

**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 January 31, 2019, and the related consolidated and separate statements of profit or loss, profit or loss and other comprehensive income, changes in shareholders' equity and cash flows for the three-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
March 12, 2019

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 CASH FLOWS

FOR THE THREE-MONTH PERIOD ENDED JANUARY 31, 2019

"UNAUDITED"

UNIT : THOUSAND BAHT

	Consolidated		Separate	
	Financial Statements		Financial Statements	
	2019	2018	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit (loss) before income tax income	89,161	150,071	(204,903)	(143,590)
Items to reconcile profit (loss) to cash received (paid):				
Dividend income	(2,000)	-	(47,000)	-
Doubtful accounts - trade and other receivables (reversal)	(5,684)	(272)	(660)	(70)
Share of loss (gain) of investment associates	20,283	(6,517)	-	-
Amortization (increase) of premium on bonds	3	(2)	-	-
Employee benefit expenses	5,461	5,480	2,277	2,277
Gain arising from change in fair value of biological assets	(12,730)	(12,815)	(238)	(3,241)
Loss on diminution in value and obsolescence of inventories (reversal)	(75,508)	(256,418)	(53,228)	(172,664)
Loss from plantation (reversal)	(735)	(9,112)	-	-
Depreciation and amortization	403,229	396,876	175,558	142,807
Loss (gain) on sales and disposal of assets	2,284	9,649	6,947	(687)
Gain arising from change in fair value of investment property	-	(916)	-	-
Unrealized loss on exchange rate	4,018	411	55,828	87,987
Interest income	(32,313)	(31,728)	(59,860)	(70,292)
Interest expenses	164,527	154,898	150,952	131,008
	<u>559,996</u>	<u>399,605</u>	<u>25,673</u>	<u>(26,465)</u>
Operating assets (increase) decrease				
Trade and other current receivables	(22,107)	(674,608)	(259,293)	(352,470)
Inventories	(3,422,030)	(2,852,392)	(2,058,964)	(1,349,446)
Current biological assets	2,116	(32,594)	492	544
Other current assets	(23,516)	22,468	(12,894)	29,616
Trade and other non-current receivables	5,334	298	735	103
Other non-current assets	299	(13,573)	(1,028)	(14,277)
Operating liabilities increase (decrease)				
Trade and other current payables	1,132,789	2,321,628	666,276	1,275,856
Provision for production costs	296,299	340,318	274,893	86,100
Other current liabilities	83,700	52,039	38,999	12,362
Non-current provision for employee benefit	(160)	(931)	(161)	(791)
Other non-current liabilities	(2,600)	2,280	(4,186)	1,830
Cash paid from operating activities	(1,389,880)	(435,462)	(1,329,458)	(337,038)
Interest paid	(148,819)	(111,377)	(135,165)	(86,322)
Income tax expense paid	(14,439)	(11,032)	(2,841)	(2,523)
Net cash used in operating activities	<u>(1,553,138)</u>	<u>(557,871)</u>	<u>(1,467,464)</u>	<u>(425,883)</u>

KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CASH FLOWS (CONTINUED)
FOR THE THREE-MONTH PERIOD ENDED JANUARY 31, 2019
"UNAUDITED"

UNIT : THOUSAND BAHT

	Notes	Consolidated		Separate	
		Financial Statements		Financial Statements	
		2019	2018	2019	2018
CASH FLOWS FROM INVESTING ACTIVITIES					
Cash payments for the purchase of temporary investments		(236)	-	-	-
Decrease (increase) in short-term loans to related and other parties		200,794	(35,133)	248,851	129,710
Decrease in short-term loans to farmers		442,180	383,900	228,057	140,681
Cash payments for other long-term investments		-	(2)	-	(2)
Decrease in loans for cane plantation development		11,283	29,468	6,750	9,186
Decrease (increase) in long-term loans to related and other parties		21,497	-	(197,833)	(1,019,843)
Cash received from interest income		29,126	29,878	74,670	42,359
Cash received from dividends from other company		2,000	-	7,519	-
Cash payments for purchases of property, plant and equipment		(205,002)	(527,885)	(141,600)	(350,091)
Cash received from sales of property, plant and equipment		17,011	955	1,027	1,304
Cash payments for purchase of investment properties		(220,492)	(3,547)	-	(193)
Cash received from sales of assets not yet used in operation		4,050	200	-	-
Cash payments for purchase of intangible assets		(319)	-	(60)	-
Net cash provided by (used in) investing activities		<u>301,892</u>	<u>(122,166)</u>	<u>227,381</u>	<u>(1,046,889)</u>
CASH FLOWS FROM FINANCING ACTIVITIES					
Increase (decrease) in short-term borrowings					
from financial institutions	4.2	1,652,060	(2,900,647)	1,703,000	(1,960,000)
Increase (decrease) in short-term borrowings					
from related and other parties	4.2	49,491	-	12,889	(233,000)
Cash received from long-term debentures	4.2	-	1,999,163	-	1,999,163
Cash received from long-term borrowings	4.2	-	2,000,000	-	2,000,000
Cash payment for long-term borrowings	4.2	(450,000)	(400,000)	(450,000)	(300,000)
Net cash provided by financing activities		<u>1,251,551</u>	<u>698,516</u>	<u>1,265,889</u>	<u>1,506,163</u>
Exchange differences on translation of cash of foreign subsidiaries		17,224	355	-	-
Net increase in cash and cash equivalents		<u>17,529</u>	<u>18,834</u>	<u>25,806</u>	<u>33,391</u>
Cash and cash equivalents at the beginning of the period		<u>129,242</u>	<u>153,004</u>	<u>8,029</u>	<u>11,894</u>
Cash and cash equivalents at the end of the period		<u><u>146,771</u></u>	<u><u>171,838</u></u>	<u><u>33,835</u></u>	<u><u>45,285</u></u>

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 JANUARY 31, 2019

UNIT : THOUSAND BAHT

	Notes	Consolidated		Separate	
		Financial Statements		Financial Statements	
		"Unaudited"		"Unaudited"	
		As at	As at	As at	As at
		January 31,	October 31,	January 31,	October 31,
		2019	2018	2019	2018
LIABILITIES AND SHAREHOLDERS' EQUITY					
CURRENT LIABILITIES					
Short-term borrowings from financial institutions		8,497,313	6,846,126	5,553,787	3,851,660
Trade and other current payables	14	2,894,622	1,792,746	1,907,334	1,273,555
Current portion of long-term debentures	16	2,999,455	2,999,023	2,999,455	2,999,023
Current portion of long-term borrowings	17	1,772,000	1,772,000	1,720,000	1,720,000
Short-term borrowings		424,074	374,583	644,839	631,950
Current income tax payable		103,677	66,828	-	-
Provision for production costs	15	296,299	-	274,893	-
Other current liabilities		156,272	72,572	48,415	9,416
Total Current Liabilities		<u>17,143,712</u>	<u>13,923,878</u>	<u>13,148,723</u>	<u>10,485,604</u>
NON-CURRENT LIABILITIES					
Long-term debentures	16	7,495,295	7,494,719	7,495,295	7,494,719
Long-term borrowings	17	3,460,000	3,910,000	3,460,000	3,910,000
Deferred tax liabilities	18.3	1,106,941	1,163,436	263,498	317,096
Non-current provision for employee benefit		304,147	298,846	130,685	128,569
Other non-current liabilities		109,234	111,834	46,879	51,065
Total Non-Current Liabilities		<u>12,475,617</u>	<u>12,978,835</u>	<u>11,396,357</u>	<u>11,901,449</u>
TOTAL LIABILITIES		<u>29,619,329</u>	<u>26,902,713</u>	<u>24,545,080</u>	<u>22,387,053</u>

KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION (CONTINUED)

AS AT JANUARY 31, 2019

UNIT : THOUSAND BAHT

	Notes	Consolidated		Separate	
		Financial Statements		Financial Statements	
		"Unaudited"		"Unaudited"	
		As at	As at	As at	As at
		January 31,	October 31,	January 31,	October 31,
		2019	2018	2019	2018
LIABILITIES AND SHAREHOLDERS' EQUITY (CONTINUED)					
SHAREHOLDERS' EQUITY					
SHARE CAPITAL					
Authorized share capital					
4,410,243,648 ordinary shares of Baht 0.50 each		2,205,122	2,205,122	2,205,122	2,205,122
Issued and paid-up share capital					
4,410,232,619 ordinary shares of Baht 0.50 each					
fully paid		2,205,116	2,205,116	2,205,116	2,205,116
SHARE PREMIUM ACCOUNT - ORDINARY SHARES		2,946,439	2,946,439	2,946,439	2,946,439
RETAINED EARNINGS					
Appropriated					
Legal reserve		220,512	220,512	220,512	220,512
Unappropriated		11,274,244	11,181,625	2,594,835	2,750,548
OTHER COMPONENTS OF EQUITY		1,560,427	1,656,526	727,403	745,036
TOTAL EQUITY ATTRIBUTABLE TO OWNERS					
OF THE PARENT		18,206,738	18,210,218	8,694,305	8,867,651
NON-CONTROLLING INTERESTS		414,218	428,601	-	-
TOTAL SHAREHOLDERS' EQUITY		18,620,956	18,638,819	8,694,305	8,867,651
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		48,240,285	45,541,532	33,239,385	31,254,704

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 JANUARY 31, 2019
"UNAUDITED"

UNIT : THOUSAND BAHT

	Notes	Consolidated		Separate	
		Financial Statements		Financial Statements	
		2019	2018	2019	2018
Revenues from sales and revenues from rendering of services					
Revenues from sales		2,941,130	3,154,074	1,770,241	1,912,064
Revenues from rendering of services		102,330	90,350	54,378	57,451
		<u>3,043,460</u>	<u>3,244,424</u>	<u>1,824,619</u>	<u>1,969,515</u>
Costs of sales of goods and rendering of services					
Costs of sales of goods		(2,121,438)	(2,427,897)	(1,616,427)	(1,681,297)
Costs of rendering of services		(65,389)	(50,050)	(36,843)	(40,446)
		<u>(2,186,827)</u>	<u>(2,477,947)</u>	<u>(1,653,270)</u>	<u>(1,721,743)</u>
Gross profit		856,633	766,477	171,349	247,772
Other incomes		154,567	85,073	196,615	97,604
Distribution costs		(452,621)	(364,998)	(239,710)	(190,594)
Administrative expenses		(224,988)	(156,816)	(157,161)	(153,711)
Management benefit expenses	5.2	(59,620)	(31,283)	(25,044)	(12,599)
Finance costs		(164,527)	(154,898)	(150,952)	(132,062)
Share of (loss) gain of associates		(20,283)	6,516	-	-
Profit (loss) before income tax income		<u>89,161</u>	<u>150,071</u>	<u>(204,903)</u>	<u>(143,590)</u>
Income tax income	18.1	8,685	5,483	49,190	28,238
NET PROFIT (LOSS) FOR THE PERIOD		<u><u>97,846</u></u>	<u><u>155,554</u></u>	<u><u>(155,713)</u></u>	<u><u>(115,352)</u></u>
PROFIT (LOSS) ATTRIBUTABLE TO :					
Owners of the parent		92,619	140,696	(155,713)	(115,352)
Non-controlling interests		5,227	14,858	-	-
		<u>97,846</u>	<u>155,554</u>	<u>(155,713)</u>	<u>(115,352)</u>
EARNINGS (LOSS) PER SHARE	21				
Basic earnings (loss) per share		BAHT 0.021	0.032	(0.035)	(0.026)
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 JANUARY 31, 2019
"UNAUDITED"

UNIT : THOUSAND BAHT

	Consolidated		Separate	
	Financial Statements		Financial Statements	
	2019	2018	2019	2018
Net profit (loss) for the period	97,846	155,554	(155,713)	(115,352)
Other comprehensive income (expense):				
Items that will be reclassified subsequently to profit or loss:				
Exchange differences on translating financial statements	(98,076)	(112,222)	-	-
Changes in the fair value of investment held as available for sale	(17,633)	(18,892)	(17,633)	(18,892)
Total items that will be reclassified subsequently to profit or loss	<u>(115,709)</u>	<u>(131,114)</u>	<u>(17,633)</u>	<u>(18,892)</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>-</u>	<u>(733)</u>	<u>-</u>	<u>-</u>
Other comprehensive expense - net of tax	(115,709)	(131,847)	(17,633)	(18,892)
TOTAL COMPREHENSIVE INCOME (EXPENSE) FOR THE PERIOD	<u>(17,863)</u>	<u>23,707</u>	<u>(173,346)</u>	<u>(134,244)</u>
TOTAL COMPREHENSIVE INCOME (EXPENSE) ATTRIBUTABLE TO				
Owners of the parent	(3,480)	31,315	(173,346)	(134,244)
Non-controlling interests	(14,383)	(7,608)	-	-
	<u>(17,863)</u>	<u>23,707</u>	<u>(173,346)</u>	<u>(134,244)</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 THREE-MONTH PERIOD ENDED JANUARY 31, 2019

"UNAUDITED"

UNIT : THOUSAND BAHT

	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					Total owners of the parent			
			Appropriated Legal reserve	Unappropriated	Other comprehensive income (expense)			Losses on internal restructure of entities under common control	Losses on change in shareholding ratio in subsidiaries				Total other components of equity
					Exchange differences on translating financial statements	Gain (loss) on remeasuring available-for-sale investments	Gain (loss) on asset revaluation						
For the three-month period ended January 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													
- Total comprehensive income (expense) for the period	-	-	-	140,696	(89,787)	(18,892)	(702)	-	-	(109,381)	31,315	(7,608)	23,707
Ending balance as at January 31, 2018	<u>2,205,116</u>	<u>2,946,439</u>	<u>220,512</u>	<u>10,724,979</u>	<u>(145,332)</u>	<u>3,387</u>	<u>2,100,974</u>	<u>(263,276)</u>	<u>(111,494)</u>	<u>1,584,259</u>	<u>17,681,305</u>	<u>434,634</u>	<u>18,115,939</u>
For the three-month period ended January 31, 2019													
Beginning balance as at November 1, 2018	2,205,116	2,946,439	220,512	11,181,625	(35,280)	(34,398)	2,100,974	(263,276)	(111,494)	1,656,526	18,210,218	428,601	18,638,819
Changes in shareholders' equity during the period													
- Total comprehensive income (expense) for the period	-	-	-	92,619	(78,466)	(17,633)	-	-	-	(96,099)	(3,480)	(14,383)	(17,863)
Ending balance as at January 31, 2019	<u>2,205,116</u>	<u>2,946,439</u>	<u>220,512</u>	<u>11,274,244</u>	<u>(113,746)</u>	<u>(52,031)</u>	<u>2,100,974</u>	<u>(263,276)</u>	<u>(111,494)</u>	<u>1,560,427</u>	<u>18,206,738</u>	<u>414,218</u>	<u>18,620,956</u>

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 THREE-MONTH PERIOD ENDED JANUARY 31, 2019

"UNAUDITED"

UNIT : THOUSAND BAHT

	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 available-for-sale investments	Gain on asset revaluation		
For three-month period ended January 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								
- Total comprehensive expense for the period	-	-	-	(115,352)	(18,892)	-	(18,892)	(134,244)
Ending balance as at January 31, 2018	<u>2,205,116</u>	<u>2,946,439</u>	<u>220,512</u>	<u>3,438,721</u>	<u>3,387</u>	<u>779,434</u>	<u>782,821</u>	<u>9,593,609</u>
For three-month period ended January 31, 2019								
Beginning balance as at November 1, 2018	2,205,116	2,946,439	220,512	2,750,548	(34,398)	779,434	745,036	8,867,651
Changes in shareholders' equity during the period								
- Total comprehensive expense for the period	-	-	-	(155,713)	(17,633)	-	(17,633)	(173,346)
Ending balance as at January 31, 2019	<u>2,205,116</u>	<u>2,946,439</u>	<u>220,512</u>	<u>2,594,835</u>	<u>(52,031)</u>	<u>779,434</u>	<u>727,403</u>	<u>8,694,305</u>

See the condensed notes to the interim financial statements

KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE THREE-MONTH PERIOD ENDED JANUARY 31, 2019

"UNAUDITED"

UNIT : THOUSAND BAHT

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Profit (loss) before income tax income	89,161	150,071	(204,903)	(143,590)
Items to reconcile profit (loss) to cash received (paid):				
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Doubtful accounts - trade and other receivables (reversal)	(5,684)	(272)	(660)	(70)
Share of loss (gain) of investment associates	20,283	(6,517)	-	-
Amortization (increase) of premium on bonds	3	(2)	-	-
Employee benefit expenses	5,461	5,480	2,277	2,277
Gain arising from change in fair value of biological assets	(12,730)	(12,815)	(238)	(3,241)
Loss on diminution in value and obsolescence of inventories (reversal)	(75,508)	(256,418)	(53,228)	(172,664)
Loss from plantation (reversal)	(735)	(9,112)	-	-
Depreciation and amortization	403,229	396,876	175,558	142,807
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Unrealized loss on exchange rate	4,018	411	55,828	87,987
Interest income	(32,313)	(31,728)	(59,860)	(70,292)
Interest expenses	164,527	154,898	150,952	131,008
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Operating assets (increase) decrease				
Trade and other current receivables	(22,107)	(674,608)	(259,293)	(352,470)
Inventories	(3,422,030)	(2,852,392)	(2,058,964)	(1,349,446)
Current biological assets	2,116	(32,594)	492	544
Other current assets	(23,516)	22,468	(12,894)	29,616
Trade and other non-current receivables	5,334	298	735	103
Other non-current assets	299	(13,573)	(1,028)	(14,277)
Operating liabilities increase (decrease)				
Trade and other current payables	1,132,789	2,321,628	666,276	1,275,856
Provision for production costs	296,299	340,318	274,893	86,100
Other current liabilities	83,700	52,039	38,999	12,362
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Interest paid	(148,819)	(111,377)	(135,165)	(86,322)
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Net cash used in operating activities	<u>(1,553,138)</u>	<u>(557,871)</u>	<u>(1,467,464)</u>	<u>(425,883)</u>

KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CASH FLOWS (CONTINUED)
FOR THE THREE-MONTH PERIOD ENDED JANUARY 31, 2019
"UNAUDITED"

UNIT : THOUSAND BAHT

	Notes	Consolidated		Separate	
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CASH FLOWS FROM INVESTING ACTIVITIES					
Cash payments for the purchase of temporary investments		(236)	-	-	-
Decrease (increase) in short-term loans to related and other parties		200,794	(35,133)	248,851	129,710
Decrease in short-term loans to farmers		442,180	383,900	228,057	140,681
Cash payments for other long-term investments		-	(2)	-	(2)
Decrease in loans for cane plantation development		11,283	29,468	6,750	9,186
Decrease (increase) in long-term loans to related and other parties		21,497	-	(197,833)	(1,019,843)
Cash received from interest income		29,126	29,878	74,670	42,359
Cash received from dividends from other company		2,000	-	7,519	-
Cash payments for purchases of property, plant and equipment		(205,002)	(527,885)	(141,600)	(350,091)
Cash received from sales of property, plant and equipment		17,011	955	1,027	1,304
Cash payments for purchase of investment properties		(220,492)	(3,547)	-	(193)
Cash received from sales of assets not yet used in operation		4,050	200	-	-
Cash payments for purchase of intangible assets		(319)	-	(60)	-
Net cash provided by (used in) investing activities		<u>301,892</u>	<u>(122,166)</u>	<u>227,381</u>	<u>(1,046,889)</u>
CASH FLOWS FROM FINANCING ACTIVITIES					
Increase (decrease) in short-term borrowings					
from financial institutions	4.2	1,652,060	(2,900,647)	1,703,000	(1,960,000)
Increase (decrease) in short-term borrowings					
from related and other parties	4.2	49,491	-	12,889	(233,000)
Cash received from long-term debentures	4.2	-	1,999,163	-	1,999,163
Cash received from long-term borrowings	4.2	-	2,000,000	-	2,000,000
Cash payment for long-term borrowings	4.2	(450,000)	(400,000)	(450,000)	(300,000)
Net cash provided by financing activities		<u>1,251,551</u>	<u>698,516</u>	<u>1,265,889</u>	<u>1,506,163</u>
Exchange differences on translation of cash of foreign subsidiaries		17,224	355	-	-
Net increase in cash and cash equivalents		<u>17,529</u>	<u>18,834</u>	<u>25,806</u>	<u>33,391</u>
Cash and cash equivalents at the beginning of the period		<u>129,242</u>	<u>153,004</u>	<u>8,029</u>	<u>11,894</u>
Cash and cash equivalents at the end of the period		<u><u>146,771</u></u>	<u><u>171,838</u></u>	<u><u>33,835</u></u>	<u><u>45,285</u></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 THREE-MONTH PERIOD ENDED JANUARY 31, 2019
“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, Sriyudahaya Road, Ratchathewi, 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 These interim consolidated and separate financial statements are prepared in Thai Baht and in compliance with Thai Accounting Standard No. 34 (Revised 2018) “Interim Financial Reporting” and accounting practices generally accepted in Thailand. The Company presents the condensed notes to interim financial statements and the additional information is disclosed in accordance with the regulations of the Office of the Securities and Exchange Commission.

- 2.2 The unaudited results of operations for the three-month period ended January 31, 2019 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, 2018, 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, 2018, as follows:

Company Name	Percentage of Shareholding		Country of Incorporation	Type of Business
	As at January 31, 2019	As at October 31, 2018		
	%	%		
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 Subsidiaries in Cambodia has continue operating losses. The management of the Group therefore has a plan to cease their operations to internally restructure the subsidiaries. The subsidiaries’ assets and liabilities were appropriately remeasured and reclassified in the consolidated financial statements.

The accounting period of subsidiaries ended the same date as the Company (accounting period ended on October 31) except WSP Logistic Company Limited whose accounting periods ended December 31.

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 Financial reporting standards that became effective in the current year

During the period, the Group have adopted the revised financial reporting standards and interpretations which are effective for fiscal years beginning on or after January 1, 2018. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes and clarifications directed towards disclosures in the notes to financial statements. The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements.

2.6 Thai Financial Reporting Standards ("TFRS") announced in the Royal Gazette but not yet effective

2.6.1 Thai Financial Reporting Standards which will be effective for the financial statements with fiscal years beginning on or after January 1, 2019

New Thai Financial Reporting Standards and Thai Financial Reporting Standard Interpretation

The Federation of Accounting Professions has issued the Notification regarding Thai Financial Reporting Standards and Thai Financial Reporting Standard Interpretation which have been announced in the Royal Gazette and will be effective for the financial statements for the period beginning on or after January 1, 2019 onwards.

Thai Financial Reporting Standards ("TFRS")

TFRS 1	First-time Adoption of International Financial Reporting Standards
TFRS 15	Revenue from Contracts with Customers

Thai Financial Reporting Standard Interpretation ("TFRIC")

TFRIC 22	Foreign Currency Transactions and Advance Consideration
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Thai Financial Reporting Standards (TFRSs) Revised 2018

The Federation of Accounting Professions has issued the Notification regarding Thai Financial Reporting Standards (TFRSs) Revised 2018 which have been announced in the Royal Gazette and will be effective for the financial statements for the period beginning on or after January 1, 2019 onwards. 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 reference to other TFRSs except following TFRSs, which there are revision or additional paragraph and accounting guidance.

Thai Accounting Standards (“TAS”)

TAS 28 (Revised 2018)	Investment in Associates and Joint Ventures
TAS 40 (Revised 2018)	Investment Property

Thai Financial Reporting Standards (“TFRS”)

TFRS 2 (Revised 2018)	Share-based Payment
TFRS 4 (Revised 2018)	Insurance Contracts

- 2.6.2 Thai Financial Reporting Standards which will be effective for the financial statements with fiscal years beginning on or after January 1, 2020

The Federation of Accounting Professions has issued the Notification regarding Thai Financial Reporting Standard Group of Financial Instruments which have been announced in the Royal Gazette and will be effective for the financial statements for the period beginning on or after January 1, 2020 onwards, as follows:

Thai Accounting Standards (“TAS”)

TAS 32	Financial Instruments: Presentation
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Thai Financial Reporting Standards (“TFRS”)

TFRS 7	Financial Instruments: Disclosures
TFRS 9	Financial Instruments

Thai Financial Reporting Standard Interpretations (“TFRIC”)

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

The Group’s management will adopt such TFRSs in the preparation of the Group’s financial statements when they become effective. The Group’s management is in the process to assess the impact of these TFRSs 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, 2018.

4. ADDITIONAL CASH FLOW INFORMATION AND CASH EQUIVALENTS

4.1 Significant non-cash items in the consolidated and separate financial statements for the three-month period ended January 31, are as follows:

Type of Transactions	Unit : Thousand Baht			
	Consolidated		Separate	
	Financial Statements	Financial Statements	Financial Statements	Financial Statements
	2019	2018	2019	2018
Purchases of property, plant and equipment which have not yet been paid during the period	20,595	120,440	1,737	104,711
Transfer of property and buildings to investment property	40	-	40	-
Transfer of assets not used in operations to investment property	-	2,626	-	-
Transfer of property, plant and equipment to assets not yet used in operations	1,595,249	-	-	-
Transfer of other current assets to non-other current assets	3,621	-	-	-

4.2 Changing in liabilities from financing activities

As at January 31, 2019	Unit : Thousand Baht			
	Consolidated financial statements			
	Balance as at November 1, 2018	Financing cash flows	Non-cash changes	Balance as at January 31, 2019
Short-term borrowings from financial institutions	6,846,126	1,652,060	(873)	8,497,313
Short-term borrowings from related parties and others	374,583	49,491	-	424,074
Long-term borrowings from financial institutions	5,682,000	(450,000)	-	5,232,000
Debentures	10,493,742	-	1,008	10,494,750
Total	23,396,451	1,251,551	135	24,648,137

As at January 31, 2019	Unit : Thousand Baht			
	Separate financial statements			
	Balance as at November 1, 2018	Financing cash flows	Non-cash changes	Balance as at January 31, 2019
Short-term borrowings from financial institutions	3,851,660	1,703,000	(873)	5,553,787
Short-terming borrowings from related parties and others	631,950	12,889	-	644,839
Long-term borrowings from financial institutions	5,630,000	(450,000)	-	5,180,000
Debentures	10,493,742	-	1,008	10,494,750
Total	20,607,352	1,265,889	135	21,873,376

4.3 Cash and cash equivalents as at January 31, are as follows:

Type of Transactions	Unit : Thousand Baht			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	2019	2018	2019	2018
Cash	3,811	16,058	2,066	4,755
Savings accounts deposits	121,058	130,244	28,045	27,061
Current accounts deposits	21,902	25,536	3,724	13,469
Total	<u>146,771</u>	<u>171,838</u>	<u>33,835</u>	<u>45,285</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	Unit : Million Baht			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	As at January 31, 2019	As at October 31, 2018	As at January 31, 2019	As at October 31, 2018
Trade and other current receivables				
Subsidiaries	-	-	1,276.15	912.19
Associates	1.00	1.32	1.00	1.32
Related parties	<u>184.76</u>	<u>373.57</u>	<u>123.68</u>	<u>203.31</u>
Total	<u>185.76</u>	<u>374.89</u>	<u>1,400.83</u>	<u>1,116.82</u>
Short-term loans (see Note 7)				
Subsidiaries	<u>-</u>	<u>-</u>	<u>1,378.83</u>	<u>1,326.44</u>
Other current assets				
Subsidiaries	-	-	85.18	56.72
Associates	-	5.52	-	5.52
Related parties	<u>0.58</u>	<u>0.45</u>	<u>0.08</u>	<u>0.16</u>
Total	<u>0.58</u>	<u>5.97</u>	<u>85.26</u>	<u>62.40</u>
Long-term loans				
Subsidiaries	<u>-</u>	<u>-</u>	<u>4,582.49</u>	<u>4,521.69</u>
Other non-current assets				
Subsidiaries	-	-	3.29	3.29
Related parties	<u>0.02</u>	<u>0.02</u>	<u>-</u>	<u>-</u>
Total	<u>0.02</u>	<u>0.02</u>	<u>3.29</u>	<u>3.29</u>
Trade and other current payables				
Subsidiaries	-	-	182.00	28.65
Associates	2.91	5.58	2.33	-
Related parties	<u>3.87</u>	<u>178.13</u>	<u>0.31</u>	<u>120.04</u>
Total	<u>6.78</u>	<u>183.71</u>	<u>184.64</u>	<u>148.69</u>

Type of Balances	Unit : Million Baht			
	Consolidated		Separate	
	As at January 31, 2019	As at October 31, 2018	As at January 31, 2019	As at October 31, 2018
Other accrued expenses (included in other payables)				
Subsidiaries	-	-	238.90	31.14
Short-term borrowings				
Subsidiaries	-	-	407.00	421.50
Related parties	3.40	3.80	3.40	3.80
Total	3.40	3.80	410.40	425.30
Other current liabilities				
Subsidiaries	-	-	0.69	0.03
Related parties	0.02	0.02	-	-
Total	0.02	0.02	0.69	0.03
Other non-current liabilities				
Subsidiaries	-	-	0.47	0.47
Related parties	1.19	1.19	1.19	1.19
Total	1.19	1.19	1.66	1.66

As at January 31, 2019 and October 31, 2018, short-term loans to subsidiaries represented promissory notes receivable on demand, carrying interest rates at 2.10% - 3.73% per annum and 2.10% - 3.05% per annum, respectively.

As at January 31, 2019 and October 31, 2018, long-term loans to subsidiaries represented loans with maturity date within 2020 - 2027 equal for both period, carrying the interest rates at 2.93% - 3.95% per annum and 2.20% - 3.90% per annum, respectively.

As at January 31, 2019 and October 31, 2018, short-term borrowings from subsidiaries and related parties represented promissory notes payable on demand, carrying the interest rates at 1.80% - 2.28% per annum and 1.80% - 1.84% per annum, respectively.

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

Type of transactions	Unit : Million Baht			
	Consolidated		Separate	
	Financial Statements	Financial Statements	Financial Statements	Financial Statements
	2019	2018	2019	2018
Revenues from sales and rendering of services				
Subsidiaries	-	-	751.27	786.94
Related parties	401.79	343.83	261.19	151.14
Total	<u>401.79</u>	<u>343.83</u>	<u>1,012.46</u>	<u>938.08</u>
Cost of sales and rendering of services				
Subsidiaries	-	-	438.79	690.85
Associates	2.18	3.87	2.18	3.87
Related parties	6.54	0.50	0.15	0.43
Total	<u>8.72</u>	<u>4.37</u>	<u>441.12</u>	<u>695.15</u>
Other income				
Subsidiaries	-	-	45.64	55.68
Associates	2.79	-	2.79	-
Related parties	2.46	2.80	1.27	1.62
Total	<u>5.25</u>	<u>2.80</u>	<u>49.70</u>	<u>57.30</u>
Distribution costs				
Subsidiaries	-	-	0.78	1.16
Associates	5.33	3.70	-	-
Total	<u>5.33</u>	<u>3.70</u>	<u>0.78</u>	<u>1.16</u>
Administrative expenses				
Subsidiaries	-	-	1.39	2.35
Related parties	4.68	3.84	2.30	1.59
Related juristic person	2.75	2.73	2.48	2.46
Total	<u>7.43</u>	<u>6.57</u>	<u>6.17</u>	<u>6.40</u>
Financial costs				
Subsidiaries	-	-	2.07	2.30
Related juristic person	0.02	0.02	0.02	0.02
Total	<u>0.02</u>	<u>0.02</u>	<u>2.09</u>	<u>2.32</u>
Management compensation				
Short-term employee benefits	59.62	31.28	25.04	12.60
Post-employment benefits	1.42	0.92	0.70	0.48
Total	<u>61.04</u>	<u>32.20</u>	<u>25.74</u>	<u>13.08</u>

POLICIES OF INTER-PRICE SETTING

- The inter-purchases/sales of raw sugar transactions among the Group are based on the sales agreements.
- 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 associates 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 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	As at	As at	As at
	January 31, 2019	October 31, 2018	January 31, 2019	October 31, 2018
Trade receivables	681,597	940,737	442,113	509,687
Current farmer receivables	496,136	324,213	242,477	225,688
Receivables from the Office of the Cane and Sugar Fund	1,035,550	1,035,550	633,071	633,071
Other receivables	29,860	16,528	327,486	18,013
Advance payment for shares	-	-	775,320	775,320
Prepaid expenses	49,949	37,708	22,925	19,629
Prepaid expenses for production cost (see Note 15)	28,509	-	-	-
Advance payment	7,571	7,507	3,553	3,986
Accrued income	168,140	113,822	100,017	75,353
Total trade and other current receivables	<u>2,497,312</u>	<u>2,476,065</u>	<u>2,546,962</u>	<u>2,260,747</u>

6.1 Trade receivables consisted of:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	As at	As at	As at	As at
	January 31, 2019	October 31, 2018	January 31, 2019	October 31, 2018
Related parties	183,941	372,086	311,050	327,820
Others	497,656	568,651	131,063	181,867
Total trade receivables	<u>681,597</u>	<u>940,737</u>	<u>442,113</u>	<u>509,687</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	As at	As at	As at
	January 31, 2019	October 31, 2018	January 31, 2019	October 31, 2018
Domestic trade receivables				
Not yet due	183,941	372,086	285,735	327,820
Overdue not over 3 months	-	-	25,315	-
Total trade receivables - related parties	<u>183,941</u>	<u>372,086</u>	<u>311,050</u>	<u>327,820</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
	January 31,	October 31,	January 31,	October 31,
	2019	2018	2019	2018
Business are to manufacture and distribute sugar and molasses				
Domestic trade receivables				
Not yet due	188,887	117,304	24,410	26,173
Overdue not over 3 months	34,767	31,252	1,670	12,586
Overdue over 3 months and not over 6 months	-	13,552	-	13,552
Overdue over 12 months	12,752	-	12,752	-
Total	<u>236,406</u>	<u>162,108</u>	<u>38,832</u>	<u>52,311</u>
Foreign trade receivables				
Not yet due	120,163	290,220	69,881	113,753
Overdue not over 3 months	23,680	4,541	22,350	4,541
Overdue over 3 months and not over 6 months	-	11,261	-	11,262
Total	<u>143,843</u>	<u>306,022</u>	<u>92,231</u>	<u>129,556</u>
Total of business are to manufacture and distribute sugar and molasses	<u>380,249</u>	<u>468,130</u>	<u>131,063</u>	<u>181,867</u>
Manufacture and distribution of electricity				
Domestic trade receivables				
Not yet due	67,406	70,962	-	-
Overdue not over 3 months	45,388	24,056	-	-
Total of business of manufacturing and distributing of electricity	<u>112,794</u>	<u>95,018</u>	<u>-</u>	<u>-</u>
Other business				
Domestic trade receivables				
Not yet due	1,982	2,280	-	-
Overdue not over 3 months	1,892	2,138	-	-
Overdue over 3 months and not over 6 months	290	365	-	-
Overdue over 6 months and not over 12 months	109	204	-	-
Overdue over 12 months	340	516	-	-
Total other business	<u>4,613</u>	<u>5,503</u>	<u>-</u>	<u>-</u>
Total trade receivables - others	<u>497,656</u>	<u>568,651</u>	<u>131,063</u>	<u>181,867</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 January 31, 2019	As at October 31, 2018	As at January 31, 2019	As at October 31, 2018
Cane receivables				
Before Season 2013/2014	49,800	50,287	10,295	10,659
Season 2013/2014	39,158	39,234	6,187	6,251
Season 2014/2015	40,470	44,572	12,152	12,206
Season 2015/2016	45,333	45,981	12,801	13,032
Season 2016/2017	29,350	37,767	14,986	15,468
Season 2017/2018	24,785	26,630	10,951	11,462
Total cane receivables	<u>228,896</u>	<u>244,471</u>	<u>67,372</u>	<u>69,078</u>
Advance payment				
Season 2018/2019	434,451	253,863	209,436	193,344
Season 2019/2020	2,285	-	2,285	-
Total advance payment for purchases of cane	<u>436,736</u>	<u>253,863</u>	<u>211,721</u>	<u>193,344</u>
Receivables from fuel oil, fertilizer and other services	<u>12,502</u>	<u>13,364</u>	<u>12,016</u>	<u>12,786</u>
Total	678,134	511,698	291,109	275,208
<u>Less</u> Allowance for doubtful accounts	<u>(95,660)</u>	<u>(100,506)</u>	<u>(39,926)</u>	<u>(40,739)</u>
Total farmer receivables	582,474	411,192	251,183	234,469
<u>Less</u> Non-current portion	<u>(86,338)</u>	<u>(86,979)</u>	<u>(8,706)</u>	<u>(8,781)</u>
Total current farmer receivables	<u>496,136</u>	<u>324,213</u>	<u>242,477</u>	<u>225,688</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

On November 23, 2018, the Cane and Sugar Board No.12/2018 has resolved the final cane price for the harvest season 2017/2018. The price is Baht 792.74 per cane ton with sweetness level at 10 c.c.s. and fluctuating cane price per one c.c.s. is fixed at Baht 47.56 per cane ton and final compensation for the production and distribution of sugar is Baht 339.75 per cane ton so the 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 difference as compensation to the Company and its subsidiaries. However, the cane farmers do not have to return the excess of the received cane price.

As at January 31, 2019 and October 31, 2018, the Company and its subsidiaries recorded receivables from sugar cane price in the consolidated and separate financial statements consist of the excess of the initial cane prices as announced by the Cane and Sugar Board, which the Company and its subsidiaries over paid to the farmers amounting to Baht 1,035.55 million and amounting to Baht 633.07 million, respectively, equally for both periods, and recorded non-current receivable from compensation for sugar production and distribution in the consociated and separate financial statements by Baht 440.56 million and Baht 268.05 million, respectively equally for both periods (see Note 11).

7. SHORT-TERM LOANS

Short-term loans consisted of:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	As at	As at	As at	As at
	January 31,	October 31,	January 31,	October 31,
	2019	2018	2019	2018
Short-term loans to subsidiaries and related parties (see Note 5.1)	-	-	1,138,634	1,226,440
Short-term loans to other	19,986	220,780	19,986	220,780
Short-term loans to farmers	573,956	1,015,616	176,115	404,172
Current portion of long-term loans to subsidiaries (see Note 5.1)	-	-	240,200	100,000
Current portion of long-term loans to others	28,353	46,683	28,353	46,683
Current portion of loans for cane plantation development	225,860	250,067	51,027	59,663
Total short-term loans	<u>848,155</u>	<u>1,533,146</u>	<u>1,654,315</u>	<u>2,057,738</u>

Short-term loans to other as at January 31, 2019 and October 31, 2018, in the consolidated and separate financial statements are represent loans the form 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 January 31, 2019 and October 31, 2018, 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 current biological assets for the three-month period ended January 31, 2019 are as follows:

	Unit : Thousand Baht	
	Consolidated	Separate
	Financial	Financial
	Statements	Statements
Beginning book value	60,800	6,106
Gain on arising from change in fair value	12,730	238
Additional plantation costs during the period	36,402	2,043
Amortization from harvesting during the period	<u>(38,518)</u>	<u>(2,535)</u>
Ending book value	<u>71,414</u>	<u>5,852</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 next production season, a sweetness and quantity of sugar cane (see Note 14). 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 January 31, 2019			As at October 31, 2018		
	Share Capital		Shareholding		Investment		Dividend	Investment		Dividend
	2019	2018	%	%	Cost	Equity	for	Cost	Equity	for
			2019	2018			the period			the year
Thai Sugar Terminal Public Company Limited	191,664	191,664	23.82	23.82	90,267	507,698	-	90,267	507,174	11,869
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	300,000	0.62	0.62	1,855	1,855	-	1,855	1,855	-
T S Flour Mill Public Company Limited*	344,706	344,706	0.08	0.08	391	254	-	391	254	41
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 Co., Ltd.*	2,532,000	2,532,000	40.00	40.00	3,244,868	3,305,738	-	3,244,868	3,326,545	-
Total					3,380,459	3,858,623	-	3,380,459	3,878,906	11,910

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

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
	2019	2018	%	%	January 31,	October 31,	January 31,	October 31,
			2019	2018	2019	2018	2019	2018
Thai Sugar Terminal Public Company Limited	191,664	191,664	23.82	23.82	90,267	90,267	-	11,869
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	300,000	0.62	0.62	1,855	1,855	-	-
T S Flour Mill Public Company Limited*	344,706	344,706	0.08	0.08	391	391	-	41
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 Co., Ltd.*	2,532,000	2,532,000	40.00	40.00	3,244,868	3,244,868	-	-
Total					3,380,459	3,380,459	-	11,910

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

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		%	%	January 31,	October 31,	January 31,	October 31,
	2019	2018	2019	2018	2019	2018	2019	2018
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 Supplys 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	45,000	-
WSP Logistic Company Limited	250	250	100.00	100.00	250	250	-	-
Savannahet 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	45,000	-
Less Allowance for impairment of investments					(1,643,149)	(1,643,149)	-	-
Total investments in subsidiaries					4,283,380	4,283,380	45,000	-

* These are foreign subsidiaries including Koh Kong Plantation Company Limited which the Company holds its shares indirectly through Wynn. In Trading Co., Ltd. at 80%. Furthermore, Koh Kong Plantation Company Limited and Koh Kong Sugar Industry Company Limited has the condition to dissolve the Company if its loss exceed 75% of the registered share capital and could not solve the said loss within 1 year. As at October 31, 2018, loss of Koh Kong Plantation Company Limited and Koh Kong Sugar Industry Company Limited exceed 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. TRADE AND OTHER NON-CURRENT RECEIVABLES

Trade and other non-current receivables consisted of:

	Unit : Thousand Baht			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	As at	As at	As at	As at
	January 31,	October 31,	January 31,	October 31,
	2019	2018	2019	2018
Trade receivables	4,755	4,755	-	-
Farmer receivables	86,339	86,979	8,706	8,781
Receivables from compensation for production and distribution of sugar (see Note 6.3)	440,564	440,564	268,049	268,049
Total trade and other non-current receivables	531,658	532,298	276,755	276,830

12. INVESTMENT PROPERTY

Movement of investment property which consisted of land, land impartments and building and warehouses using fair value method for the three-month period ended January 31, 2019 are as follows:

	Consolidated Financial Statements	Unit : Thousand Baht Separate Financial Statements
Beginning book value	5,167,004	1,695,578
Purchases	222,591	-
Ending book value	<u>5,389,595</u>	<u>1,695,578</u>

For the three-month periods ended January 31, 2019 and 2018, the Company and its subsidiaries recognized rental income from investment property of Baht 51.36 million and Baht 49.54 million, respectively, in the consolidated statements of profit or loss, and of Baht 10.57 million and Baht 11.53 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 and market approach which is hierarchy level 3.

13. PROPERTY, PLANT AND EQUIPMENT

Movements of property, plant and equipment for the three-month period ended January 31, 2019 are as follows:

	Consolidated Financial Statements	Unit : Thousand Baht Separate Financial Statements
Beginning book value	26,182,946	9,500,392
Reclassifications/adjustments	(1,597,182)	(105)
Purchases of assets (including construction in progress)	158,339	93,516
Transfer in - cost	257,133	143,643
Transfer out - cost	(257,133)	(143,643)
Cost of disposal/written off of assets	(119,465)	(15,755)
Accumulated depreciation - disposal/written off	96,120	7,781
Depreciation	(401,404)	(174,158)
Transfer Allowance for impairment of asset	735	-
Translation of financial statements differences	(115,292)	-
Ending book value	<u>24,204,797</u>	<u>9,411,671</u>

As at January 31, 2019 and October 31, 2018, buildings and structure and building under construction of two foreign subsidiaries at book value of Baht 128.14 million and Baht 434.16 million, respectively, in the consolidated financial statements, are located on the concessional and which the ownership will be transferred to the lesser when the agreements are expired (see Note 23.8.3).

As at January 31, 2019 and October 31, 2018, assets at cost of Baht 4,990.93 million and Baht 4,893.21 million, respectively, in the consolidated financial statements, and of Baht 2,689.50 million and Baht 2,655.57 million, respectively, in the separate financial statements, were fully depreciated but still in use.

As at January 31, 2019 and October 31, 2018, land which is recorded at revaluation method with the net value of Baht 3,239.65 million and Baht 3,224.67 million, respectively, in the consolidated financial statements and Baht 1,426.07 million and Baht 1,413.79 million, respectively, 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 January 31, 2019 and October 31, 2018, land net book value at the cost method of Baht 950.67 million and Baht 935.69 million, respectively, in the consolidated financial statements, and of Baht 473.12 million and Baht 460.84 million, respectively, in the separate financial statements.

14. TRADE AND OTHER CURRENT PAYABLES

Trade and other current payables consisted of:

	Unit : Thousand Baht			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	As at	As at	As at	As at
	January 31,	October 31,	January 31,	October 31,
	2019	2018	2019	2018
Trade payables - related parties	4,907	2,670	179,738	21,942
Trade payables - others	1,974,469	492,633	913,371	236,789
Advances received for sales of goods	130,426	465,053	5,863	357,467
Accrued fees payable to the Office of the Cane and Sugar Fund	72,444	40,579	35,700	5,568
Other accrued expenses	222,103	310,754	408,536	249,346
Payables on purchases of assets	48,523	95,009	1,737	49,886
Other payables	441,750	386,048	362,389	352,557
Total trade and other current payables	<u>2,894,622</u>	<u>1,792,746</u>	<u>1,907,334</u>	<u>1,273,555</u>

As at January 31, 2019, some trade payable - others are payables sugarcane from the purchase of cane. The Company and its three subsidiaries purchased canes for the production season 2018/2019 using the initial cane price for production season 2018/2019 resolved by the Cane and Sugar Board dated December 4, 2018. The price is Baht 700.00 per cane ton with sweetness level at 10 c.c.s. and fluctuating cane price per one c.c.s. is fixed at Baht 42.00 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 2018/2019. Therefore, the Company and its subsidiaries recorded the provision for production costs as mentioned in Note 15 and calculated cost of goods sold and inventories for the three-month period ended January 31, 2019, using the initial cane price for production season 2018/2019 at cane price of Baht 752.49 - 839.02 per ton with average sweetness level at 11.25-13.31 c.c.s.

15. PROVISION FOR PRODUCTION COSTS AND PREPAID EXPENSES FOR PRODUCTION COSTS

As at January 31, 2019, the Company and two subsidiaries recorded provision for production cost and two subsidiaries recorded prepaid expenses for production cost in Note 6 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 14 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”, and if the estimated production cost of the produced units is lower than the actual production cost in each reporting period is shown under the “Prepaid expenses 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.

16. LONG-TERM DEBENTURES

Long-term debentures consisted of:

	Unit : Thousand Baht Consolidated/Separate Financial Statements	
	As at January 31, 2019	As at October 31, 2018
Unsecured senior debt debentures	10,494,750	10,493,742
<u>Less</u> Current portion	<u>(2,999,455)</u>	<u>(2,999,023)</u>
Net	<u>7,495,295</u>	<u>7,494,719</u>

Movements of long-term debentures for the three-month period ended January 31, 2019 are as follows:

	Unit : Thousand Baht Consolidated/Separate Financial Statements
Beginning book value	10,493,742
Amortized debenture issuance expenses during the period	<u>1,008</u>
Ending book value	<u>10,494,750</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, 2018, 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 January 31, 2019, the credit rating of the debentures was not lower than the Company's credit rating.

17. LONG-TERM BORROWINGS

Movements of long-term borrowings for the three-month periods ended January 31, 2019, are as follows:

	Consolidated Financial Statements	Unit : Thousand Baht Separate Financial Statements
Beginning balance at book value	5,682,000	5,630,000
Redemptions during the period	(450,000)	(450,000)
Ending balance at book value	<u>5,232,000</u>	<u>5,180,000</u>
<u>Less</u> Current portion	<u>(1,772,000)</u>	<u>(1,720,000)</u>
Long-term borrowings	<u><u>3,460,000</u></u>	<u><u>3,460,000</u></u>

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

	Consolidated Financial Statements		Separate Financial Statements	
	As at January 31, 2019	As at October 31, 2018	As at January 31, 2019	As at October 31, 2018
	%	%	%	%
Borrowings in Baht currency	3.00 - 3.80	3.00 - 3.80	3.00 - 3.80	3.00 - 3.80

Maturities of long-term borrowings are as follows:

	Consolidated Financial Statements		Unit : Thousand Baht Separate Financial Statements	
	As at January 31, 2019	As at October 31, 2018	As at January 31, 2019	As at October 31, 2018
Within 1 year	1,772,000	1,772,000	1,720,000	1,720,000
Over 1 year and within 5 years	3,460,000	3,910,000	3,460,000	3,910,000

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					
	January 31, 2019	October 31, 2018					
	Thousand Baht	Thousand Baht					
The Company							
1. Baht 1,500 million	300,000	450,000	AMLR - Fixed rate	Semi-annual	Quarterly	May 2015	November 2019
2. Baht 1,000 million	400,000	500,000	AMLR - Fixed rate	Semi-annual	Quarterly	June 2016	December 2020
3. Baht 1,000 million	200,000	200,000	AMLR - Fixed rate	Semi-annual	Monthly	April 2015	October 2019
4. Baht 1,000 million	830,000	830,000	Fixed rate	Semi-annual	Monthly	April 2018	October 2023
5. Baht 1,000 million	750,000	750,000	AMLR - Fixed rate	Semi-annual	Quarterly	May 2018	November 2021
6. Baht 1,000 million	800,000	900,000	Fixed rate	Semi-annual	Monthly	June 2018	December 2022
7. Baht 1,000 million	900,000	1,000,000	MLR - Fixed rate	Semi-annual	Monthly	November 2018	May 2023
8. Baht 1,000 million	1,000,000	1,000,000	MLR - Fixed rate	Semi-annual	Monthly	March 2019	September 2023
Total	<u>5,180,000</u>	<u>5,630,000</u>					
The subsidiaries							
9. Baht 1,000 million	<u>52,000</u>	<u>52,000</u>	AMLR - Fixed rate	Semi-annual	Monthly	August 2014	February 2019
Total	<u>52,000</u>	<u>52,000</u>					
Sub Total	5,232,000	5,682,000					
Deduct Current portion	<u>(1,772,000)</u>	<u>(1,772,000)</u>					
Grand Total	<u>3,460,000</u>	<u>3,910,000</u>					

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

As at January 31, 2019 and October 31, 2018, the borrowings of the subsidiary is guaranteed by a subsidiary and the subsidiary transferred beneficial right in insured certain structure and machine to lenders, the commercial banks.

In addition, the Company and its subsidiaries have to abide to certain financial conditions, such as maintaining of debt with interest-to-equity ratio, 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 January 31, 2019 and October 31, 2018, the Company and subsidiaries can maintain the ratios as stipulated in the agreements.

18. INCOME TAX INCOME, DEFERRED TAX ASSETS AND DEFERRED TAX LIABILITIES

18.1 Income tax income

Income tax income for the three-month periods ended January 31, are as follows:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2019	2018	2019	2018
<u>Current income tax</u>				
Current income tax expense	46,248	25,258	-	-
<u>Deferred income tax</u>				
Deferred income tax income and temporary differences	(54,933)	(30,741)	(49,190)	(28,238)
Total	<u>(8,685)</u>	<u>(5,483)</u>	<u>(49,190)</u>	<u>(28,238)</u>

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

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2019	2018	2019	2018
Profit (loss) before income tax income				
- Promoted sector-exempted from income tax	55,515	189,461	-	-
- The portion that has been promoted except for income tax at 50% of income tax rate	121,900	-	-	-
- Non-promoted sector	(88,254)	(39,390)	(204,903)	(143,590)
Total profit (loss) before income tax income	<u>89,161</u>	<u>150,071</u>	<u>(204,903)</u>	<u>(143,590)</u>
Statutory tax rates (%)	20	20	20	20
- The portion that has been promoted except for income tax at 50% of income tax rate	12,190	-	-	-
Total income tax	<u>12,190</u>	<u>-</u>	<u>-</u>	<u>-</u>
Effect on income tax from non-deductible taxable expense and exempted taxable income expense	39,465	25,258	-	-
	51,655	25,258	-	-
Prior year income tax income	(5,407)	-	-	-
Deferred income tax income	(54,933)	(30,741)	(49,190)	(28,238)
Income tax income	<u>(8,685)</u>	<u>(5,483)</u>	<u>(49,190)</u>	<u>(28,238)</u>

18.2 Deferred tax assets - net are as follows:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	As at January 31, 2019	As at October 31, 2018	As at January 31, 2019	As at October 31, 2018
Deferred tax assets - net				
Non-current provision for employee benefit	1,157	1,133	-	-
Loss carried forward	8,067	5,244	-	-
Others	556	557	-	-
Deferred tax assets - net	<u>9,780</u>	<u>6,934</u>	<u>-</u>	<u>-</u>

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

2019

	Unit : Thousand Baht			
	Consolidated Financial Statements			
	As at November 1, 2018	Items as recognized in profit or loss	Items as recognized in other comprehensive income	As at January 31, 2019
Deferred tax assets - net				
Non-current provision for employee benefit	1,133	24	-	1,157
Loss carried forward	5,244	2,823	-	8,067
Others	557	(1)	-	556
Deferred tax assets - net	<u>6,934</u>	<u>2,846</u>	<u>-</u>	<u>9,780</u>

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 January 31, 2018
Deferred tax assets - net				
Non-current provision for employee benefit	8,904	172	-	9,076
Loss carried forward	103,538	15,016	-	118,554
Depreciation	(6,097)	2,666	-	(3,431)
Allowance for diminution in value of inventories	12,518	(10,844)	-	1,674
Gain on asset revaluation	(66,070)	-	183	(65,887)
Allowance for doubtful accounts	16,676	(40)	-	16,636
Change in fair value of investment property	(69,646)	(183)	-	(69,829)
Others	13,391	-	-	13,391
Deferred tax assets - net	<u>13,214</u>	<u>6,787</u>	<u>183</u>	<u>20,184</u>

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

	Unit : Thousand Baht	
	Consolidated	
	Financial Statements	
	2019	2018
The following deferred tax assets have not been recognized		
Temporary differences	(183,942)	(157,179)
Loss carried forward	245,410	313,237
	<u>61,468</u>	<u>156,058</u>

As at January 31, 2019, 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 as deferred tax assets of Baht 245.41 million, will be matured by the years 2020 to 2024.

18.3 Deferred tax liabilities - net are as follows:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	As at	As at	As at	As at
	January 31,	October 31,	January 31,	October 31,
	2019	2018	2019	2018
Deferred tax liabilities - net				
Allowance for doubtful accounts	(35,322)	(36,367)	(9,926)	(10,088)
Allowance for diminution in value of inventories	(7,712)	(22,981)	(7,534)	(18,179)
Allowance for impairment in subsidiary investments	-	-	(328,630)	(328,630)
Non-current provision for employee benefit	(59,137)	(58,115)	(26,137)	(25,714)
Gain on asset revaluation	545,493	545,493	194,858	194,858
Loss carried forward	(432,200)	(374,572)	(342,141)	(290,577)
Depreciation	79,806	93,552	40,615	49,340
Change in fair value of investment property	574,344	572,107	277,325	276,457
Change in fair value of biological assets	(1,269)	(1,631)	(359)	(406)
Gain from amalgamation	482,573	482,573	482,573	482,573
Others	(39,635)	(36,623)	(17,146)	(12,538)
Deferred tax liabilities - net	<u>1,106,941</u>	<u>1,163,436</u>	<u>263,498</u>	<u>317,096</u>

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

2019

	Unit : Thousand Baht			
	Consolidated Financial Statements			
	As at November 1, 2018	Items as recognized in profit or loss	Items as recognized in other comprehensive income	As at January 31, 2019
Deferred tax liabilities - net				
Allowance for doubtful accounts	(36,367)	1,045	-	(35,322)
Allowance for diminution in value of inventories	(22,981)	15,269	-	(7,712)
Non-current provision for employee benefit	(58,115)	(1,022)	-	(59,137)
Gain on asset revaluation	545,493	-	-	545,493
Loss carried forward	(374,572)	(57,628)	-	(432,200)
Depreciation	93,552	(13,746)	-	79,806
Change in fair value of Investment property	572,107	2,237	-	574,344
Change in fair value of biological assets	(1,631)	362	-	(1,269)
Gain from amalgamation	482,573	-	-	482,573
Others	(36,623)	1,396	(4,408)	(39,635)
Deferred tax liabilities - net	<u>1,163,436</u>	<u>(52,087)</u>	<u>(4,408)</u>	<u>1,106,941</u>

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 January 31, 2018
Deferred tax liabilities - net				
Allowance for doubtful accounts	(11,208)	14	-	(11,194)
Allowance for diminution in value of inventories	(45,858)	38,562	-	(7,296)
Non-current provision for employee benefit	(43,187)	(694)	-	(43,881)
Gain on asset revaluation	479,606	-	-	479,606
Loss carried forward	(164,820)	(66,811)	-	(231,631)
Depreciation	68,483	(1,314)	-	67,169
Change in fair value of Investment property	444,607	2,347	-	446,954
Change in fair value of biological assets	(3,209)	3,774	-	565
Gain from amalgamation	482,573	-	-	482,573
Others	(16,980)	168	(4,723)	(21,535)
Deferred tax liabilities - net	<u>1,190,007</u>	<u>(23,954)</u>	<u>(4,723)</u>	<u>1,161,330</u>

2019

	Unit : Thousand Baht			
	Separate Financial Statements			
	As at November 1, 2018	Items as recognized in profit or loss	Items as recognized in other comprehensive income	As at January 31, 2019
Deferred tax liabilities - net				
Allowance for doubtful accounts	(10,088)	162	-	(9,926)
Allowance for diminution in value of inventories	(18,179)	10,645	-	(7,534)
Allowance for impairment in subsidiary investments	(328,630)	-	-	(328,630)
Non-current provision for employee benefit	(25,714)	(423)	-	(26,137)
Gain on asset revaluation	194,858	-	-	194,858
Loss carried forward	(290,577)	(51,564)	-	(342,141)
Depreciation	49,340	(8,725)	-	40,615
Change in fair value of investment property	276,457	868	-	277,325
Change in fair value of biological assets	(406)	47	-	(359)
Gain from amalgamation	482,573	-	-	482,573
Others	(12,538)	(200)	(4,408)	(17,146)
Deferred tax liabilities - net	<u>317,096</u>	<u>(49,190)</u>	<u>(4,408)</u>	<u>263,498</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 January 31, 2018
Deferred tax liabilities - net				
Allowance for doubtful accounts	(8,863)	14	-	(8,849)
Allowance for diminution in value of inventories	(41,793)	34,533	-	(7,260)
Allowance for impairment in subsidiary investments	(230,144)	-	-	(230,144)
Non-current provision for employee benefit	(22,415)	(297)	-	(22,712)
Gain on asset revaluation	194,858	-	-	194,858
Loss carried forward	(164,722)	(66,100)	-	(230,822)
Depreciation	30,892	718	-	31,610
Change in fair value of investment property	242,925	867	-	243,792
Change in fair value of biological assets	(1,211)	1,859	-	648
Gain from amalgamation	482,573	-	-	482,573
Others	(4,208)	168	(4,723)	(8,763)
Deferred tax liabilities - net	<u>477,892</u>	<u>(28,238)</u>	<u>(4,723)</u>	<u>444,931</u>

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	
	2019	2018
For the three-month periods ended January 31,	3,913	1,779

20. EXPENSES BY NATURE

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

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2019	2018	2019	2018
Salaries, wages and other employee benefits	472,726	506,963	225,915	225,185
Depreciation	403,229	459,110	175,558	178,015
Fee paid to the Office of the Cane and Sugar Fund	337,946	288,149	154,560	149,749
Maintenance expenses	244,224	258,734	95,605	98,637
Transportation expenses	115,197	77,633	86,165	42,119
Raw material and supplies used	4,507,858	4,926,639	3,182,217	2,896,671
Purchased finished goods	60,864	33,497	301,842	508,599
Changes in finished goods and goods in process	(3,580,625)	(3,811,945)	(2,381,133)	(2,262,547)
Loss from exchange rate	20,589	-	57,088	-
Management benefit expenses	59,620	31,283	25,044	12,599
Finance costs	164,527	154,898	150,952	132,062
Other operating expenses	282,428	260,981	152,324	229,620
Total	<u>3,088,583</u>	<u>3,185,942</u>	<u>2,226,137</u>	<u>2,210,709</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. There are no potential dilutive ordinary shares for three-month periods ended January 31, 2019 and 2018. Basic earnings per share for three-month periods ended January 31, 2019 and 2018 is as follows:

2019

	Consolidated Financial Statements			Separate Financial Statements		
	Profit for the period Thousand Baht	Number of shares Thousand Shares	Earnings per share Baht	Loss for the period Thousand Baht	Number of shares Thousand Shares	Loss per share Baht
<u>Basic and diluted earnings (loss) per share</u>						
Profit (loss) for the period to ordinary equity holders	92,619	4,410,233	<u>0.021</u>	(155,713)	4,410,233	<u>(0.035)</u>

2018

	Consolidated Financial Statements			Separate Financial Statements		
	Profit for the period Thousand Baht	Number of shares Thousand Shares	Earnings per share Baht	Loss for the period Thousand Baht	Number of shares Thousand Shares	Loss per share Baht
<u>Basic and diluted earnings (loss) per share</u>						
Profit (loss) for the period to ordinary equity holders	140,696	4,410,233	<u>0.032</u>	(115,352)	4,410,233	<u>(0.026)</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 three-month period ended January 31, 2019, 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 three-month periods ended January 31, 2019 and 2018, the Group has revenue with a single external customer in Thailand in electricity sector in the amount of Baht 210.14 million and Baht 178.10 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 three-month periods ended January 31, 2019 and 2018

	Unit : Million Baht													
	Manufacture and Distribution of Sugar and Molasses		Manufacture and Sale of Electricity		Real Estate Rental		Others Business		Inter-Transaction		Total			
	2019 Thai	2018 Overseas	2019 Thai	2018 Overseas	2019 Thai	2018 Thai	2019 Thai	2018 Thai	2019 Thai	2018 Thai	2019	2018	2019	2018
Net revenue from operation - external	2,424	25	2,656	96	264	211	45	43	285	238	-	-	3,043	3,244
Net revenue from operation - internal	1,076	-	1,182	12	937	726	-	-	344	348	(2,357)	(2,268)	-	-
Total	3,500	25	3,838	108	1,201	937	45	43	629	586	(2,357)	(2,268)	3,043	3,244
Profit (loss) from operations	411	(4)	452	10	372	238	30	33	35	20	13	14	857	767
Other income													154	85
Distribution costs, administrative expenses and others													(737)	(553)
Finance costs	(182)	(13)	(162)	(27)	(11)	(17)	(6)	(6)	-	-	47	57	(165)	(155)
Share of (loss) gain of investment in an associate													(20)	7
Income tax income													9	5
Net profit													98	156
(Less) Profit for the three-month period of non-controlling interest													(5)	(15)
Profit for the period													93	141
Interest income	77	2	87	2	-	-	-	-	-	-	(47)	(57)	32	32
Depreciation	(286)	(11)	(255)	(23)	(86)	(83)	-	-	(4)	(4)	-	-	(387)	(365)

Consolidated Statements of Financial Position

As at January 31, 2019 and October 31, 2018

Trade and other current receivables	3,652	31	3,168	37	839	193	8	16	139	147	(2,172)	(1,085)	2,497	2,476
Inventories	6,569	220	3,301	153	277	100	-	-	522	536	(2)	(1)	7,586	4,089
Property, plant and equipment	15,546	1,126	15,719	2,861	7,186	7,238	152	155	410	415	(215)	(205)	24,205	26,183
Central assets	18,662	1,843	19,245	211	23	21	4,444	4,224	204	209	(11,224)	(11,116)	13,952	12,794
Total Assets	44,429	3,220	41,433	3,262	8,325	7,552	4,604	4,395	1,275	1,307	(13,613)	(12,407)	48,240	45,542
Total Liabilities	31,397	2,974	28,232	2,941	1,923	1,458	987	799	412	363	(8,074)	(6,890)	29,619	26,903

23. COMMITMENTS, CONTINGENT LIABILITIES AND SIGNIFICANT AGREEMENTS

As at January 31, 2019 and October 31, 2018, 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 4,567.10 million and Baht 3,012.90 million, respectively, and in the separate financial statements amounting to Baht 2,626.78 million and Baht 625.18 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	As at	As at	As at
	January 31, 2019	October 31, 2018	January 31, 2019	October 31, 2018
For the production season 2018/2019	512.55	1,046.38	158.09	403.17
For the production season 2019/2020	14.96	-	14.96	-

23.3 The Company entered into a land and building lease agreement with a company. The rental rate is Baht 1.29 million per month. The rental period is from June 1, 2018 to May 31, 2023. Prior to the expiration of the contractual term, the leaser shall inform to the Company for the extension of the contractual term in writing at not less than 90 days prior to the expiry date of the agreement and the agreement shall be extended three times for the contractual term of 5 years at a time.

23.4 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.

23.5 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.

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

Unit : Million

	Currency	Consolidated Financial Statements					
		As at January 31, 2019			As at October 31, 2018		
		Total	Utilized	Remaining	Total	Utilized	Remaining
Commitments							
Contract to guarantee of debt repayment of subsidiary for all contingent liabilities	THB	-	2,222.58	-	-	2,393.34	-
Contract to guarantee of debt repayment of associate for all contingent liabilities	THB	-	-	-	-	194.05	-
Contingent Liabilities							
Letters of guarantees (unspecified credit limit)	THB	-	79.26	-	-	79.27	-
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	21,692.20	6,497.73	15,194.47	22,967.00	5,116.47	17,850.53
Short-term borrowings	USD	43.50	-	43.50	43.50	-	43.50
Joint credit line in short-term borrowings	THB	3,230.80	2,004.80	1,226.00	2,766.00	1,734.00	1,032.00
Long-term borrowings	THB	5,232.00	5,232.00	-	5,682.00	5,682.00	-

Unit : Million

		Separate Financial Statements						
		As at January 31, 2019			As at October 31, 2018			
Currency		Total	Utilized	Remaining	Total	Utilized	Remaining	
Commitments								
	Contract to guarantee of debt repayment of subsidiary for all contingent liabilities	THB	-	2,102.78	-	-	2,276.54	-
	Contract to guarantee of debt repayment of associate for all contingent liabilities	THB	-	-	-	-	194.05	-
Contingent Liabilities								
	Letters of guarantees (unspecified credit limit)	THB	-	4.13	-	-	4.13	-
	Letters of credit and trust receipts	THB	30.00	-	30.00	30.00	-	30.00
	Overdraft and short-term borrowings	THB	11,532.20	5,559.00	5,973.20	11,507.00	3,856.00	7,651.00
	Short-term borrowings	USD	3.50	-	3.50	3.50	-	3.50
	Joint credit line in short-term borrowings	THB	3,230.80	2,004.80	1,226.00	2,766.00	1,734.00	1,032.00
	Long-term borrowings	THB	5,180.00	5,180.00	-	5,630.00	5,630.00	-

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. 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 January 31, 2019 and October 31, 2018, 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.

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

Unit : Million

		Consolidated Financial Statements				
		As at January 31, 2019		As at October 31, 2018		
Currency		Contractual Amount	Outstanding Contractual Commitments	Contractual Amount	Outstanding Contractual Commitments	
	Construction and subcontract agreements	THB	937.40	153.48	1,002.07	187.54
	Machine and equipment purchase agreements	THB	483.06	48.30	500.68	51.26
		USD	0.70	0.02	0.56	-

Unit : Million

Consolidated Financial Statements
Outstanding Contractual Commitments

		As at January 31, 2019				As at October 31, 2018				
		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	0.14	0.55	4.64	5.33	0.14	0.55	4.64	5.33	
Rental agreements	THB	13.42	19.79	-	33.21	14.53	22.45	-	36.98	

Unit : Million

Separate Financial Statements

	Currency	As at January 31, 2019		As at October 31, 2018	
		Contractual Amount	Outstanding Contractual Commitments	Contractual Amount	Outstanding Contractual Commitments
Construction and subcontract agreements	THB	699.17	127.48	718.12	148.81
Machine and equipment purchase agreements	THB	480.07	47.70	497.69	49.46

Unit : Million

Separate Financial Statements
Outstanding Contractual Commitments

	Currency	As at January 31, 2019			As at October 31, 2018		
		Within 1 year	1 - 5 years	Total	Within 1 year	1 - 5 years	Total
Rental agreements	THB	6.31	6.95	13.26	7.01	8.01	15.02

23.8 Other significant agreements

23.8.1 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.

23.8.2 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 January 31, 2019 and October 31, 2018, the subsidiary has already utilized the area of 5,053.61 hectares equal for both period.

- 23.8.3 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 January 31, 2019 and October 31, 2018, the subsidiaries have already utilized the area of 9,398.69 hectares, equal for both period. Buildings and structure and building under construction of subsidiaries, are located on the concession land which the ownership will be transferred to the lessor when the agreements are expired (see Note 13).
- 23.8.4 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 January 31, 2019 and October 31, 2018, the balances of the advance lease fee paid are USD 0.42 million, equal for both period, 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 January 31, 2019

	Fixed Interest Rate			Floating	Total
	Within 1 year	More than 1 year to 5 years	More than 5 years	Interest Rate	
Financial Assets					
Saving accounts deposits	-	-	-	121,058	121,058
Fixed account deposits	260	-	-	-	260
Loans for cane plantation development	225,523	222,984	8,611	249	457,367
Short-term loans to farmers	518,474	8,307	-	47,175	573,956
Short-term loans to others	19,986	-	-	-	19,986
Long-term loans to others	28,353	21,333	-	-	49,686
Other long-term investments	-	-	6,709	-	6,709
Total	<u>792,596</u>	<u>252,624</u>	<u>15,320</u>	<u>168,482</u>	<u>1,229,022</u>
Financial Liabilities					
Short-term borrowings from financial institutions	8,497,313	-	-	-	8,497,313
Short-term borrowings from other	420,674	-	-	-	420,674
Short-term borrowings from related parties	3,400	-	-	-	3,400
Long-term debentures	2,999,455	4,847,436	2,647,859	-	10,494,750
Long-term borrowings	<u>1,720,000</u>	<u>3,460,000</u>	<u>-</u>	<u>52,000</u>	<u>5,232,000</u>
Total	<u>13,640,842</u>	<u>8,307,436</u>	<u>2,647,859</u>	<u>52,000</u>	<u>24,648,137</u>

Unit : Thousand Baht

Consolidated Financial Statements

As at October 31, 2018

	Fixed Interest Rate			Floating	Total
	Within 1 year	More than 1 year to 5 years	More than 5 years	Interest Rate	
Financial Assets					
Saving accounts deposits	-	-	-	101,340	101,340
Fixed account deposits	24	-	-	-	24
Loans for cane plantation development	249,329	216,915	1,687	249	468,180
Short-term loans to farmers	973,136	8,307	-	34,173	1,015,616
Short-term loans to others	220,780	-	-	-	220,780
Long-term loans to others	46,683	24,500	-	-	71,183
Other long-term investments	-	-	6,712	-	6,712
Total	<u>1,489,952</u>	<u>249,722</u>	<u>8,399</u>	<u>135,762</u>	<u>1,883,835</u>
Financial Liabilities					
Short-term borrowings from financial institutions	6,846,126	-	-	-	6,846,126
Short-term borrowings from other	370,783	-	-	-	370,783
Short-term borrowings from related parties	3,800	-	-	-	3,800
Long-term debentures	2,999,023	4,846,953	2,647,766	-	10,493,742
Long-term borrowings	<u>1,720,000</u>	<u>3,910,000</u>	<u>-</u>	<u>52,000</u>	<u>5,682,000</u>
Total	<u>11,939,732</u>	<u>8,756,953</u>	<u>2,647,766</u>	<u>52,000</u>	<u>23,396,451</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 January 31, 2019 and October 31, 2018, 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				Unit : Million
	As at		As at		As at		As at		
	January 31, 2019		October 31, 2018		January 31, 2019		October 31, 2018		
	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities	
USD	5.51	1.39	10.88	2.19	31.13	-	32.81	-	
YEN	-	3.08	-	3.08	-	-	-	-	
RIEL	485.87	49.00	815.01	56.25	-	-	-	-	
LAK	362.34	59.09	130.18	1,938.77	-	-	-	-	

As at January 31, 2019 and October 31, 2018, 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 between 1 year, are as follows:

Currency	Amount fixed in contract				Currency	Amount earned in contract				Unit : Million
	Consolidated		Separate			Consolidated		Separate		
	Financial Statements		Financial Statements			Financial Statements		Financial Statements		
	As at	As at	As at	As at		As at	As at	As at	As at	
	January 31, 2019	October 31, 2018	January 31, 2019	October 31, 2018		January 31, 2019	October 31, 2018	January 31, 2019	October 31, 2018	
USD	19.00	20.86	-	-	THB	623.24	683.78	-	-	

Net fair values of forward contracts as at January 31, 2019 and October 31, 2018 of the Company and its subsidiaries are as follows:

Net fair values of forward contracts	Consolidated		Separate		Unit: Million Baht
	Financial Statements		Financial Statements		
	As at	As at	As at	As at	
	January 31, 2019	October 31, 2018	January 31, 2019	October 31, 2018	
	33.45	(3.78)	-	-	

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.

For the three-month periods ended January 31, the Company and its subsidiaries have accounted for transactions in the financial statements as follows:

	Consolidated		Unit : Million Baht	
	Financial Statements		Separate	
	2019	2018	2019	2018
Gain on commodity swap contracts	60.54	-	60.54	-

Net fair values of commodity swap contracts as at January 31, 2019 and October 31, 2018 of the Company and its subsidiaries are as follows:

	Currency	Unit : Million	
		Consolidated/ Separate	
		As at January 31, 2019	As at October 31, 2018
Net fair values for commodity swap contracts	USD	1.01	0.20

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 receivables, short-term loans, other current assets, short-term borrowings from financial institutions, trade and other 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 borrowings approximate their fair values due to floating interest rates. The long-term borrowings 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 borrowings 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 January 31, 2019				
Financial liabilities				Calculated from the closing price of the last Bond Market Association Thailand at the last day.
Long-term debentures	10,495	10,629	Level 2	
As at October 31, 2018				
Financial liabilities				Calculated from the closing price of the last Bond Market Association Thailand at the last day.
Long-term debentures	10,494	10,542	Level 2	

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 based on relevant market price discounting the weighted average cost (interest rate swap contracts at the end of the reporting period), are the market prices adjusted by credit risk of the counter parties 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 JANUARY 31, 2019 AND 2018

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 January 31, 2019 and 2018 as follows:

	Unit : Thousand Baht			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	As at January 31,		As at January 31,	
	2019	2018	2019	2018
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents	146,771	171,838	33,835	45,285
Trade and other current receivables	2,497,312	1,874,465	2,546,962	1,252,958
Short-term loans	848,155	1,176,441	1,654,315	5,007,108
Inventories	7,586,495	6,208,792	4,876,662	3,407,038
Current biological assets	71,414	155,063	5,852	8,551
Other current assets	71,547	45,133	49,005	18,969
Total Current Assets	<u>11,221,694</u>	<u>9,631,732</u>	<u>9,166,631</u>	<u>9,739,909</u>
NON-CURRENT ASSETS				
Long-term loans	252,840	407,984	4,646,591	2,423,792
Investment property	5,389,595	4,924,296	1,695,578	1,545,108
Property, plant and equipment	24,204,797	26,417,982	9,411,671	9,466,369
Other non-current assets	7,171,359	5,127,421	8,318,914	8,617,039
Total Non-Current Assets	<u>37,018,591</u>	<u>36,877,683</u>	<u>24,072,754</u>	<u>22,052,308</u>
TOTAL ASSETS	<u><u>48,240,285</u></u>	<u><u>46,509,415</u></u>	<u><u>33,239,385</u></u>	<u><u>31,792,217</u></u>
LIABILITIES AND SHAREHOLDERS' EQUITY				
CURRENT LIABILITIES				
Short-term borrowings from financial institutions	8,497,313	5,607,843	5,553,787	2,301,076
Trade and other current payables	2,894,622	4,003,728	1,907,334	2,476,499
Current portion of long-term debentures	2,999,455	2,999,373	2,999,455	2,999,373
Current portion of long- term borrowings	1,772,000	1,923,833	1,720,000	1,623,833
Short-term borrowings	424,074	5,000	644,839	312,200
Current income tax payable	103,677	48,265	-	-
Provision for production costs	296,299	340,318	274,893	86,100
Other current liabilities	156,272	107,993	48,415	24,330
Total Current Liabilities	<u>17,143,712</u>	<u>15,036,353</u>	<u>13,148,723</u>	<u>9,823,411</u>
Total Non-Current Liabilities	<u>12,475,617</u>	<u>13,357,123</u>	<u>11,396,357</u>	<u>12,375,197</u>
TOTAL LIABILITIES	<u>29,619,329</u>	<u>28,393,476</u>	<u>24,545,080</u>	<u>22,198,608</u>
TOTAL SHAREHOLDERS' EQUITY	<u>18,620,956</u>	<u>18,115,939</u>	<u>8,694,305</u>	<u>9,593,609</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	<u><u>48,240,285</u></u>	<u><u>46,509,415</u></u>	<u><u>33,239,385</u></u>	<u><u>31,792,217</u></u>

	Unit : Thousand Baht			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	For the years ended		For the years ended	
	January 31,		January 31,	
	2019	2018	2019	2018
Revenue from sales	17,194,364	15,684,885	9,474,990	8,473,852
Revenues from rendering services	417,306	288,451	199,292	218,843
Total revenues	<u>17,611,670</u>	<u>15,973,336</u>	<u>9,674,282</u>	<u>8,692,695</u>
Costs of the sales of goods	(14,171,252)	(13,596,816)	(8,877,793)	(8,150,437)
Cost of the rendering of services	(218,997)	(129,564)	(141,185)	(144,899)
Total costs	<u>(14,390,249)</u>	<u>(13,726,380)</u>	<u>(9,018,978)</u>	<u>(8,295,336)</u>
Gross profit	3,221,421	2,246,956	655,304	397,359
Other incomes	1,193,294	3,236,665	1,060,137	2,985,705
Profit before expenses	4,414,715	5,483,621	1,715,441	3,383,064
Distribution Costs	(1,973,567)	(1,535,314)	(1,005,198)	(681,420)
Administrative expenses	(742,843)	(1,062,458)	(773,344)	(808,187)
Management benefit expenses	(165,553)	(123,130)	(67,616)	(43,416)
Finance costs	(737,272)	(662,813)	(639,227)	(519,749)
Share of gain of an associate	118,327	43,895	-	-
Profit (loss) before income tax (expense) income	913,807	2,143,801	(769,944)	1,330,292
Income tax (expense) income	(141,135)	(488,315)	163,377	(263,965)
Net profit (loss) for the year	<u>772,672</u>	<u>1,655,486</u>	<u>(606,567)</u>	<u>1,066,327</u>

26. EVENT AFTER THE REPORTING PERIOD

The meeting of annual general shareholders for 2018 No. 1/2019 of the Company held on February 22, 2019, passed the resolution for the appropriation of profit for dividend payment of year 2018 in form of cash at Baht 0.05 per share to 4,410 million shares, at total amount not exceeding Baht 220.51 million, to the shareholders whose names are included in the shareholder register on March 5, 2019. The dividend payment shall be made on March 20, 2019.

27. APPROVAL OF INTERIM FINANCIAL STATEMENTS

These interim financial information have been approved for issuance by the board of directors of the Company on March 12, 2019.