

## **REPORT OF THE INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS**

**TO THE SHAREHOLDERS AND BOARD OF DIRECTORS  
KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED**

### **Opinion**

We have audited the consolidated financial statements of Khon Kaen Sugar Industry Public Company Limited and its subsidiaries (the “Group”) and the separate financial statements of Khon Kaen Sugar Industry Public Company Limited (the “Company”), which comprise the consolidated and separate statements of financial position as at October 31, 2022, and the consolidated and separate statements of profit or loss, statements of comprehensive income, statements of changes in shareholders’ equity and statements of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of Khon Kaen Sugar Industry Public Company Limited and its subsidiaries and of Khon Kaen Sugar Industry Public Company Limited as at October 31, 2022, and its financial performance and its cash flows for the year then ended in accordance with Thai Financial Reporting Standards (“TFRSs”).

### **Basis for Opinion**

We conducted our audit in accordance with Thai Standards on Auditing (“TSAs”). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of our report. We are independent of the Group in accordance with the Federation of Accounting Professions’ Code of Ethics for Professional Accountants that are relevant to our audit of the consolidated and separate financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated and separate financial statements of the current year. This matter was addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

Key Audit Matter	Audit Responses
<p><b>Allowance for Expected Credit Losses of Farmer Receivables and Loans for Cane Plantation Development</b></p> <p>As at October 31, 2022, the Group has allowance for expected credit losses of farmer receivables and loans for cane plantation development, which are significant to the financial statements. Such farmer receivables and loans for cane plantation development are of different nature and characteristics.</p> <p>We focused on such allowance for expected credit losses because the allowance for expected credit losses of farmer receivables and loans for cane plantation development are considered to be significant accounting estimates which the management is required to exercise considerable judgement in determining the reasonableness of assumptions used in estimating allowance for expected credit losses. Therefore, we considered the appropriateness of the assumptions used in determining allowance for expected credit losses of farmer receivables and loans for cane plantation development is a key audit matter.</p> <p>The accounting policies and disclosure of allowance for expected credit losses of farmer receivables and loans for cane plantation development are in Notes 3.2, 3.12, 4, 7.2, 15 and 16 to the financial statements.</p>	<p>Significant audit procedures include the following:</p> <ul style="list-style-type: none"> <li>• Gaining an understanding of the basis applied in determining allowance for expected credit losses of farmer receivables and loans for cane plantation development in general and specific cases, and reviewing the consistency of the application of that basis.</li> <li>• Evaluating the design and implementation of the internal control procedures related to the allowance for expected credit losses.</li> <li>• Inquiring management the appropriateness of process and internal control for identification and judgement of expected credit loss allowance required, including assessment the reasonableness of the probability of default, loss given default and exposure at default by considering the management’s reasons used to assess the adequacy of the loss allowance based on the assessment of credit risk and expected to incur of accounts receivables.</li> <li>• Involvement of our internal specialists to assess the appropriateness of model design, assumptions, inputs and formulas used. Testing the data used in the ECL calculation and samples selected for recalculating the allowance for expected credit loss as specified in the model.</li> <li>• Evaluating whether the disclosure in the notes to the financial statements is sufficient and appropriate in accordance with the financial reporting standards.</li> </ul>

## Other Information

Management is responsible for the other information. The other information comprises information in the annual report, which is expected to be made available to us after the date of this auditor’s report.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and the management of the Group.

### **Responsibilities of Management and Those Charged with Governance for the Consolidated and Separate Financial Statements**

Management is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with TFRSs, and for such internal control as management determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group and the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with TSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with TSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Wimolporn Boonyusthian  
Certified Public Accountant (Thailand)  
Registration No. 4067

**BANGKOK**  
December 23, 2022

**DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT CO., LTD.**

**KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES**

**STATEMENTS OF FINANCIAL POSITION**

**AS AT OCTOBER 31, 2022**

**UNIT : BAHT**

	Notes	Consolidated Financial Statements		Separate Financial Statements	
		as at October 31, 2022	as at October 31, 2021	as at October 31, 2022	as at October 31, 2021
<b>ASSETS</b>					
<b>CURRENT ASSETS</b>					
Cash and cash equivalents	5.3	254,845,234	224,064,164	62,444,886	7,093,086
Trade and other current receivables	7	1,058,208,289	1,064,093,678	1,472,303,918	930,706,618
Finance lease current receivables	8	380,574,156	19,336,762	-	-
Short-term loans	9	623,848,631	588,434,890	1,117,702,820	1,322,175,395
Inventories	10	2,740,202,114	2,707,437,417	1,313,619,001	1,269,883,150
Current biological assets	11	52,848,517	46,380,239	-	-
Other current financial assets	12	655,361,777	91,232,880	655,094,819	90,966,450
Other current assets		47,629,495	39,628,287	12,349,054	9,477,738
Total Current Assets		5,813,518,213	4,780,608,317	4,633,514,498	3,630,302,437
<b>NON-CURRENT ASSETS</b>					
Other non-current financial assets	12	228,662,932	172,883,030	221,392,722	165,636,010
Investments in associates	13	4,803,044,239	4,649,914,827	3,664,649,307	3,380,458,786
Investments in subsidiaries	14	-	-	5,060,432,569	4,613,845,717
Trade and other non-current receivables	15	100,201,935	147,364,523	44,575,533	64,024,710
Finance lease non-current receivables	8	-	361,250,792	-	-
Long-term loans	16	112,786,755	136,623,772	2,030,720,780	2,469,520,961
Investment properties	17	6,296,687,431	6,111,603,918	2,179,171,421	2,009,268,162
Property, plant and equipment	18	24,139,188,172	25,006,759,320	8,515,387,248	9,007,137,280
Right-of-use assets	19	49,678,249	42,748,819	257,725,625	298,824,344
Other intangible assets		21,950,812	29,710,527	16,922,331	23,292,211
Deferred tax assets	27.2	1,271,483	1,131,195	-	-
Other non-current assets		82,947,933	80,825,441	38,624,515	54,700,404
Total Non-current Assets		35,836,419,941	36,740,816,164	22,029,602,051	22,086,708,585
<b>TOTAL ASSETS</b>		41,649,938,154	41,521,424,481	26,663,116,549	25,717,011,022

Notes to the financial statements form an integral part of these statements

**KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES**

**STATEMENTS OF FINANCIAL POSITION (CONTINUED)**

**AS AT OCTOBER 31, 2022**

**UNIT : BAHT**

	Notes	Consolidated Financial Statements		Separate Financial Statements	
		as at October 31, 2022	as at October 31, 2021	as at October 31, 2022	as at October 31, 2021
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>					
<b>CURRENT LIABILITIES</b>					
Short-term borrowings from financial institutions	20	4,731,071,000	5,981,934,281	2,550,000,000	3,755,159,281
Trade and other current payables	21	1,076,779,711	1,064,170,817	682,206,511	638,609,737
Current portion of long-term debentures	22	-	2,999,157,552	-	2,999,157,552
Current portion of long-term borrowings	23	2,535,000,000	1,739,240,000	2,285,000,000	1,682,000,000
Current portion of lease liabilities	24	12,313,936	9,987,752	42,319,222	39,138,288
Short-term borrowings	5.2	8,100,000	7,100,000	1,056,100,000	409,100,000
Current income tax payable		39,201,391	-	-	-
Other current financial liabilities	25	557,577,306	147,457,735	557,577,306	147,457,735
Other current liabilities		25,253,625	63,264,812	1,030,911	19,160,732
Total Current Liabilities		<u>8,985,296,969</u>	<u>12,012,312,949</u>	<u>7,174,233,950</u>	<u>9,689,783,325</u>
<b>NON-CURRENT LIABILITIES</b>					
Long-term debentures	22	2,648,671,833	2,648,442,958	2,648,671,833	2,648,442,958
Long-term borrowings	23	6,759,404,167	5,167,208,590	6,009,404,167	4,853,068,590
Lease liabilities	24	22,121,634	18,577,268	228,188,793	267,014,278
Deferred tax liabilities	27.3	1,603,712,901	1,279,840,551	256,431,684	55,156,926
Non-current provision for employee benefits	28	198,213,297	210,312,887	74,785,641	87,247,880
Other non-current liabilities		69,205,563	73,068,930	20,911,042	24,474,186
Total Non-current Liabilities		<u>11,301,329,395</u>	<u>9,397,451,184</u>	<u>9,238,393,160</u>	<u>7,935,404,818</u>
<b>TOTAL LIABILITIES</b>		<u>20,286,626,364</u>	<u>21,409,764,133</u>	<u>16,412,627,110</u>	<u>17,625,188,143</u>

**KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES**

**STATEMENTS OF FINANCIAL POSITION (CONTINUED)**

**AS AT OCTOBER 31, 2022**

**UNIT : BAHT**

	Notes	Consolidated Financial Statements		Separate Financial Statements	
		as at October 31, 2022	as at October 31, 2021	as at October 31, 2022	as at October 31, 2021
<b>LIABILITIES AND SHAREHOLDERS' EQUITY (CONTINUED)</b>					
<b>SHAREHOLDERS' EQUITY</b>					
SHARE CAPITAL					
Authorized share capital					
4,410,243,648 ordinary shares of Baht 0.50 each		2,205,121,824	2,205,121,824	2,205,121,824	2,205,121,824
Issued and paid-up share capital					
4,410,232,619 ordinary shares of Baht 0.50 each, fully paid		2,205,116,310	2,205,116,310	2,205,116,310	2,205,116,310
SHARE PREMIUM - ORDINARY SHARES		2,946,439,199	2,946,439,199	2,946,439,199	2,946,439,199
RETAINED EARNINGS					
Appropriated					
Legal reserve	29	220,512,200	220,512,200	220,512,200	220,512,200
Unappropriated		13,180,188,151	12,113,767,259	4,320,559,470	2,121,592,608
OTHER COMPONENTS OF EQUITY		2,338,092,417	2,094,967,350	557,862,260	598,162,562
<b>TOTAL EQUITY ATTRIBUTABLE TO OWNERS</b>					
<b>OF THE PARENT</b>		20,890,348,277	19,580,802,318	10,250,489,439	8,091,822,879
NON-CONTROLLING INTERESTS		472,963,513	530,858,030	-	-
<b>TOTAL SHAREHOLDERS' EQUITY</b>		<b>21,363,311,790</b>	<b>20,111,660,348</b>	<b>10,250,489,439</b>	<b>8,091,822,879</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>41,649,938,154</b>	<b>41,521,424,481</b>	<b>26,663,116,549</b>	<b>25,717,011,022</b>

Notes to the financial statements form an integral part of these statements

**KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES**

**STATEMENTS OF PROFIT OR LOSS  
FOR THE YEAR ENDED OCTOBER 31, 2022**

UNIT : BAHT

	Notes	Consolidated		Separate	
		Financial Statements		Financial Statements	
		2022	2021	2022	2021
Revenues from sales and rendering of services					
Revenues from sales		16,177,796,811	10,326,121,745	9,281,007,351	5,311,366,785
Revenues from rendering of services		151,285,483	143,594,747	41,389,696	33,535,680
		<u>16,329,082,294</u>	<u>10,469,716,492</u>	<u>9,322,397,047</u>	<u>5,344,902,465</u>
Costs of sales of goods and rendering of services					
Costs of sales of goods		(13,471,470,670)	(9,189,442,384)	(7,810,644,316)	(4,872,487,173)
Costs of rendering of services		(69,092,218)	(40,463,066)	(34,973,151)	(25,453,164)
		<u>(13,540,562,888)</u>	<u>(9,229,905,450)</u>	<u>(7,845,617,467)</u>	<u>(4,897,940,337)</u>
Gross profit		2,788,519,406	1,239,811,042	1,476,779,580	446,962,128
Other incomes		219,724,191	190,568,205	117,523,814	202,557,639
Dividend incomes		-	-	1,598,528,052	437,549,414
Contributions to the Cane and Sugar Fund	7.3 and 26	-	(37,671,647)	-	(19,052,757)
Distribution costs		(434,208,945)	(293,985,338)	(258,528,458)	(185,471,232)
Administrative expenses		(735,458,427)	(730,221,974)	(343,766,496)	(220,452,310)
Net foreign exchange gain (loss)		41,850,531	(15,394,211)	164,674,840	48,575,097
Gain (loss) on fair value adjustments of biological assets		(7,000,462)	(5,394,092)	-	189,543
Gain on fair value adjustments of investment property		121,300,145	208,726,648	100,641,336	78,671,648
Reversal loss on impairment of investments in subsidiaries	14	-	-	65,336,126	40,498,684
Gain (loss) on sales and disposal of assets		30,945,676	(14,054,907)	(967,935)	(12,302,799)
Loss on impairment of property, plant and equipment		(58,980,430)	(17,323,711)	-	-
Profit from operating activities		1,966,691,685	525,060,015	2,920,220,859	817,725,055
Finance income		105,323,156	95,398,934	120,746,613	126,098,477
Finance costs		(428,712,294)	(425,120,268)	(405,222,871)	(406,855,146)
Share of gain on investment in associates		76,086,552	510,741,126	-	-
Profit before income tax expense		1,719,389,099	706,079,807	2,635,744,601	536,968,386
Income tax expense	27.1	(390,539,317)	(91,623,438)	(203,513,245)	(76,124,406)
<b>PROFIT FOR THE YEARS</b>		<u>1,328,849,782</u>	<u>614,456,369</u>	<u>2,432,231,356</u>	<u>460,843,980</u>
<b>PROFIT ATTRIBUTABLE TO :</b>					
Owners of the parent		1,321,220,814	615,789,324	2,432,231,356	460,843,980
Non-controlling interests		7,628,968	(1,332,955)	-	-
		<u>1,328,849,782</u>	<u>614,456,369</u>	<u>2,432,231,356</u>	<u>460,843,980</u>
<b>EARNINGS PER SHARE</b>	33				
Basic earnings per share	<b>BAHT</b>	0.300	0.140	0.551	0.104
Basic number of ordinary shares	<b>SHARES</b>	4,410,232,619	4,410,232,619	4,410,232,619	4,410,232,619

Notes to the financial statements form an integral part of these statements



**KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**STATEMENTS OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED OCTOBER 31, 2022**

UNIT : BAHT

	Notes	Consolidated		Separate	
		Financial Statements		Financial Statements	
		2022	2021	2022	2021
<b>Profit for the years</b>		1,328,849,782	614,456,369	2,432,231,356	460,843,980
<b>Other comprehensive income (expense):</b>					
Items that will be reclassified subsequently to profit or loss:					
Exchange differences on translating financial statements - net of tax		220,785,272	98,707,758	-	-
Loss on cash flow hedges - net of tax	36.1	(29,657,075)	(91,118,884)	(28,200,696)	(92,575,263)
Gain on measuring financial assets - net of tax		26,449,450	12,594,976	26,449,450	12,594,976
Total items that will be reclassified subsequently to profit or loss		<u>217,577,647</u>	<u>20,183,850</u>	<u>(1,751,246)</u>	<u>(79,980,287)</u>
Items that will be not reclassified subsequently to profit or loss:					
Unrealized actuarial (loss) gain adjustment - net of tax		(30,020,085)	11,352,608	(7,202,702)	(175,379)
Share of other comprehensive loss of associates - net of tax		(143,603)	(77,483,172)	-	-
Loss from change of shareholding in subsidiaries		(1,451)	-	-	-
Total items that will be not reclassified subsequently to profit or loss		<u>(30,165,139)</u>	<u>(66,130,564)</u>	<u>(7,202,702)</u>	<u>(175,379)</u>
Other comprehensive income (expense) for the years - net of tax		<u>187,412,508</u>	<u>(45,946,714)</u>	<u>(8,953,948)</u>	<u>(80,155,666)</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEARS</b>		<u><u>1,516,262,290</u></u>	<u><u>568,509,655</u></u>	<u><u>2,423,277,408</u></u>	<u><u>380,688,314</u></u>
<b>TOTAL COMPREHENSIVE INCOME (EXPENSE) ATTRIBUTABLE TO</b>					
Owners of the parent		1,574,156,807	556,167,196	2,423,277,408	380,688,314
Non-controlling interests		(57,894,517)	12,342,459	-	-
		<u><u>1,516,262,290</u></u>	<u><u>568,509,655</u></u>	<u><u>2,423,277,408</u></u>	<u><u>380,688,314</u></u>

Notes to the financial statements form an integral part of these statements

KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY  
FOR THE YEAR ENDED OCTOBER 31, 2022

UNIT : BAHT

Notes	Owners of the parent											Non-controlling interests	Total shareholders' equity		
	Issued and paid-up share capital	Share premium Ordinary shares	Retained Earnings		Other components of shareholders' equity									Total owners of the parent	
			Appropriated Legal reserve	Unappropriated	Other comprehensive income (expense)				Loss on internal restructure of entities under common control	(Loss) gain on change in shareholding ratio in subsidiaries	Total components of shareholders' equity				
					Exchange differences on translating financial statements	Loss on cash flow hedges	(Loss) gain on measuring financial assets	Gain (loss) on asset revaluation							Share of other comprehensive loss of associates using the equity method
<b>For the year ended October 31, 2021</b>															
Beginning balance as at November 1, 2020	2,205,116,310	2,946,439,199	220,512,200	11,456,284,012	(119,710,082)	(2,220,014)	(160,347,728)	2,948,093,584	-	(263,275,867)	(206,256,492)	2,196,283,401	19,024,635,122	519,037,067	19,543,672,189
Changes in shareholders' equity during the year															
- Dividends paid	-	-	-	-	-	-	-	-	-	-	-	-	-	(521,496)	(521,496)
- Transfer gain (loss) on asset revaluation	-	-	-	31,217,360	-	-	-	(31,217,360)	-	-	-	(31,217,360)	-	-	-
- Unrealized actuarial loss adjustment - net of tax	-	-	-	10,476,563	-	-	-	-	-	-	-	-	10,476,563	876,045	11,352,608
- Comprehensive income (expense) for the year	-	-	-	615,789,324	85,908,389	(91,118,884)	12,594,976	-	(77,483,172)	-	-	(70,098,691)	545,690,633	11,466,414	557,157,047
<b>Ending balance as at October 31, 2021</b>	<b>2,205,116,310</b>	<b>2,946,439,199</b>	<b>220,512,200</b>	<b>12,113,767,259</b>	<b>(33,801,693)</b>	<b>(93,338,898)</b>	<b>(147,752,752)</b>	<b>2,916,876,224</b>	<b>(77,483,172)</b>	<b>(263,275,867)</b>	<b>(206,256,492)</b>	<b>2,094,967,350</b>	<b>19,580,802,318</b>	<b>530,858,030</b>	<b>20,111,660,348</b>
<b>For the year ended October 31, 2022</b>															
Beginning balance as at November 1, 2021	2,205,116,310	2,946,439,199	220,512,200	12,113,767,259	(33,801,693)	(93,338,898)	(147,752,752)	2,916,876,224	(77,483,172)	(263,275,867)	(206,256,492)	2,094,967,350	19,580,802,318	530,858,030	20,111,660,348
Changes in shareholders' equity during the year															
- Dividends paid	-	-	-	(264,610,848)	-	-	-	-	-	-	-	-	(264,610,848)	-	(264,610,848)
- Transfer gain (loss) on asset revaluation	-	-	-	38,549,056	-	-	-	(38,549,056)	-	-	-	(38,549,056)	-	-	-
- Unrealized actuarial loss adjustment - net of tax	-	-	-	(28,738,130)	-	-	-	-	-	-	-	-	(28,738,130)	(1,281,955)	(30,020,085)
- Comprehensive income (expense) for the year	-	-	-	1,321,220,814	198,074,693	(29,657,075)	26,449,450	-	(143,603)	-	86,950,658	281,674,123	1,602,894,937	(56,612,562)	1,546,282,375
<b>Ending balance as at October 31, 2022</b>	<b>2,205,116,310</b>	<b>2,946,439,199</b>	<b>220,512,200</b>	<b>13,180,188,151</b>	<b>164,273,000</b>	<b>(122,995,973)</b>	<b>(121,303,302)</b>	<b>2,878,327,168</b>	<b>(77,626,775)</b>	<b>(263,275,867)</b>	<b>(119,305,834)</b>	<b>2,338,092,417</b>	<b>20,890,348,277</b>	<b>472,963,513</b>	<b>21,363,311,790</b>

**KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**SEPARATE STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY**  
**FOR THE YEAR ENDED OCTOBER 31, 2022**

UNIT : BAHT

	Notes	Issued and paid-up share capital	Share premium Ordinary shares	Retained earnings		Other components of shareholders' equity			Total shareholders' equity	
				Appropriated Legal reserve	Unappropriated	Other comprehensive income (expense)				
						Loss on cash flow hedges	(Loss) gain on measuring financial assets	Gain (loss) on asset revaluation	Total other components of shareholders' equity	
<b>For the year ended October 31, 2021</b>										
Beginning balance as at November 1, 2020		2,205,116,310	2,946,439,199	220,512,200	1,629,706,647	(2,220,014)	(160,347,728)	871,927,951	709,360,209	7,711,134,565
Changes in shareholders' equity during the year										
- Transfer gain (loss) on asset revaluation		-	-	-	31,217,360	-	-	(31,217,360)	(31,217,360)	-
- Unrealized actuarial gain adjustment		-	-	-	(175,379)	-	-	-	-	(175,379)
- Comprehensive income (expense) for the year		-	-	-	460,843,980	(92,575,263)	12,594,976	-	(79,980,287)	380,863,693
<b>Ending balance as at October 31, 2021</b>		<b>2,205,116,310</b>	<b>2,946,439,199</b>	<b>220,512,200</b>	<b>2,121,592,608</b>	<b>(94,795,277)</b>	<b>(147,752,752)</b>	<b>840,710,591</b>	<b>598,162,562</b>	<b>8,091,822,879</b>
<b>For the year ended October 31, 2022</b>										
Beginning balance as at November 1, 2021		2,205,116,310	2,946,439,199	220,512,200	2,121,592,608	(94,795,277)	(147,752,752)	840,710,591	598,162,562	8,091,822,879
Changes in shareholders' equity during the year										
- Dividends paid	29	-	-	-	(264,610,848)	-	-	-	-	(264,610,848)
- Transfer gain (loss) on asset revaluation		-	-	-	38,549,056	-	-	(38,549,056)	(38,549,056)	-
- Unrealized actuarial loss adjustment		-	-	-	(7,202,702)	-	-	-	-	(7,202,702)
- Comprehensive income (expense) for the year		-	-	-	2,432,231,356	(28,200,696)	26,449,450	-	(1,751,246)	2,430,480,110
<b>Ending balance as at October 31, 2022</b>		<b>2,205,116,310</b>	<b>2,946,439,199</b>	<b>220,512,200</b>	<b>4,320,559,470</b>	<b>(122,995,973)</b>	<b>(121,303,302)</b>	<b>802,161,535</b>	<b>557,862,260</b>	<b>10,250,489,439</b>

Notes to the financial statements form an integral part of these statements

**KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE YEAR ENDED OCTOBER 31, 2022**

**UNIT : BAHT**

	Notes	Consolidated		Separate	
		Financial Statements		Financial Statements	
		2022	2021	2022	2021
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Profit before income tax expense		1,719,389,099	706,079,807	2,635,744,601	536,968,386
Adjustments for:					
Dividend income		-	-	(1,598,528,052)	(437,549,414)
Expected credit losses (reversal)		(76,537,383)	201,049,243	12,293,330	(4,345,396)
Gain on change in shareholding ratio in an associate	13	(58,130,196)	-	-	-
Share of gain of investment in associates		(76,086,552)	(510,741,126)	-	-
Increase of premium on bonds		(23,190)	(22,616)	-	-
Employee benefit expenses		15,130,427	16,349,413	5,468,159	6,424,797
Unrealized loss from fair value hedge		38,899,798	-	38,899,798	-
Loss (gain) arising from changes in fair values of biological assets		7,229,730	5,413,858	-	(189,543)
Reversal of loss on diminution in value and obsolescence of inventories		(300,188)	(56,740,441)	(743,162)	(60,119,015)
Loss on impairment of biological assets		-	108,314	-	108,314
Gain on land transferred under contract		-	(44,251,469)	-	(44,251,469)
Depreciation and amortization		1,180,464,343	1,092,052,178	519,817,830	451,543,126
(Gain) loss on sales and disposal of assets		(30,714,717)	13,666,765	967,935	12,024,287
Loss on impairment of assets		64,888,391	18,652,036	-	-
Reversal of loss on impairment of investments in subsidiaries		-	-	(65,336,126)	(40,498,684)
Gain arising from changes in fair values of investment properties		(121,300,145)	(208,726,648)	(100,641,336)	(78,671,648)
Unrealized (gain) loss on exchange rates		(10,680,521)	9,036,019	18,537,348	(46,674,084)
Interest income		(105,323,156)	(95,398,934)	(120,746,613)	(126,098,477)
Interest expenses		428,712,294	425,120,268	405,222,871	406,855,146
		<u>2,975,618,034</u>	<u>1,571,646,667</u>	<u>1,750,956,583</u>	<u>575,526,326</u>
Operating assets (increase) decrease					
Trade and other current receivables		(112,553,341)	(110,603,761)	304,683,008	(291,503,169)
Inventories		(32,448,142)	(601,398,616)	(42,992,689)	(88,945,116)
Current biological assets		(13,698,008)	(10,222,121)	-	4,765,647
Other current assets		(5,317,503)	1,110,037	5,700,319	(291,697)
Trade and other non-current receivables		89,653,500	(113,380,551)	12,452,082	(34,505,944)
Other non-current assets		22,682,229	18,658,029	16,075,889	18,404,524
Operating liabilities increase (decrease)					
Trade and other current payables		102,544,919	101,587,536	96,123,185	(41,903,912)
Current financial liabilities		-	39,045,532	-	37,225,060
Other current liabilities		(38,011,187)	11,320,027	(18,129,820)	841,852
Non-current provision for employee benefit		(64,755,123)	(52,664,848)	(26,933,774)	(28,658,907)
Other non-current liabilities		(3,863,367)	(12,600,595)	(3,563,144)	(4,173,780)
Cash received from operating activities		<u>2,919,852,011</u>	<u>842,497,336</u>	<u>2,094,371,639</u>	<u>146,780,884</u>
Interest paid		(445,161,459)	(409,420,285)	(400,928,790)	(368,637,784)
Income tax expense paid		(46,787,362)	(38,325,637)	(8,571,636)	(4,675,019)
Net cash provided by (used in) operating activities		<u>2,427,903,190</u>	<u>394,751,414</u>	<u>1,684,871,213</u>	<u>(226,531,919)</u>

**KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**STATEMENTS OF CASH FLOWS (CONTINUED)**  
**FOR THE YEAR ENDED OCTOBER 31, 2022**

UNIT : BAHT

	Notes	Consolidated		Separate	
		Financial Statements		Financial Statements	
		2022	2021	2022	2021
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Cash payments for the purchases of other current financial assets		-	(2,457)	-	-
Cash payments for the purchases of other non-current financial assets		(22,694,900)	-	(22,694,900)	-
(Increase) decrease in short-term loans		(28,946,237)	134,019,856	(81,610,988)	698,575,363
Cash payments for investment in a subsidiary		-	-	(381,250,725)	(999,700)
Cash payments for investment in an associate		(284,190,521)	-	(284,190,521)	-
Decrease (increase) in loans for cane plantation development		48,249,571	20,942,481	17,101,579	(6,125,034)
Decrease (increase) in long-term loans		7,897,365	(55,963,792)	(224,000,000)	114,202,875
Cash received from interest income		82,830,417	58,522,409	109,730,517	101,944,310
Cash received from dividends		265,134,254	56,544,369	1,598,528,052	437,549,414
Cash received from finance lease receivable		19,350,000	19,350,000	-	-
Cash payments for purchases of property, plant and equipment		(188,147,382)	(209,088,453)	(39,738,819)	(23,531,718)
Cash received from sales of property, plant and equipment		9,450,725	17,854,756	2,343,884	11,866,731
Cash payments for purchase of investment property		(5,194,458)	(9,906,206)	(4,871,864)	(668,241)
Cash received from sales of investment property		10,071,935	-	-	-
Cash payments for purchases of right-of-use assets		-	(916,685)	-	-
Cash payments for purchase of intangible assets		(192,605)	(270,005)	(103,880)	(215,000)
Cash received from sales of unused assets		42,184,900	398,827	-	-
Net cash (used in) provided by investing activities		<u>(44,196,936)</u>	<u>31,485,100</u>	<u>689,242,335</u>	<u>1,332,599,000</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>					
Decrease in short-term borrowings from financial institutions	5.2	(1,251,703,999)	(929,740,000)	(1,206,000,000)	(1,145,000,000)
Increase (decrease) in short-term borrowings	5.2	1,000,000	-	647,000,000	(136,400,000)
Cash repayment for long-term debentures	5.2	(3,000,000,000)	(1,350,000,000)	(3,000,000,000)	(1,350,000,000)
Cash received from long-term borrowings	5.2	4,250,000,000	3,900,000,000	3,250,000,000	3,500,000,000
Cash repayment for long-term borrowings	5.2	(2,053,380,000)	(1,945,620,000)	(1,682,000,000)	(1,917,000,000)
Cash repayment for lease liabilities	5.2	(15,168,053)	(13,064,609)	(63,150,900)	(62,260,000)
Cash payments for dividends to shareholders of the parent		(264,610,848)	-	(264,610,848)	-
Cash payments for non-controlling interests		-	(521,496)	-	-
Net cash used in financing activities		<u>(2,333,862,900)</u>	<u>(338,946,105)</u>	<u>(2,318,761,748)</u>	<u>(1,110,660,000)</u>
Exchange differences on translation of cash of foreign subsidiaries		(19,062,284)	(955,738)	-	-
Net increase (decrease) in cash and cash equivalents		30,781,070	86,334,671	55,351,800	(4,592,919)
Cash and cash equivalents at the beginning of the year		224,064,164	137,729,493	7,093,086	11,686,005
Cash and cash equivalents at the end of the year	5.3	<u>254,845,234</u>	<u>224,064,164</u>	<u>62,444,886</u>	<u>7,093,086</u>

Notes to the financial statements form an integral part of these statements

**KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED OCTOBER 31, 2022**

**1. GENERAL INFORMATION AND OPERATIONS OF THE COMPANY**

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 32 No. 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, 9<sup>th</sup> 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 Lum Rang, Amphur Boploy, Kanchanaburi Province

Branch IV 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 to trade 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 described in Note 2.2.

The Company’s major shareholder is K.S.L. Sugar Holding Co., Ltd., a company incorporated in Thailand, which holds 33.29% of issued and paid-up shares capital.

The Coronavirus disease 2019 (“COVID-19”) pandemic, resulting in an economic slowdown and adversely impacting most businesses and industries. This situation may bring uncertainties and have an impact on the environment in which the Group operates. Nevertheless, the Group’s management will continue to monitor the ongoing development and regularly assess the financial impact in respect of valuation of assets, provisions and contingent liabilities.

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

The Company and its subsidiaries in Thailand maintain their accounting records in Thai Baht and prepare their statutory financial statements in Thai language in conformity with Thai Financial Reporting Standards issued by the Federation of Accounting Professions and accounting practices generally accepted in Thailand.

The financial statements of the foreign subsidiaries are translated into Thai Baht for preparation of the consolidated financial statements (see Note 3.20).

2.1 The Company's financial statements have been prepared in accordance with the Thai Accounting Standard (TAS) No. 1 "Presentation of Financial Statements", and the Regulations of The Stock Exchange of Thailand (SET) dated October 2, 2017, regarding "The Preparation and Submission of Financial Statements and Reports for the Financial Position and Results of Operations of the Listed Companies B.E. 2560" and the Notification of the Department of Business Development dated December 26, 2019 regarding "The Brief Particulars in the Financial Statement (No. 3) B.E. 2562", which was effective for financial periods beginning on or after January 1, 2020 onwards.

The financial statements have been prepared under the historical cost basis except as disclosed in the significant accounting policies.

2.2 These consolidated financial statements included the accounts of the Company and its subsidiaries (the "Group"). Significant transactions and balances between the Company and its subsidiaries have been eliminated for the preparation of the consolidated financial statements as follows:

Company Name	Percentage of Shareholding		Country of Incorporation	Type of Business
	As at October 31, 2022	As at October 31, 2021		
	%	%		
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	99.21	98.61	Thailand	Manufacture and distribution of sugar and molasses
KSL Material Supplies Co., Ltd.	100.00	100.00	Thailand	Manufacture and distribution of fertilizer and trading supply 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, transportation and manufacture service and agricultural business operation
WSP Logistic Company Limited	100.00	100.00	Thailand	Service transport and shipping goods
KHUN CHUAN Company Limited (see Note 14)	99.97	99.97	Thailand	Social enterprise
Savannakhet Sugar Corporation	98.00	98.00	Laos	Agricultural operations, manufacture and distribution of sugar and molasses
Koh Kong Sugar Industry Co., Ltd.***	100.00	88.02	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. and KSL Agro & Trading Company Limited***				
Koh Kong Plantation Company Limited****	100.00	80.00	Cambodia	Agricultural operation

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

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

\*\*\* In 2022, KSL Agro and Trading Co., Ltd. acquired shares in Koh Kong Plantation Company Limited in the proportion of 20%

\*\*\*\* The subsidiaries in Cambodia had continued their 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 and KHUN CHUAN Company Limited whose accounting period ended December 31.

The consolidated 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 financial statements.

### 2.3 Thai Financial Reporting Standards affecting the presentation and disclosure in the current period's financial statements

During the year, the Group has adopted the revised financial reporting standards and the Conceptual Framework for Financial Reporting issued by the Federation of Accounting Professions which are effective for fiscal years beginning on or after January 1, 2021. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revisions to references to the Conceptual Framework in TFRSs, the amendment for definition of business, the amendment for definition of materiality and accounting requirements for interest rate reform. The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements.

### 2.4 Thai Financial Reporting Standards announced in the Royal Gazette but not yet effective

The revised Thai Financial Reporting Standards No. 16 "Leases" ("TFRS 16") added the requirements for the temporary exception arising from interest rate benchmark reform, which an entity shall apply these amendments for annual reporting periods beginning on or after January 1, 2022 with earlier application permitted. This revised TFRS 16 has been announced in the Royal Gazette on January 27, 2021.

The Group's management will adopt such TFRSs in the preparation of the Group's financial statements when it becomes effective. The Group's management has assessed the impact of these TFRSs and considered that the adoption of these financial reporting standards does not have any significant impact on the financial statements of the Group in the period of initial application.

On September 26, 2022, the revised TFRSs have been announced in the Royal Gazette which will be effective for the financial statements for the period beginning on or after January 1, 2023 onwards. TFRSs which have been amended and relevant to the Group are as follows:



Thai Accounting Standard No. 16 “Property, Plant and Equipment” (TAS 16)

The amendments require an entity recognises any proceeds from selling items produced before that asset is available for use in profit or loss, instead of deducting from the cost of such asset. The amendments are applied retrospectively, but only to items of property, plant and equipment that are brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after the beginning of the earliest period presented in the financial statements in which the entity first applies the amendments. The entity shall recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the beginning of that earliest period presented.

Thai Accounting Standard No. 37 “Provisions, Contingent Liabilities and Contingent Assets” (TAS 37)

The amendments specify that the “cost of fulfilling a contract” comprises the “costs that relate directly to the contract”. Costs that relate directly to a contract consist of both the incremental costs of fulfilling that contract (examples would be direct labor or materials) and an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The amendments apply to contracts for which the entity has not yet fulfilled all its obligations at the beginning of the annual reporting period in which the entity first applies the amendments. Comparatives are not restated. Instead, the entity shall recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or other component of equity, as appropriate.

Thai Accounting Standard No. 41 “Agriculture” (TAS 41)

The amendment removes the requirement in TAS 41 for entities to exclude cash flows for taxation when measuring fair value. This aligns the fair value measurement with the requirements of TFRS 13 “Fair Value Measurement” to use internally consistent cash flows and discount rates and enables entities to determine whether to use pre-tax or post-tax cash flows and discount rates for the most appropriate fair value measurement. The amendment is applied prospectively.

Thai Financial Reporting Standard No. 3 “Business Combinations” (TFRS 3)

The amendments update TFRS 3 so that it refers to the Conceptual Framework which is currently effective. In addition, they also add to TFRS 3 a requirement that, for obligations within the scope of TAS 37, an acquirer applies TAS 37 to determine whether at the acquisition date a present obligation exists as a result of past events. For a levy that would be within the scope of TFRIC 21 “Levies”, the acquirer applies TFRIC 21 to determine whether the obligating event that gives rise to a liability to pay the levy has occurred by the acquisition date. The amendments also add an explicit statement that an acquirer does not recognize contingent assets acquired in a business combination.

Thai Financial Reporting Standard No. 9 “Financial Instruments” (TFRS 9)

The amendment clarifies that in applying the “10 per cent” test to assess whether to derecognize a financial liability, an entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other’s behalf. The amendment is applied prospectively to modifications and exchanges that occur on or after the date the entity first applies the amendment.

The Group’s management will adopt such TFRSs in the preparation of the Group’s financial statements when it becomes 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.

**3. SIGNIFICANT ACCOUNTING POLICIES**

**3.1 Cash and cash equivalents**

Cash and cash equivalents include cash, savings account deposits, current account deposits and not exceeding 3 months fixed deposits, and short-term investments which are not exceeding 3 months duration for repayment with no obligation commitment.

**3.2 Trade receivables, farmer receivables, and other receivables**

Trade receivables, farmer receivables, and other receivables are presented at the net realizable value which are net of allowance for expected credit losses (see Note 3.12).

**3.3 Inventories**

Inventories are stated at the lower of cost or net realizable value and adjusted by allowance for deteriorated or obsolete inventories and for diminution in value of inventories. Cost is calculated as follows:

- Goods in process and finished goods of sugar and molasses are calculated by the average production cost in each production year using the first-in, first-out method.
- Finished goods of organic fertilizer are calculated by actual cost using the first-in, first-out method.
- Goods in process of organic fertilizer are calculated by actual cost using the specific identification method.
- Real estate development is calculated by using the specific identification method which consist of land cost, fulling cost, construction cost, utility system development cost and direct cost to acquire the products and set them to be ready for sale.
- Factory supplies are calculated using the weighted average method.
- Bagasse, direct raw materials and trading merchandise are calculated using the first-in, first-out method.
- Machine maintenance supplies are calculated using the weighted average method.

The common production costs incurred in the production process are not allocated to bagasse and other by-products from productions of sugar; therefore, revenues from sales of such products are presented as deduction to production costs in each production season.

### 3.4 Biological assets

The Company's and its subsidiaries' biological asset is sugar cane and their agricultural produce in harvested cane, which are measured at their fair value less costs to sell at the point of harvest.

The fair value of domestic biological assets and agricultural produce is determined based on reference to the Office of Cane and Sugar Board's cane price and of oversea harvested cane is determined using the price that market participants entered into transactions at that market.

Gains or losses on changes in fair value of biological asset and agricultural produce are recognized in profit or loss for the period when incurred.

In case the fair value cannot be reliably measured, the biological asset shall be measured at its cost less any accumulated depreciation and allowance of impairment (if any). Once the fair value of such a biological asset becomes reliably measurable, biological asset shall be measured at its fair value less costs to sell.

### 3.5 Investments in subsidiaries and associates

Investments in subsidiaries and associates are presented at the cost method net by the allowance for impairment in the separate financial statements. Investments in associates are presented at the equity method in the consolidated financial statements. The allowance for impairment is recognized in the statement of profit or loss.

### 3.6 Investment property

Investment property consist of land, land improvement and building and warehouse leased out that are held for rental yields or for capital appreciation or both, and are not occupied by the companies in the Group.

Investment property is carried at fair value. Fair value is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. If this information is not available, the Group uses alternative valuation methods, such as recent prices on less active markets, replacement value or discounted cash flow projections will be used. Valuation is performed as of the financial position date by independent professional valuers.

Changes in fair values are recognized in profit or loss. Investment properties are derecognized either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal.

### 3.7 Property, plant and equipment

Land is stated at the revalued amount less allowance for impairment (if any). The revalued amount is the fair value determined on the basis of the property's existing use at the date of revaluation. Plant and equipment and bearer plant are stated at cost less accumulated depreciation and the allowance for impairment.

Revaluation is performed by independent professional appraisers, which the Company has the policy that the independent professional appraisers will be requested to perform the appraisal for the said assets at sufficient regularity to ensure that the carrying value of these assets does not materially differ from their fair values, as at the statement of financial position date. Increase in appraisal value will be recognized in the shareholders' equity under "gain on asset revaluation" and decrease below cost will be recognized as loss from decrease in revaluation of assets in the statement of profit or loss.

Depreciation of the plant and equipment and bearer plant is calculated from the cost using the straight-line method over their estimated useful lives, (except for machineries of the Company and subsidiaries which are in the sugar and molasses manufacture and distribution business) as follows:

Land improvement	3 - 60	years
Buildings and construction	2 - 76	years
Machineries and equipment	2 - 50	years
Motor vehicles and labor saving tools	3 - 28	years
Furniture and office equipment	2 - 37	years
Bearer plant	2	years

Machineries of the Company and its subsidiaries which are in the sugar and molasses manufacture and distribution business are depreciated based on the machinery production hours, which is equivalent to approximately 5 - 50 production seasons. The production capacity of machines is estimated by the engineers of the Group.

Depreciation calculated is included in the calculation of the operating result and no depreciation is calculated for the land and construction in progress.

Borrowing costs incurred from the loans obtained especially for the construction in progress project and during installation of equipment are included in the cost of the said construction in progress until it is ready for its intended usage (if any).

### 3.8 Intangible assets

Intangible assets are computer software and land concession which are stated at cost less accumulated amortization and the allowance for impairment (if any).

Amortization of computer software is calculated by the straight-line method over estimated useful lives between 3 - 10 years.

Amortization of land concession is calculated by the straight-line method within 50 - 60 years.

Impairment losses are recognized as other expense in the statement of income when incurred.

### 3.9 Impairment of assets

Impairment of assets is assessed at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, the asset's recoverable amount will be estimated. When the carrying amount of the asset exceeds its recoverable amount, the asset is written down to its recoverable amount. Impairment losses are recognized in the statements of profit or loss (an asset's recoverable amount is the higher of the asset's value in use or fair value less costs to sell of the assets).

### *Reversals of impairment*

Impairment losses recognized in prior periods in respect of other non-financial assets are assessed at each reporting date for any indications of impairment the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, as if no impairment loss had been recognized.

### 3.10 Provisions

The Company and its subsidiaries will record provisions when it is highly certain that obligations will occur at present legally or reliable estimate as a result of past events. These obligations are expected to cause an outflow of resources embodying economic benefits resulting to settle such obligations and these amounts to be paid can be estimated reliably. If there is expectation to recover payment toward estimated liabilities certainly by all or part, the returned payment will be recognized as separate asset but its amount must not be more than related estimated liabilities and the expense related to liability estimates is shown in the statement of profit or loss at amount net by recognized amount of expenses to be recovered.

### 3.11 Employee benefits

#### **Short-term employee benefits**

Salaries, wages, bonuses and contributions to the social security fund are recognized as expenses when incurred.

#### **Post-employment benefits and other long-term employee benefits**

##### *Defined contribution plans*

The Group and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Group. The fund's assets are held in a separate trust fund and the contributions of the Group is recognized as expenses when incurred.

##### *Defined benefit plans and other long-term employee benefits*

The Group has obligations in respect of the severance payments to its employees upon retirement under labor law and other employee benefit plan. The Group treats these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plans and other long-term employee benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Plan assets are assets held by a long-term employee benefit fund. They are not available to the Group's creditors and cannot be returned to the Group, except the portion which reference to the provident fund's rules. The Group measures the fair value of plan assets by using market price.

Defined benefit liability or asset is the present value of the defined benefit obligation less the fair value of plan assets which is available to pay the employee benefits obligation directly.

Actuarial gains or losses arising from defined benefit plans are recognized immediately in other comprehensive income.

Actuarial gains or losses arising from other long-term benefit are recognized immediately in profit or loss.

Past service costs are recognized in profit or loss on the earlier of the date of the plan amendment or curtailment or the date that the Group recognizes restructuring-related cost.

### 3.12 Financial instruments

Financial assets and financial liabilities are recognized in the Group's consolidated statement of financial position when the Group becomes a party under the contractual provisions of the instrument.

#### Financial assets

##### *Classification and measured of financial assets*

All recognized financial assets are measured subsequently at either amortized cost or fair value, depending on the classification of the financial assets.

Assets are measured at fair value through other comprehensive income and financial assets are measured at fair value through profit or loss ("FVTPL"). The Group's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets as follows:

#### (1) Amortized cost and effective interest method

The effective interest method is a method of calculating the amortized cost of a debt instrument and allocating interest income over the relevant period.

Interest income is recognized in profit or loss and included in the "Finance income" line item.

#### (2) Equity instruments designated as at FVTOCI

Upon initial recognition, the Group can elect to irrevocably classify its equity investments which are not held for trading as equity instruments designated at FVTOCI. The classification is determined on an instrument-by-instrument basis.

Gains or loss recognized in other comprehensive income on these financial assets are never recycled to profit or loss.

The equity instrument designated at FVTOCI are not subject to impairment assessment.

#### (3) Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortized cost or FVTOCI are measured at FVTPL;

- Investments in equity instruments are classified as at FVTPL (that is neither held for trading).
- Debt instruments that do not meet the amortized cost criteria or the FVTOCI criteria are classified as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognized in profit or loss.

### *Impairment of financial assets*

The Group recognizes a loss allowance for expected credit losses on investments in debt instruments that are measured at amortized cost or at FVTOCI and trade receivables. The amount of expected credit losses is updated at each reporting period date to reflect changes in credit risk since the initial recognition of the respective financial instrument.

The Group always recognizes lifetime ECL for trade receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

#### (1) Write-off policy

The Group writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over two years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognized in profit or loss.

#### (2) Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. The exposure at default, for financial assets is represented by the asset's gross carrying amount as at the reporting date. The Group tries to understand of the specific future financing needs of the debtors, and other relevant forward-looking information.

### *Derecognition of financial assets*

The Group derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

On the date of derecognition of a financial asset measured at amortized cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss.

### Financial liabilities

The Group's financial liabilities are initially recognized at fair value net of transaction costs and classified as financial liabilities to be subsequently measured at amortized cost, except for derivative liabilities as described in Note 36 "Financial Instrument". In determining amortized costs, the Group takes into account any related fees or costs that are integral part of the effective interest rate (EIR). The EIR amortization is included in finance cost in profit or loss.

### Derivative financial instruments

The Group enters into derivative financial instruments which are recognized initially at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting date. The resulting gain or loss is recognized in profit or loss immediately unless the derivative is designated and effective as a hedging instrument in the event that the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognized as a financial asset whereas a derivative with a negative fair value is recognized as a financial liability. Derivatives are not offset in the financial statements unless the Group has both legal right and intention to offset. A derivative is presented as a non-current asset or non-current liability if the remaining maturity of the instrument is more than 12 months, and it is not expected to be realized or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

### Hedge accounting

The Group designates certain derivatives as hedging instruments in related respect of foreign currency risk and interest rate risk including sugar price risk (commodity) through the main financial derivatives, namely forward exchange contracts, cross currency and interest rate swap contracts, sugar futures contract and sugar future option contract.

### Fair value hedges

The fair value change on qualifying hedging instruments is recognized in profit or loss except when the hedging instrument hedges an equity instrument designated at FVTOCI in which case it is recognized in other comprehensive income.

### Cash flow hedges

At the beginning of the hedging relationship, the Group prepares documentation of hedging relationship between the hedging instrument and the hedged item, and the risk management objectives and strategies for hedging-related items. The Group has documentation that hedging instruments are effectiveness in offsetting changes in the fair value or cash flows of hedged items related to hedged risks. When the hedging relationship is met, the hedge effectiveness is met.

The Group recognizes any gain or loss on the hedge instrument that is effectiveness for cash flow hedges in other comprehensive income. They are transferred to profit or loss when the hedged cash flows affect profit or loss or when they are no longer expected to occur. However, the accumulated under the heading of cash flow hedging reserve, limited to the cumulative change in fair value of the hedged item from inception of the hedge.



The gain or loss relating to the ineffective portion is recognized immediately in profit or loss, and is included in the “other gains and losses” line item.

### 3.13 Share premium account on ordinary shares

Share premium account on ordinary shares is stated in accordance with Section 51 of the Public Limited Company Act B.E. 2535. In the event the Company offers the ordinary shares for sale at the price exceeding the registered share price, the Company shall appropriate this surplus as reserve (“Share premium account on ordinary shares”). This share premium account on ordinary shares cannot be paid out as dividend.

### 3.14 Other components of shareholders’ equity

3.14.1 Losses on internal restructure of entities under common control is the difference between net carrying value of investment received and acquisition cost of investment occurred from internal restructure of entities under common control. This investment was a merger of entities with the same former shareholders and management and the said difference is shown as a separate item in the statement of financial position under shareholders’ equity and will be written off when the investment is disposed.

3.14.2 Losses on change in shareholding ratio in subsidiaries is the difference between the investment for changed proportion in subsidiaries and book value of the subsidiaries resulted from change in proportion of investment in such subsidiaries. This difference is shown as a separate item in the statement of financial position under the shareholders’ equity and will be written off when the investment is disposed.

### 3.15 Non-controlling interests

Non-controlling interests mean the book value of the net assets of the subsidiaries in according to the shareholding ratio of the non-controlling interests or the participating portion which does not belong to the shareholders of the parent. The non-controlling interests are presented in a separate caption under the shareholders’ equity in the consolidated statement of financial position and profit (loss) of the non-controlling interests for the year are presented in a separate caption of the consolidated statement of income.

### 3.16 Revenue recognition

The recognized revenue excludes value-added taxes and other sales taxes. Revenue is presented net off discounts. The policies are as follows:

#### 3.16.1 Revenue from sale of goods

Revenue from sale of goods is recognized at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods. Revenue is measured at the amount of the consideration received or receivable, excluding value-added tax, of goods supplied after deducting returns, discounts, allowances and payment with traditional business practice to customers.

3.16.2 Rental income and its related services from an investment property

Rental income and its related services from an investment property are recognized on a straight-line basis over the term of the lease. Contingent rentals are recognized as income in the accounting period in which they are occurred. The related service income is recognized over the term of the lease.

3.16.3 Revenue from rendering of services

Revenue from rendering of services is recognized overtime when service have been rendered.

3.16.4 Revenues from sale of land are recognized when the land ownership has already been transferred to the purchaser.

3.16.5 Interest income and discount receivable from discounting notes receivable are recognized according to the related period.

3.16.6 Dividend income is recognized when entitled to receive such dividend.

3.16.7 Other incomes are recognized on an accrual basis.

3.17 Expense recognition

Other expenses are recognized on an accrual basis.

3.18 Finance costs

Finance costs comprise interest expense on borrowings and contingent consideration.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognized in the statement of comprehensive income using the effective interest method.

3.19 Leases

*The Group as lessee*

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognizes a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lease, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low-value assets. The Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented in a separate line in the consolidated and separate statements of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate;
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used); or
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The Group did not make any such adjustments during the year presented.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Group incurs an obligation for costs of dismantling and removing a leased asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognized and measured under TAS 37. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use assets is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented in a separate line in the consolidated and separate statements of financial position.

The Group applies TAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the “Property, Plant and Equipment” policy.

Variable rents that do not depend on an index or rate are not included in the measurement the lease liability and the right-of-use asset. The related payments are recognized as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line “Other expenses” in profit or loss.

As a practical expedient, TFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Group does not used this practical expedient.

### 3.20 Foreign currency transactions

Foreign currency transactions are translated into Baht at the exchange rates ruling on the transaction dates. Monetary assets and liabilities in foreign currencies outstanding at the statement of financial position date are translated into Baht at the exchange rates ruling on that date. Exchange gains or losses either realized or unrealized are included as incomes or expenses in the statement of profit or loss for the year.

The financial statements of overseas subsidiaries are translated to Thai Baht in preparation of the consolidated financial statements as follows:

- a. Assets and liabilities are translated to Thai Baht at the foreign exchange rates ruling at the statement of financial position date.
- b. Shareholders’ equity is translated to Thai Baht at the foreign exchange rates on the transaction date.
- c. Revenues and expenses are translated to Thai Baht at average foreign exchange rates for the year.

Gain (loss) on translation of the financial statements prepared in foreign currencies are presented as other components of equity under shareholders’ equity.

### 3.21 Related parties

Related parties with the Company and its subsidiaries represent individuals or enterprises which have the controlling power over the Company and its subsidiaries or are controlled by the Company and its subsidiaries either directly or indirectly, or under the common control with the Company and its subsidiaries. Furthermore, the related parties also represent the associates and the parties who hold the shares with voting rights, either directly or indirectly, and have significant influence to the Company, important managers, directors or employees of the Company and its subsidiaries who have power to plan and control the operations of the Company and its subsidiaries, including the close family members who can persuade or have power to persuade to act in compliance with said persons and businesses that said persons who have control power or significant influence, either directly or indirectly.

### 3.22 Income tax expenses

Income tax expense represent the sum of the current tax and deferred tax.

#### 3.22.1 Current tax

Tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The current tax liability is calculated using tax rates that have been enacted or substantively enacted at the statement of financial position date.

#### 3.22.2 Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit (tax base). The Company and its subsidiaries recognize deferred tax liabilities for all temporary differences, and recognize deferred tax assets for temporary differences to the extent that it is probable that taxable profits will be available against which those temporary differences can be utilized. The carrying amounts of deferred tax assets are reviewed at each statement of financial position date. Deferred tax assets shall be reduced to the extent that utilized taxable profits decreased. Any such reduction shall be reversed to the extent that it becomes probable that the Company and its subsidiaries have sufficient taxable profit to allow total or part of the asset to be recovered.

The Company and its subsidiaries measure deferred tax assets and deferred tax liabilities at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates that have been enacted or substantively enacted at the end of the reporting period.

In the consolidated financial statements, deferred tax assets and deferred tax liabilities are recognized by each company in the Group, and deferred tax asset of one company in the Group is offset against deferred tax liability of another company in the Group if, and only if, the companies concerned have a legally enforceable right to make or receive a single net payment and the companies intend to make or receive such a net payment or to recover the asset and settle the liability simultaneously.

### 3.23 Basic earnings (loss) per share

The calculations of basic earnings (loss) per share were based on the profit (loss) for the year attributable to equity holders divided by the weighted average number of ordinary shares held by outsiders outstanding during the year net of treasury stocks. The calculations of diluted earnings (loss) per share (if any) were based on the weighted average number of ordinary shares on the assumption that all dilutive potential ordinary shares have been converted to ordinary shares.

### 3.24 Sectorial business operations

Sectorial business operations are disclosed under the separate business segments of the Group. By the business segment that sources products or provides services which have different risks and return from the risks and return of the products or services provided by other business segments.

### 3.25 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company and its subsidiaries take into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis.

In addition, fair value measurements are categorized into Level 1, 2 and 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2 inputs are inputs, other than quoted prices included within Level 1, which are observable for the asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for the asset or liability.

## **4. USE OF MANAGEMENT JUDGEMENTS AND SIGNIFICANT ACCOUNTING ESTIMATES**

The preparation of consolidated and separate financial statements in conformity with Thai Financial Reporting Standards also requires the Company's and its subsidiaries' management to exercise judgements 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 statements of financial position and the reported amounts of revenues and expenses during the reporting period. Although, these estimates are based on management's reasonable consideration of current events, actual results may differ from these estimates.

The significant accounting estimate which requires the Company's and its subsidiaries' management to exercise the significant judgements.

- Allowance for expected credit losses of farmer receivables and loans for cane plantation development (financial assets)

In determining allowance for expected credit losses of farmer receivables and loans for cane plantation development, the management needs to use judgement and estimates based upon, among other things, past collection history, the aging profile of outstanding debts and forecasts of economic condition for groupings of various farmer segments with similar credit risks. The Group's historical credit loss experience and forecasts of economic conditions used by the Group may not reflect whether a farmer will actually default in the future.

- Estimated allowance for impairment of investments in foreign subsidiaries and allowance for impairment of buildings and machinery of foreign subsidiaries

In the event that subsidiaries in a foreign country continue to operate the business, the Company considers the allowance for impairment from the value in use. It uses management's judgement about the underlying assumptions in projecting expected future cash flows which is the market condition of the business and other relevant factors according to the strategy or business plan which are disclosed in Notes 3.5 and 3.9. In the event that the subsidiary is in the process of suspending operations, the Company's management consider as indicators of impairment on investments in the subsidiaries in foreign countries in the separate financial statements and of building and machinery of those subsidiaries in foreign countries in the consolidated financial statements. The Company estimates recoverable amount of its investment in subsidiaries and of building and machinery of such subsidiaries for consideration of their losses on impairment, the amount to be recovered of the higher of the asset's value in use as described above and fair value less costs to sell.

However fair values of assets are estimated by an independent appraiser who has been approved by the Office of the Securities and Exchange Commission (Thailand) and the costs to sell those assets are estimated by the Company's management.

- Fair value of investment property and lands

The Group's investment property and lands are measured at fair value for financial reporting purposes. Fair values are estimated by an independent appraiser who has been approved by the Office of the Securities and Exchange Commission (Thailand).

Information about valuation techniques and inputs used in determining the fair value of investment property and lands are disclosed in Notes 17 and 18.

- Unrecognized deferred tax assets

The Group recognizes deferred tax assets for temporary difference arising between the tax bases of assets or liabilities and their carrying amounts at the statement of financial position date. Management judgement is used in assessing the Group's ability to generate its future profit. The Group recognizes deferred tax assets at the end of reporting period only for amount being utilized considering that it is highly probable that the sufficient future taxable profit will be generated to utilize such amount (see Note 27).

## 5. ADDITIONAL CASH FLOW INFORMATION AND CASH EQUIVALENTS

5.1 Significant non-cash items in the consolidated and separate financial statements for the years ended October 31, are as follows:

Type of Transactions	Unit : Thousand Baht			
	Consolidated		Separate	
	Financial Statements	Financial Statements	Financial Statements	Financial Statements
	2022	2021	2022	2021
Purchases of property, plant and equipment which have not yet been paid	37,241	21,868	10,458	7,412
Transfer of property, plant and equipment to investment property	(64,390)	(73,875)	(64,390)	(73,875)
Transfer other current assets to other non-current assets	24,805	20,957	-	8,717
Transfer equipment to intangible assets	-	450	-	450
Transfer of short-term loans and accrued interest income to advance payment for shares	-	-	936,572	-

5.2 Changing in liabilities arising from financing activities for the years ended October 31, are as follows:

2022

	Unit : Thousand Baht			
	Consolidated Financial Statements			
	Balance as at November 1, 2021	Financing cash flows	Non-cash changes	Balance as at October 31, 2022
Short-term borrowings from financial institutions	5,981,934	(1,251,704)	841	4,731,071
Short-term borrowings from related parties and others	7,100	1,000	-	8,100
Long-term borrowings from financial institutions	6,906,448	2,196,620	191,336	9,294,404
Long-term debentures	5,647,601	(3,000,000)	1,071	2,648,672
Lease liabilities	28,565	(15,168)	21,039	34,436
Total	<u>18,571,648</u>	<u>(2,069,252)</u>	<u>214,287</u>	<u>16,716,683</u>

	Unit : Thousand Baht			
	Separate Financial Statements			
	Balance as at November 1, 2021	Financing cash flows	Non-cash changes	Balance as at October 31, 2022
Short-term borrowings from financial institutions	3,755,159	(1,206,000)	841	2,550,000
Short-term borrowings from related parties and others	409,100	647,000	-	1,056,100
Long-term borrowings from financial institutions	6,535,068	1,568,000	191,336	8,294,404
Long-term debentures	5,647,601	(3,000,000)	1,071	2,648,672
Lease liabilities	306,153	(63,151)	27,506	270,508
Total	<u>16,653,081</u>	<u>(2,054,151)</u>	<u>220,754</u>	<u>14,819,684</u>



2021

	Unit : Thousand Baht			
	Consolidated Financial Statements			
	Balance as at November 1, 2020	Financing cash flows	Non-cash changes	Balance as at October 31, 2021
Short-term borrowings from financial institutions	6,912,515	(929,740)	(841)	5,981,934
Short-term borrowings from related parties and others	7,100	-	-	7,100
Long-term borrowings from financial institutions	4,852,000	1,954,380	100,069	6,906,449
Long-term debentures	6,995,997	(1,350,000)	1,604	5,647,601
Lease liabilities	-	(13,065)	41,630	28,565
Total	<u>18,767,612</u>	<u>(338,425)</u>	<u>142,462</u>	<u>18,571,649</u>

	Unit : Thousand Baht			
	Separate Financial Statements			
	Balance as at November 1, 2020	Financing cash flows	Non-cash changes	Balance as at October 31, 2021
Short-term borrowings from financial institutions	4,901,000	(1,145,000)	(841)	3,755,159
Short-term borrowings from related parties and others	545,500	(136,400)	-	409,100
Long-term borrowings from financial institutions	4,852,000	1,583,000	100,069	6,535,069
Long-term debentures	6,995,997	(1,350,000)	1,604	5,647,601
Lease liabilities	-	(62,260)	368,413	306,153
Total	<u>17,294,497</u>	<u>(1,110,660)</u>	<u>469,245</u>	<u>16,653,082</u>

5.3 Cash and cash equivalents as at October 31, are as follows:

Type of Transactions	Unit : Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2022	2021	2022	2021
Cash	941	961	123	182
Deposits at banks - Current accounts	172,003	16,336	55,374	1,068
Deposits at banks - Savings accounts	62,224	46,248	6,948	5,843
Deposits in transit	19,677	160,519	-	-
Total	<u>254,845</u>	<u>224,064</u>	<u>62,445</u>	<u>7,093</u>

## 6. 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:

6.1 Significant balances with related parties as at October 31, are as follows:

Type of Balances	Consolidated		Unit : Million Baht Separate	
	Financial Statements 2022	Financial Statements 2021	Financial Statements 2022	Financial Statements 2021
Trade and other current receivables				
Subsidiaries	-	-	983.89	224.72
Associates	0.46	0.48	0.46	0.48
Related parties	27.40	91.90	9.60	35.49
Total	<u>27.86</u>	<u>92.38</u>	<u>993.95</u>	<u>260.69</u>
Current portion of finance lease receivables (see Note 8)				
Related parties	<u>380.57</u>	<u>19.34</u>	-	-
Short-term loans (see Note 9)				
Subsidiaries	<u>-</u>	<u>-</u>	<u>193.23</u>	<u>934.42</u>
Current portion of long-term loans (see Note 9)				
Subsidiaries	<u>-</u>	<u>-</u>	<u>632.00</u>	<u>100.00</u>
Other current assets				
Subsidiaries	-	-	32.75	105.01
Associates	5.50	5.50	5.50	5.50
Related parties	0.06	0.80	-	0.45
Total	<u>5.56</u>	<u>6.30</u>	<u>38.25</u>	<u>110.96</u>
Finance lease receivables - net of current portion				
Related parties	<u>-</u>	<u>361.25</u>	<u>-</u>	<u>-</u>
Long-term loans (Excluded current portion)				
Subsidiaries	<u>-</u>	<u>-</u>	<u>1,950.00</u>	<u>2,358.00</u>
Other non-current assets				
Subsidiaries	-	-	3.27	3.27
Related parties	0.02	0.02	-	-
Total	<u>0.02</u>	<u>0.02</u>	<u>3.27</u>	<u>3.27</u>
Trade and other current payables				
Subsidiaries	-	-	75.82	70.39
Associates	-	2.16	-	1.62
Related parties	3.55	20.15	-	-
Total	<u>3.55</u>	<u>22.31</u>	<u>75.82</u>	<u>72.01</u>
Other accrued expenses (included in other payables)				
Subsidiaries	<u>-</u>	<u>-</u>	<u>14.28</u>	<u>0.03</u>
Current portion of lease liabilities				
Subsidiaries	<u>-</u>	<u>-</u>	<u>36.60</u>	<u>34.72</u>
Short-term borrowings				
Subsidiaries	-	-	1,048.00	402.00
Related parties	8.10	7.10	8.10	7.10
Total	<u>8.10</u>	<u>7.10</u>	<u>1,056.10</u>	<u>409.10</u>

Type of Balances	Consolidated		Separate	
	Financial Statements		Financial Statements	
	2022	2021	2022	2021
Other current liabilities				
Subsidiaries	-	-	-	0.04
Related parties	-	0.02	-	-
Total	<u>-</u>	<u>0.02</u>	<u>-</u>	<u>0.04</u>
Lease liabilities				
Subsidiaries	<u>-</u>	<u>-</u>	<u>219.64</u>	<u>256.23</u>
Other non-current liabilities				
Subsidiaries	-	-	0.47	0.47
Related parties	1.04	1.04	1.04	1.04
Total	<u>1.04</u>	<u>1.04</u>	<u>1.51</u>	<u>1.51</u>

As at October 31, 2022 and 2021, short-term loans to subsidiaries represented promissory notes receivable on demand, carrying interest rates at 1.30% per annum and 1.19% - 2.90% per annum, respectively.

As at October 31, 2022 and 2021, long-term loans to subsidiaries represented loans with maturity date within 2022 - 2027 carrying the interest rates at 2.28% - 3.90% per annum and 2.03% - 3.90% per annum.

As at October 31, 2022 and 2021, short-term borrowings from subsidiaries and related parties represented promissory notes payable on demand, carrying the interest rates at 1.33% - 1.35% per annum and 0.80% per annum, respectively.

6.2 Significant transactions with related parties for the years ended October 31, are as follows:

Type of Transactions	Consolidated		Unit : Million Baht Separate	
	Financial Statements		Financial Statements	
	2022	2021	2022	2021
Revenues from sales and rendering of services				
Subsidiaries	-	-	1,707.64	1,605.14
Associates	-	0.13	-	-
Related parties	1,466.55	1,170.57	715.50	478.23
Total	<u>1,466.55</u>	<u>1,170.70</u>	<u>2,423.14</u>	<u>2,083.37</u>
Cost of sales and rendering of services				
Subsidiaries	-	-	1,043.88	836.67
Related parties	47.90	19.65	-	-
Total	<u>47.90</u>	<u>19.65</u>	<u>1,043.88</u>	<u>836.67</u>
Interest income from finance leases				
Related parties	<u>19.34</u>	<u>19.34</u>	<u>-</u>	<u>-</u>
Other incomes				
Subsidiaries	-	-	109.59	163.80
Associates	6.20	10.10	6.20	5.39
Related parties	7.54	8.59	5.08	5.09
Total	<u>13.74</u>	<u>18.69</u>	<u>120.87</u>	<u>174.28</u>
Dividend incomes				
Subsidiaries	-	-	1,333.39	381.01
Associates	265.14	56.54	265.14	56.54
Total	<u>265.14</u>	<u>56.54</u>	<u>1,598.53</u>	<u>437.55</u>
Distribution costs				
Subsidiaries	-	-	6.98	25.81
Associates	6.09	9.19	2.25	4.78
Total	<u>6.09</u>	<u>9.19</u>	<u>9.23</u>	<u>30.59</u>

Type of Transactions	Unit : Million Baht			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	2022	2021	2022	2021
Administrative expenses				
Subsidiaries	-	-	0.39	0.18
Related parties	17.15	16.32	7.51	6.62
Related juristic person	23.65	16.78	21.60	15.30
Total	<u>40.80</u>	<u>33.10</u>	<u>29.50</u>	<u>22.10</u>
Financial costs				
Subsidiaries	-	-	27.62	26.74
Related parties	0.03	0.03	0.03	0.03
Related juristic person	0.04	0.04	0.04	0.04
Total	<u>0.07</u>	<u>0.07</u>	<u>27.69</u>	<u>26.81</u>
Management compensation				
Short-term employee benefits	83.09	90.17	35.52	42.46
Post-employment benefits	1.51	3.15	0.01	1.32
Total	<u>84.60</u>	<u>93.32</u>	<u>35.53</u>	<u>43.78</u>

#### POLICIES OF INTER-PRICE SETTING

- The inter-purchases/sales of raw sugar transactions among the Group are based on the sugar purchases/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 or on demand price of each type assets.
- Revenues from sales of supplies are in accordance with the agreed prices by counter parties, which are higher than costs.
- 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 income 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.

6.3 Relationship of related parties other than subsidiaries and associates consisted of:

Company Names	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
P M T Precious Group Co., Ltd.	Related party	Common mutual directors
KSL Tower Juristic Person office	Related Juristic Person	Shared owner of office building
BBGI Bio Ethanol Public Company Limited (Formerly “KSL Green Innovation Public Company Limited”)	Related party	Common shareholder and mutual directors
BBGI Bio Ethanol (Chachoengsao) Co., Ltd. (Formerly “Bangchak Bioethanol (Chachoengsao) Co., Ltd.”)	Related party	Common mutual directors

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 party, 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.

7. TRADE AND OTHER CURRENT RECEIVABLES

Trade and other current receivables as at October 31, consisted of:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2022	2021	2022	2021
Trade receivables	434,282	549,612	122,638	303,530
Current farmer receivables	341,536	248,747	288,555	215,300
Receivables from the Office of the Cane and Sugar Fund	26,591	132,794	-	64,113
Other receivables	92,145	15,621	30,729	188,740
Advance payment for shares (see Note 14)	-	-	938,113	-
Prepaid expenses	67,089	30,989	24,229	22,040
Advance payments	7,079	9,538	464	301
Accrued income	89,486	76,793	67,576	136,683
Total trade and other current receivables	<u>1,058,208</u>	<u>1,064,094</u>	<u>1,472,304</u>	<u>930,707</u>

7.1 Trade receivables as at October 31, consisted of:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2022	2021	2022	2021
Related parties	27,250	90,988	29,171	74,890
Others	407,032	458,624	93,467	228,640
Total trade receivables	<u>434,282</u>	<u>549,612</u>	<u>122,638</u>	<u>303,530</u>

Aging analysis for trade receivables as at October 31, are as follows:

7.1.1 Trade receivables - related parties

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2022	2021	2022	2021
Domestic trade receivables				
Not yet due	25,794	90,988	22,916	74,890
Overdue not over 3 months	1,456	-	6,255	-
Total trade receivables - related parties	<u>27,250</u>	<u>90,988</u>	<u>29,171</u>	<u>74,890</u>

The normal credit terms granted to the related parties of the Company and subsidiaries range from 7 days to 30 days.

7.1.2 Trade receivables - others

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2022	2021	2022	2021
Business are to manufacture and distribute sugar and molasses				
Domestic trade receivables				
Not yet due	127,011	140,083	51,208	53,097
Overdue not over 3 months	30,719	54,653	15,658	16,745
Total	<u>157,730</u>	<u>194,736</u>	<u>66,866</u>	<u>69,842</u>
Foreign trade receivables				
Not yet due	32,673	161,747	15,349	158,798
Overdue not over 3 months	48,395	200	11,252	-
Total	<u>81,068</u>	<u>161,947</u>	<u>26,601</u>	<u>158,798</u>
Total of business of manufacturing and distributing sugar and molasses	<u>238,798</u>	<u>356,683</u>	<u>93,467</u>	<u>228,640</u>
Manufacture and distribution of electricity				
Domestic trade receivables				
Not yet due	111,734	61,295	-	-
Overdue not over 3 months	53,065	35,323	-	-
Total of business of manufacturing and distributing of electricity	<u>164,799</u>	<u>96,618</u>	<u>-</u>	<u>-</u>
Other business				
Domestic trade receivables				
Not yet due	1,021	1,650	-	-
Overdue not over 3 months	872	2,267	-	-
Overdue over 3 months and not over 6 months	715	880	-	-
Overdue over 6 months and not over 12 months	827	465	-	-
Overdue over 12 months	-	61	-	-
Total other business	<u>3,435</u>	<u>5,323</u>	<u>-</u>	<u>-</u>
Total trade receivables - others	<u>407,032</u>	<u>458,624</u>	<u>93,467</u>	<u>228,640</u>

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

7.2 Current farmer receivables as at October 31, consisted of:

	Consolidated		Unit : Thousand Baht	
	Financial Statements	Financial Statements	Separate	Separate
	2022	2021	2022	2021
Cane receivables				
Season 2021/2022	4,700	-	4,142	-
Season 2020/2021	15,167	35,353	14,174	22,190
Season 2019/2020	25,776	42,915	3,188	5,036
Season 2018/2019	38,932	58,513	7,947	10,471
Season 2017/2018	8,900	13,619	5,181	5,758
Before Season 2017/2018	134,674	178,187	39,242	42,324
Total cane receivables (see Note 15)	<u>228,149</u>	<u>328,587</u>	<u>73,874</u>	<u>85,779</u>
Advance payments for purchases of cane				
Season 2022/2023	341,536	-	288,555	-
Season 2021/2022	-	248,747	-	215,300
Total advance payments for purchases of cane	<u>341,536</u>	<u>248,747</u>	<u>288,555</u>	<u>215,300</u>
Receivables from fuel oil, fertilizer and other services (see Note 15)	<u>16,971</u>	<u>18,016</u>	<u>15,581</u>	<u>16,128</u>
Total	586,656	595,350	378,010	317,207
<u>Less</u> Allowance for expected credit loss	<u>(153,764)</u>	<u>(207,676)</u>	<u>(44,880)</u>	<u>(37,882)</u>
Total farmer receivables	432,892	387,674	333,130	279,325
<u>Less</u> Non-current portion	<u>(91,356)</u>	<u>(138,927)</u>	<u>(44,575)</u>	<u>(64,025)</u>
Total current farmer receivables	<u>341,536</u>	<u>248,747</u>	<u>288,555</u>	<u>215,300</u>

Cane receivables are farmer receivables which had not yet delivered cane in according to contracts. Most of cane receivables are secured.

7.3 Receivables from the Office of the Cane and Sugar Fund as at October 31, consisted of:

	Consolidated		Unit : Thousand Baht	
	Financial Statements	Financial Statements	Separate	Separate
	2022	2021	2022	2021
Receivables from compensation for sugar cane prices	-	1,245,584	-	726,439
Receivables from compensation for production and distribution of sugar	132,794	96,289	64,113	65,967
Total	132,794	1,341,873	64,113	792,406
<u>Add</u> Receivables from compensation for protection and disruption of sugar 2021/2022	14,914	-	-	-
<u>Less</u> Compensation for production and distribution of sugar	-	(44,628)	-	(33,107)
<u>Offset</u> Short-term loans and interest expense from the Office of Cane and Sugar Fund	-	(1,031,438)	-	(627,916)
Contribution to the Cane and Sugar Fund	<u>(121,117)</u>	<u>(133,013)</u>	<u>(64,113)</u>	<u>(67,270)</u>
Total current receivables from the Office of the Cane and Sugar Fund	<u>26,591</u>	<u>132,794</u>	<u>-</u>	<u>64,113</u>

On February 4, 2021, the Board of the Office of the Cane and Sugar Fund passed a resolution to approve the payment of the compensation for sugar cane prices and for production and distribution for the 2017/2018 production season to the Company and its subsidiaries, by offsetting with the short-term loans and interest payable in the separate financial statements amounting to Baht 627.92 million and in the consolidated financial statements amounting to Baht 1,031.44 million to the Office of the Cane and Sugar Fund under a loan scheme to increase the liquidity of sugar cane mills. The Company and its subsidiaries already received payment amounting to Baht 33.11 million in the separated financial statements and amounting to Baht 44.63 million in the consolidated financial statements on February 15, 2021, which is the remaining amount after being offset.

On May 6, 2021, the Board of the Office of the Cane and Sugar Fund passed a resolution to approve the payment of the compensation for sugar cane prices and for production and distribution for the 2018/2019 production season to the Company and its subsidiaries by offsetting with the money to be remitted under Section 57 of the Cane and Sugar Act, B.E. 2527 for the production season of 2019/2020 in the amount of Baht 19.05 million in the separate financial statements and in the amount of Baht 37.67 million in the consolidated financial statements.

On May 13, 2021, the Board of the Office of the Cane and Sugar Fund passed a resolution to request the money to be remitted to for the Cane and Sugar Fund as to support the operations per the objectives of the Cane and Sugar Fund B.E. 2563 for the 2020/2021 production season at the rate of Baht 20 per ton cane in the separate financial statements amounting to Baht 48.22 million and in the consolidated financial statements amounting to Baht 95.34 million by offsetting with the amounts payable to the Company and its subsidiaries until the Office of Cane and Sugar Fund has no outstanding balance owed by the Company and its subsidiaries.

On April 4, 2022, the Board of the Office of the Cane and Sugar Fund passed a resolution to approve the payment of the compensation for sugar cane prices and for production and distribution for the 2018/2019 production season to the Company and its subsidiaries by offsetting with the money to be remitted under Section 57 of the Cane and Sugar Act, B.E. 2527 for the production season of 2020/2021 in the amount of Baht 19.29 million in the separate financial statements and in the amount of Baht 38.14 million in the consolidated financial statements.

On June 1, 2022, the Board of the Office of the Cane and Sugar Fund passed a resolution to request the money to be remitted to for the Cane and Sugar Fund as to support the operations per the objectives of the Cane and Sugar Fund B.E. 2563 for the 2021/2022 production season at the rate of Baht 20 per ton cane in the separate financial statements amounting to Baht 44.82 million and in the consolidated financial statements amounting to Baht 82.98 million by offsetting with the amounts payable to the Company and its subsidiaries until the Office of Cane and Sugar Fund has no outstanding balance owed by the Company and its subsidiaries.

As at October 31, 2022, the Company and subsidiaries expect to receive compensation from the Office of the Cane and Sugar Fund, since the Group expects that in the 2021/2022 harvesting years the final sugar cane price and the final compensation for the production and distribution of sugar will be less than the initial sugar cane price and the initial compensation for the production and distribution of sugar. In accordance with Section 56 of the Cane and Sugar Act B.E. 2527, the Cane and Sugar Fund is to pay compensation to the Company and subsidiaries at an amount equal to the difference, and the sugar cane planters do not have to return the excess amount of the sugar cane price received.



## 8. FINANCE LEASE RECEIVABLE

On November 1, 2019, a subsidiary entered into the financial lease agreement with the related party to lease the land, including structure, machines and other assets as stipulated in the agreement. The related party has an option to purchase these assets within 5 years after the agreement date. On July 20, 2022, the related party has notified their intention to request the transfer of all assets within November 2022. Finance lease receivable is as follows:

	<b>Unit : Thousand Baht Consolidated Financial Statements</b>	
	<b>2022</b>	<b>2021</b>
Within 1 year	19,350	19,350
Over 1 year - 5 years	408,640	427,990
	<u>427,990</u>	<u>447,340</u>
<u>Less</u> Unearned interest income	(47,416)	(66,752)
	380,574	380,588
<u>Less</u> Current portion (see Note 6.1)	(380,574)	(19,337)
Total	<u>-</u>	<u>361,251</u>

## 9. SHORT-TERM LOANS

Short-term loans as at October 31, consisted of:

	<b>Consolidated Financial Statements</b>		<b>Unit : Thousand Baht Separate Financial Statements</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
Short-term loans to subsidiaries and related parties (see Note 6.1)	-	-	193,233	934,416
Short-term loans to farmers	495,099	468,385	241,870	232,664
Current portion of long-term loans to subsidiaries (see Note 6.1)	-	-	632,000	100,000
Current portion of long-term loans to others	14,600	13,297	13,600	13,297
Current portion of loans for cane plantation development	114,150	106,753	37,000	41,798
Total short-term loans	<u>623,849</u>	<u>588,435</u>	<u>1,117,703</u>	<u>1,322,175</u>

As at October 31, 2022 and 2021, short-term loans to farmers in the consolidated financial statement of Baht 393.82 million and Baht 401.01 million, respectively, and in the separate financial statements of Baht 241.87 million and Baht 232.66 million, respectively, represent loans from discounted 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. For the remaining in the consolidated financial statement as at October 31, 2022 and 2021 of Baht 101.28 million and Baht 67.37 million, respectively, represent each advance to farmers to support their sugar cane plantation with certain terms and conditions and interest rates based on rates or commercial banks.

## 10. INVENTORIES

Inventories as at October 31, consisted of:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2022	2021	2022	2021
Sugar and molasses	1,936,716	1,997,480	1,166,642	1,137,138
Bio-fertilizer	5,586	5,253	-	-
Bagasse	207,806	146,410	-	-
Real estate development	119,750	119,750	-	-
Factory supplies	107,578	64,540	37,670	15,574
Machine maintenance supplies	386,933	398,471	109,807	118,414
	<u>2,764,369</u>	<u>2,731,904</u>	<u>1,314,119</u>	<u>1,271,126</u>
<u>Less</u> Allowance for deteriorated or obsolete inventories	(21,591)	(22,876)	(500)	(1,243)
Allowance for diminution in value of inventories	(2,576)	(1,591)	-	-
Total inventories	<u>2,740,202</u>	<u>2,707,437</u>	<u>1,313,619</u>	<u>1,269,883</u>

Movements of allowance for deteriorated or obsolete inventories for the years ended October 31, are as follows:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2022	2021	2022	2021
Beginning balance	(22,876)	(25,324)	(1,243)	(5,480)
<u>Add</u> Reversal of cost of sales for the years	1,285	2,448	743	4,237
Ending balance	<u>(21,591)</u>	<u>(22,876)</u>	<u>(500)</u>	<u>(1,243)</u>

Movements of allowance for diminution in value of inventories for the years ended October 31, are as follows:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2022	2021	2022	2021
Beginning balance	(1,591)	(55,883)	-	(55,883)
<u>Add</u> (Increase) reversal of cost of sales for the years	(985)	54,292	-	55,883
Ending balance	<u>(2,576)</u>	<u>(1,591)</u>	<u>-</u>	<u>-</u>

## 11. CURRENT BIOLOGICAL ASSETS

Movements of current biological assets for the years ended October 31, are as follows:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2022	2021	2022	2021
Beginning book value	46,380	41,680	-	4,684
(Loss) gain on arising from change in fair value	(7,230)	(5,414)	-	190
Additional plantation costs during the years	58,458	55,868	-	216
Decrease from harvesting during the years	(44,549)	(45,646)	-	(4,982)
Loss from plantation	(210)	(108)	-	(108)
Ending book value	<u>52,849</u>	<u>46,380</u>	<u>-</u>	<u>-</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. The fair value is hierarchy level 3.

## 12. OTHER FINANCIAL ASSETS

Other financial assets as at October 31, are as follows:

2022

	<b>Consolidated</b>		<b>Unit : Thousand Baht</b>	
	<b>Financial Statements</b>		<b>Separate</b>	
	<b>Current</b>	<b>Non-current</b>	<b>Current</b>	<b>Non-current</b>
<b>Equity securities measured at fair value through other comprehensive income</b>				
Available for sales marketable securities	-	198,371	-	198,371
Interest rate and cross currency swap contracts	309,132	-	309,132	-
Sugar future contracts	345,963	-	345,963	-
<b>Equity securities measured at fair value through profit or loss</b>				
General investments	-	23,492	-	23,022
<b>Financial assets measured at amortized cost</b>				
Time deposits with maturities of more than 3 months but not later than 12 months	267	-	-	-
Bonds	-	6,800	-	-
<b>Total other financial assets</b>	<b>655,362</b>	<b>228,663</b>	<b>655,095</b>	<b>221,393</b>

2021

	<b>Consolidated</b>		<b>Unit : Thousand Baht</b>	
	<b>Financial Statements</b>		<b>Separate</b>	
	<b>Current</b>	<b>Non-current</b>	<b>Current</b>	<b>Non-current</b>
<b>Equity securities measured at fair value through other comprehensive income</b>				
Available for sales marketable securities	-	165,309	-	165,309
Interest rate and cross currency swap contracts	90,966	-	90,966	-
<b>Equity securities measured at fair value through profit or loss</b>				
General investments	-	797	-	327
<b>Financial assets measured at amortized cost</b>				
Time deposits with maturities of more than 3 months but not later than 12 months	267	-	-	-
Bonds	-	6,777	-	-
<b>Total other financial assets</b>	<b>91,233</b>	<b>172,883</b>	<b>90,966</b>	<b>165,636</b>

### 13. INVESTMENTS IN ASSOCIATES

Investments in associates as at October 31, consisted of:

#### Consolidated Financial Statements

Company Name	Paid-up share capital		Percentage of shareholding		2022		2021		Unit : Thousand Baht	
					Investment		Investment		Dividends	
					Cost	Equity	Cost	Equity	for	for
	2022	2021	2022	2021	method	method	the year	method	method	the year
Thai Sugar Terminal Public Company Limited	191,664	191,664	23.82	23.82	90,267	605,635	18,260	90,267	555,066	15,978
T S G Trading 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	1,485	370	1,855	1,855	-
T S Flour Mill Public Company Limited*	398,664	398,664	0.07	0.07	391	28	58	391	85	54
T S Warehouse Co., Ltd.*	12,500	12,500	4.02	4.02	509	317	-	509	317	-
T S Transport and Logistic Co., Ltd.*	400,000	400,000	10.12	10.12	40,508	40,508	-	40,508	40,508	-
BBGI Public Company Limited	3,615,000	2,532,000	29.88	40.00	3,529,058	4,153,010	246,446	3,244,868	4,050,023	40,512
Total					3,664,649	4,803,044	265,134	3,380,459	4,649,915	56,544

#### Separate Financial Statements

Company Name	Paid-up share capital		Percentage of shareholding		Investment		Unit : Thousand Baht			
					Cost method		Dividends			
					For the years ended					
	2022	2021	2022	2021	2022	2021	2022	2021	October 31,	
Thai Sugar Terminal Public Company Limited	191,664	191,664	23.82	23.82	90,267	90,267	18,260	15,978		
T S G Trading 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	370	-		
T S Flour Mill Public Company Limited*	398,664	398,664	0.07	0.07	391	391	58	54		
T S Warehouse Co., Ltd.*	12,500	12,500	4.02	4.02	509	509	-	-		
T S Transport and Logistic Co., Ltd.*	400,000	400,000	10.12	10.12	40,508	40,508	-	-		
BBGI Public Company Limited	3,615,000	2,532,000	29.88	40.00	3,529,058	3,244,868	246,446	40,512		
Total					3,664,649	3,380,459	265,134	56,544		

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

Summarized financial position in respect of associates and performance for the years ended September 30, are as follows:

	Percentage of Shareholding	Current		Non-Current		Total		Total		Profit	
		Assets	Assets	Assets	Liabilities	Liabilities	Liabilities	Revenues	Expense	Expense	
		%									
<b>2022</b>											
Thai Sugar Terminal Public Company Limited*	23.82	1,677	4,311	5,988	1,460	500	1,960	2,453	2,268	185	
BBGI Public Company Limited*	29.88	5,940	9,698	15,638	2,146	2,521	4,667	14,147	13,939	208	
<b>2021</b>											
Thai Sugar Terminal Public Company Limited*	23.82	841	3,887	4,728	434	474	908	2,149	1,959	190	
BBGI Public Company Limited*	40.00	3,854	9,784	13,638	2,759	3,670	6,429	14,573	13,112	1,461	

\* The associates have accounting periods ended December 31.

On November 9, 2021, the Board of Directors Meeting No. 9/2021 of BBGI Public Company Limited (“BBGI”) passed a resolution to approve the interim dividends from profit for the nine-month period ended September 30, 2021 at Baht 0.79 per share. The Company received such dividends of Baht 160.02 million on December 8, 2021.

On December 24, 2021, the Extraordinary General Meeting of Shareholders of BBGI Public Company Limited (“the associate”) passed a resolution to change the par value from Baht 5 per share to Baht 2.50 per share. The associate registered the change in the par value with the Department of Business Development, Ministry of Commerce on January 6, 2022. The change in the par value results in increase in the number of shares of the associate from 506 million shares to 1,013 million shares.

On March 14, 2022, BBGI Public Company Limited (“BBGI”) completed its Initial Public Offering (“IPO”) by issuing 433.20 million new ordinary shares with an offering price of Baht 10.50 per share (par value of Baht 2.50 per share and share premium of Baht 8.00 per share) amounting to Baht 4,549 million. The associate registered the increase in paid-up capital with the Ministry of Commerce on March 15, 2022. The associate’s shares has been trading on the Security Exchange of Thailand (SET) since March 17, 2022. As a result of IPO, the Company’s ownership interest in the associate decreased from 40.00% to 28.02%. As a result, the Company recognized profit from the change of proportion as other income in the consolidated financial statements for the years ended October 31, 2022, amounting to Baht 58.13 million. In addition, in March 2022, the Company purchased additional ordinary shares of BBGI Public Company Limited which resulted in the Company’s ownership interest being 29.88%.

On May 11, 2022, the Board of Directors Meeting No. 4/2022 of BBGI Public Company Limited passed a resolution to approve the dividends from unappropriated retained earnings at Baht 0.15 per share. The dividends will be paid to shareholders of Baht 64.82 million on June 9, 2022.

On August 9, 2022, the Board of Directors Meeting No. 6/2022 of BBGI Public Company Limited passed a resolution to approve the interim dividends from the Company’s unappropriated retained earnings, six-month period ended June 30, 2022, at Baht 0.05 per share. The dividends will be paid to shareholders of Baht 21.61 million on September 7, 2022.

## 14. INVESTMENTS IN SUBSIDIARIES

Investments in subsidiaries as at October 31, consisted of:

### Separate Financial Statements

Company Name	Paid-up		Percentage of		Investment		Unit : Thousand Baht	
	share capital		shareholding		Cost method		Dividends	
	2022	2021	2022	2021	2022	2021	For the years ended October 31,	
							2022	2021
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**	881,250	500,000	99.21	98.61	950,534	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	13,440	1,016
KSL Material Supplies Company Limited	480,000	480,000	100.00	100.00	479,119	479,119	1,319,954	60,000
Khon Kaen Sugar Power Plant Company Limited	800,000	800,000	100.00	100.00	799,972	799,972	-	319,989
KSL. Agro & Trading Company Limited	300,000	300,000	100.00	100.00	300,000	300,000	-	-
KSL WSP Logistic Company Limited	250	250	100.00	100.00	250	250	-	-
KHUN CHUAN Company Limited	1,000	1,000	99.97	99.97	1,000	1,000	-	-
Savannakhet Sugar Corporation	687,727	687,727	98.00	98.00	674,178	674,178	-	-
Koh Kong Sugar Industry Company Limited *	1,946,687	1,946,687	100.00	88.02	1,711,617	1,711,616	-	-
Wynn In Trading Company Limited *	487,497	487,497	100.00	100.00	487,497	487,497	-	-
Total					7,087,807	6,706,556	1,333,394	381,005
Less Allowance for impairment of investments					(2,027,374)	(2,092,710)	-	-
Total investments in subsidiaries					5,060,433	4,613,846	1,333,394	381,005

\* 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, 2022, loss of Koh Kong Plantation Company Limited exceed 75% of the registered share capital. The Company's management temporarily suspends its operations to adjust the internal structure of the subsidiary and in the process of increasing the registered capital.

\*\* In May 2022, New Kwang Soon Lee Sugar Factory Company Limited registered to increase the registered and paid-up share capital in the amount of Baht 1,525.00 million and Baht 381.25 million, respectively.

Movements in investments for the years ended October 31, are as follows:

	Unit : Thousand Baht	
	Separate Financial Statements	
	2022	2021
Beginning balance	4,613,846	4,572,347
Increase of investment		
New Kwang Soon Lee Sugar Factory Company Limited	381,250	-
KHUN CHUAN Company Limited	-	1,000
Koh Kong Sugar Industry Company Limited	1	-
Increase in allowance for impairment of investments		
Koh Kong Sugar Industry Company Limited	-	(39,398)
Wynn In Trading Company Limited	(75,539)	(5,714)
Reversal of allowance for impairment of investments		
KSL Material Supplies Company Limited	-	5,884
Savannakhet Sugar Corporation	140,875	79,727
Ending balance	5,060,433	4,613,846

On March 26, 2021, the Executive Board Meeting No. 5/2020-2021 approved the establishment of a new subsidiary, KHUN CHUAN Company Limited, to operate the social enterprise. With authorized share capital of Baht 1,000,000 (10,000 shares at par value of Baht 100.00 each) which has already been called and paid-up for the shares capital in full. Such subsidiary incorporated with the Ministry of Commerce on April 1, 2021. The Company directly invested 99.97%.

On May 20, 2022, the Extraordinary General Meeting of Shareholders No. 1 of the annual 2022 of New Kwang Soon Lee Sugar Factory Company Limited (“subsidiary”) has resolution to increase of registered capital totaling amount of Baht 1,525.00 million. The registered capital amount from Baht 500.00 million to the new registered capital amount of Baht 2,025.00 million by issuing 152,500,000 new ordinary shares at the par value of Baht 10.00 and on May 31, 2022, the subsidiary has already registered the increase in registered capital including the call for subscriptions of 152,500,000 new shares at the amount of Baht 2.50 per share, totaling to Baht 381.25 million.

As at September 30, 2022, Koh Kong Sugar Industry Company Limited is in the process to register the capital increase in amount of USD 25.20 million by issuing additional 70 shares at par value of USD 360,000 per share. The Company paid share subscriptions amounting to Baht 938.11 million by partially offsetting with short-term loans and accrued interest to the subsidiary. In addition, Koh Kong Plantation Company Limited is in the process to register the capital increase in amount of USD 5.10 million by issuing additional 34 shares at par value of USD 150,000 per share to reduce its deficit. The subsidiary paid for share subscriptions amounting to Baht 181.23 million.

## 15. TRADE AND OTHER NON-CURRENT RECEIVABLES

Trade and other non-current receivables as at October 31, consisted of:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2022	2021	2022	2021
Trade receivables and other non-current receivables	39,912	27,132	3,928	3,928
Farmer receivables (see Note 7.2)	245,120	346,603	89,455	101,907
Total	285,032	373,735	93,383	105,835
<u>Less</u> Allowance for expected credit loss	(184,830)	(226,371)	(48,808)	(41,810)
Total trade and other non-current receivables - net	<u>100,202</u>	<u>147,364</u>	<u>44,575</u>	<u>64,025</u>

Movements in allowance for expected credited losses of trade and other non-current receivables in the consolidated and separate financial statements for the year ended October 31, are as follows:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2022	2021	2022	2021
Beginning balance	(226,371)	(143,434)	(41,810)	(54,284)
(Provision) reversal for expected credit losses	(30,071)	(84,262)	(14,144)	12,448
Amount written off	71,612	1,325	7,146	26
Ending balance	<u>(184,830)</u>	<u>(226,371)</u>	<u>(48,808)</u>	<u>(41,810)</u>

## 16. LONG-TERM LOANS

Long-term loans as at October 31, consisted of:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2022	2021	2022	2021
Long-term loans to subsidiaries	-	-	2,582,000	2,458,000
Long-term loans to others	49,400	57,297	44,400	57,297
Loans for cane plantation development	381,893	428,319	109,431	126,532
Total	431,293	485,616	2,735,831	2,641,829
<u>Less</u> Allowance for expected credit loss	(189,756)	(228,942)	(22,510)	(17,213)
<u>Less</u> Current portion (see Note 9)	(128,750)	(120,050)	(682,600)	(155,095)
Total long-term loans	112,787	136,624	2,030,721	2,469,521

Movements in allowance for expected credited losses of long-term loans in the consolidated and separate financial statements for the year ended October 31, are as follows:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2022	2021	2022	2021
Beginning balance	(228,942)	(104,903)	(17,213)	(15,411)
Provision for expected credit losses	(90)	(125,165)	(7,139)	(1,802)
Amount written off	39,276	1,126	1,842	-
Ending balance	(189,756)	(228,942)	(22,510)	(17,213)

As at October 31, 2022 and 2021, loans for cane plantation development included in the consolidated financial statements of Baht 360.24 million and Baht 406.67 million, respectively, and in the separate financial statements of Baht 87.78 million and Baht 104.88 million, respectively, were the loans to farmers the purpose to buy land for cane plantation, agricultural machineries and equipment. The loan agreements were entered into for the periods of 1 - 8 years, or longer. Loans carry interest rates of 3.50% - 8.00% per annum and rates of 7.00% per annum, respectively, which the farmers mostly use land and vehicles as collateral. For the remaining loans for cane plantation development of Baht 21.65 million equal for both years were loans to other personals and parties for purchases of agricultural machineries for planting cane for one of the Company's overseas subsidiaries for periods of 3 - 4 years and carrying interest rate at MLR+1.00% per annum. The principal and interest are paid annually. The loans are secured by such agricultural machineries.



## 17. INVESTMENT PROPERTIES

Movements of investment properties for the years ended October 31, are as follows:

2022

	Consolidated Financial Statements				Separate Financial Statements		
	Land	Buildings and Warehouses	Construction in progress	Total	Land	Buildings and Warehouses	Total
	Unit : Thousand Baht						
<b>Fair value:</b>							
As at November 1, 2021	4,019,344	2,092,260	-	6,111,604	1,360,365	648,903	2,009,268
Adjustment and reclassification	64,390	-	-	64,390	64,390	-	64,390
Purchases	5,084	58	52	5,194	4,872	-	4,872
Disposals	(4,040)	(1,761)	-	(5,801)	-	-	-
Gains (losses) from fair value adjustments on investment property	187,325	(66,025)	-	121,300	62,942	37,699	100,641
As at October 31, 2022	4,272,103	2,024,532	52	6,296,687	1,492,569	686,602	2,179,171

2021

	Consolidated Financial Statements				Separate Financial Statements		
	Land	Buildings and Warehouses	Construction in progress	Total	Land	Buildings and Warehouses	Total
	Unit : Thousand Baht						
<b>Fair value:</b>							
As at November 1, 2020	3,734,358	2,025,846	14,641	5,774,845	1,200,782	611,020	1,811,802
Adjustment and reclassification	62,816	27,170	(16,112)	73,874	62,816	11,058	73,874
Purchases	52,687	-	1,471	54,158	44,920	-	44,920
Gains from fair value adjustments on investment property	169,483	39,244	-	208,727	51,847	26,825	78,672
As at October 31, 2021	4,019,344	2,092,260	-	6,111,604	1,360,365	648,903	2,009,268

For the years ended October 31, 2022 and 2021, the Group recognized rental income from investment property of Baht 165.61 million and Baht 166.83 million, respectively, in the consolidated statements of income, and of Baht 53.15 million and Baht 45.89 million, respectively, in the separate statements of income.

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

## 18. PROPERTY, PLANT AND EQUIPMENT

Movements of property, plant and equipment for the years ended October 31, are as follows:

2022

Unit : Thousand Baht

	Consolidated Financial Statements								
	Land	Land Improvement	Buildings and Construction	Machinery and Equipment	Motor Vehicles and Labor Saving Tools	Furniture and Office Equipment	Construction in progress	Bearer Plant	Total
<b>Cost:</b>									
As at November 1, 2021	1,151,163	1,674,182	6,864,217	25,061,588	1,525,195	296,657	169,108	299,931	37,042,041
Adjustment and reclassification	(16,223)	-	-	112	-	(112)	(655)	-	(16,878)
Purchases	-	-	-	4,371	4,703	3,379	184,919	14,570	211,942
Disposals/written off	-	(293)	(2,178)	(38,258)	(12,545)	(5,757)	-	(2,881)	(61,912)
Transfer in (out)	-	17,341	42,737	129,322	672	760	(190,832)	-	-
Translation of financial statements differences	-	79,300	81,790	190,362	6,070	2,373	-	33,601	393,496
As at October 31, 2022	1,134,940	1,770,530	6,986,566	25,347,497	1,524,095	297,300	162,540	345,221	37,568,689
<b>Accumulated depreciation:</b>									
As at November 1, 2021	-	(532,196)	(1,957,976)	(11,154,860)	(1,136,988)	(273,382)	-	(282,044)	(15,337,446)
Depreciation for the year	-	(37,556)	(171,079)	(881,354)	(46,522)	(10,211)	-	(11,518)	(1,158,240)
Disposals/written off	-	293	834	30,668	10,596	5,733	-	2,679	50,803
Translation of financial statements differences	-	(28,388)	(18,806)	(31,165)	(4,208)	(2,356)	-	(26,850)	(111,773)
As at October 31, 2022	-	(597,847)	(2,147,027)	(12,036,711)	(1,177,122)	(280,216)	-	(317,733)	(16,556,656)
<b>Differences on revaluation of assets:</b>									
As at November 1, 2021	3,743,813	-	-	-	-	-	-	-	3,743,813
Adjustment and reclassification	(48,186)	-	-	-	-	-	-	-	(48,186)
As at October 31, 2022	3,695,627	-	-	-	-	-	-	-	3,695,627
<b>Allowance for impairment of assets:</b>									
As at November 1, 2021	(77,081)	(58,035)	(57,322)	(241,477)	(1,379)	-	-	(6,355)	(441,649)
(Increased) decreased	-	(8,748)	-	(72,106)	-	-	-	1,881	(78,973)
Translation of financial statements differences	-	(8,479)	(7,445)	(24,927)	(248)	-	-	(6,751)	(47,850)
As at October 31, 2022	(77,081)	(75,262)	(64,767)	(338,510)	(1,627)	-	-	(11,225)	(568,472)
<b>Net book value:</b>									
As at October 31, 2022	4,753,486	1,097,421	4,774,772	12,972,276	345,346	17,084	162,540	16,263	24,139,188

2021

Unit : Thousand Baht

Consolidated Financial Statements									
	Land	Land Improvement	Buildings and Construction	Machinery and Equipment	Motor Vehicles and Labor Saving Tools	Furniture and Office Equipment	Construction in progress	Bearer Plant	Total
<b>Cost:</b>									
As at November 1, 2020	1,169,876	1,618,606	6,715,328	24,628,905	1,541,669	294,523	542,944	306,221	36,818,072
Adjustment and reclassification	(23,823)	-	(58,573)	34,572	-	304	(884)	-	(48,404)
Purchases	5,937	-	-	5,448	4,225	2,545	187,455	9,909	215,519
Disposals/written off	(827)	-	-	(43,319)	(27,425)	(2,690)	-	(29,942)	(104,203)
Transfer in (out)	-	23,142	174,010	358,071	4,186	998	(560,407)	-	-
Translation of financial statements differences	-	32,434	33,452	77,911	2,540	977	-	13,743	161,057
As at October 31, 2021	<u>1,151,163</u>	<u>1,674,182</u>	<u>6,864,217</u>	<u>25,061,588</u>	<u>1,525,195</u>	<u>296,657</u>	<u>169,108</u>	<u>299,931</u>	<u>37,042,041</u>
<b>Accumulated depreciation:</b>									
As at November 1, 2020	-	(483,490)	(1,792,605)	(10,386,361)	(1,097,513)	(262,551)	-	(282,816)	(14,305,336)
Adjustment and reclassification	-	-	16,422	(3,786)	-	-	-	-	12,636
Depreciation for the year	-	(37,095)	(174,101)	(770,337)	(59,813)	(12,522)	-	(17,345)	(1,071,213)
Disposals/written off	-	-	-	18,422	22,105	2,656	-	29,099	72,282
Translation of financial statements differences	-	(11,611)	(7,692)	(12,798)	(1,767)	(965)	-	(10,982)	(45,815)
As at October 31, 2021	<u>-</u>	<u>(532,196)</u>	<u>(1,957,976)</u>	<u>(11,154,860)</u>	<u>(1,136,988)</u>	<u>(273,382)</u>	<u>-</u>	<u>(282,044)</u>	<u>(15,337,446)</u>
<b>Differences on revaluation of assets:</b>									
As at November 1, 2020	3,782,834	-	-	-	-	-	-	-	3,782,834
Adjustment and reclassification	(39,021)	-	-	-	-	-	-	-	(39,021)
As at October 31, 2021	<u>3,743,813</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,743,813</u>
<b>Allowance for impairment of assets:</b>									
As at November 1, 2020	(77,081)	(54,567)	(54,278)	(214,170)	(1,298)	-	-	(3,594)	(404,988)
(Increased) decreased	-	-	-	(18,652)	-	-	-	-	(18,652)
Disposals/written off	-	-	-	-	2	-	-	-	2
Translation of financial statements differences	-	(3,468)	(3,044)	(8,655)	(83)	-	-	(2,761)	(18,011)
As at October 31, 2021	<u>(77,081)</u>	<u>(58,035)</u>	<u>(57,322)</u>	<u>(241,477)</u>	<u>(1,379)</u>	<u>-</u>	<u>-</u>	<u>(6,355)</u>	<u>(441,649)</u>
<b>Net book value:</b>									
As at October 31, 2021	<u>4,817,895</u>	<u>1,083,951</u>	<u>4,848,919</u>	<u>13,665,251</u>	<u>386,828</u>	<u>23,275</u>	<u>169,108</u>	<u>11,532</u>	<u>25,006,759</u>

**Depreciation for the years ended October 31,**

2022	<b>Thousand Baht</b>	<u>1,158,240</u>
2021	<b>Thousand Baht</b>	<u>1,071,213</u>

2022

Unit : Thousand Baht

	Separate Financial Statements								Total
	Land	Land Improvement	Buildings and Construction	Machinery and Equipment	Motor Vehicles and Labor Saving Tools	Furniture and Office Equipment	Construction in progress	Bearer Plant	
<b>Cost:</b>									
As at November 1, 2021	455,302	479,491	2,320,200	9,599,016	535,152	132,919	20,965	-	13,543,045
Adjustment and reclassification	(16,223)	-	-	-	-	-	-	-	(16,223)
Purchases	-	-	-	384	12	1,247	41,375	-	43,018
Disposals/written off	-	-	(2,019)	(7,393)	(1,096)	(2,359)	-	-	(12,867)
Transfer in (out)	-	-	87	22,244	-	426	(22,757)	-	-
As at October 31, 2022	439,079	479,491	2,318,268	9,614,251	534,068	132,233	39,583	-	13,556,973
<b>Accumulated depreciation:</b>									
As at November 1, 2021	-	(119,234)	(591,759)	(4,346,925)	(381,829)	(120,500)	-	-	(5,560,247)
Depreciation for the year	-	(19,387)	(68,170)	(353,891)	(19,841)	(5,757)	-	-	(467,046)
Disposals/written off	-	-	675	5,483	1,048	2,348	-	-	9,554
As at October 31, 2022	-	(138,621)	(659,254)	(4,695,333)	(400,622)	(123,909)	-	-	(6,017,739)
<b>Differences on revaluation of assets:</b>									
As at November 1, 2021	1,050,888	-	-	-	-	-	-	-	1,050,888
Adjustment and reclassification	(48,186)	-	-	-	-	-	-	-	(48,186)
As at October 31, 2022	1,002,702	-	-	-	-	-	-	-	1,002,702
<b>Allowance for impairment of assets:</b>									
As at November 1, 2021	(26,549)	-	-	-	-	-	-	-	(26,549)
As at October 31, 2022	(26,549)	-	-	-	-	-	-	-	(26,549)
<b>Net book value:</b>									
As at October 31, 2022	1,415,232	340,870	1,659,014	4,918,918	133,446	8,324	39,583	-	8,515,387

2021

Unit : Thousand Baht

	Separate Financial Statements								Total
	Land	Land Improvement	Buildings and Construction	Machinery and Equipment	Motor Vehicles and Labor Saving Tools	Furniture and Office Equipment	Construction in progress	Bearer Plant	
<b>Cost:</b>									
As at November 1, 2020	479,842	456,349	2,212,794	9,528,277	536,957	133,804	248,403	29,942	13,626,368
Adjustment and reclassification	(23,822)	-	(58,574)	34,575	-	(1,478)	(454)	-	(49,753)
Purchases	109	-	-	912	1,600	875	26,537	-	30,033
Disposals/written off	(827)	-	-	(24,279)	(7,590)	(965)	-	(29,942)	(63,603)
Transfer in (out)	-	23,142	165,980	59,531	4,185	683	(253,521)	-	-
As at October 31, 2021	455,302	479,491	2,320,200	9,599,016	535,152	132,919	20,965	-	13,543,045
<b>Accumulated depreciation:</b>									
As at November 1, 2020	-	(99,994)	(538,724)	(4,068,350)	(362,644)	(116,498)	-	(28,817)	(5,215,027)
Adjustment and reclassification	-	-	16,422	(3,786)	-	1,722	-	-	14,358
Depreciation for the year	-	(19,240)	(69,457)	(280,595)	(23,135)	(6,673)	-	(281)	(399,381)
Disposals/written off	-	-	-	5,806	3,950	949	-	29,098	39,803
As at October 31, 2021	-	(119,234)	(591,759)	(4,346,925)	(381,829)	(120,500)	-	-	(5,560,247)
<b>Differences on revaluation of assets:</b>									
As at November 1, 2020	1,089,910	-	-	-	-	-	-	-	1,089,910
Adjustment and reclassification	(39,022)	-	-	-	-	-	-	-	(39,022)
As at October 31, 2021	1,050,888	-	-	-	-	-	-	-	1,050,888
<b>Allowance for impairment of assets:</b>									
As at November 1, 2020	(26,549)	-	-	-	-	-	-	-	(26,549)
As at October 31, 2021	(26,549)	-	-	-	-	-	-	-	(26,549)
<b>Net book value:</b>									
As at October 31, 2021	1,479,641	360,257	1,728,441	5,252,091	153,323	12,419	20,965	-	9,007,137

Depreciation for the years ended October 31,

2022

Thousand Baht 467,046

2021

Thousand Baht 399,381

As at October 31, 2022 and 2021, buildings and construction of two foreign subsidiaries at book value of Baht 437.46 million and Baht 381.98 million, respectively, in the consolidated financial statements, are located on the concessional which the ownership will be transferred to the lesser when the agreements are expired (see Note 35.8.3).

As at October 31, 2022 and 2021, assets at cost of Baht 6,630.04 million and Baht 6,221.06 million, respectively, in the consolidated financial statements, and of Baht 3,078.25 million and Baht 2,939.40 million, respectively, in the separate financial statements, were fully depreciated but still in use.

As at October 31, 2022 and 2021, land which is recorded at revaluation method with the net value of Baht 4,753.49 million and Baht 4,817.89 million, respectively, in the consolidated financial statements, and of Baht 1,415.23 million and Baht 1,479.64 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 October 31, 2022 and 2021, land net book value at the cost method of Baht 1,134.94 million and Baht 1,151.16 million, respectively, in the consolidated financial statements, and of Baht 433.08 million and Baht 455.30 million, respectively, in the separate financial statements.

As at October 31, 2022 and 2021, there are no borrowing costs capitalized as costs of property, plant and equipment.

## 19. RIGHT-OF-USE ASSETS

Movements of right-of-use assets for the years ended October 31, are as follows:

2022	Unit : Thousand Baht			
	Consolidated Financial Statements			
	Balance as at November 1, 2021	Additions	Differences on translation of financial statements	Balance as at October 31, 2022
<b>Cost</b>				
Office equipment	-	2,762	-	2,762
Vehicles	41,661	16,501	-	58,162
Concession	13,569	-	1,982	15,551
Total cost	<u>55,230</u>	<u>19,263</u>	<u>1,982</u>	<u>76,475</u>
<b>Accumulated depreciation</b>				
Office equipment	-	(1,089)	-	(1,089)
Vehicles	(12,306)	(12,999)	-	(25,305)
Concession	(175)	(184)	(44)	(403)
Total accumulated depreciation	<u>(12,481)</u>	<u>(14,272)</u>	<u>(44)</u>	<u>(26,797)</u>
<b>Right-of-use-asset - net</b>	<u>42,749</u>			<u>49,678</u>

Unit : Thousand Baht

2021	Consolidated Financial Statements				
	Balance as at November 1, 2020	Consequence from initial apply to TFRS 16	Additions	Differences on translation of financial statements	Balance as at October 31, 2021
<b>Cost</b>					
Vehicles	-	29,430	12,231	-	41,661
Concession	-	12,758	-	811	13,569
Total cost	-	42,188	12,231	811	55,230
<b>Accumulated depreciation</b>					
Vehicles	-	-	(12,306)	-	(12,306)
Concession	-	-	(166)	(9)	(175)
Total accumulated depreciation	-	-	(12,472)	(9)	(12,481)
<b>Right-of-use-asset - net</b>	-				42,749
<b>Depreciation for the years ended October 31,</b>					
2022				Thousand Baht	14,272
2021				Thousand Baht	12,472

Unit : Thousand Baht

2022	Separate Financial Statements			
	Balance as at November 1, 2021	Additions	Decreased	Balance as at October 31, 2022
<b>Cost</b>				
Buildings and warehouse	294,941	-	-	294,941
Machineries	28,957	-	-	28,957
Office equipment	-	1,859	-	1,859
Vehicles	20,404	3,341	-	23,745
Total cost	344,302	5,200	-	349,502
<b>Accumulated depreciation</b>				
Buildings and warehouse	(36,388)	(36,389)	-	(72,777)
Machineries	(3,620)	(3,620)	-	(7,240)
Office equipment	-	(738)	-	(738)
Vehicles	(5,470)	(5,551)	-	(11,021)
Total accumulated depreciation	(45,478)	(46,298)	-	(91,776)
<b>Right-of-use-asset - net</b>	298,824			257,726

2021	Separate Financial Statements				Unit : Thousand Baht
	Balance as at November 1, 2020	Consequence from initial apply to TFRS 16	Additions	Decreased	Balance as at October 31, 2021
<b>Cost</b>					
Buildings and warehouse	-	-	294,941	-	294,941
Machineries	-	-	28,957	-	28,957
Vehicles	-	15,133	5,271	-	20,404
Total cost	-	15,133	329,169	-	344,302
<b>Accumulated depreciation</b>					
Buildings and warehouse	-	-	(36,388)	-	(36,388)
Machineries	-	-	(3,620)	-	(3,620)
Vehicles	-	-	(5,470)	-	(5,470)
Total accumulated depreciation	-	-	(45,478)	-	(45,478)
<b>Right-of-use-asset - net</b>	-				298,824
<b>Depreciation for the years ended October 31,</b>					
2022				Thousand Baht	46,298
2021				Thousand Baht	45,478

## 20. SHORT-TERM BORROWINGS FROM FINANCIAL INSTITUTIONS

Short-term borrowings from financial institutions as at October 31, consisted of:

	Consolidated		Unit : Thousand Baht Separate	
	Financial Statements 2022	Financial Statements 2021	Financial Statements 2022	Financial Statements 2021
Promissory notes	4,731,071	5,981,934	2,550,000	3,755,159
Total short-term borrowings from financial institutions	4,731,071	5,981,934	2,550,000	3,755,159

As at October 31, 2022 and 2021, promissory notes are borrowings denominated in Baht, in the consolidated financial statements, of Baht 4,731.07 million and Baht 5,382.77 million, respectively, carrying interest rates at 1.18% - 2.50% per annum and 0.80% - 2.10% per annum, respectively, and in the separate financial statements, of Baht 2,550.00 million and Baht 3,156.00 million, respectively, carrying interest rates at 1.18% - 1.40% per annum and 0.80% - 1.58% per annum, respectively.

As at October 31, 2021, the promissory notes are borrowings denominated in US Dollar, of USD 17.96 million or equivalent to Baht 600 million in the consolidated and the separate financial statements. The US dollar borrowing is made cross currency and interest rate swap contract to hedge the full amount of risk throughout the term of the borrowing. The Company will repay such borrowing in the amount of Baht 600 million, at maturity and pay interest at the rate 1.03% per annum

## 21. TRADE AND OTHER CURRENT PAYABLES

Trade and other current payables as at October 31, consisted of:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2022	2021	2022	2021
Trade payables - related parties	3,523	1,311	40,080	41,129
Trade payables - others	365,346	309,663	286,199	161,965
Advances received	129,897	305,215	75,386	181,813
Other accrued expenses	307,065	256,711	164,371	174,832
Payables for purchases of assets	75,254	52,135	11,190	7,931
Other payables	195,695	139,136	104,981	70,940
Total trade and other current payables	<u>1,076,780</u>	<u>1,064,171</u>	<u>682,207</u>	<u>638,610</u>

## 22. LONG-TERM DEBENTURES

Long-term debentures as at October 31, consisted of:

	Unit : Thousand Baht	
	Consolidated Financial Statements/ Separate Financial Statements	
	2022	2021
Unsecured and non-subordinated debentures	2,648,672	5,647,601
<u>Less</u> Current portion	-	(2,999,158)
Net	<u>2,648,672</u>	<u>2,648,443</u>

The Company issued Thai Baht currency debentures which are holder specified, non-subordinated and unsecured bonds at par value of Baht 1,000 per unit to a limited number of investors, with the following details:

Consolidated Financial Statements/Separate Financial Statements as at October 31, 2022								Unit : Thousand Baht	
Bond Set No.	Symbol	Term	Maturity date	Interest rate per annum	Number of units issued	Total value	Deferred debenture issuance cost	Net	Fair value
1	KSL27DA	10 years	December 7, 2027	3.74	2,000,000	2,000,000	1,169	1,998,831	1,799,884
2	KSL285A	10 years	May 3, 2028	3.60	650,000	650,000	159	649,841	572,757
Total long-term debentures					<u>2,650,000</u>	<u>2,650,000</u>	<u>1,328</u>	<u>2,648,672</u>	<u>2,372,641</u>

  

Consolidated Financial Statements/Separate Financial Statements as at October 31, 2021								Unit : Thousand Baht	
Bond Set No.	Symbol	Term	Maturity date	Interest rate per annum	Number of units issued	Total value	Deferred debenture issuance cost	Net	Fair value
1	KSL228A	3 years	August 19, 2022	2.43	3,000,000	3,000,000	842	2,999,158	2,969,047
2	KSL27DA	10 years	December 7, 2027	3.74	2,000,000	2,000,000	1,369	1,998,631	1,884,305
3	KSL285A	10 years	May 3, 2028	3.60	650,000	650,000	188	649,812	602,692
Total long-term debentures					<u>5,650,000</u>	<u>5,650,000</u>	<u>2,399</u>	<u>5,647,601</u>	<u>5,456,044</u>



Movements of long-term debentures in the consolidated and the separate financial statements for the years ended October 31, are as follows:

	<b>Unit : Thousand Baht</b>	
	<b>2022</b>	<b>2021</b>
Beginning book value	5,647,601	6,995,997
Redemptions during the years	(3,000,000)	(1,350,000)
Debenture issuance cost (amortized)	1,071	1,604
Ending book value	<u>2,648,672</u>	<u>5,647,601</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 at October 31 in every year ratio not exceed 2 : 1 the entire term.

As at October 31, 2022 and 2021, the Company maintains the debts with interest to equity ratio in accordance with the conditions (see Note 31).

- 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 October 31, 2022, the credit rating of the debentures was not lower than the Company's credit rating.

### 23. LONG-TERM BORROWINGS

Long-term borrowings as at October 31, consisted of long-term borrowings from financial institutions in Baht and US dollar currencies as follows:

	<b>Consolidated</b>		<b>Unit : Thousand Baht</b>	
	<b>Financial Statements</b>		<b>Separate</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
Borrowings	9,294,404	6,906,449	8,294,404	6,535,069
<u>Less</u> Current portion	<u>(2,535,000)</u>	<u>(1,739,240)</u>	<u>(2,285,000)</u>	<u>(1,682,000)</u>
Long-term borrowings - net	<u>6,759,404</u>	<u>5,167,209</u>	<u>6,009,404</u>	<u>4,853,069</u>

Movements of long-term borrowings for the years ended October 31, are as follows:

	<b>Consolidated</b>		<b>Unit : Thousand Baht</b>	
	<b>Financial Statements</b>		<b>Separate</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
Beginning book value	6,906,449	4,852,000	6,535,069	4,852,000
Additional borrowings during the years (see Note 5.2)	4,250,000	3,900,000	3,250,000	3,500,000
Repayment during the years (see Note 5.2)	(2,053,380)	(1,945,620)	(1,682,000)	(1,917,000)
Exchange rates adjustment	191,335	100,069	191,335	100,069
Ending book value	<u>9,294,404</u>	<u>6,906,449</u>	<u>8,294,404</u>	<u>6,535,069</u>

The interest rates of long-term borrowings as at October 31, are as follows:

	Consolidated		Separate	
	Financial Statements		Financial Statements	
	2022	2021	2022	2021
	%	%	%	%
Borrowings - Baht currency	1.975 - 3.25	1.975 - 3.25	1.975 - 3.25	1.975 - 3.25
Borrowings - USD currency	2.85	2.85	2.85	2.85

Maturity of long-term borrowings were as follows:

	Consolidated		Separate	
	Financial Statements		Financial Statements	
	2022	2021	2022	2021
Within 1 year	2,535,000	1,739,240	2,285,000	1,682,000
Over 1 year but within 5 years	6,759,404	5,167,209	6,009,404	4,853,069
	<u>9,294,404</u>	<u>6,906,449</u>	<u>8,294,404</u>	<u>6,535,069</u>

The significant terms of such borrowings are as follows:

Credit Limit	Balances		Interest rate p.a.	Principal repayment	Interest payment	Commencing repayment	Maturity
	As at October 31, 2022	2021					
	Thousand Baht	Thousand Baht					
The Company							
THB Currency							
1. Baht 1,000 million	150,000	320,000	Fixed rate	Semi-annual	Monthly	April 2018	October 2023
2. Baht 1,000 million	100,000	300,000	Fixed rate	Semi-annual	Monthly	June 2018	December 2022
3. Baht 1,000 million	200,000	400,000	MLR - Fixed rate	Semi-annual	Monthly	November 2018	May 2023
4. Baht 1,000 million	200,000	400,000	MLR - Fixed rate	Semi-annual	Monthly	March 2019	September 2023
5. Baht 1,000 million*	223,000	445,000	AMLR - Fixed rate	Semi-annual	Quarterly	August 2019	August 2023
6. Baht 1,000 million*	340,000	560,000	AMLR - Fixed rate	Semi-annual	Quarterly	January 2020	January 2024
7. Baht 1,000 million*	340,000	560,000	AMLR - Fixed rate	Semi-annual	Quarterly	February 2020	February 2024
8. Baht 2,000 million	1,900,000	2,000,000	Fixed rate	Semi-annual	Monthly	January 2022	July 2025
			Year 1-3 Fixed rate				
			Year 4-5 THOR +				
9. Baht 1,750 million	1,750,000	-	Fixed rate	Semi-annual	Monthly	April 2023	October 2026
10. Baht 500 million	500,000	-	Fixed rate	Semi-annual	Monthly	January 2023	July 2025
11. Baht 1,000 million	1,000,000	-	THOR + Fixed rate	Semi-annual	Quarterly	March 2023	March 2027
USD Currency							
12. USD 48.08 million**	1,591,404	1,550,069	LIBOR + Fixed rate	Semi-annual	Semi-annual	September 2021	March 2024
Total	<u>8,294,404</u>	<u>6,535,069</u>					
The Subsidiary							
THB Currency							
13. Baht 400 million	-	371,380	MLR - Fixed rate	Monthly	Monthly	May 2021	April 2028
			Year 1-3 Fixed rate				
			Year 4 MLR -				
14. Baht 1,000 million	1,000,000	-	Fixed rate	Semi-annual	Monthly	January 2023	July 2026
Total	<u>1,000,000</u>	<u>371,380</u>					
Grand Total	<u>9,294,404</u>	<u>6,906,449</u>					
Less Current portion	<u>(2,535,000)</u>	<u>(1,739,240)</u>					
Net	<u>6,759,404</u>	<u>5,167,209</u>					

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

\*\* The US dollar borrowing is made a foreign exchange contract and cross currency swap to hedge the full amount of risk throughout the term of the borrowing and pay interest at the rate 2.85% per annum on every 6 months (see Note 36.4).

The Company and its subsidiaries have to abide to certain financial conditions, which the Company and its subsidiaries have to maintain the debt with interest-to-equity ratio (see Note 31) and for the long-term loan agreement of a subsidiary, there is a condition requiring the Company has to maintain its shareholding ratio in that subsidiaries and debt service coverage ratio. As at October 31, 2022 and 2021, the Company and its subsidiaries are able to maintain the ratios as stipulated in the agreements.

## 24. LEASE LIABILITIES

Lease liabilities as at October 31, consisted of:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2022	2021	2022	2021
Lease liabilities	37,975	31,263	359,918	417,397
<u>Less</u> Deferred interest expenses	<u>(3,539)</u>	<u>(2,698)</u>	<u>(89,410)</u>	<u>(111,245)</u>
Total	34,436	28,565	270,508	306,152
<u>Less</u> Current portion	<u>(12,314)</u>	<u>(9,988)</u>	<u>(42,319)</u>	<u>(39,138)</u>
Lease liabilities - net	<u>22,122</u>	<u>18,577</u>	<u>228,189</u>	<u>267,014</u>

The Group entered into the finance lease agreements with leasing companies for rental of vehicles for use in its operations, whereby it was committed to pay rental on a monthly basis. The terms of the agreements were generally for 5 years.

Expenses relating to leases that are recognized in profit or loss in the consolidated and separated financial statements for the years end October 31, consist of:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2022	2021	2022	2021
Depreciation expense of right-of-use assets	14,272	12,472	46,298	45,478
Interest expense on lease liabilities	1,776	1,520	22,377	24,110
Expenses relating to leases of low-value assets	3,578	846	2,618	442

## 25. OTHER CURRENT FINANCIAL LIABILITIES

Other current financial liabilities as at October 31, consisted of:

	Unit : Thousand Baht	
	Consolidated Financial Statements/ Separate Financial Statements	
	2022	2021
<b>Other current financial liabilities</b>		
<b>Derivative financial liabilities</b>		
Foreign currency forward exchange contracts	514,632	58,996
Foreign currency option and sugar future option contracts	4,045	60,067
Sugar future contracts	-	28,395
Interest rate exchange contracts	38,900	-
<b>Total other current financial liabilities</b>	<u>557,577</u>	<u>147,458</u>

## 26. CONTRIBUTION TO THE CANE AND SUGAR FUND

For the year ended October 31, 2021, the Group paid to the Cane and Sugar Fund according to the regulations of the Cane and Sugar Board regarding the rules for remittance to the Fund under Section 57 of the Cane and Sugar Act B.E. 2527. The payment was made after the final cane price and final yield of production and distribution for the 2019/2020 production season was published in the Government Gazette on April 2, 2021, the calculation was based on the amount of sugarcane delivered to the factory in each production season at the rate of Baht 7 per ton of sugar cane.

## 27. INCOME TAX EXPENSE, DEFERRED TAX ASSETS AND DEFERRED TAX LIABILITIES

### 27.1 Income tax expense

Income tax expense for the years ended October 31, are as follows:

	Consolidated		Unit : Thousand Baht Separate	
	Financial Statements		Financial Statements	
	2022	2021	2022	2021
<u>Current income tax</u>				
Current income tax expense	58,500	4,607	-	-
<u>Deferred income tax</u>				
Deferred income tax expense and temporary differences	332,039	87,016	203,513	76,124
Total	<u>390,539</u>	<u>91,623</u>	<u>203,513</u>	<u>76,124</u>

Reconciliation of income tax and the results of the accounting profit multiplied by the income tax rate for the years ended October 31, are as follows:

	Consolidated		Unit : Thousand Baht Separate	
	Financial Statements		Financial Statements	
	2022	2021	2022	2021
Profit before income tax expense				
- Promoted sector - 50% exemption of income tax rate	155,532	-	-	-
- Non-promoted sector	<u>1,563,857</u>	<u>706,080</u>	<u>2,635,745</u>	<u>536,968</u>
Total profit before income tax expense	<u>1,719,389</u>	<u>706,080</u>	<u>2,635,745</u>	<u>536,968</u>
Statutory tax rates (%)	20	20	20	20
Income tax expense				
- Promoted sector - 50% exemption of income tax rate	15,553	-	-	-
- Non-promoted sector	<u>312,771</u>	<u>141,216</u>	<u>527,149</u>	<u>107,394</u>
Total income tax	328,324	141,216	527,149	107,394
Effect on income tax expense from the difference between the accounting base and the tax base	<u>(272,927)</u>	<u>(136,043)</u>	<u>(527,149)</u>	<u>(107,394)</u>
	55,397	5,173	-	-
Prior year income tax expense (income)	3,103	(566)	-	-
Deferred income tax expense	<u>332,039</u>	<u>87,016</u>	<u>203,513</u>	<u>76,124</u>
Income tax expense	<u>390,539</u>	<u>91,623</u>	<u>203,513</u>	<u>76,124</u>
Effective tax rates (%)	22.71	12.98	7.72	14.18

27.2 Deferred tax assets - net as at October 31, are as follows:

	Consolidated Financial Statements		Unit : Thousand Baht Separate Financial Statements	
	2022	2021	2022	2021
<b>Deferred tax assets - net</b>				
Non-current provision for employee benefits	148	597	-	-
Loss carried forward	1,123	534	-	-
Deferred tax assets - net	<u>1,271</u>	<u>1,131</u>	<u>-</u>	<u>-</u>

Movements of deferred tax assets during the years ended October 31, are as follows:

2022

	Unit : Thousand Baht Consolidated Financial Statements			
	As at November 1, 2021	Items as recognized in profit or loss	Items as recognized in other comprehensive income	As at October 31, 2022
<b>Deferred tax assets - net</b>				
Non-current provision for employee benefits	597	(475)	26	148
Loss carried forward	534	589	-	1,123
Deferred tax assets - net	<u>1,131</u>	<u>114</u>	<u>26</u>	<u>1,271</u>

2021

	Unit : Thousand Baht Consolidated Financial Statements			
	As at November 1, 2020	Items as recognized in profit or loss	Items as recognized in other comprehensive income	As at October 31, 2021
<b>Deferred tax assets - net</b>				
Non-current provision for employee benefits	1,014	(479)	62	597
Loss carried forward	-	534	-	534
Deferred tax assets - net	<u>1,014</u>	<u>55</u>	<u>62</u>	<u>1,131</u>

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

	Unit : Thousand Baht Consolidated Financial Statements	
	2022	2021
The following deferred tax assets have not been recognized		
Temporary differences	(72,329)	(54,314)
Loss carried forward	283,941	215,182
	<u>211,612</u>	<u>160,868</u>

As at October 31, 2022, the Company's management assessed that the deferred tax assets may not be utilized in full amount because the future taxable profit of subsidiaries may not be sufficient to utilize such deferred tax assets. The loss carried forward which is not recognized as deferred tax assets of Baht 283.94 million, will be matured by the years 2023 to 2027.

27.3 Deferred tax liabilities - net as at October 31, are as follows:

	<b>Consolidated</b>		<b>Unit : Thousand Baht</b>	
	<b>Financial Statements</b>		<b>Separate</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
<b>Deferred tax liabilities - net</b>				
Allowance for expected credit loss	(60,083)	(76,342)	(13,326)	(10,867)
Allowance for diminution in value of inventories	(3,533)	(4,636)	-	-
Allowance for impairment in investments in subsidiaries	-	-	(405,475)	(418,542)
Non-current provision for employee benefits	(42,277)	(40,648)	(14,957)	(17,450)
Gain on asset revaluation	746,173	755,811	200,540	210,178
Loss carried forward	(526,719)	(761,188)	(487,750)	(639,614)
Depreciation	341,641	300,798	199,804	177,933
Change in fair value of investment properties	735,818	689,465	365,259	331,913
Change in fair value of biological assets	(2,603)	(2,627)	-	-
Gain from amalgamation	482,573	482,573	482,573	482,573
Others	(67,277)	(63,365)	(70,236)	(60,967)
Deferred tax liabilities - net	<u>1,603,713</u>	<u>1,279,841</u>	<u>256,432</u>	<u>55,157</u>

Movements of deferred tax liabilities for the years ended October 31, are as follows:

**2022**

	<b>Unit : Thousand Baht</b>			
	<b>Consolidated Financial Statements</b>			
	<b>As at</b>	<b>Items as</b>	<b>Items as</b>	<b>As at</b>
<b>November 1,</b>	<b>recognized in</b>	<b>recognized</b>	<b>October 31,</b>	
<b>2021</b>	<b>profit or loss</b>	<b>in other</b>	<b>2022</b>	
		<b>comprehensive</b>		
		<b>income</b>		
<b>Deferred tax liabilities - net</b>				
Allowance for expected credit loss	(76,342)	16,259	-	(60,083)
Allowance for diminution in value of inventories	(4,636)	1,103	-	(3,533)
Non-current provision for employee benefits	(40,648)	5,849	(7,478)	(42,277)
Gain on asset revaluation	755,811	-	(9,638)	746,173
Loss carried forward	(761,188)	234,469	-	(526,719)
Depreciation	300,798	40,843	-	341,641
Change in fair value of investment properties	689,465	36,715	9,638	735,818
Change in fair value of biological assets	(2,627)	24	-	(2,603)
Gain from amalgamation	482,573	-	-	482,573
Others	(63,365)	(3,109)	(803)	(67,277)
Deferred tax liabilities - net	<u>1,279,841</u>	<u>332,153</u>	<u>(8,281)</u>	<u>1,603,713</u>

2021

	Unit : Thousand Baht			
	Consolidated Financial Statements			
	As at November 1, 2020	Items as recognized in profit or loss	Items as recognized in other comprehensive income	As at October 31, 2021
<b>Deferred tax liabilities - net</b>				
Allowance for expected credit loss	(52,801)	(23,541)	-	(76,342)
Allowance for diminution in value of inventories	(16,062)	11,426	-	(4,636)
Non-current provision for employee benefits	(50,193)	6,742	2,803	(40,648)
Gain on asset revaluation	763,615	-	(7,804)	755,811
Loss carried forward	(714,333)	(46,855)	-	(761,188)
Depreciation	196,778	104,020	-	300,798
Change in fair value of investment properties	655,181	34,284	-	689,465
Change in fair value of biological assets	(1,567)	(1,060)	-	(2,627)
Gain from amalgamation	482,573	-	-	482,573
Others	(52,937)	2,055	(12,483)	(63,365)
Deferred tax liabilities - net	<u>1,210,254</u>	<u>87,071</u>	<u>(17,484)</u>	<u>1,279,841</u>

2022

	Unit : Thousand Baht			
	Separate Financial Statements			
	As at November 1, 2021	Items as recognized in profit or loss	Items as recognized in other comprehensive income	As at October 31, 2022
<b>Deferred tax liabilities - net</b>				
Allowance for expected credit loss	(10,867)	(2,459)	-	(13,326)
Allowance for impairment in investments in subsidiaries	(418,542)	13,067	-	(405,475)
Non-current provision for employee benefits	(17,450)	4,293	(1,800)	(14,957)
Gain on asset revaluation	210,178	-	(9,638)	200,540
Loss carried forward	(631,914)	144,164	-	(487,750)
Depreciation	177,933	21,871	-	199,804
Change in fair value of investment properties	331,913	23,708	9,638	365,259
Gain from amalgamation	482,573	-	-	482,573
Others	(68,667)	(1,131)	(438)	(70,236)
Deferred tax liabilities - net	<u>55,157</u>	<u>203,513</u>	<u>(2,238)</u>	<u>256,432</u>

2021

	Unit : Thousand Baht			
	Separate Financial Statements			
	As at November 1, 2020	Items as recognized in profit or loss	Items as recognized in other comprehensive income	As at October 31, 2021
<b>Deferred tax liabilities - net</b>				
Allowance for expected credit loss	(13,854)	2,987	-	(10,867)
Allowance for diminution in value of inventories	(11,425)	11,425	-	-
Allowance for impairment in investments in subsidiaries	(426,642)	8,100	-	(418,542)
Non-current provision for employee benefits	(21,853)	4,345	58	(17,450)
Gain on asset revaluation	217,982	-	(7,804)	210,178
Loss carried forward	(585,521)	(54,093)	-	(639,614)
Depreciation	106,539	71,394	-	177,933
Change in fair value of investment properties	298,078	33,835	-	331,913
Change in fair value of biological assets	972	(972)	-	-
Gain from amalgamation	482,573	-	-	482,573
Others	(47,223)	(897)	(12,847)	(60,967)
Deferred tax liabilities - net	<u>(374)</u>	<u>76,124</u>	<u>(20,593)</u>	<u>55,157</u>

## 28. NON-CURRENT PROVISION FOR EMPLOYEE BENEFITS

The Company and its subsidiaries operate retirement benefit plans under the Thai Labor Protection Act and the Company and its subsidiaries' retirement rules, which are considered as unfunded defined benefit plans.

Amount recognized in the statement of profit or loss in respect of these defined benefit plans for the years ended October 31, are as follows:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2022	2021	2022	2021
Current service cost	10,811	13,052	3,978	5,199
Interest cost	4,319	3,298	1,490	1,226
Total	<u>15,130</u>	<u>16,350</u>	<u>5,468</u>	<u>6,425</u>

Movement in the present value of non-current provision for employee benefits for the years ended October 31, are as follows:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2022	2021	2022	2021
Non-current provision for employee benefits brought forward	210,313	260,620	87,248	109,263
Current service cost	10,811	13,052	3,978	5,199
Interest cost	4,319	3,298	1,490	1,226
Actuarial loss (gain) on the estimation of the obligations	37,525	(13,992)	9,004	219
Benefits paid during the years	(64,755)	(52,665)	(26,934)	(28,659)
Non-current provision for employee benefits carried forward	<u>198,213</u>	<u>210,313</u>	<u>74,786</u>	<u>87,248</u>

The significant actuarial assumptions used to provision for non-current provision for employee benefits as at October 31, are as follows:

	Consolidated		Separate	
	Financial Statements		Financial Statements	
	2022	2021	2022	2021
	%	%	%	%
Discount rate	2.56 - 4.49	0.78 - 2.96	2.92 - 3.19	1.60 - 1.76
Expected rate of salary increase	5.00	5.00	5.00	5.00
Voluntary resignation rate (Depended on employee's age)				
- Monthly employees	3.00 - 19.00	3.00 - 25.00	9.00 - 15.00	8.00 - 14.00
- Daily employees	4.00 - 50.00	5.00 - 67.00	9.00 - 50.00	13.00 - 59.00

The sensitivity analysis of the above actuarial assumptions impacted on present value of the non-current provision for employee benefits as at October 31, are as follows:

	Consolidated		Unit : Million Baht	
	Financial Statements		Separate	
	2022	2021	2022	2021
<u>Discount rates</u>				
Discount rates, decrease of 0.5 percent	0.48 - 75.86	0.31 - 88.81	75.86	88.81
Discount rates, increase of 0.5 percent	0.44 - 73.26	0.29 - 85.77	73.26	85.77
<u>Salary growth rates</u>				
Salary growth rates, decrease of 0.5 percent	0.44 - 73.33	0.29 - 85.85	73.33	85.85
Salary growth rates, increase of 0.5 percent	0.48 - 75.76	0.31 - 88.70	75.76	88.70
<u>Turnover rates</u>				
Turnover rates, decrease of 1 percent	0.50 - 77.27	0.32 - 90.45	77.27	90.45
Turnover rates, increase of 1 percent	0.42 - 72.07	0.28 - 84.38	72.07	84.38



## 29. 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 Baht	Dividends Paid Million Baht	Dividends Paid Date
- Dividends paid from the Company's result of operations from November 1, 2020 to October 31, 2021	No. 1/2022 held on February 23, 2022	4.41	0.03	132.31	March 18, 2022
- Interim dividends paid from unappropriated retained earnings as at July 31, 2022	No. 7/2021-2022 held on September 9, 2022	4.41	0.03	132.31	October 7, 2022

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 October 31, 2022 and 2021, the Company's legal reserve reaches 10 percent of the Company's authorized share capital.

## 30. DIRECTORS REMUNERATION

The compensation paid to the directors of the Company approved by the Annual General Meeting of shareholders in accordance to Section 90 of Public Company Act are as follows:

	Unit : Thousand Baht	
	Consolidated/Separate Financial Statements	
	2022	2021
For the years ended October 31,	7,857	6,797

## 31. CAPITAL MANAGEMENT

The primary objectives of the Company and its subsidiaries' capital management are to maintain their ability to continue as a going concern, to maintain an appropriate capital structure and to maintain the debt with interest to equity ratio in the consolidated financial statements not to exceed the covenants of the debenture issuances (see Note 22) and the loan agreements (see Note 23).

As at October 31, debt with interest to equity ratio in the consolidated financial statements are as follows:

	2022	2021
Debt with interest to equity	0.78 : 1.00	0.92 : 1.00

In addition, a subsidiary has required to maintain the interest-bearing debt to equity ratio in the subsidiary's financial statements to be in accordance with the new long-term loan agreements issued during the year 2021. As at October 31, 2021, the ratio is 0.70 : 1.00, which does not exceed the terms of the loan agreement. As at October 31, 2022 a subsidiary had already repaid the full amount of the long-term loan.

### 32. EXPENSES BY NATURE

Significant expenses by nature for the years ended October 31, are as follows:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2022	2021	2022	2021
Raw material and supply used	10,098,868	7,485,331	5,705,782	4,029,622
Purchases of finished goods and supply	456,356	339,464	1,180,990	874,104
Changes in finished goods and goods in process	595,119	(520,410)	86,607	(763,486)
Contribution to the Cane and Sugar Fund	-	37,672	-	19,053
Salaries, wages and other employee benefits	1,093,962	884,119	366,536	308,787
Depreciation and amortization	1,180,464	1,092,052	519,818	451,543
Maintenance expenses	466,311	379,185	122,657	89,687
Transportation expenses	434,209	290,190	258,528	185,471
Finance costs	428,712	425,120	405,223	406,855

### 33. BASIC EARNINGS PER SHARE

The calculations of basic earnings per share were based on dividing the profit for the year attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares held by the outsiders during the years. Basic earnings per share for the years ended October 31, are as follows:

2022

	Consolidated Financial Statements			Separate Financial Statements		
	Profit for the year Thousand Baht	Number of shares Thousand Shares	Earnings per share Baht	Profit for the year Thousand Baht	Number of shares Thousand Shares	Earnings per share Baht
<u>Basic earnings per share</u>						
For the year ended to ordinary equity holders	1,321,221	4,410,233	<u>0.300</u>	2,432,231	4,410,233	<u>0.551</u>

2021

	Consolidated Financial Statements			Separate Financial Statements		
	Profit for the year Thousand Baht	Number of shares Thousand Shares	Earnings per share Baht	Profit for the year Thousand Baht	Number of shares Thousand Shares	Earnings per share Baht
<u>Basic earnings per share</u>						
For the year ended to ordinary equity holders	615,789	4,410,233	<u>0.140</u>	460,844	4,410,233	<u>0.104</u>

### **34. DISCLOSURE OF SECTORIAL BUSINESS OPERATIONS**

The Company and subsidiaries (“the Group”) 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.

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.

#### Real Estate Rental

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

Geographical segments information is based on the Group operating in the country and overseas. The overseas operations comprise Lao People’s Democratic Republic and Kingdom of Cambodia.

#### Major Customer Information

For the years ended October 31, 2022 and 2021, the Group’s revenues contains revenue from the following major external customers:

- Revenue from two oversea customers, which are the international sugar traders, in manufacture and distribution of Sugar and Molasses sector in the amount of Baht 4,026.26 million and Baht 1,509.54 million, respectively.
- Revenue from a single customer in the country in electricity sector in the amount of Baht 1,160.86 million and Baht 977.58 million, respectively.

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

**Consolidated Statements of Profit or Loss**

**For the years ended October 31, 2022 and 2021**

	Unit : Million Baht													
	Manufacture and Distribution of Sugar and Molasses				Manufacture and Sale of Electricity		Real Estate Rental		Others Business		Inter-Transaction		Total	
	2022		2021		2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
	Thai	Overseas	Thai	Overseas	Thai	Thai	Thai	Thai	Thai	Thai	Thai	Thai	Thai	Thai
Net revenue from external customers	13,659	535	8,301	424	1,354	1,188	118	128	663	429	-	-	16,329	10,470
Net revenue from internal customers	4,231	-	3,672	-	1,170	894	-	-	578	586	(5,979)	(5,152)	-	-
<b>Total</b>	<b>17,890</b>	<b>535</b>	<b>11,973</b>	<b>424</b>	<b>2,524</b>	<b>2,082</b>	<b>118</b>	<b>128</b>	<b>1,241</b>	<b>1,015</b>	<b>(5,979)</b>	<b>(5,152)</b>	<b>16,329</b>	<b>10,470</b>
Gross profit	2,111	262	881	150	244	-	56	75	103	93	13	41	2,789	1,240
Other incomes													414	399
Distribution, administrative expenses and others													(1,236)	(1,114)
Finance income	170	7	166	6	1	1	-	-	20	20	(93)	(98)	105	95
Finance costs	(457)	(39)	(469)	(38)	(28)	(20)	(20)	(15)	-	(5)	115	122	(429)	(425)
Share of profit of investment in associates													76	511
Income tax expense													(390)	(91)
Net profit													1,329	615
<u>Less</u> Loss (profit) for the years of non-controlling interest													(8)	1
Profit for the years to owners of the parent													1,321	616
Depreciation	(838)	(38)	(724)	(47)	(346)	(362)	-	-	(6)	(6)	48	47	(1,180)	(1,092)

**Consolidated Statements of Financial Position**

**As at October 31, 2022 and 2021**

Trade and other current receivables	2,273	38	1,446	19	265	156	11	8	28	6	(1,557)	(571)	1,058	1,064
Inventories	2,271	104	2,313	65	266	201	-	-	128	127	(29)	1	2,740	2,707
Property, plant and equipment	15,732	2,606	16,483	2,476	6,134	6,350	120	134	97	97	(550)	(533)	24,139	25,007
Central assets	16,505	183	15,008	121	234	212	4,770	4,625	840	975	(8,819)	(8,198)	13,713	12,743
<b>Total Assets</b>	<b>36,781</b>	<b>2,931</b>	<b>35,250</b>	<b>2,681</b>	<b>6,899</b>	<b>6,919</b>	<b>4,901</b>	<b>4,767</b>	<b>1,093</b>	<b>1,205</b>	<b>(10,955)</b>	<b>(9,301)</b>	<b>41,650</b>	<b>41,521</b>
Total Liabilities	20,761	2,018	21,974	1,889	1,831	706	1,019	946	85	259	(5,427)	(4,364)	20,287	21,410

### Disaggregation of revenue

The Group derives its revenue from the transfer of goods and services over time and at a point in time in the following major product lines. This is consistent with the revenue information that is disclosed for each reportable segment under TFRS 8 for the years ended October 31, are as follows:

		Unit : Million Baht															
		Manufacture and Distribution of Sugar and Molasses				Manufacture and Sale of Electricity		Real Estate Rental		Others Business		Inter-Transaction		Total			
		2022		2021		2022		2021		2022		2021		2022		2021	
		Thai	Overseas	Thai	Overseas	Thai	Thai	Thai	Thai	Thai	Thai	Thai	Thai	Thai	Thai	Thai	Thai
At a point in time		17,890	535	11,973	424	2,355	1,962	-	-	1,107	932	(5,709)	(4,965)	16,178	10,326		
Overtime		-	-	-	-	169	120	118	128	134	83	(270)	(187)	151	144		
Total		17,890	535	11,973	424	2,524	2,082	118	128	1,241	1,015	(5,979)	(5,152)	16,329	10,470		

### 35. COMMITMENTS, CONTINGENT LIABILITIES AND SIGNIFICANT AGREEMENT

As at October 31, 2022 and 2021, apart from liabilities presented in the statements of financial position, the Company and its subsidiaries have commitments and contingent liabilities as follows:

35.1 The Company and its subsidiaries have commitments relating to the sales agreements which have not yet delivered in the consolidated financial statements amounting to Baht 5,710.71 million and Baht 2,255.82 million, respectively, and in the separate financial statements amounting to Baht 4,674.55 million and Baht 1,838.49 million, respectively.

35.2 The Company and its three subsidiaries had issued post-dated checks to the farmers to purchase canes. The Company and its subsidiaries did not record such liabilities as the checks have not yet due and the cane has not been received from the farmers as at October 31, as follows:

	Consolidated		Unit : Million Baht	
	Financial Statements		Separate	
	2022	2021	2022	2021
For the production season 2022/2023	467.03	-	241.87	-
For the production season 2021/2022	-	466.84	-	232.45

35.3 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 each time.

35.4 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, Khonkaen 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.

On December 16, 2020, the subsidiary amended its EGAT electricity sale-purchase agreement to the “Feed-in Tariff” (FiT) sales calculation method. The original electricity sale-purchase agreement has the period of 21 years commencing from the first month of electricity sales (December 2006). For the amended agreement, the remaining term is 6 years and 2 months, which will be ended December 15, 2026.

- Agreement dated January 12, 2010, EGAT agrees to buy electricity at the volume of 22 Megawatt at the voltage of 115 Kilovolts from the subsidiary at Bo Ploy District, Kanchanaburi Province, at the mutually-agreed price as stipulated in the agreement for the period of 5 years commencing from April 1, 2011. Prior to the expiration of the contractual term, the subsidiary shall inform EGAT for the extension of the contractual term in writing at not less than 30 days prior to the expiry date of the agreement and the agreement shall be extended for the contractual term of 5 years at a time. The subsidiary has pledged the letter of guarantee at the amount of Baht 4.40 million as collateral for the offer to sell the electricity. Subsequently, on June 2, 2014, EGAT agrees to buy additional electricity at the volume of 8 Megawatt totaling 30 Megawatt at the voltage of 115 Kilovolts, at the mutually-agreed price as stipulated in the agreement for the contractual term of 5 years and automatically be renewed for consecutive 5 year-terms.

35.5 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 commencing from December 27, 2014 for the period of 5 years and automatically be renewed for consecutive 5 years-terms, unless either party terminate this agreement.

35.6 The consolidated and separate financial statements have commitments and credit facilities as follows:

		Unit : Million						
		Consolidated Financial Statements						
		As at October 31, 2022			As at October 31, 2021			
Currency		Total	Utilized	Remaining	Total	Utilized	Remaining	
<b>Commitments</b>								
	Contract to guarantee of debt repayment of subsidiary for all contingent liabilities	THB	-	2,243.27	-	-	2,056.98	-
<b>Credit facilities</b>								
	Letters of guarantees (unspecified credit limit)	THB	-	67.54	-	-	67.54	-
	Letters of credit and trust receipts	THB	90.00	-	90.00	150.00	-	150.00
	Letters of credit	USD	-	-	-	10.00	-	10.00
	Overdraft and short-term borrowings	THB	19,547.74	3,910.07	15,637.67	19,752.74	4,242.77	15,509.97
	Short-term borrowings	USD	0.50	-	0.50	50.44	17.96	32.48
	Joint credit line in short-term borrowings	THB	1,921.00	821.00	1,100.00	2,116.00	1,140.00	976.00
	Long-term borrowings	THB	7,703.00	7,703.00	-	5,356.38	5,356.38	-
	Long-term borrowings	USD	41.67	41.67	-	46.47	46.47	-

		Unit : Million						
		Separate Financial Statements						
		As at October 31, 2022			As at October 31, 2021			
Currency		Total	Utilized	Remaining	Total	Utilized	Remaining	
<b>Commitments</b>								
	Contract to guarantee of debt repayment of subsidiary for all contingent liabilities	THB	-	2,183.27	-	-	1,996.98	-
<b>Credit facilities</b>								
	Letters of guarantees (unspecified credit limit)	THB	-	1.37	-	-	1.37	-
	Letters of credit and trust receipts	THB	30.00	-	30.00	30.00	-	30.00
	Overdraft and short-term borrowings	THB	10,342.00	2,550.00	7,792.00	10,547.00	3,156.00	7,391.00
	Short-term borrowings	USD	0.50	-	0.50	30.44	17.96	12.48
	Joint credit line in short-term borrowings	THB	1,921.00	821.00	1,100.00	2,116.00	1,140.00	976.00
	Long-term borrowings	THB	6,703.00	6,703.00	-	4,985.00	4,985.00	-
	Long-term borrowings	USD	41.67	41.67	-	46.47	46.47	-

The above credit facilities are partially secured between the Company and its subsidiaries. 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 October 31, 2022 and 2021, the Company and its subsidiaries have not yet used those facilities.

As at October 31, 2022 and 2021, the Company and three subsidiaries have secured loans issued by a bank to farmers in the consolidated financial statements amounting to Baht 145.25 million and Baht 196.23 million, respectively, and in the separate financial statements amounting to Baht 14.58 million and Baht 19.01 million, respectively.

The Company and its subsidiaries are required to comply with certain financial conditions for commitments, contingent liabilities and credit facilities as above, which the Company and its subsidiaries have to maintain the debt with interest-to-equity ratio and for a long-term loan of a subsidiary, there is condition requiring the Company has to maintain the shareholding ratio of the Company in that subsidiary and maintaining the debt service coverage.

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

		Unit : Million			
		Consolidated Financial Statements			
		As at October 31, 2022		As at October 31, 2021	
Currency		Contractual Amount	Outstanding Contractual Commitments	Contractual Amount	Outstanding Contractual Commitments
Construction and subcontract agreements	THB	43.56	24.74	64.65	20.50
Machine and equipment purchase agreements	THB	-	-	386.80	30.76
	USD	0.56	-	0.56	-
	EUR	0.02	0.01	-	-

		Unit : Million							
		Consolidated Financial Statements							
		Outstanding Contractual Commitments							
		As at October 31, 2022				As at October 31, 2021			
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	0.56	4.14	4.84	0.14	0.56	4.28	4.98

		Unit : Million			
		Separate Financial Statements			
		As at October 31, 2022		As at October 31, 2021	
Currency		Contractual Amount	Outstanding Contractual Commitments	Contractual Amount	Outstanding Contractual Commitments
Construction and subcontract agreements	THB	29.31	16.72	29.31	16.72
Machine and equipment purchase agreements	THB	-	-	228.30	22.83
	EUR	0.02	0.01	-	-



### 35.8 Other significant agreements

- 35.8.1 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, Khonkaen 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.
- 35.8.2 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. As at October 31, 2022 and 2021, the subsidiary has already utilized the area of 5,636.35 hectares equal for both years and the rental fee according to the contract.
- 35.8.3 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 18,057 hectares covering period of 90 years and the rental price has a grace period of the first 5 years, afterwards, the rate of rental price 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 October 31, 2022 and 2021, the subsidiaries have already utilized the area of 9,133.03 hectares and 9,398.69 hectares, respectively. Buildings and structure of subsidiaries are located on the concession land which the ownership will be transferred to the lessor when the agreements are expired (see Note 18).
- 35.8.4 Koh Kong Sugar Industry Co., Ltd. (subsidiary) 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. (see Note 19).

### 36. FINANCIAL INSTRUMENTS

#### 36.1 Derivatives and hedge accounting

As at October 31, 2022 and 2021, the Company has derivative assets and liabilities as follows:

	<b>Unit : Thousand Baht</b>	
	<b>Consolidated/Separate</b>	
	<b>Financial Statements</b>	
	<b>2022</b>	<b>2021</b>
<b>Derivative assets</b>		
Derivative assets designated as hedging instruments		
Cross Currency and interest rate Swap contracts	309,132	90,966
Sugar future contracts	345,963	-
Total derivative assets	<u>655,095</u>	<u>90,966</u>
<b>Derivative liabilities</b>		
Derivative liabilities designated as hedging instruments		
Foreign currency forward exchange contracts	514,632	58,996
Foreign currency option and Sugar future option contracts	4,045	60,067
Interest rate swap contracts	38,900	28,395
Total derivative liabilities	<u>557,577</u>	<u>147,458</u>
Derivative assets and liabilities presented in financial statements as follows:		
Current assets	655,095	90,966
Current liabilities	557,577	147,458

#### Derivatives designated as cash flow hedges

The Company has a policy to enter into the derivatives for hedging, but does not have any objective to hold for speculation. However, there is an economic relationship between the hedge items and hedge instrument and regularly evaluation of its effectiveness.

The Company assesses the hedge effectiveness by comparing changes in the fair value of the hedging instrument with changes in the fair value of the hedged item for the hedged risk.

For the years ended October 31, 2022 and 2021, the proportion of changes in the fair value of the hedging instrument to the change in the fair value of the hedged item was tested which effectiveness was not recognized in the statement of profit or loss.

Reconciliation of loss on cash flow hedges which recognized in the shareholders' equity that relate to cash flow hedge relationships for the years ended October 31, 2022 and 2021.

Cash flow hedges	Unit : Thousand Baht	
	Consolidated Financial Statements	Separate Financial Statements
<b>Balance as at November 1, 2021</b>	(93,339)	(94,795)
Effective portion of changes in fair value of cross currency and interest rate swap contracts	25,509	25,509
Income tax related to amounts transferred	(5,102)	(5,102)
	<u>20,407</u>	<u>20,407</u>
Effective portion of changes in fair value of foreign currency forward exchange contracts	(466,028)	(464,208)
Income tax related to amounts transferred	93,206	92,842
	<u>(372,822)</u>	<u>(371,366)</u>
Effective portion of changes in fair value of foreign currency option contracts	29,090	29,090
Income tax related to amounts transferred	(5,818)	(5,818)
	<u>23,272</u>	<u>23,272</u>
Effective portion of changes in fair value of sugar future contracts	374,358	374,358
Income tax related to amounts transferred	(74,872)	(74,872)
	<u>299,486</u>	<u>299,486</u>
<b>Balance as at October 31, 2022</b>	<u>(122,996)</u>	<u>(122,996)</u>

  

Cash flow hedges	Unit : Thousand Baht	
	Consolidated Financial Statements	Separate Financial Statements
<b>Balance as at November 1, 2020 - before adjustment</b>	-	-
Effect of initial application for new TFRS	(2,220)	(2,220)
<b>Balance as at November 1, 2020 - after effect of application for new TFRS</b>	(2,220)	(2,220)
Effective portion of changes in fair value of cross currency and interest rate swap contracts	(8,510)	(8,510)
Income tax related to amounts transferred	1,702	1,702
	<u>(6,808)</u>	<u>(6,808)</u>
Effective portion of changes in fair value of foreign currency forward exchange contracts	(51,169)	(52,990)
Income tax related to amounts transferred	10,234	10,599
	<u>(40,935)</u>	<u>(42,391)</u>
Effective portion of changes in fair value of sugar future option contracts	(31,165)	(31,165)
Income tax related to amounts transferred	6,233	6,233
	<u>(24,932)</u>	<u>(24,932)</u>
Effective portion of changes in fair value of sugar future contracts	(23,055)	(23,055)
Income tax related to amounts transferred	4,611	4,611
	<u>(18,444)</u>	<u>(18,444)</u>
<b>Balance as at October 31, 2021</b>	<u>(93,339)</u>	<u>(94,795)</u>

For the year 2022 and 2021, the Group recognized losses from changes in fair value as above amount of Baht 29.66 million and Baht 91.12 million, respectively, in the statement of comprehensive income in full amount.

### 36.2 Hedging related to the distribution of sugar

The Group entered into sugar future contracts and sugar futures option contracts and foreign currency forward exchange contracts. The main objective is for hedging from exporting sugar. The Group has forecast export sales based on the information that is probable in the future, such as the projected the quantity of sugar cane and sugar production in the next production season, history of market share in sugar cane procurement of the Group and export sale contracts that have already been committed before the end of the period, etc.

The Company had gradually hedged in accordance with the sugar futures contracts and the foreign currency forward contracts of Thailand Cane and Sugar Corporation (TCSC). The price of sugar of TCSC receives from selling for export raw sugar from the amount of sugar that has been allocated according to the Cane and Sugar Board's determination to produce and deliver part of the sugar in each factory to TCSC of sellers will determine the cost of sugar cane for every sugar factory in Thailand in each year of production. The hedging is made to reduce the risk in the gross profit of sugar distribution. In other words, hedging is for sugar and sugar cane prices.

#### (A) Risk from commodity price of fluctuation (sugar)

The Company and its subsidiaries in Thailand have entered into sugar future contracts and sugar future option contracts that are based on the expected export sales in the next 12 months. The Company has a policy to hedge in the range of 70% - 90% of hedge or actual transactions. Such derivative contracts generally have a term consistent with the duration of the sugar futures contracts of TCSC, which generally have a contract term of not more than 16 months.

As at October 31, 2022 and 2021, outstanding balances under sugar future option contracts with the details are as follows:

	Foreign currency	Unit : Million			
		Consolidated/Separate Financial Statements		Fair value	
		Contract value			
		2022	2021	2022	2021
Futures purchases contracts	USD	42.33	11.63	41.98	11.63
Futures sales contracts	USD	109.37	29.04	118.09	28.19

As at October 31, 2021 (2022 : Nil), outstanding balances under sugar future contracts with the details are as follows:

Consolidated/Separate Financial Statements			Unit : Million
As at October 31, 2021			
Sold quantity	Bought quantity	Contract exchange rate	Fair value gain (loss)
Million Pound	Million Pound	USD per Pound	Million Baht
103.04	-	0.70 - 1.10	(31.16)

(B) Foreign currency risk

The Company and its subsidiaries in Thailand have entered into foreign currency forward exchange contracts and foreign currency option contracts in accordance with the Group's policy to manage foreign currency risk associated with sales expected to occur over a period of 12 months. The Group have a hedging policy in accordance with the foreign currency forward contracts of TCSC. In the past, most of them were in the range of 60% - 80% of the actual risks or transaction and have a contract term of not more than 12 months. The derivative contracts were executed in accordance with the Group's policy by entering into derivative contracts through a subsidiary.

As at October 31, 2021, the Company and its subsidiaries have outstanding foreign currency forward contracts amounting USD 114.50 million in an average rate of 32.72 Baht/USD. The remaining term of the contract is in the range of 180 - 355 days and there are financial liabilities arising from fair value measurement of Baht 59.00 million.

As at October 31, 2022, the Company and its subsidiaries have outstanding foreign currency forward contracts amounting USD 192.22 million in an average rate of 34.41 Baht/USD. The remaining term of the contract is in the range of 180 - 355 days and there are financial liabilities arising from fair value measurement of Baht 514.63 million.

As at October 31, 2022 (2021 : Nil), outstanding balances under foreign currency option contracts with the details are as follows:

<b>Consolidated/Separate Financial Statements</b>				<b>Unit : Million</b>
<b>As at October 31, 2022</b>				
<u>Sold quantity</u>	<u>Bought quantity</u>	<u>Contract exchange rate</u>	<u>Fair value loss</u>	
Million USD	Million USD	USD per Baht	Million Baht	
4.00	-	37.00 - 38.60	(2.08)	

36.3 Hedging foreign currency and interest rate risk

The Company entered into cross currency and interest rate swap contracts to mitigate risks from rising interest rates and exposure to fluctuations in US dollar currency exchange rates of a US dollar borrowing contract with a floating interest rate. The borrowing and derivative contracts were entered into with the same financial institution including the maturity period of both the principal and interest is the same period.

As at October 31, 2022 and 2021, outstanding balances under cross currency and interest rate swap contracts with the details are as follows:

<b>Consolidated/Separate Financial Statements</b>						
<b>As at October 31, 2022</b>						
<u>Contract</u>	<u>Maturity</u>	<u>Amount to pay</u>	<u>Interest rate</u>	<u>Amount to receive</u>	<u>Interest rate</u>	<u>Fair value gain</u>
		Notional amount		Notional amount		Million Baht
Long-term borrowings	March 2024	USD 41.47 million	Libor 6M+1.96%	Baht 1,300 million	2.85%	309.13

Consolidated/Separate Financial Statements As at October 31, 2021						
Contract	Maturity	Amount to pay Notional amount	Interest rate	Amount to receive Notional amount	Interest rate	Fair value gain (loss) Million Baht
Short-term borrowings	February 2022	USD 17.96 million	Libor 6M+0.46736%	Baht 600 million	1.03%	(4.80)
Long-term borrowings	March 2024	USD 46.47 million	Libor 6M+1.96%	Baht 1,450 million	2.85%	95.77

#### 36.4 Financial risk management

The Group's management (the Company and its subsidiaries) assesses the risks, monitors and manages the financial risks associated with the Group's operations by analyzing the risks according to the level and size of the risks. These risks include market risk, foreign currency risk, interest rate risk, price risk, credit risk and liquidity risk.

The Group considers mitigate the effects of risk primarily by using financial instruments including financial derivatives that are suitable for hedging. There is no policy to hold or issue any financial instruments for speculation or trading.

##### Market risk

The Group has market risks demonstrates the main financial risk from changes in foreign currency forward rates, interest rate risk and commodity (sugar) price risk. The Group has entered into various derivative financial instruments to manage exposure, including:

- Forward foreign currency contracts to hedge US dollar exchange rate risks arising from exports.
- Sugar futures contracts and sugar futures option contracts to reduce the price risk of the products sold.

##### Foreign currency risk

Risk on exchange rates for the Company and its subsidiaries are mainly involved with sales of goods and import of machineries which are transactions denominated in foreign currencies. As at October 31, 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			
	2022		2021		2022		2021	
	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
USD	2.51	1.18	2.26	0.96	31.04	-	29.72	-
YEN	-	6.50	-	4.65	-	-	-	-
RIEL	191.23	9.92	184.13	8.46	-	-	-	-
LAK	83.37	3,366.84	71.03	1,391.61	-	-	-	-

As at October 31, 2022 and 2021, the Company and its subsidiaries entered into forward foreign currency contracts.

*Analysis of foreign currency sensitivity*

The effect on the Group's profit before tax is due to changes may be occur. If the reasonably possible change by 5% in exchange rates of the Thai Baht for all other variable are fixed. The profit for the years ended October 31, 2022 and 2021 will be changed are as follows:

	Unit : Million Baht			
	Consolidated		Separate	
	Financial Statement		Financial Statements	
	2022	2021	2022	2021
Effect on profit before tax in the statement of profit or loss				
THB against USD				
- Weakened	2.56	2.17	59.27	49.56
- Strengthened	(2.56)	(2.17)	(59.27)	(49.56)
THB against YEN				
- Weakened	(8.24)	(6.71)	-	-
- Strengthened	8.24	6.71	-	-
THB against RIEL				
- Weakened	8.36	7.21	-	-
- Strengthened	(8.36)	(7.21)	-	-
THB against LAK				
- Weakened	(36.72)	(21.35)	-	-
- Strengthened	36.72	21.35	-	-

This information is not a forecast or prediction of future market conditions and should be used with care.

**Interest rate risk**

The Company and its subsidiaries have derived from the interest rate risk arising from future fluctuations in market interest rates, 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 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 October 31, 2022				
	Within	Fixed Interest Rate		Floating	Total
1 year	More than 1 year	More than 5 years	Interest Rate		
	to 5 years				
<b>Financial Assets</b>					
Deposits at banks - Savings accounts	-	-	-	62,224	62,224
Deposits at banks - Fixed accounts	267	-	-	-	267
Loans for cane plantation development	123,362	58,406	9,594	775	192,137
Short-term loans to farmers	487,239	-	-	7,860	495,099
Long-term loans to others	14,600	34,800	-	-	49,400
Other long-term investments	-	-	6,800	-	6,800
Total	<u>625,468</u>	<u>93,206</u>	<u>16,394</u>	<u>70,859</u>	<u>805,927</u>
<b>Financial Liabilities</b>					
Short-term borrowings from financial institutions	4,731,071	-	-	-	4,731,071
Short-term borrowings from related parties	8,100	-	-	-	8,100
Long-term debentures	-	-	2,648,672	-	2,648,672
Long-term borrowings	2,535,000	6,759,404	-	-	9,294,404
Lease liabilities	12,314	22,122	-	-	34,436
Total	<u>7,286,485</u>	<u>6,781,526</u>	<u>2,648,672</u>	<u>-</u>	<u>16,716,683</u>

Unit : Thousand Baht

<b>Consolidated Financial Statements</b>					
<b>As at October 31, 2021</b>					
	<b>Fixed Interest Rate</b>			<b>Floating</b>	<b>Total</b>
	<b>Within</b>	<b>More than</b>	<b>More than</b>	<b>Interest Rate</b>	
	<b>1 year</b>	<b>1 year</b>	<b>5 years</b>		
		<b>to 5 years</b>			
<b>Financial Assets</b>					
Deposits at banks - Savings accounts	-	-	-	46,248	46,248
Deposits at banks - Fixed accounts	267	-	-	-	267
Loans for cane plantation development	106,478	75,987	16,076	836	199,377
Short-term loans to farmers	462,643	-	-	5,742	468,385
Long-term loans to others	13,297	44,000	-	-	57,297
Other long-term investments	-	-	6,777	-	6,777
<b>Total</b>	<b>582,685</b>	<b>119,987</b>	<b>22,853</b>	<b>52,826</b>	<b>778,351</b>
<b>Financial Liabilities</b>					
Short-term borrowings from financial institutions	5,382,775	-	-	-	5,382,775
Short-term borrowings from related parties	7,100	-	-	-	7,100
Long-term debentures	2,999,158	-	2,648,443	-	5,647,601
Long-term borrowings	1,589,240	3,681,960	85,180	-	5,356,380
Lease liabilities	9,988	18,577	-	-	28,565
<b>Total</b>	<b>9,988,261</b>	<b>3,700,537</b>	<b>2,733,623</b>	<b>-</b>	<b>16,422,421</b>

Unit : Thousand Baht

<b>Separate Financial Statements</b>					
<b>As at October 31, 2022</b>					
	<b>Fixed Interest Rate</b>			<b>Floating</b>	<b>Total</b>
	<b>Within</b>	<b>More than</b>	<b>More than</b>	<b>Interest Rate</b>	
	<b>1 year</b>	<b>1 year</b>	<b>5 years</b>		
		<b>to 5 years</b>			
<b>Financial Assets</b>					
Deposits at banks - Savings accounts	-	-	-	6,948	6,948
Loans for cane plantation development	37,000	41,170	8,751	-	86,921
Short-term loans to farmers	241,870	-	-	-	241,870
Short-term loans to subsidiaries and others	193,233	-	-	-	193,233
Long-term loans to subsidiaries and others	645,600	800,800	1,180,000	-	2,626,400
<b>Total</b>	<b>1,117,703</b>	<b>841,970</b>	<b>1,188,751</b>	<b>6,948</b>	<b>3,155,372</b>
<b>Financial Liabilities</b>					
Short-term borrowings from financial institutions	2,550,000	-	-	-	2,550,000
Short-term borrowings from subsidiaries and related parties	1,056,100	-	-	-	1,056,100
Long-term debentures	-	-	2,648,672	-	2,648,672
Long-term borrowings	2,285,000	6,009,404	-	-	8,294,404
Lease liabilities	42,319	228,189	-	-	270,508
<b>Total</b>	<b>5,933,419</b>	<b>6,237,593</b>	<b>2,648,672</b>	<b>-</b>	<b>14,819,684</b>

Unit : Thousand Baht

<b>Separate Financial Statements</b>					
<b>As at October 31, 2021</b>					
	<b>Fixed Interest Rate</b>			<b>Floating</b>	<b>Total</b>
	<b>Within</b>	<b>More than</b>	<b>More than</b>	<b>Interest Rate</b>	
	<b>1 year</b>	<b>1 year</b>	<b>5 years</b>		
		<b>to 5 years</b>			
<b>Financial Assets</b>					
Deposits at banks - Savings accounts	-	-	-	5,843	5,843
Loans for cane plantation development	41,798	53,877	13,644	-	109,319
Short-term loans to farmers	232,664	-	-	-	232,664
Short-term loans to subsidiaries and others	934,416	-	-	-	934,416
Long-term loans to subsidiaries and others	113,297	1,402,000	1,000,000	-	2,515,297
<b>Total</b>	<b>1,322,175</b>	<b>1,455,877</b>	<b>1,013,644</b>	<b>5,843</b>	<b>3,797,539</b>
<b>Financial Liabilities</b>					
Short-term borrowings from financial institutions	3,156,000	-	-	-	3,156,000
Short-term borrowings from subsidiaries and related parties	409,100	-	-	-	409,100
Long-term debentures	2,999,158	-	2,648,443	-	5,647,601
Long-term borrowings	1,532,000	3,453,000	-	-	4,985,000
Lease liabilities	39,138	267,015	-	-	306,153
<b>Total</b>	<b>8,135,396</b>	<b>3,720,015</b>	<b>2,648,443</b>	<b>-</b>	<b>14,503,854</b>



*Analysis of interest rate sensitivity*

The effect on the Group's profit before tax is due to changes may be occur. If the reasonably possible change by 1% in interest rates for all other variable are fixed. The profit for the years ended October 31, 2022 and 2021 will be changed are as follows:

	Consolidated Financial Statement		Unit : Million Baht Separate Financial Statements	
	2022	2021	2022	2021
Effect on profit before tax in the statement of income				
- Decrease in interest rate by 1%				
Profit before tax increase	0.56	0.60	0.56	0.48
- Increase in interest rate by 1%				
Profit before tax decrease	(0.56)	(0.60)	(0.56)	(0.48)

This information is not a forecast or prediction of future market conditions and should be used with care.

Commodity prices fluctuation risk

Group of companies in the production and distribution of sugar business in Thailand

As mentioned in Note 36.2, the Group operates derivatives to hedge sugar prices, which is consistent with the sugar price hedging transaction of TCSC due to the selling prices of exporting sugar and the exchange rate that TCSC actually sells in each production year will be calculated as part of the cost of sugarcane that the sugar mill has to pay to the farmers in each year for the Group in Thailand engaged in the production and distribution of sugar in Thailand.

Initially, the Group entered into the sugar futures contracts in the future market based on the sugar futures price, sales volume and termination period as per the actual sales by TCSC. The Group hedged for the undelivered sales contracts as well as the forecasted export sales in the following year. When the Group enters into the sales contracts with customers, the Group will close the above futures contract positions.

At present, there are no such hedging contracts made by the foreign subsidiaries.

*Analysis of commodity price sensitivity*

The effect on the Group's profit before tax is due to changes may be occur. If the reasonably possible change by 5% in commodity price for all other variable are fixed. The profit for the years ended October 31, 2022 and 2021 will be changed are as follows:

	Consolidated Financial Statement		Unit : Million Baht Separate Financial Statements	
	2022	2021	2022	2021
Effect on profit before tax in the statement of profit or loss				
- Increase in price of sugar				
Profit before tax increase	435.10	174.07	266.52	112.68
- Decrease in price of sugar				
Profit before tax decrease	(435.10)	(174.07)	(266.52)	(112.68)

This information is not a forecast or prediction of future market conditions and should be used with care.

#### Credit risk

Credit risk is the potential financial loss resulting from the failure of a customer or a counterparty to settle its financial and contractual obligations to the Group as and when they fall due.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on customers requiring credit over a certain amount. At the reporting date, there were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statements of financial position.

#### Liquidity risk

The Group has monitored liquidity risk by using overdrafts, promissory notes, loans, debentures and leases. The Group has the ability to access a wide range of funding sources sufficiently and manages risks by controlling short-term and long-term liabilities to maintain the balance of debt repayments as appropriate for investment types and business operations.

### 36.5 Fair value measurements

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. The fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset and liability.

Financial assets and financial liabilities measured at fair value.

Fair value of financial assets and financial liabilities which are measured at fair value and their fair value hierarchy level classification as at October 31, 2022 and 2021 were summarized as follows:

Financial assets/ financial liabilities	Consolidated financial statements		Separate financial statements		Fair value hierarchy	Valuation techniques and key inputs for fair value measurement
	Fair value as at October 31, 2022 (Thousand Baht)	Fair value as at October 31, 2021 (Thousand Baht)	Fair value as at October 31, 2022 (Thousand Baht)	Fair value as at October 31, 2021 (Thousand Baht)		
<u>Financial assets</u>						
1. Time deposits with maturities of more than 3 months but not more than 12 months	267	267	-	-	Level 3	Amortized cost and effective interest method.
2. Marketable equity securities	198,371	165,309	198,371	165,309	Level 1	Use of quoted market prices in an active market for such assets of liabilities.
3. Investment in non-marketable equity securities	23,492	797	23,022	327	Level 3	Fair value of investment in non-marketable equity securities which is determined by net asset value.
4. Non-marketable debt securities	6,800	6,777	-	-	Level 3	Fair value of non-marketable debt securities which is determined by net asset value.
5. Cross currency and interest rate swap contracts	309,132	90,966	309,132	90,966	Level 2	The estimated discounted cash flows is from future cash payment and future cash receive which is discounted by observable yield curve.
6. Sugar future contracts	345,963	-	345,963	-	Level 2	Discounted cash flow and adjust commodity price yield curves.
<u>Financial Liabilities</u>						
1. Foreign currency forward exchange contracts	514,632	58,996	514,632	58,996	Level 2	The estimated discounted cash flow The estimated future cash flows is from forward foreign currency exchange rates (from observable forward foreign currency exchange rates at the end of the reporting period) and contract forward rates, a discounted at market rate.
2. Foreign currency option and Sugar future option contracts	4,045	60,067	4,045	60,067	Level 2	Discounted cash flow and adjust commodity price yield curves.
3. Sugar future contracts	-	28,395	-	28,395	Level 2	Discounted cash flow and adjust commodity price yield curves.
4. Interest rate swap contracts	38,900	-	38,900	-	Level 2	The estimated discounted cash flows is from future cash payment and future cash receive which is discounted by observable yield curve.

These financial assets and financial liabilities are presented as part of other current financial assets and other current financial liabilities, respectively, in the statements of financial position.

Financial assets and financial liabilities not measured at fair value.

Fair value of financial assets and financial liabilities which are not measured at fair value and their fair value hierarchy level classification as at October 31, 2022 and 2021 was summarized as follows:

Unit : Thousand Baht					
Consolidated financial statements					
	2022		2021		Fair value hierarchy
	Carrying amount	Fair value	Carrying amount	Fair value	
<b>Financial assets</b>					
Cash and cash equivalents	254,845	254,845	224,064	224,064	Level 3
Trade and other current receivables	1,058,208	1,058,208	1,064,094	1,064,094	Level 3
Short-term loans	633,849	633,849	588,435	588,435	Level 3
Trade and other non-current receivables	100,202	100,202	147,364	147,364	Level 3
Long-term loans	112,787	112,787	136,624	136,624	Level 3
<b>Financial liabilities</b>					
Short-term borrowings from financial institutions	4,731,071	4,731,071	5,981,934	5,981,934	Level 3
Trade and other current payables	1,076,780	1,076,780	1,064,171	1,064,171	Level 3
Current portion of debentures	-	-	2,999,158	2,969,046	Level 2
Current portion of long-term borrowings from financial institutions	2,535,000	2,535,000	1,739,240	1,739,240	Level 3
Short-term borrowings from related parties	8,100	8,100	7,100	7,100	Level 3
Debentures	2,648,672	2,372,641	2,648,443	2,486,997	Level 2
Long-term borrowings from financial institutions	6,759,404	6,759,404	5,167,209	5,167,209	Level 3

Unit : Thousand Baht					
Separate financial statements					
	2022		2021		Fair value hierarchy
	Carrying amount	Fair value	Carrying amount	Fair value	
<b>Financial assets</b>					
Cash and cash equivalents	62,445	62,445	7,093	7,093	Level 3
Trade and other current receivables	1,472,304	1,472,304	930,707	930,707	Level 3
Short-term loans	1,117,703	1,117,703	1,322,175	1,322,175	Level 3
Trade and other non-current receivables	44,576	44,576	64,025	64,025	Level 3
Long-term loans	2,030,721	2,030,721	2,469,521	2,469,521	Level 3
<b>Financial liabilities</b>					
Short-term borrowings from financial institutions	2,550,000	2,550,000	3,755,159	3,755,159	Level 3
Trade and other current payables	677,806	677,806	638,610	638,610	Level 3
Current portion of debentures	-	-	2,999,158	2,969,046	Level 2
Current portion of long-term borrowings from financial institutions	2,285,000	2,285,000	1,682,000	1,682,000	Level 3
Short-term borrowings from subsidiaries and related parties	1,056,100	1,056,100	409,100	409,100	Level 3
Debentures	2,648,672	2,372,641	2,648,443	2,486,997	Level 2
Long-term borrowings from financial institutions	6,009,404	6,009,404	4,853,069	4,853,069	Level 3

Valuation technique for financial assets and financial liabilities not measured at fair value of the Company and the subsidiaries are as follows:

Cash and cash equivalents, temporary investment, trade and other current receivables and short-term loans - the carrying amounts stated in the statements of financial position approximate their fair values due to the relatively short-term maturity of these financial instruments. Fair values of trade and other non-current receivables do not have significantly different from the carrying values stated in the statements of financial position.

The carrying amounts of long-term loans carrying interest at rates approximating the market rate, in the statement of financial position approximates their fair value.

Short-term borrowings from financial institutions, trade and other current payables, current portion long-term borrowings, short-term borrowings from subsidiaries and related parties, and other current liabilities - the carrying amounts stated in the statements of financial position of these financial liabilities approximate their fair values because of the short-term period to maturity of these financial instruments.

The carrying amounts of long-term borrowings from financial institutions with fixed and floating interest rate carrying interest at rates approximating the market rate, in the statement of financial position approximates their fair value.

Fair value of debentures is based on market price at the reporting date.

	Consolidated / Separate Financial Statement		Fair value Hierarchy	Valuation technique of fair value
	Carrying amount Million Baht	Fair value Million Baht		
<b>As at October 31, 2022</b>				
<b>Financial liabilities</b>				
Long-term debentures	2,649	2,373	Level 2	Calculated from the closing price of the last Bond Market Association Thailand at the last day.
<b>As at October 31, 2021</b>				
<b>Financial liabilities</b>				
Long-term debentures	5,648	5,456	Level 2	Calculated from the closing price of the last Bond Market Association Thailand at the last day.

### 37. PROVIDENT FUND

The Company and 8 subsidiaries and their employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. For the years ended October 31, 2022 and 2021, the Group and their employees monthly contributed to the fund at the rate of 2% - 15% for both years. The fund, which is managed by Bangkok Capital Fund Management Co., Ltd. and Ayudhya Fund Management Co., Ltd., respectively, will pay the employees upon their termination in accordance with the fund rules. For the years ended October 31, 2022 and 2021, the Company and its subsidiaries contributed in amounts of Baht 21.88 million and Baht 24.08 million, respectively, in the consolidated financial statements and the Company contributed in amounts of Baht 8.16 million and Baht 9.35 million, respectively, in the separate financial statements.

### 38. PRIVILEGES OF BENEFITS FROM PROMOTED INVESTMENT

A domestic subsidiary received 3 investment promotion certificates from the Board of Investment of Thailand (BOI) under the Investment Promotion Act B.E. 2520. The benefits includes the exemption from income tax for profit for the year derived from operations of promoted businesses for the period of 8 years, commencing from the date of first receiving operation revenue of promoted businesses. The details are as follows:

Certificate No.	Sections Privilege	Date	Promoted activity types	Commenced date of revenues generated	Expire date
1432(2)/2552	25, 26, 28, 31(1), 31(2), 31(3), 31(4), 34, 35(1), 35(2) and 35(3)	June 24, 2009	- Production of electricity, power steams and water for manufacture	November 30, 2010	November 29, 2018
1349(2)/2556	25, 26, 28, 31(1), 31(2), 31(3), 31(4), 34, 35(1), 35(2) and 35(3)	Mach 15, 2013	- Production of electricity, power steams and water for manufacture	January 21, 2014	January 20, 2022
61-0170-1-00-1-0	25, 26, 28, 31(1), 31(2), 31(3), 31(4) and 34	February 12, 2018	- Production of electricity, power steams and water for manufacture	Income not yet derived	

Furthermore, in accordance with the Promotion Certificate No. 1432(2)/2552, and 1349(2)/2556, the subsidiary receives the privilege at 50% income tax reduction of the regular rate for the period of 5 years commencing from the expiration date of income tax exemption and under all Promotion Certificates, the subsidiary is granted privilege for exemption of import duties for approved machinery and exemption from income tax on dividend on profit from promoted businesses during the period in which the subsidiaries is granted exemption from corporate income tax.

### **39. EVENTS AFTER THE REPORTING PERIOD**

- 39.1 The Board of Directors meeting no. 1/2022-2023 held on December 23, 2022, passed the resolution to approve the sale of shares of the associates (which are the subsidiaries of Thai Sugar Terminal Public Company Limited), consisting of shares of T S Warehouse Co., Ltd., T S Oil Industry Co., Ltd., T S Transport and Logistics Co., Ltd. and shares of T S G Trading Co., Ltd. to Thai Sugar Terminal Public Company Limited, total amounting Baht 55.54 million.
- 39.2 The Extraordinary General Meeting of Shareholders No. 1/2022 of KSL Material supplies Co., Ltd. (a subsidiary) held on September 20, 2022, passed the resolution to decrease its registered capital totaling amount of Baht 360.00 million from Baht 480.00 million to the new registered capital amount of Baht 120.00 million by reducing issued ordinary shares to 12,000,000 shares at the par value of Baht 10.00. The subsidiary has registered with the Department of Business Development on November 8, 2022.

### **40. APPROVAL OF THE FINANCIAL STATEMENTS**

These financial statements have been approved for issuance by the Company's Board of Directors on December 23, 2022.