

**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 April 30, 2019, and the related consolidated and separate statements of profit or loss and statements of profit or loss and other comprehensive income for the three-month and six-month periods then ended, and consolidated and separate statements of changes in shareholders' equity and cash flows for the six-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
June 13, 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 FINANCIAL POSITION

AS AT APRIL 30, 2019

UNIT : THOUSAND BAHT

	Notes	Consolidated		Separate	
		Financial Statements		Financial Statements	
		"Unaudited"		"Unaudited"	
		As at	As at	As at	As at
		April 30,	October 31,	April 30,	October 31,
		2019	2018	2019	2018
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	4.3	133,316	129,242	60,809	8,029
Temporary investments		260	24	-	-
Trade and other current receivables	6	2,346,230	2,476,065	2,063,660	2,260,747
Short-term loans	7	562,390	1,533,146	2,751,906	2,057,738
Inventories		11,881,950	4,088,957	7,190,844	2,764,470
Current biological assets	8	55,182	60,800	5,538	6,106
Other current assets		78,135	46,351	55,365	33,269
Total Current Assets		15,057,463	8,334,585	12,128,122	7,130,359
NON-CURRENT ASSETS					
Investments held as available for sale		259,771	307,003	259,771	307,003
Investments in associates	9	3,886,601	3,878,906	3,380,459	3,380,459
Investments in subsidiaries	10	-	-	4,283,380	4,283,380
Other long-term investments		27,513	27,509	20,327	20,327
Trade and other non-current receivables	11	531,134	532,298	276,715	276,830
Long-term loans		214,772	242,613	3,326,533	4,587,072
Investment property	12	5,410,594	5,167,004	1,695,578	1,695,578
Property, plant and equipment	13	23,633,031	26,182,946	9,258,813	9,500,392
Other intangible assets		39,763	42,944	29,720	32,347
Deferred tax assets	18.2	9,219	6,934	-	-
Other non-current assets	13	2,685,059	818,790	45,998	40,957
Total Non-Current Assets		36,697,457	37,206,947	22,577,294	24,124,345
TOTAL ASSETS		51,754,920	45,541,532	34,705,416	31,254,704

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 APRIL 30, 2019

UNIT : THOUSAND BAHT

	Notes	Consolidated		Separate	
		Financial Statements		Financial Statements	
		"Unaudited"		"Unaudited"	
		As at	As at	As at	As at
		April 30,	October 31,	April 30,	October 31,
		2019	2018	2019	2018
LIABILITIES AND SHAREHOLDERS' EQUITY					
CURRENT LIABILITIES					
Short-term borrowings from financial institutions		12,840,608	6,846,126	8,177,196	3,851,660
Trade and other current payables	14	1,085,717	1,792,746	1,018,124	1,273,555
Current portion of long-term debentures	16	4,998,811	2,999,023	4,998,811	2,999,023
Current portion of long-term borrowings	17	1,842,000	1,772,000	1,842,000	1,720,000
Short-term borrowings		1,032,749	374,583	959,055	631,950
Current income tax payable		103,892	66,828	-	-
Provision for production costs	15	963,039	-	462,285	-
Other current liabilities		134,452	72,572	32,260	9,416
Total Current Liabilities		<u>23,001,268</u>	<u>13,923,878</u>	<u>17,489,731</u>	<u>10,485,604</u>
NON-CURRENT LIABILITIES					
Long-term debentures	16	4,496,772	7,494,719	4,496,772	7,494,719
Long-term borrowings	17	3,928,000	3,910,000	3,928,000	3,910,000
Deferred tax liabilities	18.3	1,083,732	1,163,436	236,989	317,096
Non-current provision for employee benefit		309,843	298,846	133,173	128,569
Other non-current liabilities		105,267	111,834	42,815	51,065
Total Non-Current Liabilities		<u>9,923,614</u>	<u>12,978,835</u>	<u>8,837,749</u>	<u>11,901,449</u>
TOTAL LIABILITIES		<u>32,924,882</u>	<u>26,902,713</u>	<u>26,327,480</u>	<u>22,387,053</u>

KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION (CONTINUED)

AS AT APRIL 30, 2019

UNIT : THOUSAND BAHT

	Notes	Consolidated		Separate	
		Financial Statements		Financial Statements	
		"Unaudited"		"Unaudited"	
		As at	As at	As at	As at
		April 30, 2019	October 31, 2018	April 30, 2019	October 31, 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		11,472,922	11,181,625	2,298,618	2,750,548
OTHER COMPONENTS OF EQUITY		1,569,570	1,656,526	707,251	745,036
TOTAL EQUITY ATTRIBUTABLE TO OWNERS					
OF THE PARENT		18,414,559	18,210,218	8,377,936	8,867,651
NON-CONTROLLING INTERESTS		415,479	428,601	-	-
TOTAL SHAREHOLDERS' EQUITY		18,830,038	18,638,819	8,377,936	8,867,651
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		51,754,920	45,541,532	34,705,416	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 APRIL 30, 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		3,242,518	3,479,743	1,806,458	1,727,190
Revenues from rendering of services		91,918	106,340	37,491	47,408
		<u>3,334,436</u>	<u>3,586,083</u>	<u>1,843,949</u>	<u>1,774,598</u>
Costs of sales of goods and rendering of services					
Costs of sales of goods		(2,167,587)	(2,192,145)	(1,564,278)	(1,479,235)
Costs of rendering of services		(58,698)	(66,122)	(24,841)	(29,727)
		<u>(2,226,285)</u>	<u>(2,258,267)</u>	<u>(1,589,119)</u>	<u>(1,508,962)</u>
Gross profit		1,108,151	1,327,816	254,830	265,636
Other incomes		111,272	124,498	136,648	114,910
Distribution costs		(497,196)	(373,708)	(288,516)	(175,663)
Administrative expenses		(72,193)	(201,943)	(24,546)	(84,100)
Management benefit expenses	5.2	(30,173)	(54,820)	(13,212)	(22,152)
Finance costs		(182,908)	(158,762)	(162,379)	(128,990)
Share of gain of associates		33,497	90,485	-	-
Profit (loss) before income tax (expense) income		<u>470,450</u>	<u>753,566</u>	<u>(97,175)</u>	<u>(30,359)</u>
Income tax (expense) income		(60,695)	(68,086)	21,470	7,669
NET PROFIT (LOSS) FOR THE PERIOD		<u><u>409,755</u></u>	<u><u>685,480</u></u>	<u><u>(75,705)</u></u>	<u><u>(22,690)</u></u>
PROFIT (LOSS) ATTRIBUTABLE TO					
Owners of the parent		415,944	688,064	(75,705)	(22,690)
Non-controlling interests		(6,189)	(2,584)	-	-
		<u>409,755</u>	<u>685,480</u>	<u>(75,705)</u>	<u>(22,690)</u>
EARNINGS (LOSS) PER SHARE	22				
Basic earnings (loss) per share		BAHT 0.094	0.156	(0.017)	(0.005)
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 APRIL 30, 2019
"UNAUDITED"

UNIT : THOUSAND BAHT

	Consolidated		Separate	
	Financial Statements		Financial Statements	
	2019	2018	2019	2018
Net profit (loss) for the period	409,755	685,480	(75,705)	(22,690)
Other comprehensive income (expense):				
Items that will be reclassified subsequently to profit or loss:				
Exchange differences on translating financial statements	39,863	7,377	-	-
Loss on remeasuring investments held as available for sale	(20,152)	(17,633)	(20,152)	(17,633)
Total items that will be reclassified subsequently to profit or loss	19,711	(10,256)	(20,152)	(17,633)
Items that will be not reclassified subsequently to profit or loss:				
Gain on revaluation of assets	649	-	-	-
Total items that will be not reclassified subsequently to profit or loss	649	-	-	-
Other comprehensive income (expense) for the period - net of tax	20,360	(10,256)	(20,152)	(17,633)
TOTAL COMPREHENSIVE INCOME (EXPENSE) FOR THE PERIOD	430,115	675,224	(95,857)	(40,323)
TOTAL COMPREHENSIVE INCOME (EXPENSE) ATTRIBUTABLE TO				
Owners of the parent	428,333	676,332	(95,857)	(40,323)
Non-controlling interests	1,782	(1,108)	-	-
	430,115	675,224	(95,857)	(40,323)

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 SIX-MONTH PERIOD ENDED APRIL 30, 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		6,183,648	6,633,817	3,576,699	3,639,254
Revenues from rendering of services		194,248	196,690	91,869	104,859
		<u>6,377,896</u>	<u>6,830,507</u>	<u>3,668,568</u>	<u>3,744,113</u>
Costs of sales of goods and rendering of services					
Costs of sales of goods		(4,289,025)	(4,620,042)	(3,180,705)	(3,160,532)
Costs of rendering of services		(124,087)	(116,172)	(61,684)	(70,173)
		<u>(4,413,112)</u>	<u>(4,736,214)</u>	<u>(3,242,389)</u>	<u>(3,230,705)</u>
Gross profit		1,964,784	2,094,293	426,179	513,408
Other incomes		265,839	209,571	333,263	212,514
Distribution costs		(949,817)	(738,706)	(528,226)	(366,257)
Administrative expenses		(295,762)	(357,836)	(181,009)	(237,336)
Management benefit expenses	5.2	(91,212)	(87,026)	(38,954)	(35,226)
Finance costs		(347,435)	(313,660)	(313,331)	(261,052)
Share of gain of associates		13,214	97,001	-	-
Profit (loss) before income tax (expense) income		<u>559,611</u>	<u>903,637</u>	<u>(302,078)</u>	<u>(173,949)</u>
Income tax (expense) income	18.1	(52,010)	(62,603)	70,660	35,907
NET PROFIT (LOSS) FOR THE PERIOD		<u><u>507,601</u></u>	<u><u>841,034</u></u>	<u><u>(231,418)</u></u>	<u><u>(138,042)</u></u>
PROFIT (LOSS) ATTRIBUTABLE TO					
Owners of the parent		508,563	828,760	(231,418)	(138,042)
Non-controlling interests		(962)	12,274	-	-
		<u>507,601</u>	<u>841,034</u>	<u>(231,418)</u>	<u>(138,042)</u>
EARNINGS (LOSS) PER SHARE	22				
Basic earnings (loss) per share		BAHT 0.115	0.188	(0.052)	(0.031)
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 SIX-MONTH PERIOD ENDED APRIL 30, 2019
"UNAUDITED"

UNIT : THOUSAND BAHT

	Consolidated		Separate	
	Financial Statements		Financial Statements	
	2019	2018	2019	2018
Net profit (loss) for the period	507,601	841,034	(231,418)	(138,042)
Other comprehensive income (expense):				
Items that will be reclassified subsequently to profit or loss:				
Exchange differences on translating financial statements	(58,213)	(104,845)	-	-
Loss on remeasuring investments held as available for sale	(37,785)	(36,525)	(37,785)	(36,525)
Total items that will be reclassified subsequently to profit or loss	<u>(95,998)</u>	<u>(141,370)</u>	<u>(37,785)</u>	<u>(36,525)</u>
Items that will be not reclassified subsequently to profit or loss:				
Gain (loss) on revaluation of assets	649	(733)	-	-
Total items that will be not reclassified subsequently to profit or loss	<u>649</u>	<u>(733)</u>	<u>-</u>	<u>-</u>
Other comprehensive income (expense) for the period - net of tax	<u>(95,349)</u>	<u>(142,103)</u>	<u>(37,785)</u>	<u>(36,525)</u>
TOTAL COMPREHENSIVE INCOME (EXPENSE) FOR THE PERIOD	<u><u>412,252</u></u>	<u><u>698,931</u></u>	<u><u>(269,203)</u></u>	<u><u>(174,567)</u></u>
TOTAL COMPREHENSIVE INCOME (EXPENSE) ATTRIBUTABLE TO				
Owners of the parent	424,853	707,647	(269,203)	(174,567)
Non-controlling interests	(12,601)	(8,716)	-	-
	<u><u>412,252</u></u>	<u><u>698,931</u></u>	<u><u>(269,203)</u></u>	<u><u>(174,567)</u></u>

See the condensed notes to the interim financial statements

KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE SIX-MONTH PERIOD ENDED APRIL 30, 2019
"UNAUDITED"

UNIT : THOUSAND BAHT

Notes	Owners of the Parent									Total owners of the parent	Non-controlling interests	Total shareholders' equity		
	Issued and paid-up share capital	Share premium account Ordinary shares	Retained Earnings		Other components of equity				Total					
		Appropriated	Unappropriated	Other comprehensive income (expense)		Losses on	Losses on	Total						
		Legal reserve		Exchange differences on translating financial statements	Gain (loss) on remeasuring investments held as available for sale	Gain (loss) on revaluation of assets	internal restructure of entities under common control	change in shareholding ratio in subsidiaries	of equity components of equity					
For the six-month period ended April 30, 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													
19	- Dividends paid	-	-	-	(220,512)	-	-	-	-	-	-	(220,512)	-	(220,512)
	- Total comprehensive income (expense) for the period	-	-	-	828,760	(83,886)	(36,525)	(702)	-	-	(121,113)	707,647	(8,716)	698,931
	Ending balance as at April 30, 2018	2,205,116	2,946,439	220,512	11,192,531	(139,431)	(14,246)	2,100,974	(263,276)	(111,494)	1,572,527	18,137,125	433,526	18,570,651
For the six-month period ended April 30, 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													
19	- Dividends paid	-	-	-	(220,512)	-	-	-	-	-	-	(220,512)	(521)	(221,033)
	- Transfer of gain (loss) of asset revaluation	-	-	-	3,246	-	-	(2,597)	-	-	(2,597)	649	-	649
	- Total comprehensive income (expense) for the period	-	-	-	508,563	(46,574)	(37,785)	-	-	-	(84,359)	424,204	(12,601)	411,603
	Ending balance as at April 30, 2019	2,205,116	2,946,439	220,512	11,472,922	(81,854)	(72,183)	2,098,377	(263,276)	(111,494)	1,569,570	18,414,559	415,479	18,830,038

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 SIX-MONTH PERIOD ENDED APRIL 30, 2019

"UNAUDITED"

UNIT : THOUSAND BAHT

	Notes	Issued and paid-up share capital	Share premium account Ordinary shares	Retained Earnings		Other components of equity			Total shareholders' equity
				Appropriated Legal reserve	Unappropriated	Other comprehensive income (expense)		Total other components of equity	
						Gain (loss) on remeasuring investments held as available for sale	Gain on revaluation of assets		
For the six-month period ended April 30, 2018									
Beginning balance as at November 1, 2017		2,205,116	2,946,439	220,512	3,554,073	22,279	779,434	801,713	9,727,853
Changes in shareholders' equity during the period									
- Dividends paid	19	-	-	-	(220,512)	-	-	-	(220,512)
- Total comprehensive expense for the period		-	-	-	(138,042)	(36,525)	-	(36,525)	(174,567)
Ending balance as at April 30, 2018		<u>2,205,116</u>	<u>2,946,439</u>	<u>220,512</u>	<u>3,195,519</u>	<u>(14,246)</u>	<u>779,434</u>	<u>765,188</u>	<u>9,332,774</u>
For the six-month period ended April 30, 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									
- Dividends paid	19	-	-	-	(220,512)	-	-	-	(220,512)
- Total comprehensive expense for the period		-	-	-	(231,418)	(37,785)	-	(37,785)	(269,203)
Ending balance as at April 30, 2019		<u>2,205,116</u>	<u>2,946,439</u>	<u>220,512</u>	<u>2,298,618</u>	<u>(72,183)</u>	<u>779,434</u>	<u>707,251</u>	<u>8,377,936</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 SIX-MONTH PERIOD ENDED APRIL 30, 2019
"UNAUDITED"

UNIT : THOUSAND BAHT

	Notes	Consolidated		Separate	
		Financial Statements		Financial Statements	
		2019	2018	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit (loss) before income tax (expense) income		559,611	903,637	(302,078)	(173,949)
Items to reconcile profit (loss) to cash received (paid):					
Dividend income		(6,330)	(3,542)	(57,865)	(9,933)
Doubtful accounts - trade and other receivables (reversal)		(16,534)	350	(2,105)	(966)
Share of gain of investment associates		(13,214)	(97,001)	-	-
Amortization increase of premium on bonds		(4)	(9)	-	-
Employee benefit expenses		11,697	10,949	5,298	4,554
Gain arising from change in fair value of biological assets		(47,315)	(18,357)	(238)	(3,267)
Loss on diminution in value and obsolescence of inventories (reversal)		(81,462)	(224,697)	(54,341)	(164,158)
Loss from plantation (reversal)		(735)	(36,355)	-	-
Depreciation and amortization		842,222	914,699	387,706	359,931
(Gain) loss on sales and disposal of assets		(8,437)	4,862	6,522	(3,513)
Gain arising from change in fair value of investment property		-	(916)	-	-
Unrealized (gain) loss on exchange rate		(1,047)	150	38,275	82,942
Interest income		(64,963)	(71,004)	(118,154)	(136,300)
Interest expenses		347,435	313,660	313,331	261,052
		<u>1,520,924</u>	<u>1,696,426</u>	<u>216,351</u>	<u>216,393</u>
Operating assets (increase) decrease					
Trade and other current receivables		142,274	(1,465,139)	193,863	(657,028)
Inventories		(7,711,531)	(8,956,802)	(4,372,033)	(4,823,139)
Current biological assets		52,933	(10,231)	806	3,467
Other current assets		(21,250)	(11,950)	(16,730)	(2,276)
Trade and other non-current receivables		7,558	3,286	2,220	547
Other non-current assets		(7,719)	(21,880)	(5,041)	(19,534)
Operating liabilities increase (decrease)					
Trade and other current payables		(662,996)	374,696	-211,438	222,957
Provision for production costs		963,039	1,125,178	462,285	523,932
Other current liabilities		61,880	74,449	22,844	18,415
Non-current provision for employee benefit		(700)	(6,020)	(694)	(874)
Other non-current liabilities		(6,567)	7,851	(8,250)	5,614
Cash paid from operating activities		<u>(5,662,155)</u>	<u>(7,190,136)</u>	<u>(3,715,817)</u>	<u>(4,511,526)</u>
Interest paid		(347,707)	(314,725)	(313,752)	(262,275)
Income tax expense paid		(97,372)	(48,459)	(5,366)	(5,428)
Net cash used in operating activities		<u>(6,107,234)</u>	<u>(7,553,320)</u>	<u>(4,034,935)</u>	<u>(4,779,229)</u>

STATEMENTS OF CASH FLOWS (CONTINUED)
FOR THE SIX-MONTH PERIOD ENDED APRIL 30, 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		220,780	(155,491)	353,158	306,550
Decrease in short-term loans to farmers		677,977	670,012	344,142	303,116
Cash payments for investments in associates		-	(617)	-	(617)
Cash payments for other long-term investments		-	(2)	-	(2)
Decrease in loans for cane plantation development		88,317	150,141	20,053	29,359
Decrease (increase) in long-term loans to related and other parties		21,517	(18,462)	(189,833)	(1,018,512)
Cash received from interest income		63,347	74,835	126,284	109,996
Cash received from dividends from other company		2,000	-	8,535	-
Cash payments for purchases of property, plant and equipment		(293,577)	(851,892)	(194,576)	(580,917)
Cash received from sales of property, plant and equipment		19,994	9,194	1,449	7,424
Cash payments for purchase of investment properties		(243,590)	(3,560)	-	(206)
Cash received from sales of assets not yet used in operation		16,703	200	-	-
Cash payments for purchase of intangible assets		(379)	(210)	(90)	(195)
Net cash provided by (used in) investing activities		<u>572,853</u>	<u>(125,852)</u>	<u>469,122</u>	<u>(844,004)</u>
CASH FLOWS FROM FINANCING ACTIVITIES					
Increase in short-term borrowings					
from financial institutions	4.2	5,995,946	4,967,013	4,327,000	3,132,000
Increase (decrease) in short-term borrowings					
from related and other parties	4.2	658,166	(800)	372,105	(385,000)
Cash received from long-term debentures	4.2	-	2,000,000	-	2,000,000
Cash payment for long-term debentures	4.2	(1,000,000)	-	(1,000,000)	-
Cash received from long-term borrowings	4.2	1,000,000	2,000,000	1,000,000	2,000,000
Cash payment for long-term borrowings	4.2	(912,000)	(1,010,000)	(860,000)	(810,000)
Cash payments for dividends to shareholders of the parent		(220,512)	(220,512)	(220,512)	(220,512)
Cash payments for non-controlling interests		(522)	-	-	-
Net cash provided by financing activities		<u>5,521,078</u>	<u>7,735,701</u>	<u>3,618,593</u>	<u>5,716,488</u>
Exchange differences on translation of cash of foreign subsidiaries		17,377	300	-	-
Net increase in cash and cash equivalents		4,074	56,829	52,780	93,255
Cash and cash equivalents at the beginning of the period		129,242	153,004	8,029	11,894
Cash and cash equivalents at the end of the period	4.3	<u>133,316</u>	<u>209,833</u>	<u>60,809</u>	<u>105,149</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 SIX-MONTH PERIOD ENDED APRIL 30, 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, Sriayudahya Road, Thanon Phaya Thai Sub-District, Ratchathewi District, Bangkok, and the locations of its 5 factories (branches) are as follows :

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

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

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

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

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

The Company’s main businesses are to manufacture and distribute sugar and molasses and trading of spare parts and supplies to its subsidiaries, subcontractors and farmers who have business with the Company and/or its subsidiaries. The subsidiaries’ main business operations are listed in Note 2.6.

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 and six-month periods ended April 30, 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 Certain financial information which is normally included in the annual financial statements prepared in accordance with TFRS, but which is not required for interim reporting purposes, has been omitted. Therefore, the interim financial statements for the three-month and six-month periods ended April 30, 2019 should be read in conjunction with the audited financial statements for the year ended October 31, 2018.
- 2.5 Material intercompany transactions between the Company and its subsidiaries have been eliminated from this interim consolidated financial statements. The interim consolidated financial statements for the three-month and six-month periods ended April 30, 2019 have included the subsidiaries' interim financial statements for the three-month and six-month periods ended April 30, 2019 which were reviewed.
- 2.6 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 April 30, 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.

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

During the period, the Group has adopted the revised and new financial reporting standards and guidelines on accounting issued by the Federation of Accounting Professions which become effective for fiscal years beginning on or after January 1, 2019. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards. The adoption of these financial reporting standards does not have any significant impact on the Group's interim financial statements.

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

2.8.1 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

2.8.2 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 Accounting Standards, 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, 2020 onwards, as follows:

Group of Financial instruments Standards

Thai Accounting Standards (“TAS”)

TAS 32 Financial Instruments: Presentation

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

These group of Standards make stipulations relating to the classification of financial instruments and their measurement at fair value or amortized cost; taking into account the type of instrument, the characteristics of the contractual cash flows and the Company's business model, the calculation of impairment using the expected credit loss method, and the concept of hedge accounting. These include stipulations regarding the presentation and disclosure of financial instruments. These Standards will supersede the Standards and Interpretations relating to the financial instruments upon its effective date.

Thai Financial Reporting Standards No. 16 "Leases"

This financial reporting standard sets out the principles for the recognition, measurement, presentation and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information for users of financial statements to assess the effect that leases have on the financial position, financial performance and cash flows of the Company. The Company shall consider the terms and conditions of contracts and all relevant facts and circumstances when applying this Standard. The Company shall apply this Standard consistently to contracts with similar characteristics and in similar circumstances.

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.

- 2.9 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 have been prepared based on the basis, accounting policies and method of computation consistent with those used in 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 six-month period ended April 30, are as follows:

Type of Transactions	Unit : Thousand Baht			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	2019	2018	2019	2018
Purchases of property, plant and equipment which have not yet been paid during the period	29,632	30,275	6,253	27,190
Transfer of assets not used in operations to investment property	-	2,626	-	-
Transfer of assets not used in operations to inventories	-	8,585	-	-
Transfer of assets not used in operations to property, plant and equipment	-	6,754	-	-
Transfer of property, plant and equipment to assets not yet used in operations	1,862,106	-	-	-
Transfer of equipment to intangible assets	40	298	40	298
Decrease in short-term borrowings from subsidiaries by offsetting against dividend received	-	-	45,000	-

4.2 Changing in liabilities from financing activities

As at April 30, 2019

	Unit : Thousand Baht			
	Consolidated financial statements			
	Balance as at November 1, 2018	Financing cash flows	Non-cash changes	Balance as at April 30, 2019
Short-term borrowings from financial institutions	6,846,126	5,995,946	(1,464)	12,840,608
Short-term borrowings from related parties and others	374,583	658,166	-	1,032,749
Long-term borrowings from financial institutions	5,682,000	88,000	-	5,770,000
Long-term debentures	10,493,742	(1,000,000)	1,841	9,495,583
Total	23,396,451	5,742,112	377	29,138,940

As at April 30, 2019

	Unit : Thousand Baht			
	Separate financial statements			
	Balance as at November 1, 2018	Financing cash flows	Non-cash changes	Balance as at April 30, 2019
Short-term borrowings from financial institutions	3,851,660	4,327,000	(1,464)	8,177,196
Short-term borrowings from related parties and others	631,950	372,105	(45,000)	959,055
Long-term borrowings from financial institutions	5,630,000	140,000	-	5,770,000
Long-term debentures	10,493,742	(1,000,000)	1,841	9,495,583
Total	20,607,352	3,839,105	(44,623)	24,401,834

4.3 Cash and cash equivalents as at April 30, are as follows:

Type of Transactions	Unit : Thousand Baht			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	2019	2018	2019	2018
Cash	1,898	3,561	625	1,760
Savings accounts deposits	114,522	163,027	56,476	87,266
Current accounts deposits	16,896	43,245	3,708	16,123
Total	<u>133,316</u>	<u>209,833</u>	<u>60,809</u>	<u>105,149</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 April 30, 2019	As at October 31, 2018	As at April 30, 2019	As at October 31, 2018
Trade and other current receivables				
Subsidiaries	-	-	867.47	912.19
Associates	1.15	1.32	1.15	1.32
Related parties	<u>152.19</u>	<u>373.57</u>	<u>107.81</u>	<u>203.31</u>
Total	<u>153.34</u>	<u>374.89</u>	<u>976.43</u>	<u>1,116.82</u>
Short-term loans (see Note 7)				
Subsidiaries	<u>-</u>	<u>-</u>	<u>2,613.76</u>	<u>1,326.44</u>
Other current assets				
Subsidiaries	-	-	47.96	56.72
Associates	5.52	5.52	5.52	5.52
Related parties	<u>0.58</u>	<u>0.45</u>	<u>0.05</u>	<u>0.16</u>
Total	<u>6.10</u>	<u>5.97</u>	<u>53.53</u>	<u>62.40</u>
Long-term loans				
Subsidiaries	<u>-</u>	<u>-</u>	<u>3,274.49</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	-	-	368.48	28.65
Associates	9.35	5.58	1.75	-
Related parties	<u>212.92</u>	<u>178.13</u>	<u>112.44</u>	<u>120.04</u>
Total	<u>222.27</u>	<u>183.71</u>	<u>482.67</u>	<u>148.69</u>

Type of Balances	Consolidated		Unit : Million Baht Separate	
	Financial Statements		Financial Statements	
	As at	As at	As at	As at
	April 30, 2019	October 31, 2018	April 30, 2019	October 31, 2018
Other accrued expenses (included in other payables)				
Subsidiaries	-	-	61.09	31.14
Short-term borrowings				
Subsidiaries	-	-	329.00	421.50
Related parties	3.40	3.80	3.40	3.80
Total	3.40	3.80	332.40	425.30
Other current liabilities				
Subsidiaries	-	-	0.47	0.03
Related parties	0.02	0.02	-	-
Total	0.02	0.02	0.47	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 April 30, 2019 and October 31, 2018, short-term loans to subsidiaries represented promissory notes receivable on demand, carrying interest rates at 2.14% - 3.73% per annum and 2.10% - 3.05% per annum, respectively.

As at April 30, 2019 and October 31, 2018, long-term loans to subsidiaries represented loans with maturity date within 2020 - 2027 equal for both periods, carrying the interest rates at 2.93% - 3.95% per annum and 2.20% - 3.90% per annum, respectively.

As at April 30, 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% - 2.00% per annum and 1.80% - 1.84% per annum, respectively.

5.2 Significant transactions with related parties for the three-month and six-month periods ended April 30, are as follows:

Type of transactions	Unit : Million Baht			
	Consolidated		Separate	
	Financial Statements for the three-month periods ended April 30,		Financial Statements for the three-month periods ended April 30,	
	2019	2018	2019	2018
Revenues from sales and rendering of services				
Subsidiaries	-	-	702.23	609.75
Associates	28.22	-	-	-
Related parties	655.33	709.28	372.55	391.55
Total	<u>683.55</u>	<u>709.28</u>	<u>1,074.78</u>	<u>1,001.30</u>
Cost of sales and rendering of services				
Subsidiaries	-	-	416.23	908.21
Associates	4.87	5.30	4.87	5.30
Related parties	7.99	16.36	0.34	0.43
Total	<u>12.86</u>	<u>21.66</u>	<u>421.44</u>	<u>913.94</u>
Other income				
Subsidiaries	-	-	46.00	47.94
Associates	3.37	3.69	8.89	3.69
Related parties	2.57	2.05	1.96	1.24
Total	<u>5.94</u>	<u>5.74</u>	<u>56.85</u>	<u>52.87</u>
Distribution costs				
Subsidiaries	-	-	0.68	0.57
Associates	12.77	14.08	1.15	0.93
Total	<u>12.77</u>	<u>14.08</u>	<u>1.83</u>	<u>1.50</u>
Administrative expenses				
Subsidiaries	-	-	1.21	1.88
Related parties	4.02	3.50	1.79	1.51
Related juristic person	2.72	2.73	2.46	2.47
Total	<u>6.74</u>	<u>6.23</u>	<u>5.46</u>	<u>5.86</u>
Financial costs				
Subsidiaries	-	-	1.38	0.90
Related juristic person	0.01	0.03	0.01	0.03
Total	<u>0.01</u>	<u>0.03</u>	<u>1.39</u>	<u>0.93</u>
Management compensation				
Short-term employee benefits	28.75	53.90	12.52	21.68
Post-employment benefits	1.42	0.92	0.69	0.47
Total	<u>30.17</u>	<u>54.82</u>	<u>13.21</u>	<u>22.15</u>

Type of transactions	Unit : Million Baht			
	Consolidated		Separate	
	Financial Statements for the six-month periods ended April 30,		Financial Statements for the six-month periods ended April 30,	
	2019	2018	2019	2018
Revenues from sales and rendering of services				
Subsidiaries	-	-	1,453.50	1,396.69
Associates	28.22	-	-	-
Related parties	1,057.12	1,053.11	633.74	542.69
Total	<u>1,085.34</u>	<u>1,053.11</u>	<u>2,087.24</u>	<u>1,939.38</u>
Cost of sales and rendering of services				
Subsidiaries	-	-	855.02	1,599.06
Associates	7.05	9.17	7.05	9.17
Related parties	14.53	16.86	0.49	0.86
Total	<u>21.58</u>	<u>26.03</u>	<u>862.56</u>	<u>1,609.09</u>
Other income				
Subsidiaries	-	-	91.64	103.62
Associates	6.16	3.69	11.68	3.69
Related parties	5.03	4.85	3.23	2.86
Total	<u>11.19</u>	<u>8.54</u>	<u>106.55</u>	<u>110.17</u>
Distribution costs				
Subsidiaries	-	-	1.46	1.73
Associates	18.10	17.78	1.15	0.93
Total	<u>18.10</u>	<u>17.78</u>	<u>2.61</u>	<u>2.66</u>
Administrative expenses				
Subsidiaries	-	-	2.60	4.23
Related parties	8.70	7.34	4.09	3.10
Related juristic person	5.47	5.46	4.94	4.93
Total	<u>14.17</u>	<u>12.80</u>	<u>11.63</u>	<u>12.26</u>
Financial costs				
Subsidiaries	-	-	3.45	3.20
Related juristic person	0.03	0.05	0.03	0.05
Total	<u>0.03</u>	<u>0.05</u>	<u>3.48</u>	<u>3.25</u>
Management compensation				
Short-term employee benefits	88.37	85.18	37.56	34.28
Post-employment benefits	2.84	1.85	1.39	0.95
Total	<u>91.21</u>	<u>87.03</u>	<u>38.95</u>	<u>35.23</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 April 30, 2019	As at October 31, 2018	As at April 30, 2019	As at October 31, 2018
Trade receivables	780,178	940,737	404,807	509,687
Current farmer receivables	248,073	324,213	117,676	225,688
Receivables from the Office of the Cane and Sugar Fund	1,035,550	1,035,550	633,071	633,071
Other receivables	23,564	16,528	34,655	18,013
Advance payment for shares	-	-	775,320	775,320
Prepaid expenses	82,538	37,708	23,204	19,629
Advance payment	6,385	7,507	3,381	3,986
Accrued income	169,942	113,822	71,546	75,353
Total trade and other current receivables	<u>2,346,230</u>	<u>2,476,065</u>	<u>2,063,660</u>	<u>2,260,747</u>

6.1 Trade receivables consisted of:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	As at April 30, 2019	As at October 31, 2018	As at April 30, 2019	As at October 31, 2018
Related parties	151,604	372,086	173,250	327,820
Others	628,574	568,651	231,557	181,867
Total trade receivables	<u>780,178</u>	<u>940,737</u>	<u>404,807</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 April 30, 2019	As at October 31, 2018	As at April 30, 2019	As at October 31, 2018
Domestic trade receivables				
Not yet due	151,604	372,086	172,864	327,820
Overdue not over 3 months	-	-	386	-
Total trade receivables - related parties	<u>151,604</u>	<u>372,086</u>	<u>173,250</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
	April 30,	October 31,	April 30,	October 31,
	2019	2018	2019	2018
Business are to manufacture and distribute sugar and molasses				
Domestic trade receivables				
Not yet due	175,359	117,304	43,646	26,173
Overdue not over 3 months	44,046	31,252	28,575	12,586
Overdue over 3 months and not over 6 months	-	13,552	-	13,552
Overdue over 12 months	12,632	-	12,632	-
Total	<u>232,037</u>	<u>162,108</u>	<u>84,853</u>	<u>52,311</u>
Foreign trade receivables				
Not yet due	220,468	290,220	127,812	113,753
Overdue not over 3 months	18,892	4,541	18,892	4,541
Overdue over 3 months and not over 6 months	-	11,261	-	11,262
Total	<u>239,360</u>	<u>306,022</u>	<u>146,704</u>	<u>129,556</u>
Total of business are to manufacture and distribute sugar and molasses	<u>471,397</u>	<u>468,130</u>	<u>231,557</u>	<u>181,867</u>
Manufacture and distribution of electricity				
Domestic trade receivables				
Not yet due	150,400	70,962	-	-
Overdue not over 3 months	1,813	24,056	-	-
Total of business of manufacturing and distributing of electricity	<u>152,213</u>	<u>95,018</u>	<u>-</u>	<u>-</u>
Other business				
Domestic trade receivables				
Not yet due	2,269	2,280	-	-
Overdue not over 3 months	2,016	2,138	-	-
Overdue over 3 months and not over 6 months	156	365	-	-
Overdue over 6 months and not over 12 months	181	204	-	-
Overdue over 12 months	342	516	-	-
Total other business	<u>4,964</u>	<u>5,503</u>	<u>-</u>	<u>-</u>
Total trade receivables - others	<u>628,574</u>	<u>568,651</u>	<u>231,557</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 April 30, 2019	As at October 31, 2018	As at April 30, 2019	As at October 31, 2018
Cane receivables				
Before Season 2015/2016	128,029	134,093	27,792	29,116
Season 2015/2016	44,520	45,981	12,316	13,032
Season 2016/2017	25,419	37,767	11,203	15,468
Season 2017/2018	19,544	26,630	7,229	11,462
Season 2018/2019	130,668	-	35,801	-
Total cane receivables	<u>348,180</u>	<u>244,471</u>	<u>94,341</u>	<u>69,078</u>
Advance payment				
Season 2018/2019	-	253,863	-	193,344
Season 2019/2020	64,075	-	56,179	-
Total advance payment for purchases of cane	<u>64,075</u>	<u>253,863</u>	<u>56,179</u>	<u>193,344</u>
Receivables from fuel oil, fertilizer and other services	<u>15,446</u>	<u>13,364</u>	<u>14,303</u>	<u>12,786</u>
Total	427,701	511,698	164,823	275,208
<u>Less</u> Allowance for doubtful accounts	<u>(93,813)</u>	<u>(100,506)</u>	<u>(38,481)</u>	<u>(40,739)</u>
Total farmer receivables	333,888	411,192	126,342	234,469
<u>Less</u> Non-current portion	<u>(85,815)</u>	<u>(86,979)</u>	<u>(8,666)</u>	<u>(8,781)</u>
Total current farmer receivables	<u>248,073</u>	<u>324,213</u>	<u>117,676</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 1 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 April 30, 2019 and October 31, 2018, the Company and its subsidiaries recorded receivables from sugar cane price 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, equally for both periods, in the consolidated and separate financial statements amounting to Baht 1,035.55 million and amounting to Baht 633.07 million, respectively and recorded non-current receivable from compensation for sugar production and distribution equally for both periods in the consolidated and separate financial statements amounting to Baht 440.56 million and Baht 268.05 million, respectively (see Note 11).

7. SHORT-TERM LOANS

Short-term loans consisted of:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	As at April 30, 2019	As at October 31, 2018	As at April 30, 2019	As at October 31, 2018
Short-term loans to subsidiaries and related parties (see Note 5.1)	-	-	1,173,562	1,226,440
Short-term loans to other	-	220,780	-	220,780
Short-term loans to farmers	337,983	1,015,616	60,030	404,172
Current portion of long-term loans to subsidiaries (see Note 5.1)	-	-	1,440,200	100,000
Current portion of long-term loans to others	28,333	46,683	28,333	46,683
Current portion of loans for cane plantation development	196,074	250,067	49,781	59,663
Total short-term loans	<u>562,390</u>	<u>1,533,146</u>	<u>2,751,906</u>	<u>2,057,738</u>

Short-term loans to farmers as at April 30, 2019 and October 31, 2018, in the consolidated and separate financial statements represent loans in the form of discounted check purchase for post-dated checks which the Company and its subsidiaries issued to the farmers on 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 six-month period ended April 30, 2019 are as follows:

	Unit : Thousand Baht	
	Consolidated Financial Statements	Separate Financial Statements
Beginning book value	60,800	6,106
Gain on arising from change in fair value	47,315	97
Additional plantation costs during the period	54,476	2,734
Amortization from harvesting during the period	<u>(107,409)</u>	<u>(3,399)</u>
Ending book value	<u>55,182</u>	<u>5,538</u>

The methods and assumptions used in estimating the fair value of biological asset have 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 level 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 April 30, 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	507,994	5,478	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*	398,664	344,706	0.07	0.08	391	214	41	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	3,333,460	-	3,244,868	3,326,545	-
Total					3,380,459	3,886,601	5,519	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	%	%	April 30,	October 31,	April 30,	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	5,478	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*	398,664	344,706	0.07	0.08	391	391	41	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	5,519	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		%	%	April 30,	October 31,	April 30,	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	1,016	-
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	46,016	-
Less Allowance for impairment of investments					(1,643,149)	(1,643,149)	-	-
Total investments in subsidiaries					4,283,380	4,283,380	46,016	-

* 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
April 30,	October 31,	April 30,	October 31,	
2019	2018	2019	2018	
Trade receivables	4,755	4,755	-	-
Farmer receivables	85,815	86,979	8,666	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	531,134	532,298	276,715	276,830

12. INVESTMENT PROPERTY

Movement of investment property which consisted of land, land improvement and building and warehouses using fair value method for the six-month period ended April 30, 2019 are as follows:

	Consolidated Financial Statements	Unit : Thousand Baht Separate Financial Statements
Beginning fair value	5,167,004	1,695,578
Purchases	243,590	-
Ending fair value	<u>5,410,594</u>	<u>1,695,578</u>

For the six-month periods ended April 30, 2019 and 2018, the Company and its subsidiaries recognized rental income from investment property of Baht 100.24 million and Baht 99.90 million, respectively, in the consolidated statements of profit or loss, and of Baht 21.40 million and Baht 22.55 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 six-month period ended April 30, 2019 are as follows:

	Consolidated Financial Statements	Unit : Thousand Baht Separate Financial Statements
Beginning book value	26,182,946	9,500,392
Reclassifications/adjustments	(1,867,178)	(105)
Purchases of assets (including construction in progress)	255,298	151,449
Transfer in - cost	859,610	441,818
Transfer out - cost	(859,610)	(441,818)
Cost of disposal/written off of assets	(147,195)	(27,096)
Accumulated depreciation - disposal/written off	122,972	19,122
Depreciation	(838,627)	(384,949)
Reversal of allowance for impairment of assets	735	-
Translation of financial statements differences	(75,920)	-
Ending book value	<u>23,633,031</u>	<u>9,258,813</u>

As at April 30, 2019 and October 31, 2018, buildings and structure and building under construction of two foreign subsidiaries at book value of Baht 412.43 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 24.8.3). The two foreign subsidiaries plan to cease their operations so their assets of Baht 1,862.11 million are reclassified to other non-current assets in the consolidated financial statements.

As at April 30, 2019 and October 31, 2018, assets at cost of Baht 5,080.92 million and Baht 4,893.21 million, respectively, in the consolidated financial statements, and of Baht 2,686.07 million and Baht 2,655.57 million, respectively, in the separate financial statements, were fully depreciated but still in use.

As at April 30, 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 April 30, 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
	April 30,	October 31,	April 30,	October 31,
	2019	2018	2019	2018
Trade payables - related parties	2,911	2,670	334,679	21,942
Trade payables - others	296,014	492,633	113,243	236,789
Advances received for sales of goods	274,596	465,053	115,871	357,467
Accrued fees payable to the Office of the Cane and Sugar Fund	26,678	40,579	5,451	5,568
Other accrued expenses	180,971	310,754	191,143	249,346
Payables on purchases of assets	51,625	95,009	6,691	49,886
Other payables	252,922	386,048	251,046	352,557
Total trade and other current payables	<u>1,085,717</u>	<u>1,792,746</u>	<u>1,018,124</u>	<u>1,273,555</u>

As at April 30, 2019, certain 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 six-month period ended April 30, 2019, using the initial cane price for production season 2018/2019 at cane price of Baht 749.35 – 834.47 per ton with average sweetness level at 11.17 - 13.20 c.c.s.

15. PROVISION FOR PRODUCTION COSTS

As at April 30, 2019, the Company and five subsidiaries recorded provision for production cost based on average rate of production costs for the entire production season to estimate the cost of production per unit, which was calculated from the estimated cost of cane, direct labor and production costs expected to occur divided by the estimated volume of production expected to produce in each production season. The estimated cost of cane is based on the price as mentioned in Note 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” 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	As at
	April 30,	October 31,
	2019	2018
Unsecured senior debt debentures	9,495,583	10,493,742
<u>Less</u> Current portion	<u>(4,998,811)</u>	<u>(2,999,023)</u>
Net	<u>4,496,772</u>	<u>7,494,719</u>

Movements of long-term debentures for the six-month period ended April 30, 2019 are as follows:

	Unit : Thousand Baht
	Consolidated/Separate
	Financial Statements
Beginning book value	10,493,742
Repayment during the period	(1,000,000)
Amortized debenture issuance expenses during the period	<u>1,841</u>
Ending book value	<u>9,495,583</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 April 30, 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 six-month period ended April 30, 2019, are as follows:

	Consolidated Financial Statements	Unit : Thousand Baht Separate Financial Statements
Beginning balance at book value	5,682,000	5,630,000
Addition borrowings during the period	1,000,000	1,000,000
Redemptions during the period	(912,000)	(860,000)
Ending balance at book value	<u>5,770,000</u>	<u>5,770,000</u>
<u>Less</u> Current portion	<u>(1,842,000)</u>	<u>(1,842,000)</u>
Long-term borrowings	<u>3,928,000</u>	<u>3,928,000</u>

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

	Consolidated Financial Statements		Separate Financial Statements	
	As at April 30, 2019 %	As at October 31, 2018 %	As at April 30, 2019 %	As at October 31, 2018 %
Borrowings in Baht currency	2.94 - 3.80	3.00 - 3.80	2.94 - 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 April 30, 2019	As at October 31, 2018	As at April 30, 2019	As at October 31, 2018
Within 1 year	1,842,000	1,772,000	1,842,000	1,720,000
Over 1 year and within 5 years	3,928,000	3,910,000	3,928,000	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 April 30, 2019	As at 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	100,000	200,000	AMLR - Fixed rate	Semi-annual	Monthly	April 2015	October 2019
4. Baht 1,000 million	745,000	830,000	Fixed rate	Semi-annual	Monthly	April 2018	October 2023
5. Baht 1,000 million	625,000	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	900,000	1,000,000	MLR - Fixed rate	Semi-annual	Monthly	March 2019	September 2023
9. Baht 1,000 million	1,000,000	-	AMLR - Fixed rate	Semi-annual	Quarterly	August 2019	August 2023
Total	<u>5,770,000</u>	<u>5,630,000</u>					
The subsidiaries							
10. Baht 1,000 million	-	52,000	AMLR - Fixed rate	Semi-annual	Monthly	August 2014	February 2019
Total	<u>-</u>	<u>52,000</u>					
Sub Total	5,770,000	5,682,000					
Less Current portion	<u>(1,842,000)</u>	<u>(1,772,000)</u>					
Grand Total	<u>3,928,000</u>	<u>3,910,000</u>					

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

As at 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 April 30, 2019 and October 31, 2018, the Company and subsidiaries can maintain the ratios as stipulated in the agreements.

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

18.1 Income tax expense (income)

Income tax expense (income) for the six-month periods ended April 30, are as follows:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2019	2018	2019	2018
<u>Current income tax</u>				
Current income tax expense	123,903	93,635	-	-
<u>Deferred income tax</u>				
Deferred income tax income and temporary differences	(71,893)	(31,032)	(70,660)	(35,907)
Total	<u>52,010</u>	<u>62,603</u>	<u>(70,660)</u>	<u>(35,907)</u>

Reconciliation of income tax and the results of the accounting profit (loss) multiplied by the income tax rate for the six-month periods ended April 30, are as follows:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2019	2018	2019	2018
Profit (loss) before income tax expense (income)				
- Promoted sector-exempted from income tax	124,556	512,805	-	-
- The portion that has been promoted except for income tax at 50% of income tax rate	352,900	-	-	-
- Non-promoted sector	82,155	390,832	(302,078)	(173,949)
Total profit (loss) before income tax expense (income)	<u>559,611</u>	<u>903,637</u>	<u>(302,078)</u>	<u>(173,949)</u>
Statutory tax rates (%)	20	20	20	20
Income tax expense				
- The portion that has been promoted except for income tax at 50% of income tax rate	35,290	-	-	-
- Non-promoted sector	16,431	78,166	-	-
Total income tax	<u>51,721</u>	<u>78,166</u>	<u>-</u>	<u>-</u>
Effect on income tax from non-deductible taxable expense	<u>77,492</u>	<u>15,541</u>	<u>-</u>	<u>-</u>
	129,213	93,707	-	-
Prior year income tax income	(5,310)	(72)	-	-
Deferred income tax income	<u>(71,893)</u>	<u>(31,032)</u>	<u>(70,660)</u>	<u>(35,907)</u>
Income tax expense (income)	<u>52,010</u>	<u>62,603</u>	<u>(70,660)</u>	<u>(35,907)</u>

18.2 Deferred tax assets - net are as follows:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	As at April 30, 2019	As at October 31, 2018	As at April 30, 2019	As at October 31, 2018
Deferred tax assets - net				
Non-current provision for employee benefit	1,181	1,133	-	-
Loss carried forward	7,481	5,244	-	-
Others	557	557	-	-
Deferred tax assets - net	<u>9,219</u>	<u>6,934</u>	<u>-</u>	<u>-</u>

The movements of deferred tax assets during six-month periods ended April 30, 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 April 30, 2019
Deferred tax assets - net				
Non-current provision for employee benefit	1,133	48	-	1,181
Loss carried forward	5,244	2,237	-	7,481
Others	557	-	-	557
Deferred tax assets - net	<u>6,934</u>	<u>2,285</u>	<u>-</u>	<u>9,219</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 April 30, 2018
Deferred tax assets - net				
Non-current provision for employee benefit	8,904	(7,910)	-	994
Loss carried forward	103,538	(94,553)	-	8,985
Depreciation	(6,097)	6,097	-	-
Allowance for diminution in value of inventories	12,518	(12,518)	-	-
Gain on asset revaluation	(66,070)	-	66,070	-
Allowance for doubtful accounts	16,676	(16,676)	-	-
Change in fair value of investment property	(69,646)	69,646	-	-
Others	13,391	(12,337)	-	1,054
Deferred tax assets - net	<u>13,214</u>	<u>(68,251)</u>	<u>66,070</u>	<u>11,033</u>

Unrecognized deferred tax assets of three foreign subsidiaries as at April 30, are as follows:

	Unit : Thousand Baht Consolidated Financial Statements	
	2019	2018
The following deferred tax assets have not been recognized		
Temporary differences	(57,171)	(158,158)
Loss carried forward	256,819	325,411
	<u>199,648</u>	<u>167,253</u>

As at April 30, 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 256.82 million, will be matured by the years 2020 to 2024.

18.3 Deferred tax liabilities - net are as follows:

	Consolidated Financial Statements		Unit : Thousand Baht Separate Financial Statements	
	As at April 30, 2019	As at October 31, 2018	As at April 30, 2019	As at October 31, 2018
Deferred tax liabilities - net				
Allowance for doubtful accounts	(34,946)	(36,367)	(9,637)	(10,088)
Allowance for diminution in value of inventories	(7,315)	(22,981)	(7,311)	(18,179)
Allowance for impairment in subsidiary investments	-	-	(328,630)	(328,630)
Non-current provision for employee benefit	(60,238)	(58,115)	(26,634)	(25,714)
Gain on asset revaluation	544,843	545,493	194,858	194,858
Loss carried forward	(430,977)	(374,572)	(349,120)	(290,577)
Depreciation	58,339	93,552	25,437	49,340
Change in fair value of investment property	577,462	572,107	278,165	276,457
Change in fair value of biological assets	(1,169)	(1,631)	(360)	(406)
Gain from amalgamation	482,573	482,573	482,573	482,573
Others	(44,840)	(36,623)	(22,352)	(12,538)
Deferred tax liabilities - net	<u>1,083,732</u>	<u>1,163,436</u>	<u>236,989</u>	<u>317,096</u>

The movements of deferred tax liabilities during six-month periods ended April 30, 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 April 30, 2019
Deferred tax liabilities - net				
Allowance for doubtful accounts	(36,367)	1,421	-	(34,946)
Allowance for diminution in value of inventories	(22,981)	15,666	-	(7,315)
Non-current provision for employee benefit	(58,115)	(2,123)	-	(60,238)
Gain on asset revaluation	545,493	-	(650)	544,843
Loss carried forward	(374,572)	(56,405)	-	(430,977)
Depreciation	93,552	(35,213)	-	58,339
Change in fair value of investment property	572,107	5,355	-	577,462
Change in fair value of biological assets	(1,631)	462	-	(1,169)
Gain from amalgamation	482,573	-	-	482,573
Others	(36,623)	1,229	(9,446)	(44,840)
Deferred tax liabilities - net	<u>1,163,436</u>	<u>(69,608)</u>	<u>(10,096)</u>	<u>1,083,732</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 April 30, 2018
Deferred tax liabilities - net				
Allowance for doubtful accounts	(11,208)	(16,746)	-	(27,954)
Allowance for diminution in value of inventories	(45,858)	36,560	-	(9,298)
Non-current provision for employee benefit	(43,187)	(8,811)	-	(51,998)
Gain on asset revaluation	479,606	-	65,887	545,493
Loss carried forward	(164,820)	(144,522)	-	(309,342)
Depreciation	68,483	(32,019)	-	36,464
Change in fair value of investment property	444,607	74,428	-	519,035
Change in fair value of biological assets	(3,209)	4,230	-	1,021
Gain from amalgamation	482,573	-	-	482,573
Others	(16,980)	(12,403)	(9,131)	(38,514)
Deferred tax liabilities - net	<u>1,190,007</u>	<u>(99,283)</u>	<u>56,756</u>	<u>1,147,480</u>

2019

	Unit : Thousand Baht			
	As at November 1, 2018	Separate Financial Statements		As at April 30, 2019
		Items as recognized in profit or loss	Items as recognized in other comprehensive income	
Deferred tax liabilities - net				
Allowance for doubtful accounts	(10,088)	451	-	(9,637)
Allowance for diminution in value of inventories	(18,179)	10,868	-	(7,311)
Allowance for impairment in subsidiary investments	(328,630)	-	-	(328,630)
Non-current provision for employee benefit	(25,714)	(920)	-	(26,634)
Gain on asset revaluation	194,858	-	-	194,858
Loss carried forward	(290,577)	(58,543)	-	(349,120)
Depreciation	49,340	(23,903)	-	25,437
Change in fair value of investment property	276,457	1,708	-	278,165
Change in fair value of biological assets	(406)	46	-	(360)
Gain from amalgamation	482,573	-	-	482,573
Others	(12,538)	(367)	(9,447)	(22,352)
Deferred tax liabilities - net	<u>317,096</u>	<u>(70,660)</u>	<u>(9,447)</u>	<u>236,989</u>

2018

	Unit : Thousand Baht			
	As at November 1, 2017	Separate Financial Statements		As at April 30, 2018
		Items as recognized in profit or loss	Items as recognized in other comprehensive income	
Deferred tax liabilities - net				
Allowance for doubtful accounts	(8,863)	194	-	(8,669)
Allowance for diminution in value of inventories	(41,793)	32,831	-	(8,962)
Allowance for impairment in subsidiary investments	(230,144)	-	-	(230,144)
Non-current provision for employee benefit	(22,415)	(736)	-	(23,151)
Gain on asset revaluation	194,858	-	-	194,858
Loss carried forward	(164,722)	(53,003)	-	(217,725)
Depreciation	30,892	(18,697)	-	12,195
Change in fair value of investment property	242,925	1,705	-	244,630
Change in fair value of biological assets	(1,211)	1,865	-	654
Gain from amalgamation	482,573	-	-	482,573
Others	(4,208)	(66)	(9,131)	(13,405)
Deferred tax liabilities - net	<u>477,892</u>	<u>(35,907)</u>	<u>(9,131)</u>	<u>432,854</u>

19. DIVIDENDS PAID AND LEGAL RESERVE

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

Dividends	Approved by	Number of shares Billion shares	Dividends Paid per share	Ordinary Shares per share	Dividends Paid Million Baht	Dividends Paid Date
- Dividends paid from the Company's result of operations from November 1, 2017 to October 31, 2018	No. 1/2019 held on February 22, 2019	4.41	0.05	-	220.51	March 20, 2019
- Dividends paid from the Company's result of operations from November 1, 2016 to October 31, 2017	No. 1/2018 held on February 20, 2018	4.41	0.05	-	220.51	March 16, 2018

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

As at April 30, 2019 and October 31, 2018, the Company's legal reserve reaches 10 percent of the Company's authorized share capital.

20. 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/ 2019	Separate 2018
For the three-month periods ended April 30,	1,723	3,916
For the six-month periods ended April 30,	5,636	5,695

21. EXPENSES BY NATURE

The significant expenses by nature for the three-month and six-month periods ended April 30, are as follows:

	Consolidated Financial Statements for the three-month periods ended April 30,		Unit : Thousand Baht	
			Separate Financial Statements for the three-month periods ended April 30,	
	2019	2018	2019	2018
Salaries, wages and other employee benefits	534,817	594,762	217,602	242,298
Depreciation and amortization	438,993	455,589	212,148	181,916
Fee paid to the Office of the Cane and Sugar Fund	297,056	242,875	155,341	117,846
Maintenance expenses	285,077	272,199	105,350	112,100
Transportation expenses	203,637	134,310	134,116	58,927
Raw material and supplies used	4,787,725	6,421,568	2,954,196	3,910,589
Purchased finished goods	94,928	86,574	291,130	424,666
Changes in finished goods and goods in process	(4,065,343)	(5,737,721)	(2,313,872)	(3,474,051)
Gain from exchange rate	(27,883)	-	(36,222)	-
Management benefit expenses	28,754	53,897	12,516	21,677
Finance costs	182,908	158,762	162,379	128,990
Other operating expenses	248,086	364,685	183,088	194,909
Total	<u>3,008,755</u>	<u>3,047,500</u>	<u>2,077,772</u>	<u>1,919,867</u>

	Consolidated Financial Statements for the six-month periods ended April 30,		Unit : Thousand Baht	
			Separate Financial Statements for the six-month periods ended April 30,	
	2019	2018	2019	2018
Salaries, wages and other employee benefits	1,007,543	1,101,725	443,517	467,483
Depreciation and amortization	842,222	914,699	387,706	359,931
Fee paid to the Office of the Cane and Sugar Fund	635,002	531,024	309,901	267,595
Maintenance expenses	529,301	530,933	200,955	210,737
Transportation expenses	318,834	211,943	220,281	101,046
Raw material and supplies used	9,295,583	11,348,207	6,136,413	6,807,260
Purchased finished goods	155,792	120,071	592,972	933,265
Changes in finished goods and goods in process	(7,645,968)	(9,549,666)	(4,695,005)	(5,736,598)
(Gain) Loss from exchange rate	(7,294)	-	20,866	-
Management benefit expenses	88,374	85,180	37,560	34,276
Finance costs	347,435	313,660	313,331	261,052
Other operating expenses	530,514	625,666	335,412	424,529
Total	<u>6,097,338</u>	<u>6,233,442</u>	<u>4,303,909</u>	<u>4,130,576</u>

22. 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 the three-month and six-month periods ended April 30, 2019 and 2018. Basic earnings per share for the three-month and six-month periods ended April 30, 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>						
For the three-month period to ordinary equity holders	415,944	4,410,233	<u>0.094</u>	(75,705)	4,410,233	<u>(0.017)</u>
For the six-month period to ordinary equity holders	508,563	4,410,233	<u>0.115</u>	(231,418)	4,410,233	<u>(0.052)</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>						
For the three-month period to ordinary equity holders	688,064	4,410,233	<u>0.156</u>	(22,690)	4,410,233	<u>(0.005)</u>
For the six-month period to ordinary equity holders	828,760	4,410,233	<u>0.188</u>	(138,042)	4,410,233	<u>(0.031)</u>

23. 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 six-month period ended April 30, 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 six-month periods ended April 30, 2019 and 2018, the Group has revenue with a single external customer in Thailand in electricity sector in the amount of Baht 509.05 million and Baht 463.98 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 six-month periods ended April 30, 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		
Net revenue from operation - external	4,984	34	5,456	113	639	559	87	87	634	616	-	-	6,378	6,831
Net revenue from operation - internal	2,113	-	2,088	44	1,992	2,011	-	-	664	720	(4,769)	(4,863)	-	-
Total	7,097	34	7,544	157	2,631	2,570	87	87	1,298	1,336	(4,769)	(4,863)	6,378	6,831
Profit (loss) from operations	920	(3)	1,069	(1)	900	882	62	67	76	51	10	26	1,965	2,094
Other income													266	210
Distribution costs, administrative expenses and others													(1,337)	(1,183)
Finance costs	(382)	(26)	(329)	(46)	(20)	(33)	(13)	(11)	-	-	94	105	(347)	(314)
Share of gain of investment in an associate													13	97
Income tax expense													(52)	(63)
Net profit													508	841
(Less) Profit (loss) for the six-month period of non-controlling interest													1	(12)
Profit for the period													509	829
Interest income	152	7	172	4	-	-	-	-	-	-	(94)	(105)	65	71
Depreciation	(620)	(21)	(628)	(50)	(176)	(167)	-	-	(8)	(9)	-	-	(825)	(854)

**Consolidated Statements of Financial Position
As at April 30, 2019 and October 31, 2018**

Trade and other current receivables	2,997	79	3,168	37	602	193	12	16	110	147	(1,454)	(1,085)	2,346	2,476
Inventories	10,580	298	3,301	153	486	100	-	-	519	536	(1)	(1)	11,882	4,089
Property, plant and equipment	15,278	895	15,719	2,861	7,115	7,238	187	155	369	415	(211)	(205)	23,633	26,183
Central assets	18,139	2,087	19,245	211	21	21	4,462	4,224	233	209	(11,048)	(11,116)	13,894	12,794
Total Assets	46,994	3,359	41,433	3,262	8,224	7,552	4,661	4,395	1,231	1,307	(12,714)	(12,407)	51,755	45,542
Total Liabilities	34,345	3,116	28,232	2,941	1,366	1,458	998	799	305	363	(7,205)	(6,890)	32,925	26,903

24. COMMITMENTS, CONTINGENT LIABILITIES AND SIGNIFICANT AGREEMENTS

As at April 30, 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:

24.1 The Company and its subsidiaries have commitments relating to the sales agreements but not yet delivered in the consolidated financial statements amounting to Baht 6,715.09 million and Baht 3,012.90 million, respectively, and in the separate financial statements amounting to Baht 4,007.61 million and Baht 625.18 million, respectively.

24.2 The Company and three subsidiaries had agreements to purchase cane by issuing post-dated checks. The Company and such subsidiaries did not record such liabilities as the checks have not yet due and the cane 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
	April 30, 2019	October 31, 2018	April 30, 2019	October 31, 2018
For the production season 2018/2019	-	1,046.38	-	403.17
For the production season 2019/2020	239.17	-	57.60	-

24.3 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.

24.4 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.

24.5 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.

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

Unit : Million

	Currency	Consolidated Financial Statements					
		As at April 30, 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	-	3,489.47	-	-	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	20,322.20	8,770.99	11,551.21	22,967.00	5,116.47	17,850.53
Short-term borrowings	USD	840.50	-	840.50	43.50	-	43.50
Joint credit line in short-term borrowings	THB	3,900.80	2,925.43	975.37	2,766.00	1,734.00	1,032.00
Long-term borrowings	THB	5,770.00	5,770.00	-	5,682.00	5,682.00	-

Unit : Million

		Separate Financial Statements						
		As at April 30, 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	-	3,424.67	-	-	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	12,112.20	8,183.00	3,929.20	11,507.00	3,856.00	7,651.00
	Short-term borrowings	USD	0.50	-	0.50	3.50	-	3.50
	Joint credit line in short-term borrowings	THB	3,900.80	2,925.43	975.37	2,766.00	1,734.00	1,032.00
	Long-term borrowings	THB	5,770.00	5,770.00	-	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 April 30, 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.

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

Unit : Million

		Consolidated Financial Statements				
		As at April 30, 2019		As at October 31, 2018		
Currency		Contractual Amount	Outstanding Contractual Commitments	Contractual Amount	Outstanding Contractual Commitments	
	Construction and subcontract agreements	THB	877.29	113.72	1,002.07	187.54
	Machine and equipment purchase agreements	THB	281.72	22.83	500.68	51.26
		USD	0.56	-	0.56	-

Unit : Million

Consolidated Financial Statements
Outstanding Contractual Commitments

		As at April 30, 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	4.62	5.31	0.14	0.55	4.64	5.33	
Rental agreements	THB	12.50	17.15	-	29.65	14.53	22.45	-	36.98	

Unit : Million

Separate Financial Statements
Outstanding Contractual Commitments

		As at April 30, 2019			As at October 31, 2018		
		Currency	Contractual Amount	Outstanding Contractual Commitments	Contractual Amount	Outstanding Contractual Commitments	
Construction and subcontract agreements	THB		647.22	89.14	718.12	148.81	
Machine and equipment purchase agreements	THB		281.72	22.83	497.69	49.46	

Unit : Million

Separate Financial Statements
Outstanding Contractual Commitments

		As at April 30, 2019				As at October 31, 2018			
		Currency	Within 1 year	1 - 5 years	Total	Within 1 year	1 - 5 years	Over 5 years	Total
Rental agreements	THB		5.56	5.84	11.40	7.01	8.01		15.02

24.8 Other significant agreements

- 24.8.1 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.
- 24.8.2 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 April 30, 2019 and October 31, 2018, the subsidiary has already utilized the area of 5,053.45 hectares and 5,053.61 hectares, respectively, at the rental rate.

- 24.8.3 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 5 years, afterwards, the rent will be charged at a rate of USD 5 per hectare per annum and the rental fee will increase by 1% every year and later on February 25, 2016, the Government of Kingdom of Cambodia amended the new concession to 50 years. As at April 30, 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).
- 24.8.4 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 April 30, 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.

25. 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 April 30, 2019

	Fixed Interest Rate			Floating Interest Rate	Total
	Within 1 year	More than 1 year to 5 years	More than 5 years		
Financial Assets					
Saving accounts deposits	-	-	-	114,522	114,522
Fixed account deposits	260	-	-	-	260
Loans for cane plantation development	195,737	187,476	6,051	249	389,513
Short-term loans to farmers	283,449	7,359	-	47,175	337,983
Long-term loans to others	28,333	21,333	-	-	49,666
Other long-term investments	-	-	6,715	-	6,715
Total	<u>507,779</u>	<u>216,168</u>	<u>12,766</u>	<u>161,946</u>	<u>898,659</u>
Financial Liabilities					
Short-term borrowings from financial institutions	12,840,608	-	-	-	12,840,608
Short-term borrowings from other	1,029,349	-	-	-	1,029,349
Short-term borrowings from related parties	3,400	-	-	-	3,400
Long-term debentures	4,998,811	1,848,823	2,647,949	-	9,495,583
Long-term borrowings	<u>1,842,000</u>	<u>3,928,000</u>	<u>-</u>	<u>-</u>	<u>5,770,000</u>
Total	<u>20,714,168</u>	<u>5,776,823</u>	<u>2,647,949</u>	<u>-</u>	<u>29,138,940</u>

Unit : Thousand Baht

Consolidated Financial Statements

As at October 31, 2018

	Fixed Interest Rate			Floating Interest Rate	Total
	Within 1 year	More than 1 year to 5 years	More than 5 years		
Financial Assets					
Saving accounts deposits	-	-	-	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 April 30, 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		
	April 30, 2019		October 31, 2018		April 30, 2019		October 31, 2018		
	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities	
USD	9.09	1.53	10.88	2.19	33.50	-	32.81	-	
YEN	-	2.50	-	3.08	-	-	-	-	
RIEL	332.77	48.19	815.01	56.25	-	-	-	-	
LAK	665.25	23.92	130.18	1,938.77	-	-	-	-	

As at April 30, 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	
	April 30, 2019	October 31, 2018	April 30, 2019	October 31, 2018		April 30, 2019	October 31, 2018	April 30, 2019	October 31, 2018	
USD	9.33	20.86	-	-	THB	301.53	683.78	-	-	

Net fair values of forward contracts as at April 30, 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	
	April 30, 2019	October 31, 2018	April 30, 2019	October 31, 2018	
	4.36	(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 six-month periods ended April 30, 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	102.73	22.98	102.73	13.77

Net fair values of commodity swap contracts as at April 30, 2019 and October 31, 2018 of the Company and its subsidiaries are as follows:

	Currency	Unit : Million	
		Consolidated/ As at April 30, 2019	Separate Financial Statements As at October 31, 2018
Net fair values for commodity swap contracts	USD	0.01	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, loans to others, loans for cane plantation and development 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 April 30, 2019				
Financial liabilities				
Long-term debentures	9,496	9,614	Level 2	Calculated from the closing price of the last Bond Market Association Thailand at the last day.
As at October 31, 2018				
Financial liabilities				
Long-term debentures	10,494	10,542	Level 2	Calculated from the closing price of the last Bond Market Association Thailand at the last day.

The fair values of derivative financial instruments, which are forward contracts and cross currency swap contracts are assessment determined by discounted cash flows method. Future cash flows are estimated based on relevant market price discounting the weighted average cost (Based on the prevailing foreign exchange rate at the end of the reporting period), are exposed to credit risk primarily with respect to 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.

26. COMPARATIVE FINANCIAL INFORMATION FOR THE YEARS ENDED APRIL 30, 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 April 30, 2019 and 2018 as follows:

	Unit : Thousand Baht			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	As at April 30,		As at April 30,	
	2019	2018	2019	2018
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents	133,316	209,833	60,809	105,149
Trade and other current receivables	2,346,230	2,669,509	2,063,660	1,565,934
Short-term loans	562,390	948,206	2,751,906	4,664,662
Inventories	11,881,950	12,290,066	7,190,844	6,872,225
Current biological assets	55,182	138,387	5,538	5,654
Other current assets	78,395	83,519	55,365	53,766
Total Current Assets	<u>15,057,463</u>	<u>16,339,520</u>	<u>12,128,122</u>	<u>13,267,390</u>
NON-CURRENT ASSETS				
Long-term loans	214,772	368,425	3,326,533	2,410,390
Investment property	5,410,594	4,924,309	1,695,578	1,545,121
Property, plant and equipment	23,633,031	26,159,474	9,258,813	9,394,874
Other non-current assets	7,439,060	5,168,925	8,296,370	8,600,475
Total Non-Current Assets	<u>36,697,457</u>	<u>36,621,133</u>	<u>22,577,294</u>	<u>21,950,860</u>
TOTAL ASSETS	<u><u>51,754,920</u></u>	<u><u>52,960,653</u></u>	<u><u>34,705,416</u></u>	<u><u>35,218,250</u></u>
LIABILITIES AND SHAREHOLDERS' EQUITY				
CURRENT LIABILITIES				
Short-term borrowings from financial institutions	12,840,608	13,475,511	8,177,196	7,393,067
Trade and other current payables	1,085,717	1,907,929	1,018,124	1,294,422
Current portion of long-term debentures	4,998,811	3,999,082	4,998,811	3,999,082
Current portion of long- term borrowings	1,842,000	1,675,833	1,842,000	1,423,833
Short-term borrowings	1,032,749	4,200	959,055	160,200
Current income tax payable	103,892	83,183	-	-
Provision for production costs	963,039	1,125,178	462,285	523,932
Other current liabilities	134,452	130,403	32,260	30,383
Total Current Liabilities	<u>23,001,268</u>	<u>22,401,319</u>	<u>17,489,731</u>	<u>14,824,919</u>
Total Non-Current Liabilities	<u>9,923,614</u>	<u>11,988,683</u>	<u>8,837,749</u>	<u>11,060,557</u>
TOTAL LIABILITIES	<u>32,924,882</u>	<u>34,390,002</u>	<u>26,327,480</u>	<u>25,885,476</u>
TOTAL SHAREHOLDERS' EQUITY	<u>18,830,038</u>	<u>18,570,651</u>	<u>8,377,936</u>	<u>9,332,774</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	<u><u>51,754,920</u></u>	<u><u>52,960,653</u></u>	<u><u>34,705,416</u></u>	<u><u>35,218,250</u></u>

	Unit : Thousand Baht			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	For the years ended		For the years ended	
	April 30,		April 30,	
	2019	2018	2019	2018
Revenue from sales	16,957,139	14,589,657	9,554,258	8,307,503
Revenues from rendering services	402,884	331,383	189,376	226,381
Total revenues	<u>17,360,023</u>	<u>14,921,040</u>	<u>9,743,634</u>	<u>8,533,884</u>
Costs of the sales of goods	(14,146,694)	(12,388,188)	(8,962,836)	(7,874,642)
Cost of the rendering of services	(211,573)	(182,028)	(136,299)	(156,648)
Total costs	<u>(14,358,267)</u>	<u>(12,570,216)</u>	<u>(9,099,135)</u>	<u>(8,031,290)</u>
Gross profit	3,001,756	2,350,824	644,499	502,594
Other incomes	1,269,922	3,199,579	1,081,875	3,080,639
Profit before expenses	4,271,678	5,550,403	1,726,374	3,583,233
Distribution Costs	(2,097,054)	(1,493,678)	(1,118,050)	(737,803)
Administrative expenses	(702,394)	(1,181,542)	(712,962)	(900,825)
Management benefit expenses	(141,461)	(147,871)	(59,505)	(56,060)
Finance costs	(761,418)	(647,840)	(672,617)	(519,919)
Share of gain of an associate	61,340	124,454	-	-
Profit (loss) before income tax (expense) income	630,691	2,203,926	(836,760)	1,368,626
Income tax (expense) income	(133,744)	(502,552)	177,178	(278,117)
Net profit (loss) for the year	<u>496,947</u>	<u>1,701,374</u>	<u>(659,582)</u>	<u>1,090,509</u>

27. APPROVAL OF INTERIM FINANCIAL STATEMENTS

These interim financial information have been approved for issuance by the board of directors of the Company on June 13, 2019.