854
Gain on arising from change in fair value	18,912	3,271
Additional plantation costs during the period	171,024	5,940
Decrease from harvesting during the period	(124,858)	(8,043)
Loss from plantation	(35,638)	-
Exchange differences on translating financial statements	97	-
Ending book value	<u>141,432</u>	<u>7,022</u>

The methods and assumptions used in estimating the fair value of biological asset has been determined based on fair value less costs to sell. The valuation involves certain assumptions and estimates such as the final cane price for the current production season, a sweetness and quantity of sugar cane (see Note 13). The fair value is hierarchy level 3.

9. INVESTMENTS IN ASSOCIATES

Investments in associates consisted of:

Consolidated Financial Statements

Company Name	Paid-up		Percentage of		As at July 31, 2018			As at October 31, 2017		
	Share Capital		Shareholding		Investment		Dividend	Investment		Dividend
	2018	2017	%	%	Cost	Equity	for	Cost	Equity	for
			2018	2017			the period			the year
Thai Sugar Terminal Public Company Limited	191,664	191,664	23.82	23.82	90,267	500,123	6,391	90,267	455,593	5,478
T S G Assets Co., Ltd.*	50,000	50,000	4.11	4.11	2,061	2,061	-	2,061	2,061	-
T S Oil Industry Co., Ltd.*	300,000	500,000	0.62	0.62	1,855	1,855	-	3,089	3,089	-
T S Flour Mill Public Company Limited*	344,706	342,051	0.07	0.07	313	218	-	313	218	59
T S Warehouse Co., Ltd.*	12,500	12,500	4.02	4.02	509	509	-	509	509	-
T S Transport and Logistic Co., Ltd.*	400,000	400,000	10.12	10.12	40,508	40,508	-	40,508	40,508	-
BBGI Public Company Limited**	2,532,000	2,532,000	40.00	40.00	3,244,868	3,318,306	-	3,244,868	3,244,867	-
Total					3,380,381	3,863,580	6,391	3,381,615	3,746,845	5,537

* An associate considering by significant influence of the Company to Thai Sugar Terminal Public Limited, which is parent company of this associate.

** BBGI Public Company Limited (BBGI) arose from the amalgamation between KSLGI Company Limited (KSLGI), a subsidiary of the Company and BBP Holding Company Limited (BBH), a subsidiary of Bangchak Corporation Public Company Limited, which was incorporated as a limited company on October 31, 2017 and later the Company registered as a public limited company with the Department of Business Development on April 27, 2018.

Separate Financial Statements

Company Name	Paid-up		Percentage of		Investment Cost		Dividends	
	share Capital		Shareholding		As at	As at	For the period ended	For the year ended
	2018	2017	%	%	July 31,	October 31,	July 31,	October 31,
			2018	2017	2018	2017	2018	2017
Thai Sugar Terminal Public Company Limited	191,664	191,664	23.82	23.82	90,267	90,267	6,391	5,478
T S G Assets Co., Ltd.*	50,000	50,000	4.11	4.11	2,061	2,061	-	-
T S Oil Industry Co., Ltd.*	300,000	500,000	0.62	0.62	1,855	3,089	-	-
T S Flour Mill Public Company Limited*	344,706	342,051	0.07	0.07	313	313	-	59
T S Warehouse Co., Ltd.*	12,500	12,500	4.02	4.02	509	509	-	-
T S Transport and Logistic Co., Ltd.*	400,000	400,000	10.12	10.12	40,508	40,508	-	-
BBGI Public Company Limited**	2,532,000	2,532,000	40.00	40.00	3,244,868	3,244,868	-	-
Total					3,380,381	3,381,615	6,391	5,537

* An associate considering by significant influence of the Company to Thai Sugar Terminal Public Limited, which is parent company of this associate.

** BBGI Public Company Limited (BBGI) arose from the amalgamation between KSLGI Company Limited (KSLGI), a subsidiary of the Company and BBP Holding Company Limited (BBH), a subsidiary of Bangchak Corporation Public Company Limited, which was incorporated as a limited company on October 31, 2017 and later the Company registered as a public limited company with the Department of Business Development on April 27, 2018.

The Minute of Annual General Shareholders' meeting No.1/2561 on April 26, 2018, of T S Oil Industry Co., Ltd. has resolution to decrease the registered capital and modify the memorandum of association from the registered capital of Baht 600.00 million to Baht 300.00 million, by reducing the par value of ordinary share from Baht 100.00 per share to Baht 50.00 per share. The capital reduction was to discount the deficits and the remaining amount was returned to shareholders. T S Oil Industry Co., Ltd. registered the reduction of its registered capital on June 22, 2018. As a result of such capital reduction, there was loss on capital reduction of an associate amounting of Baht 0.44 million, which is presented as statement of profit or loss.

On April 25, 2018, at the Annual General Meeting of the Shareholders of BBGI Co., Ltd. (“BBGI”), an associate of the Company, approved the following resolutions:

- Conversion of BBGI to a public company limited and change of par value from 10 Baht per share to 5 Baht per share
- Increase the registered capital of BBGI totaling Baht 1,083 million from Baht 2,532 million to Baht 3,615 million for distribution and sale to the shareholders of Khon Kaen Sugar Industry Public Company Limited and Bangchak Corporation Public Company Limited at the amount of not exceeding Baht 216.60 million and for the initial public offering in the amount of not lower than Baht 851.40 million
- Issuance and offering of new ordinary shares to directors, management and employees of BBGI and its subsidiaries under BBGI ESOP Scheme for the amount of not exceeding 3 million shares, which is not exceeding 0.42 percent of the total post initial public offering issued shares of BBGI. The offering price will be the same as the initial public offering (IPO) price
- Listing of BBGI’s ordinary shares on the Stock Exchange of Thailand.

On July 16, 2018, at the Extraordinary General Meeting of the shareholders No.1/2561 of BBGI Public Company Limited (“BBGI”), an associate of the Company, approved a change to the allocation of ordinary shares from capital increase of BBGI as follows:

- Issuance and offering of BBGI’s new ordinary shares to the shareholders of Khon Kaen Sugar Industry Public Company Limited and Bangchak Corporation Public Company Limited (Pre-emptive Offering) in the amount of not exceeding 54 million shares, par value of Baht 5.
- Issuance and offering of BBGI’s new ordinary shares to the BBGI’s directors, managements and employees of BBGI and its subsidiaries under BBGI ESOP scheme in the amount of not exceeding 3 million shares, par value of Baht 5.
- Issuance and offering of BBGI’s new ordinary shares for Initial Public Offering (IPO), including individuals who have relationship or sponsors, in accordance with relevant rules and cornerstone investors in the amount of not exceeding 159 million shares, par value of Baht 5, comprises those remaining from the pre-emptive offering and BBGI ESOP scheme.

10. INVESTMENTS IN SUBSIDIARIES

Investments in subsidiaries consisted of:

Separate Financial Statements

Company Name	Paid-up		Percentage of		Investment Cost		Dividends	
					As at	As at	For the period ended	For the year ended
	Share Capital		Shareholding	Shareholding	July 31,	October 31,	July 31,	October 31,
	2018	2017	%	%	July 31,	October 31,	2018	2017
New Krung Thai Sugar Factory Company Limited	1,000,000	1,000,000	95.78	95.78	834,394	834,394	-	-
Tamaka Sugar Industry Company Limited	600,000	600,000	90.21	90.21	523,337	523,337	-	-
New Kwang Soon Lee Sugar Factory Company Limited	500,000	500,000	98.61	98.61	569,284	569,284	-	-
K.S.L. Real Estate Company Limited	840,000	840,000	40.77	40.77	319,134	319,134	-	-
K.S.L. Export Trading Company Limited	20,000	20,000	33.88	33.88	6,775	6,775	-	-
KSL Material Supplies Company Limited	480,000	480,000	100.00	100.00	479,119	479,119	-	-
Khon Kaen Sugar Power Plant Company Limited	800,000	800,000	100.00	100.00	799,972	799,972	-	-
KSL. Agro & Trading Company Limited	300,000	300,000	100.00	100.00	300,000	300,000	-	-
WSP Logistic Company Limited	250	250	100.00	100.00	250	250	-	-
Savannah Sugar Corporation	684,757	684,757	98.49	98.49	674,178	674,178	-	-
Koh Kong Sugar Industry Company Limited *	1,167,660	1,167,660	80.00	80.00	932,589	932,589	-	-
Wynn In Trading Company Limited *	487,497	487,497	100.00	100.00	487,497	487,497	-	-
Total					5,926,529	5,926,529	-	-
Less Allowance for impairment of investments					(1,150,718)	(1,150,718)	-	-
Total investments in subsidiaries					4,775,811	4,775,811	-	-

* Foreign subsidiaries including Koh Kong Plantation Company Limited which the Company holds its shares indirectly through Wynn. In Trading Co., Ltd. at 80% which have the condition to dissolve the company if its loss exceeds 75% of the registered share capital and could not solve the said loss within 1 year. As at October 31, 2017, loss of Koh Kong Plantation Company Limited exceeds 75% of the registered share capital. The Company's management is performing to resolve its loss less than 75% of the registered share capital.

11. INVESTMENT PROPERTY

Movement of investment property which consisted of land, land improvement and building and warehouses using fair value method for the nine-month period ended July 31, 2018 are as follows:

	Consolidated Financial Statements	Unit : Thousand Baht Separate Financial Statements
Beginning book value	4,917,207	1,544,915
Reclassification/Adjustments	2,626	-
Purchases	4,172	206
Gain from fair value adjustments on investment property	916	-
Ending book value	4,924,921	1,545,121

For the nine-month periods ended July 31, 2018 and 2017, the Company and its subsidiaries recognized rental income from investment property of Baht 150.73 million and Baht 151.52 million, respectively, in the consolidated statements of profit or loss, and of Baht 32.99 million and Baht 38.40 million, respectively, in the separate statements of profit or loss.

Represented fair value of investment property which was determined by an independent appraiser who has been approved by the Office of the Securities and Exchange Commission (Thailand) using income approach by discounted cash flow method and market approach which is hierarchy level 3.

12. PROPERTY, PLANT AND EQUIPMENT

Movements of property, plant and equipment for the nine-month period ended July 31, 2018 are as follows:

	Unit : Thousand Baht	
	Consolidated Financial Statements	Separate Financial Statements
Beginning book value	26,354,312	9,203,864
Reclassifications/adjustments	(5,514)	(2,652)
Purchases of assets (including construction in progress)	954,877	641,737
Cost of disposal/written off of assets	(97,816)	(46,284)
Accumulated depreciation - disposal/written off	54,592	33,436
Depreciation	(1,101,000)	(397,306)
Allowance for impairment of assets	48,415	-
Translation of financial statements differences	4,765	-
Ending book value	<u>26,212,631</u>	<u>9,432,795</u>

As at July 31, 2018 and October 31, 2017, buildings and structure and building under construction of two foreign subsidiaries at book value of Baht 437.20 million and Baht 448.03 million, respectively, in the consolidated financial statements, are located on the concession land and which the ownership of such assets will be transferred to the lesser when the agreements are expired (see Note 23.7.3).

As at July 31, 2018 and October 31, 2017, assets at cost of Baht 4,835.64 million and Baht 4,461.68 million, respectively, in the consolidated financial statements, and of Baht 2,654.42 million and Baht 2,534.27 million, respectively, in the separate financial statements, were fully depreciated but still in use.

As at October 31, 2017, land which is recorded at revaluation method with the net value of Baht 3,213.20 million in the consolidated financial statements and Baht 1,402.33 million in the separate financial statements represented fair value of land which was determined by an independent appraiser who has been approved by the Office of the Securities and Exchange Commission (Thailand) using the market approach which is hierarchy level 3. As at October 31, 2017, land net book value at the cost method of Baht 924.22 million in the consolidated financial statements, and of Baht 449.37 million in the separate financial statements.

As at October 31, 2017, buildings, machinery and labor saving tools of three foreign subsidiaries was revalued by the independent professional qualified appraisers. The basis of valuation for buildings, machinery and labor saving tools are market value and depreciated replacement cost which is hierarchy level 3. The fair value of building, machinery and labor saving tools are less than net book value. The Company recognizes loss on impairment of assets amount of Baht 161.32 million in the consolidated financial statements for the year ended October 31, 2017.

13. TRADE AND OTHER CURRENT PAYABLES

Trade and other current payables consisted of:

	Unit : Thousand Baht			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	As at July 31, 2018	As at October 31, 2017	As at July 31, 2018	As at October 31, 2017
Trade payables - related parties	5,830	10,040	40,688	89,193
Trade payables - others				
- Payables for cane purchases	74,195	360,051	18,459	121,888
- Other trade payables	78,281	83,342	5,192	2,829
Advances received for sales of goods	200,093	82,515	62,814	44,574
Accrued fees payable to the Office of the Cane and Sugar Fund	35,882	54,774	7,017	23,663
Other accrued expenses	229,233	235,151	211,334	141,044
Payables on purchases of assets	81,112	149,227	30,413	57,581
Other payables	304,750	620,248	269,980	621,015
Total trade and other current payables	1,009,376	1,595,348	645,897	1,101,787

As at July 31, 2018, payables for cane purchases is from the Company and its three subsidiaries purchased canes for the production season 2017/2018 using the initial cane price for production season 2017/2018 announced by the Cane and Sugar Board's in the Royal Gazette dated July 17, 2018. The price is Baht 880.00 per cane ton with sweetness level at 10 c.c.s. and fluctuating cane price per one c.c.s. is fixed at Baht 52.80 per cane ton until the date the Company's Board approved the issuance of these interim financial statements, the Office of Cane and Sugar Board has not yet announced a final cane price for the production season 2017/2018. Therefore, the Company and its subsidiaries recorded the provision for production costs as mentioned in Note 14 and calculated cost of goods sold and inventories for the nine-month period ended July 31, 2018, from the estimation made by the management of the Company and its subsidiaries by reference calculated from the Office of Cane and Sugar Board at cane price of Baht 819.40 - 902.07 per cane ton with average sweetness level at 11.20 - 13.19 c.c.s.

14. PROVISION FOR PRODUCTION COSTS

As at July 31, 2018, The Company and five subsidiaries recorded provision for production cost based on average rate of production costs for the entire production season to estimate the cost of production per unit, which was calculated from the estimated cost of cane, direct labor and production costs expected to occur divided by the estimated volume of production expected to produce in each production season. The estimated cost of cane is based on the price as mentioned in Note 13 and the quantities of cane to be crushed in each production season. Direct labor and production costs are estimated by the management of the Company and its subsidiaries by considering from past information relating to the nature of each recurring expense and capacity in each production season. The differences between the estimated production cost of the produced units and the actual production cost is upper in each reporting period is shown under the "Provision for production costs" which will reduce over time according to the increase in actual production costs and will be completely depleted at the end of the production season.

Such estimates, assumptions and judgments, the managements of the Company and subsidiaries will continually evaluated which are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances at that time.

15. LONG-TERM DEBENTURES

Long-term debentures consisted of:

	Unit : Thousand Baht Consolidated/Separate Financial Statements	
	As at July 31, 2018	As at October 31, 2017
Unsecured senior debt debentures	11,492,715	9,493,434
<u>Less</u> Current portion	<u>(1,999,385)</u>	<u>(2,998,989)</u>
Net	<u>9,493,330</u>	<u>6,494,445</u>

Movements of long-term debentures for the nine-month period ended July 31, 2018 are as follows:

	Unit : Thousand Baht Consolidated/Separate Financial Statements
Beginning balance at book value	9,493,434
Debentures issuance during the years	2,000,000
Amortized debenture issuance expenses during the period	<u>(719)</u>
Ending balance at book value	<u>11,492,715</u>

Other significant compliance to the covenants of the debenture issuances are as follows:

- The Company shall maintain the debts with interest to equity ratio in the consolidated financial statements as of October 31 in every year ratio not exceed 2 : 1 the entire term.

As at October 31, 2017, the Company maintains the debts with interest to equity ratio in accordance with the conditions.

- The Company shall proceed the credit rating the entire term. In case the credit rating of the debentures is lower than the current Company's rating at that time, the Company shall pledge assets as collateral for the debenture holders or proceed to correct the credit rating of the debentures to be at the same level or better than the credit rating of the Company.

As at July 31, 2018, the credit rating of the debentures was not lower than the Company's credit rating.

16. LONG-TERM BORROWINGS

Movements of long-term borrowings for the nine-month period ended July 31, 2018 are as follows:

	Consolidated Financial Statements	Unit : Thousand Baht Separate Financial Statements
Beginning balance at book value	3,655,833	3,203,833
Addition borrowings during the period	3,000,000	3,000,000
Repayment during the period	<u>(1,463,833)</u>	<u>(1,163,833)</u>
Ending balance at book value	5,192,000	5,040,000
<u>Less</u> Current portion	<u>(1,772,000)</u>	<u>(1,620,000)</u>
Long-term borrowings	<u><u>3,420,000</u></u>	<u><u>3,420,000</u></u>

The interest rates of long-term borrowings are as follows:

	Consolidated Financial Statements		Separate Financial Statements	
	As at July 31, 2018 %	As at October 31, 2017 %	As at July 31, 2018 %	As at October 31, 2017 %
Borrowings in Baht currency	2.94 - 3.80	2.00 - 4.25	2.94 - 3.80	2.00 - 3.80

Maturities of long-term borrowings are as follows:

	Consolidated Financial Statements		Unit : Thousand Baht Separate Financial Statements	
	As at July 31, 2018	As at October 31, 2017	As at July 31, 2018	As at October 31, 2017
Within 1 year	1,772,000	1,623,833	1,620,000	1,223,833
Over 1 year and within 5 years	3,420,000	2,032,000	3,420,000	1,980,000

The significant terms of such borrowings are as follows:

Credit Limit	Balances		Interest rate	Principal repayment	Interest payment	Commencing repayment	Maturity
	As at	As at					
	July 31, 2018	October 31, 2017					
	Thousand Baht	Thousand Baht					
The Company							
1. Baht 2,500 million	100,000	350,000	AMLR - Fixed rate	Semi-annual	Monthly	May 2013	March 2019
2. Baht 1,500 million	450,000	750,000	AMLR - Fixed rate	Semi-annual	Quarterly	May 2015	November 2019
3. Baht 1,000 million	500,000	700,000	AMLR - Fixed rate	Semi-annual	Quarterly	June 2016	December 2020
4. Baht 1,000 million	875,000	-	AMLR - Fixed rate	Semi-annual	Quarterly	May 2018	November 2021
5. Baht 1,000 million	900,000	-	Fixed rate	Semi-annual	Monthly	June 2018	December 2022
6. Baht 1,000 million	300,000	400,000	AMLR - Fixed rate	Semi-annual	Monthly	April 2015	October 2019
7. Baht 1,000 million	915,000	1,000,000	Fixed rate	Semi-annual	Monthly	April 2018	October 2023
8. Baht 1,000 million	1,000,000	-	MLR - Fixed rate	Semi-annual	Monthly	November 2018	May 2023
9. Baht 23 million	-	3,833	Fixed rate	Annual	Annual	June 2013	June 2018
Total	<u>5,040,000</u>	<u>3,203,833</u>					
The subsidiaries							
10. Baht 1,000 million	-	200,000	AMLR - Fixed rate	Semi-annual	Monthly	March 2012	June 2018
11. Baht 1,000 million	152,000	252,000	AMLR - Fixed rate	Semi-annual	Monthly	August 2014	February 2019
Total	<u>152,000</u>	<u>452,000</u>					
Grand Total	<u>5,192,000</u>	<u>3,655,833</u>					

* AMLR is the average MLR of 4 large Thai financial institutions

In the consolidated and separate financial statements as at July 31, 2018 and October 31, 2017, most of the borrowings are guaranteed by the Company and subsidiaries. The subsidiaries insured certain structure and machine with transferring beneficial right to lenders, the commercial banks. The ninth credit limit represents borrowing for purchases of agricultural equipment with secured by the executive directors of the Company and guaranteed cheques of the Company.

In addition, the Company and its subsidiaries have to abide to certain financial conditions, such as maintaining of debt with interest-to-equity ratio, and the Company has to maintain the shareholding ratio in subsidiaries, debt service coverage ratio, restriction on additional long-term debt creation, increase of the registered share capital and restriction on dividend payment of subsidiaries. As at July 31, 2018 and October 31, 2017, the Company and subsidiaries can maintain the ratios as stipulated in the agreements.

17. INCOME TAX EXPENSE (INCOME), DEFERRED TAX ASSETS AND DEFERRED TAX LIABILITIES

17.1 Income tax expense (income)

Income tax expense (income) for the nine-month periods ended July 31, are as follows:

	Unit : Thousand Baht			
	Consolidated		Separate	
	Financial Statements 2018	Financial Statements 2017	Financial Statements 2018	Financial Statements 2017
<u>Current income tax</u>				
Current income tax expense (income)	120,580	159,598	-	(3,713)
<u>Deferred income tax</u>				
Deferred income tax expense (income) and temporary differences	(48,274)	17,683	(61,596)	(1,349)
Total	<u>72,306</u>	<u>177,281</u>	<u>(61,596)</u>	<u>(5,062)</u>

Reconciliation of income tax and the results of the accounting profit (loss) multiplied by the income tax rate for the nine-month periods ended July 31, are as follows:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2018	2017	2018	2017
Profit (loss) before income tax expense (income)				
- Promoted sector-exempted from income tax	393,101	427,647	-	-
- Non-promoted sector	397,251	912,213	(302,504)	8,518
Total profit (loss) before income tax expense (income)	790,352	1,339,860	(302,504)	8,518
Statutory tax rates (%)	20	20	20	20
Income tax expense				
- Non-promoted sector	79,450	182,443	-	1,704
Total income tax	79,450	182,443	-	1,704
Effect on income tax from non-deductible taxable expense and exempted taxable income expense (income)	41,198	(37,737)	-	(1,704)
	120,648	144,706	-	-
Prior year income tax expense (income)	(68)	14,892	-	(3,713)
Deferred income tax expense (income)	(48,274)	17,683	(61,596)	(1,349)
Income tax expense (income)	72,306	177,281	(61,596)	(5,062)

17.2 Deferred tax assets - net are as follows:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	As at July 31, 2018	As at October 31, 2017	As at July 31, 2018	As at October 31, 2017
Deferred tax assets - net				
Non-current provision for employee benefit	1,017	8,904	-	-
Loss carried forward	6,378	103,538	-	-
Depreciation	-	(6,097)	-	-
Allowance for diminution in value of inventories	-	12,518	-	-
Gain on asset revaluation	-	(66,070)	-	-
Allowance for doubtful accounts	-	16,676	-	-
Change in fair value of investment property	-	(69,646)	-	-
Others	1,053	13,391	-	-
Deferred tax assets - net	8,448	13,214	-	-

The movements of deferred tax assets during nine-month periods ended July 31, are as follows:

2018

	Unit : Thousand Baht			
	Consolidated Financial Statements			
	As at November 1, 2017	Items as recognized in profit or loss	Items as recognized in other comprehensive income	As at July 31, 2018
Deferred tax assets - net				
Non-current provision for employee benefit	8,904	(7,887)	-	1,017
Loss carried forward	103,538	(97,160)	-	6,378
Depreciation	(6,097)	6,097	-	-
Allowance for diminution in value of inventories	12,518	(12,518)	-	-
Gain on asset revaluation	(66,070)	-	66,070	-
Allowance for doubtful accounts	16,676	(16,676)	-	-
Change in fair value of investment property	(69,646)	69,646	-	-
Others	13,391	(12,338)	-	1,053
Deferred tax assets - net	<u>13,214</u>	<u>(70,836)</u>	<u>66,070</u>	<u>8,448</u>

2017

	Unit : Thousand Baht			
	Consolidated Financial Statements			
	As at November 1, 2016	Items as recognized in profit or loss	Items as recognized in other comprehensive income	As at July 31, 2017
Deferred tax assets - net				
Non-current provision for employee benefit	587	27	-	614
Loss carried forward	2,243	937	-	3,180
Allowance for diminution in value of inventories	-	50	-	50
Deferred tax assets - net	<u>2,830</u>	<u>1,014</u>	<u>-</u>	<u>3,844</u>

Unrecognized deferred tax assets of three foreign subsidiaries as at July 31, are as follows:

	Unit : Thousand Baht	
	Consolidated Financial Statements	
	2018	2017
The following deferred tax assets have not been recognized		
Temporary differences	(154,917)	(155,197)
Loss carried forward	<u>369,275</u>	<u>264,554</u>
	<u>214,358</u>	<u>109,357</u>

As at July 31, 2018, the Company's management assessed that the deferred tax assets will not be utilized in full amount because the future taxable profit of subsidiaries will not be sufficient to utilize such deferred tax assets. The loss carried forward which is not recognized deferred tax assets of Baht 369.28 million, will be matured by the years 2019 to 2023.

17.3 Deferred tax liabilities - net are as follows:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	As at July 31, 2018	As at October 31, 2017	As at July 31, 2018	As at October 31, 2017
Deferred tax liabilities - net				
Allowance for doubtful accounts	(27,618)	(11,208)	(8,664)	(8,863)
Allowance for diminution in value of inventories	(29,298)	(45,858)	(26,441)	(41,793)
Allowance for impairment in subsidiary investments	-	-	(230,144)	(230,144)
Non-current provision for employee benefit	(51,723)	(43,187)	(22,371)	(22,415)
Gain on asset revaluation	545,493	479,606	194,858	194,858
Loss carried forward	(338,730)	(164,820)	(244,751)	(164,722)
Depreciation	64,209	68,483	30,456	30,892
Change in fair value of investment property	521,337	444,607	245,498	242,925
Change in fair value of biological assets	(287)	(3,209)	(654)	(1,211)
Gain from amalgamation	482,573	482,573	482,573	482,573
Others	(41,767)	(16,980)	(16,659)	(4,208)
Deferred tax liabilities - net	<u>1,124,189</u>	<u>1,190,007</u>	<u>403,701</u>	<u>477,892</u>

The movements of deferred tax liabilities during nine-month periods ended July 31, are as follows

2018

	Unit : Thousand Baht			
	Consolidated Financial Statements			
	As at November 1, 2017	Items as recognized in profit or loss	Items as recognized in other comprehensive income	As at July 31, 2018
Deferred tax liabilities - net				
Allowance for doubtful accounts	(11,208)	(16,410)	-	(27,618)
Allowance for diminution in value of inventories	(45,858)	16,560	-	(29,298)
Non-current provision for employee benefit	(43,187)	(8,536)	-	(51,723)
Gain on asset revaluation	479,606	-	65,887	545,493
Loss carried forward	(164,820)	(173,910)	-	(338,730)
Depreciation	68,483	(4,274)	-	64,209
Change in fair value of investment property	444,607	76,730	-	521,337
Change in fair value of biological assets	(3,209)	2,922	-	(287)
Gain from amalgamation	482,573	-	-	482,573
Others	(16,980)	(12,192)	(12,595)	(41,767)
Deferred tax liabilities - net	<u>1,190,007</u>	<u>(119,110)</u>	<u>53,292</u>	<u>1,124,189</u>

2017

	Unit : Thousand Baht			
	Consolidated Financial Statements			
	As at November 1, 2016	Items as recognized in profit or loss	Items as recognized in other comprehensive income	As at July 31, 2017
Deferred tax liabilities - net				
Allowance for doubtful accounts	(18,702)	(2,745)	-	(21,447)
Allowance for diminution in value of inventories	(1,226)	(22,159)	-	(23,385)
Allowance for impairment in other long-term investments	(1,177)	1,177	-	-
Non-current provision for employee benefit	(51,385)	(2,340)	-	(53,725)
Gain on asset revaluation	551,270	-	-	551,270
Loss carried forward	(178,919)	28,485	-	(150,434)
Depreciation	37,383	9,219	-	46,602
Change in fair value of investment property	425,368	6,613	-	431,981
Others	(23,049)	447	7,774	(14,828)
Deferred tax liabilities - net	<u>739,563</u>	<u>18,697</u>	<u>7,774</u>	<u>766,034</u>

2018

	Unit : Thousand Baht			
	Separate Financial Statements			
	As at November 1, 2017	Items as recognized in profit or loss	Items as recognized in other comprehensive income	As at July 31, 2018
Deferred tax liabilities - net				
Allowance for doubtful accounts	(8,863)	199	-	(8,664)
Allowance for diminution in value of inventories	(41,793)	15,352	-	(26,441)
Allowance for impairment in subsidiary investments	(230,144)	-	-	(230,144)
Non-current provision for employee benefit	(22,415)	44	-	(22,371)
Gain on asset revaluation	194,858	-	-	194,858
Loss carried forward	(164,722)	(80,029)	-	(244,751)
Depreciation	30,892	(436)	-	30,456
Change in fair value of investment property	242,925	2,573	-	245,498
Change in fair value of biological assets	(1,211)	557	-	(654)
Gain from amalgamation	482,573	-	-	482,573
Others	(4,208)	144	(12,595)	(16,659)
Deferred tax liabilities - net	<u>477,892</u>	<u>(61,596)</u>	<u>(12,595)</u>	<u>403,701</u>

2017

	Unit : Thousand Baht			
	As at November 1, 2016	Separate Financial Statements		As at July 31, 2017
		Items as recognized in profit or loss	Items as recognized in other comprehensive income	
Deferred tax liabilities - net				
Allowance for doubtful accounts	(7,213)	486	-	(6,727)
Allowance for diminution in value of inventories	(1,226)	(9,172)	-	(10,398)
Allowance for impairment in subsidiary investments	(148,907)	(1,177)	-	(150,084)
Allowance for impairment in other long-term investments	(1,177)	1,177	-	-
Non-current provision for employee benefit	(21,485)	(1,026)	-	(22,511)
Gain on asset revaluation	194,858	-	-	194,858
Loss carried forward	(94,696)	(3,023)	-	(97,719)
Depreciation	5,595	9,258	-	14,853
Change in fair value of investment property	230,738	2,280	-	233,018
Others	(8,213)	(152)	7,774	(591)
Deferred tax liabilities - net	<u>148,274</u>	<u>(1,349)</u>	<u>7,774</u>	<u>154,699</u>

18. DIVIDENDS PAID AND LEGAL RESERVE

The annual general meeting of shareholders of the Company passed a resolution to pay dividends as follows:

Dividends	Approved by	Number of shares Billion shares	Dividends Paid per share	Dividends Paid Million Baht	Dividends Paid Date
- Dividends paid from the Company's result of operations from November 1, 2016 to October 31, 2017	No. 1/2018 held on February 20, 2018	4.41	0.05	220.51	March 16, 2018
- Dividends paid from the Company's result of operations from November 1, 2015 to October 31, 2016	No. 1/2017 held on February 24, 2017	4.41	0.10	441.02	March 23, 2017

In accordance with the Public Limited Company Act B.E. 2535, the Company is required to set aside a legal reserve of at least 5 percent of net earnings after deducting accumulated deficit brought forward (if any) until reserve reaches 10 percent of the authorized share capital and this reserve is not available for distribution as dividends.

As at July 31, 2018 and October 31, 2017, the Company's legal reserve reaches 10 percent of the Company's authorized share capital.

19. MANAGEMENT BENEFIT EXPENSES

Management benefit expenses included the compensation paid to the directors of the Company and its subsidiaries which do not include salaries and related benefits in accordance to Section 90 of Public Company Act are as follows:

	Unit : Thousand Baht	
	Consolidated/Separate	
	Financial Statements	
	2018	2017
For the three-month periods ended July 31,	1,695	1,692
For the nine-month periods ended July 31,	7,390	7,420

20. EXPENSES BY NATURE

The significant expenses by nature for the three-month and nine-month periods ended July 31, are as follows:

	Unit : Thousand Baht			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	for the three-month		for the three-month	
	periods ended July 31,		periods ended July 31,	
	2018	2017	2018	2017
Salaries, wages and other employee benefits	132,152	140,124	34,949	37,842
Depreciation	191,590	180,990	41,484	37,834
Fee paid to the Office of the Cane and Sugar Fund	279,969	238,638	108,811	97,625
Maintenance expenses	65,297	59,419	6,597	12,596
Transportation expenses	278,540	107,831	149,446	60,664
Raw material and supplies used	548,410	262,596	270,963	59,008
Purchased finished goods	125,633	56,485	457,589	476,870
Changes in finished goods and goods in process	3,594,773	2,731,193	1,308,923	1,537,739
Management benefit expenses	26,491	30,707	10,963	11,454
Finance costs	232,752	174,124	197,415	131,943
Other operating expenses	53,611	169,509	146,526	109,977
Total	<u>5,529,218</u>	<u>4,151,616</u>	<u>2,733,666</u>	<u>2,573,552</u>

	Unit : Thousand Baht			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	for the nine-month		for the nine-month	
	periods ended July 31,		periods ended July 31,	
	2018	2017	2018	2017
Salaries, wages and other employee benefits	1,233,877	1,205,656	502,432	480,397
Depreciation	1,106,289	1,017,512	401,415	311,765
Fee paid to the Office of the Cane and Sugar Fund	810,993	832,347	376,406	312,491
Maintenance expenses	596,230	626,956	217,334	239,201
Transportation expenses	490,483	363,577	250,492	104,363
Raw material and supplies used	11,896,617	10,183,853	7,078,223	4,923,052
Purchased finished goods	245,704	163,972	1,390,854	1,666,695
Changes in finished goods and goods in process	(5,954,893)	(4,473,479)	(4,427,675)	(2,446,471)
Management benefit expenses	111,671	115,158	45,239	40,177
Finance costs	546,412	508,073	458,467	387,262
Other operating expenses	679,277	523,836	487,114	434,445
Total	<u>11,762,660</u>	<u>11,067,461</u>	<u>6,780,301</u>	<u>6,453,377</u>

21. EARNINGS (LOSS) PER SHARE

The calculations of basic earnings (loss) per share were based on dividing the profit (loss) for the period attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares held by the outsiders outstanding during the period. Basic earnings (loss) per share for the three-month and nine-month periods ended July 31, 2018 and 2017 are as follows:

2018

	Consolidated Financial Statements			Separate Financial Statements		
	(Loss) profit for the period	Number of shares	(Loss) earnings per share	Loss for the period	Number of shares	Loss per share
	Thousand Baht	Thousand Shares	Baht	Thousand Baht	Thousand Shares	Baht
<u>Basic and diluted earnings (loss) per share</u>						
For the three-month period to ordinary equity holders	(94,884)	4,410,233	<u>(0.022)</u>	(102,866)	4,410,233	<u>(0.023)</u>
For the nine-month period to ordinary equity holders	733,876	4,410,233	<u>0.166</u>	(240,908)	4,410,233	<u>(0.055)</u>

2017

	Consolidated Financial Statements			Separate Financial Statements		
	Net profit for the period	Number of shares	Earnings per share	(Loss) profit for the period	Number of shares	(Loss) earnings per share
	Thousand Baht	Thousand Shares	Baht	Thousand Baht	Thousand Shares	Baht
<u>Basic and diluted earnings (loss) per share</u>						
For the three-month period to ordinary equity holders	58,339	4,410,233	<u>0.013</u>	(69,852)	4,410,233	<u>(0.016)</u>
For the nine-month period to ordinary equity holders	1,151,248	4,410,233	<u>0.261</u>	13,580	4,410,233	<u>0.003</u>

22. DISCLOSURE OF OPERATING SEGMENTS

The Company and subsidiaries (“Group Company”) presented the segment information in respect of the Group’s business segments. The primary format in segment information report is based on the Group’s management and internal reporting structure.

For the nine-month period ended July 31, 2018, the Group comprises the following main business segments:

Manufacture and Distribution of Sugar and Molasses

Produce and distribute sugar and molasses to industrial enterprises, re-export manufacturing enterprises and international sugar traders.

Manufacture and Sale of Electricity

Generate and sale electricity to Electricity Generating Authority of Thailand and the group companies.

Real Estate Rental

Operate office building and holiday resort for training and seminar center.

Geographical segments information is based on entity operating in the country and overseas. The overseas operations comprise Laos People's Democratic Republic and Kingdom of Cambodia.

Major Customer Information

For the nine-month periods ended July 31, 2018 and 2017, the Group has revenue with a single external customer in Thailand in electricity sector in the amount of Baht 765.65 million and Baht 646.08 million, respectively, of the Group's total revenue.

Details of the operating segments of the Group are as follows:

Consolidated statements of profit or loss

For the nine-month periods ended July 31, 2018 and 2017

													Unit : Million Baht			
	Manufacture and Distribution of Sugar and Molasses				Manufacture and Distribution of Alcohol*		Manufacture and Sale of Electricity		Real Estate Rental		Others Business		Inter-Transaction		Total	
	2018		2017		2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
	Thai	Overseas	Thai	Overseas	Thai	Thai	Thai	Thai	Thai	Thai	Thai	Thai	Thai			
Net revenue from operation - external	9,749	459	8,300	472	-	1,657	930	676	133	125	853	494	-	-	12,124	11,724
Net revenue from operation - internal	3,216	44	4,761	136	-	-	2,252	1,588	-	-	1,084	1,527	(6,596)	(8,012)	-	-
Total	12,965	503	13,061	608	-	1,657	3,182	2,264	133	125	1,937	2,021	(6,596)	(8,012)	12,124	11,724
Profit (loss) from operations	2,094	(14)	2,228	231	-	313	1,009	682	116	142	121	119	(194)	(161)	3,132	3,554
Distribution costs, administrative expenses and others															(1,920)	(1,806)
Finance costs	(569)	(76)	(491)	(70)	-	(21)	(47)	(52)	(17)	(19)	-	-	163	145	(546)	(508)
Share of gain of investment in an associate															124	99
Income tax expenses															(72)	(177)
Net profit															718	1,162
<u>(Less) Plus (Profit) loss for the nine-month periods of non-controlling interest</u>															16	(11)
Profit for the periods															734	1,151
Interest income	248	5	223	5	-	-	-	-	-	-	1	1	(163)	(145)	91	84
Depreciation	(708)	(64)	(567)	(69)	-	(54)	(257)	(246)	-	-	(13)	(14)	-	-	(1,042)	(950)

Consolidated Statements of Financial Position

As at July 31, 2018 and October 31, 2017

Trade and other current receivables	2,757	36	1,312	47	-	-	334	61	21	10	99	136	(325)	(368)	2,922	1,198
Inventories	7,490	230	2,113	219	-	-	306	139	-	-	527	630	(1)	(1)	8,552	3,100
Property, plant and equipment	15,642	2,910	15,783	2,975	-	-	7,318	7,485	158	-	418	425	(233)	(314)	26,213	26,354
Central assets	20,130	283	19,668	298	-	-	25	29	3,997	3,994	339	305	(12,665)	(11,955)	12,109	12,339
Total Assets	46,019	3,459	38,876	3,539	-	-	7,983	7,714	4,176	4,004	1,383	1,496	(13,224)	(12,638)	49,796	42,991
Total Liabilities	32,440	2,998	24,499	2,890	-	-	1,834	2,405	827	884	314	686	(7,166)	(6,466)	31,247	24,898

* The Company loses its control power over KSL Green Innovation Public Company Limited and KSLGI Company Limited on October 31, 2017 from the amalgamation between such subsidiaries and other party. As a result, the Group does not have operating segment in manufacture and distribution of alcohol from the amalgamation date.

23. COMMITMENTS, CONTINGENT LIABILITIES AND SIGNIFICANT AGREEMENTS

As at July 31, 2018 and October 31, 2017, apart from liabilities reflected in the interim financial information, the Company and its subsidiaries have commitments and contingent liabilities as follows:

23.1 The Company and its subsidiaries have commitments relating to the sales agreements but not yet delivered in the consolidated financial statements amounting to Baht 5,559.16 million and Baht 2,060.07 million, respectively, and in the separate financial statements amounting to Baht 1,504.10 million and Baht 1,879.91 million, respectively.

23.2 The Company and three subsidiaries had agreements to purchase cane by issuing post-dated checks. The Company and such subsidiaries did not record the said liabilities as the checks were not yet due and the cane of the production season has not been received from the farmers as follows:

	Consolidated		Unit : Million Baht Separate	
	Financial Statements		Financial Statements	
	As at July 31, 2018	As at October 31, 2017	As at July 31, 2018	As at October 31, 2017
For the production season 2017/2018	-	1,167.01	-	472.11
For the production season 2018/2019	935.03	-	331.92	-

23.3 A subsidiary entered into two electricity sale-purchase agreements with the Electricity Generating Authority of Thailand (EGAT) as follows:

- Agreement dated February 21, 2005, EGAT agrees to buy electricity from the subsidiary at Namphong District, Khon kaen Province, for the period of 21 years commencing from the first month of electricity sales (December 2006) at the volume of 20 Megawatt at the voltage of 115 Kilovolts. For the second year until the year before last year, EGAT agrees to buy electricity at not less than 80% of the electricity volume stipulated in the agreement.
- Agreement dated January 12, 2010, EGAT agrees to buy electricity at the volume of 22 Megawatt at the voltage of 115 Kilovolts at Bo Ploy District, Kanchanaburi Province, at the mutually-agreed price as stipulated in the agreement for the period of 5 years commencing from April 1, 2011. Prior to the expiration of the contractual term, the subsidiary shall inform EGAT for the extension of the contractual term in writing at not less than 30 days prior to the expiry date of the agreement and the agreement shall be extended for the contractual term of 5 years at a time. The subsidiary has pledged the letter of guarantee at the amount of Baht 4.40 million as collateral for the offer to sell the electricity. Subsequently, on June 2, 2014, EGAT agrees to buy additional electricity at the volume of 8 Megawatt totaling 30 Megawatt at the voltage of 115 Kilovolts, at the mutually-agreed price as stipulated in the agreement, for the period commencing from July 1, 2014 to November 2, 2018.

23.4 A subsidiary entered into an electricity sale-purchase agreement with the Provincial Electricity Authority (PEA) on September 18, 2012, PEA agrees to buy electricity at the volume of 2.12 Megawatt at the voltage of 22,000 volts at Wangsaphung District, Loei Province, at the mutually-agreed price as stipulated in the agreement for the period of 5 years commencing from November 20, 2012. And the postpone for sale electricity to December 27, 2014. Prior to the expiration of the contractual term, the subsidiary shall inform PEA for the extension of the contractual term in writing at not less than 30 days prior to the expiry date of the agreement and the agreement shall be extended for the contractual term of 5 years at a time.

23.5 The consolidated and separate financial statements have commitments, contingent liabilities and credit facilities as follows:

Unit : Million

	Currency	Consolidated Financial Statements					
		As at July 31, 2018			As at October 31, 2017		
		Total	Utilized	Remaining	Total	Utilized	Remaining
Commitments							
Contract to guarantee of debt repayment of subsidiary for all contingent liabilities	THB	-	3,775.73	-	-	2,829.88	-
Contract to guarantee of debt repayment of subsidiary for all contingent liabilities	USD	-	-	-	-	7.50	-
Contract to guarantee of debt repayment of associate for all contingent liabilities	THB	-	295.05	-	-	74.10	-
Contingent Liabilities							
Letters of guarantees (unspecified credit limit)	THB	-	77.47	-	-	91.68	-
Letters of credit and trust receipts	THB	120.00	-	120.00	120.00	-	120.00
Letters of credit	USD	10.00	-	10.00	10.00	-	10.00
Overdraft and short-term borrowings	THB	22,443.90	8,627.08	13,816.82	22,255.70	5,901.27	16,354.43
Short-term borrowings	USD	43.50	-	43.50	50.50	7.50	43.00
Joint credit line in short-term borrowings	THB	3,288.50	2,347.28	941.22	3,676.50	2,362.50	1,314.00
Long-term borrowings	THB	5,192.00	5,192.00	-	3,655.83	3,655.83	-

Unit : Million

	Currency	Separate Financial Statements					
		As at July 31, 2018			As at October 31, 2017		
		Total	Utilized	Remaining	Total	Utilized	Remaining
Commitments							
Contract to guarantee of debt repayment of subsidiary for all contingent liabilities	THB	-	3,212.93	-	-	2,058.08	-
Contract to guarantee of debt repayment of subsidiary for all contingent liabilities	USD	-	-	-	-	7.50	-
Contract to guarantee of debt repayment of associate for all contingent liabilities	THB	-	295.05	-	-	74.10	-
Contingent Liabilities							
Letters of guarantees (unspecified credit limit)	THB	-	4.33	-	-	9.78	-
Letters of credit and trust receipts	THB	30.00	-	30.00	30.00	-	30.00
Overdraft and short-term borrowings	THB	10,981.90	6,353.00	4,628.90	11,593.70	4,265.00	7,328.70
Short-term borrowings	USD	3.50	-	3.50	10.50	-	10.50
Joint credit line in short-term borrowings	THB	3,288.50	2,347.28	941.22	3,676.50	2,362.50	1,314.00
Long-term borrowings	THB	5,040.00	5,040.00	-	3,203.83	3,203.83	-

The above credit facilities are partially secured between the Company and its subsidiaries, and transfer of benefits arisen from insurance policy for structure and machineries to the lenders. For certain credit fatalities are secured by the executive directors of the Company and guaranteed cheques of the Company. In addition, for certain credit facilities, if they are utilized, certain inventories of the Company and its subsidiaries will be used as collateral. However, as at July 31, 2018 and October 31, 2017, the Company and its subsidiaries do not use those facilities.

The Company and its subsidiaries are required to comply with certain financial conditions for joint commitments and contingent liabilities, which the Company and its subsidiaries have to maintain debt with interest-to-equity ratio and the Company have to maintain shareholding ratio of the Company in subsidiaries, debt service coverage ratio, restriction on additional long-term debt creation, increase of the registered share capital, and restriction on dividend payment of subsidiaries, etc.

23.6 The Company and its subsidiaries have the remaining commitments under the various contracts as follows:

					Unit : Million			
					Consolidated Financial Statements			
					As at July 31, 2018		As at October 31, 2017	
	Currency	Contractual Amount	Outstanding Contractual Commitments		Contractual Amount	Outstanding Contractual Commitments		
Construction and subcontract agreements	THB	1,013.52	205.37		1,018.23	168.64		
Machine and equipment purchase agreements	THB	542.68	51.83		489.43	107.51		
	USD	0.56	-		13.60	0.46		

										Unit : Million			
										Consolidated Financial Statements			
										Outstanding Contractual Commitments			
										As at July 31, 2018		As at October 31, 2017	
	Currency	Within 1 year	1 - 5 years	Over 5 years	Total	Within 1 year	1 - 5 years	Over 5 years	Total				
Leased concessions agreements	USD	0.17	0.68	11.41	12.26	0.17	0.68	11.48	12.33				
Rental agreements	THB	14.88	26.04	-	40.92	15.58	27.69	-	43.27				

					Unit : Million			
					Separate Financial Statements			
					As at July 31, 2018		As at October 31, 2017	
	Currency	Contractual Amount	Outstanding Contractual Commitments		Contractual Amount	Outstanding Contractual Commitments		
Construction and subcontract agreements	THB	730.33	166.52		620.33	84.25		
Machine and equipment purchase agreements	THB	535.08	51.07		467.87	95.46		

								Unit : Million			
								Separate Financial Statements			
								Outstanding Contractual Commitments			
								As at July 31, 2018		As at October 31, 2017	
	Currency	Within 1 year	1 - 5 years	Total	Within 1 year	1 - 5 years	Total				
Rental agreements	THB	7.00	9.61	16.61	5.86	9.87	15.73				

23.7 Other significant agreements

- 23.7.1 A subsidiary was granted the electricity generating business concession from the Ministry of Energy on October 1, 2005 in the area of 43 Moo 10, Tambol Namphong, Amphur Namphong, Khon kaen Province, for the period of 21 years. However, such subsidiary obtained a license for energy industry operation from the Energy Regulatory Commission (ERC) as a replacement when the Energy Industry Act B.E. 2550 was effective, for the period of 19 years ending in December 2028. The subsidiary has to comply with the Energy Industry Act B.E. 2550 and the conditions according to the license.
- 23.7.2 On February 16, 2006, Savannakhet Sugar Corporation (subsidiary) made a contract to develop area in the Laos People's Democratic Republic with the Government of that country to be used for the subsidiary's office, factory unit, road and area for cane plantation with the total area of 10,000 hectares covering the period of 40 years which can be extended for another 20 years if approved by the counter party. The rental fee is as determined in the agreement. As at July 31, 2018 and October 31, 2017, the subsidiary has already utilized the area of 5,053.61 hectares equal for both periods.
- 23.7.3 Koh Kong Plantation Company Limited and Koh Kong Sugar Industry Co., Ltd. (subsidiaries) entered into the Memorandum of Understanding (MOU) with the Government of Kingdom of Cambodia on August 2, 2006 in order to build a sugar mill factory and receive concession land for cane plantation in Koh Kong Province, Kingdom of Cambodia with total area of 19,100 hectares covering period of 90 years and the rental fee has a grace period of the first 4 years, afterwards, the rate of rental fee of USD 1 - 4 per hectare per annum. As at July 31, 2018 and October 31, 2017, the subsidiaries have already utilized the area of 9,398.69 hectares, equal for both periods. Buildings and structure and building under construction of subsidiaries, are located on the concession land which the ownership of such assets will be transferred to the lessor when the agreements are expired (see Note 12).
- 23.7.4 A subsidiary in the Kingdom of Cambodia entered into two long-term land lease agreements with an outside person to build port and land awaiting development dated June 1, 2007 and May 21, 2007, respectively. The contractual term is 90 years for both agreements. The subsidiary has already paid the entire advance lease fee at USD 0.48 million. As at July 31, 2018 and October 31, 2017, the balances of the advance lease fee paid are USD 0.42 million, equal for both periods, which is presented as part of other non-current assets.

24. FINANCIAL INSTRUMENTS

Risk management policies

The Company and its subsidiaries possess risks regarding to the change of market interest rate, market currency exchange rate, rates of the related goods' price changing and from non-performance of contractual obligations by counter parties. The Company and its subsidiaries will consider to using appropriate financial instruments when it considers necessary to manage such risks. However, the Company and its subsidiaries do not have any policy to hold or issue any financial instruments for speculation or for trading.

Risk on interest rate

Risk on interest rates is derived from the fluctuation of the market interest rate in the future, which will affect upon the Company and its subsidiaries' operating results and cash flows. However, the Group manage risk on interest rate by using various methods including the loans allocation to gain appropriate balance between fixed interest rate loans and floating interest rate loans and compatible to different activities of the Group with the details mainly as follows:

Unit : Thousand Baht					
Consolidated Financial Statements					
As at July 31, 2018					
	Fixed Interest Rate			Floating	Total
	Within 1 year	More than 1 year	More than 5 years	Interest Rate	
			to 5 years		
Financial Assets					
Saving accounts deposits	-	-	-	107,829	107,829
Fixed account deposits	24	-	-	-	24
Loans for cane plantation development	195,006	270,943	19,313	249	485,511
Short-term loans to farmers	865,445	6,553	-	33,297	905,295
Short-term loans to others	198,000	-	-	-	198,000
Long-term loans to others	31,683	39,500	-	-	71,183
Other long-term investments	-	-	6,704	-	6,704
Total	<u>1,290,158</u>	<u>316,996</u>	<u>26,017</u>	<u>141,375</u>	<u>1,774,546</u>
Financial Liabilities					
Short-term borrowings from financial institutions	10,972,368	-	-	-	10,972,368
Short-term borrowings from related parties	3,500	-	-	-	3,500
Long-term debentures	1,999,385	7,495,251	1,998,079	-	11,492,715
Long-term borrowings	1,620,000	3,420,000	-	152,000	5,192,000
Total	<u>14,595,253</u>	<u>10,915,251</u>	<u>1,998,079</u>	<u>152,000</u>	<u>27,660,583</u>

Unit : Thousand Baht

Consolidated Financial Statements

As at October 31, 2017

	Fixed Interest Rate			Floating Interest Rate	Total
	Within 1 year	More than 1 year to 5 years	More than 5 years		
Financial Assets					
Saving accounts deposits	-	-	-	109,680	109,680
Fixed account deposits	24	-	-	-	24
Loans for cane plantation development	281,470	354,373	4,090	249	640,182
Short-term loans to farmers	1,034,514	10,330	-	30,211	1,075,055
Short-term loans to others	181,000	-	-	-	181,000
Long-term loans to others	41,983	24,238	-	-	66,221
Other long-term investments	-	-	6,691	-	6,691
Total	<u>1,538,991</u>	<u>388,941</u>	<u>10,781</u>	<u>140,140</u>	<u>2,078,853</u>
Financial Liabilities					
Short-term borrowings from financial institutions	8,508,780	-	-	-	8,508,780
Short-term borrowings from related parties	5,000	-	-	-	5,000
Long-term debentures	2,998,989	6,494,446	-	-	9,493,435
Long-term borrowings	<u>1,223,833</u>	<u>1,980,000</u>	<u>-</u>	<u>452,000</u>	<u>3,655,833</u>
Total	<u>12,736,602</u>	<u>8,474,446</u>	<u>-</u>	<u>452,000</u>	<u>21,663,048</u>

Risks on exchange rates

Risks on exchange rates for the Company and its subsidiaries are mainly involved with sales of goods and import of machines which are transactions denominated in foreign currencies. As at July 31, 2018 and October 31, 2017, the significant assets and liabilities denominated in foreign currencies of the Company and its subsidiaries which the risk on exchange rates have not been hedged are as follows:

Currency	Consolidated Financial Statements				Separate Financial Statements			
	As at		As at		As at		As at	
	July 31, 2018		October 31, 2017		July 31, 2018		October 31, 2017	
	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
USD	17.11	2.11	15.79	9.03	56.08	-	56.22	-
YEN	-	2.50	-	2.50	-	-	-	-
RIEL	1,060.13	247.74	975.58	79.68	-	-	-	-
LAK	887.80	510.59	108.52	602.24	-	-	-	-

As at July 31, 2018 and October 31, 2017, the Company and its subsidiaries entered into forward contracts and cross currency swap with commercial banks to hedge against exchange rate risk from receipts and debt repayments denominated in foreign currencies. The Company and its subsidiaries have not recorded such financial liabilities in the consolidated and separate financial statements.

The open forward contracts and cross currency swap, which are due 1 year, are as follows:

Currency	Amount fixed in contract				Currency	Amount earned in contract			
	Consolidated		Separate			Consolidated		Separate	
	Financial Statements		Financial Statements			Financial Statements		Financial Statements	
	As at July 31, 2018	As at October 31, 2017	As at July 31, 2018	As at October 31, 2017		As at July 31, 2018	As at October 31, 2017	As at July 31, 2018	As at October 31, 2017
USD	18.38	-	11.85	-	THB	605.67	-	390.53	-

Unit : Million

Net fair values of forward contracts at the end of the reporting periods of the Company and its subsidiaries are as follows:

	Consolidated		Separate	
	Financial Statements		Financial Statements	
	As at July 31, 2018	As at October 31, 2017	As at July 31, 2018	As at October 31, 2017
	As at July 31, 2018	As at October 31, 2017	As at July 31, 2018	As at October 31, 2017
Net fair values of forward contracts	(1.47)	-	(0.70)	-

Unit: Million Baht

Risk on the fluctuation of sugar and cane prices

The cane and sugar industry in Thailand is under the benefit sharing system between the cane farmers and the sugar mill factories, the selling price of sugar under Quota B and the exchange rate of the actual sales made by Thailand Cane and Sugar Corporation (TCSC) have significant effect on cane price which is major cost of sugar production. To manage risk on the fluctuation of gross profit, the Company and its subsidiaries have hedged the risk by entering into commodity swap contracts for the period not over 1 year. Gain or loss is recognized in the statement of profit or loss when the contracts are settled or expired.

Net fair values of commodity swap contracts as at July 31, 2018 and October 31, 2017 of the Company and its subsidiaries are as follows:

	Currency	Unit : Million	
		Consolidated/ Separate	
		Financial Statements	
		As at July 31, 2018	As at October 31, 2017
Net fair values for commodity swap contracts	USD	1.74	1.09

Credit risk

The Company and its subsidiaries have risk on credit regarding trade accounts receivable, farmer accounts receivable, loans to farmers, loans to related parties and others receivable. However, as the Company and its subsidiaries have many receivables and have conservative credit policy including allowance for doubtful accounts. In addition, the Company and its subsidiaries request farmers to pledge land or other assets as collateral or guarantee by individual. The Group's management of the Company and its subsidiaries believes that the risk of default by receivables is low.

Fair value

Cash and cash equivalents, temporary investments, trade and other current receivables, short-term loans, other current assets, short-term borrowings from financial institutions, trade and other current payables, short-term borrowings, current income tax payable and other current liabilities, the carrying values approximate their fair values due to the relatively short period to maturity.

The carrying amounts of long-term loans approximate their fair values due to floating interest rates. The long-term loans and others with fixed interest rate, their fair values approximate the carrying amounts because the average interest rate at the financial position date offered to the loans interest rate with the similar terms and conditions to the Group's approximate to the fixed rates specified in the contracts.

The transactions disclosed in the following table, are considered that the carrying amounts of financial assets and liabilities recognized in the consolidated and separate financial statements are different from their fair values.

	Consolidated / Separate Financial Statement		Fair value Hierarchy	Valuation technique of fair value
	Carrying amount Million Baht	Fair value Million Baht		
As at July 31, 2018				
Financial liabilities				
Long-term debentures	11,493	11,619	Level 2	Calculated from the closing price of the last Bond Market Association Thailand at the last day.
As at October 31, 2017				
Financial liabilities				
Long-term debentures	9,493	9,658	Level 2	Calculated from the closing price of the last Bond Market Association Thailand at the last day.

The fair values of derivative financial instruments, which are forward contracts and cross currency swap contracts are assessment determined by discounted cash flows method. Future cash flows are estimated at foreign exchange rate. (Based on the prevailing foreign exchange rate at the end of the reporting period), are exposed to credit risk primarily with respect to counter party credit risk which are hierarchy level 3 and the commodity swap contracts are calculated by using the raw sugar and white sugar prices from The Exchange and Bloomberg at the end of the reporting period as though the Company and its subsidiaries have settled those contracts at the end of the reporting period are hierarchy level 2.

25. COMPARATIVE FINANCIAL INFORMATION FOR THE YEARS ENDED JULY 31, 2018 AND 2017

The nature of the operations of the Company and its subsidiaries with the main business activities in manufacturing and distributing sugar depending on seasons, which can be classified as production season, from November to April of each year, and outside production season, from May to October. To facilitate the users of these interim financial information in comparing the information for the business with definite seasonal fluctuation, the Company presents the comparative financial information for the years ended July 31, 2018 and 2017 as follows:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	As at July 31,		Financial Statements	
	2018	2017	2018	2017
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents	146,044	257,687	37,732	24,272
Trade and other current receivables	2,921,793	1,785,862	1,349,536	1,169,190
Short-term loans	1,335,536	1,327,799	3,414,116	4,485,134
Inventories	8,551,573	7,107,568	5,568,692	3,687,142
Current biological assets	141,432	170,758	7,022	10,692
Other current assets	76,558	42,240	54,912	15,820
Total Current Assets	<u>13,172,936</u>	<u>10,691,914</u>	<u>10,432,010</u>	<u>9,392,250</u>
NON-CURRENT ASSETS				
Long-term loans	324,453	399,083	4,134,812	2,339,170
Investment property	4,924,921	4,493,790	1,545,121	1,499,720
Property, plant and equipment	26,212,631	27,177,306	9,432,795	8,692,902
Other non-current assets	5,160,954	1,951,571	8,576,567	6,618,698
Total Non-Current Assets	<u>36,622,959</u>	<u>34,021,750</u>	<u>23,689,295</u>	<u>19,150,490</u>
TOTAL ASSETS	<u>49,795,895</u>	<u>44,713,664</u>	<u>34,121,305</u>	<u>28,542,740</u>
LIABILITIES AND SHAREHOLDERS' EQUITY				
CURRENT LIABILITIES				
Short-term borrowings from financial institutions	10,972,368	11,341,611	6,351,011	6,237,307
Trade and other current payables	1,009,376	1,155,852	645,897	1,045,735
Current portion of long-term debentures	1,999,385	1,999,293	1,999,385	1,999,293
Current portion of long-term borrowings	1,772,000	1,853,833	1,620,000	1,153,833
Short-term borrowings	3,500	5,300	366,000	397,500
Current income tax payable	65,875	88,806	-	-
Provision for production costs	931,538	477,997	428,600	119,394
Other current liabilities	77,543	75,269	16,705	17,556
Total Current Liabilities	<u>16,831,585</u>	<u>16,997,961</u>	<u>11,427,598</u>	<u>10,970,618</u>
Total Non-Current Liabilities	<u>14,415,369</u>	<u>10,429,671</u>	<u>13,477,654</u>	<u>9,148,031</u>
TOTAL LIABILITIES	<u>31,246,954</u>	<u>27,427,632</u>	<u>24,905,252</u>	<u>20,118,649</u>
TOTAL SHAREHOLDERS' EQUITY	<u>18,548,941</u>	<u>17,286,032</u>	<u>9,216,053</u>	<u>8,424,091</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	<u>49,795,895</u>	<u>44,713,664</u>	<u>34,121,305</u>	<u>28,542,740</u>

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	For the years ended		Financial Statements	
	For the years ended		For the years ended	
	July 31,		July 31,	
	2018	2017	2018	2017
Revenue from sales	15,652,451	16,183,963	8,284,441	9,095,737
Revenues from rendering services	370,885	225,915	198,464	200,575
Total revenues	<u>16,023,336</u>	<u>16,409,878</u>	<u>8,482,905</u>	<u>9,296,312</u>
Costs of the sales of goods	(13,524,380)	(12,637,607)	(7,876,276)	(7,967,901)
Cost of the rendering of services	(198,587)	(103,893)	(145,835)	(132,567)
Total costs	<u>(13,722,967)</u>	<u>(12,741,500)</u>	<u>(8,022,111)</u>	<u>(8,100,468)</u>
Gross profit	2,300,369	3,668,378	460,794	1,195,844
Other incomes	3,210,776	1,826,796	3,156,917	1,348,248
Profit before expenses	5,511,145	5,495,174	3,617,711	2,544,092
Distribution Costs	(1,698,298)	(1,491,090)	(836,932)	(589,345)
Administrative expenses	(1,147,359)	(854,860)	(822,066)	(1,082,104)
Management benefit expenses	(143,655)	(143,970)	(55,569)	(50,132)
Finance costs	(706,468)	(672,431)	(585,392)	(518,909)
Share of gain of an associate	146,724	136,512	-	-
Profit before income tax expense	1,962,089	2,469,335	1,317,752	303,602
Income tax (expense) income	(454,877)	(484,759)	(260,257)	3,712
Net profit for the year	<u>1,507,212</u>	<u>1,984,576</u>	<u>1,057,495</u>	<u>307,314</u>

26. RECLASSIFICATIONS

Certain reclassifications have been made to the financial statements for the year ended October 31, 2017 to conform to the classifications used in the financial statements for the nine-month period ended July 31, 2018 as follows:

Account	Consolidated	Separate	Previously classified as	Unit: Thousand Baht
				Reclassified to
	financial	financial		
	statements	statements		
	Amounts	Amounts		
Farmer receivables	93,175	8,183	Trade and other receivables	Trade and other current receivables
Investments held as available for sale	377,849	377,849	Other long-term investments	Investments held as available for sale

27. APPROVAL OF INTERIM FINANCIAL STATEMENTS

These interim financial statements have been approved for issuance by an authorized director of the Company on September 11, 2018.