

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

TO THE BOARD OF DIRECTORS

KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED

We have reviewed the consolidated statement of financial position of Khon Kaen Sugar Industry Public Company Limited and its subsidiaries and the separate statement of financial position of Khon Kaen Sugar Industry Public Company Limited as at July 31, 2017, and the related consolidated and separate statements of profit or loss and statements of profit or loss and other comprehensive income for the three-month and nine-month periods then ended, and consolidated and separate statements of changes in shareholders' equity and statements of cash flows for the nine-month period then ended, and the condensed notes to interim financial statements. The Company's management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard No. 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

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

Conclusion

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

Emphasis of Matter

Without modifying our conclusion, as discussed in Note 2.7 to the interim financial information, The Company and its subsidiaries have initial adopted the Accounting Standard No. 41, “Agriculture” commencing November 1, 2016. The comparative consolidated and separate statements of financial position as at October 31, 2016 have been retrospectively adjusted for the effects of the adoption of such standard. In addition, as discussed in Note 2.8 to the interim financial information, the related consolidated and separate statements of profit or loss and statements of profit or loss and other comprehensive income for the three-month and nine-month periods ended July 31, 2017, and consolidated and separate statements of changes in shareholders’ equity and statements of cash flows for the nine-month period then ended, have been restated for the effect of change in the accounting policies for investment property and assets not used in operation for land from cost method to fair value method made in the fourth quarter for fiscal year 2016.

BANGKOK
September 11, 2017

Niti Jungnitnirundr
Certified Public Accountant (Thailand)
Registration No. 3809
DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT CO., LTD.

KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT JULY 31, 2017

UNIT : THOUSAND BAHT

	Notes	Consolidated Financial Statements		Separate Financial Statements	
		"Unaudited" As at July 31, 2017	"Restated" As at October 31, 2016	"Unaudited" As at July 31, 2017	"Restated" As at October 31, 2016
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	4.2	257,687	82,311	24,272	20,856
Temporary investments		24	2,725	-	-
Trade and other receivables	6	1,909,279	1,407,276	1,182,688	980,114
Short-term loans	7	1,327,799	1,273,097	4,485,134	2,484,006
Inventories		7,107,568	2,551,549	3,687,142	1,298,018
Biological assets	8	170,758	250,734	10,692	11,502
Other current assets		42,216	84,752	15,820	45,496
Total Current Assets		10,815,331	5,652,444	9,405,748	4,839,992
NON-CURRENT ASSETS					
Investments in associates	9	479,656	386,600	136,747	136,747
Investments in subsidiaries	10	-	-	5,994,096	5,786,096
Other long-term investments	11	416,350	370,795	409,195	370,325
Long-term loans		399,083	358,064	2,339,170	4,395,438
Investment property	12	4,493,790	4,496,184	1,499,720	1,499,684
Property, plant and equipment	13	27,177,306	26,185,989	8,692,902	7,947,679
Intangible assets		47,609	46,276	36,277	34,017
Deferred tax assets	18.2	3,844	2,830	-	-
Other non-current assets		880,695	875,649	28,885	7,597
Total Non-Current Assets		33,898,333	32,722,387	19,136,992	20,177,583
TOTAL ASSETS		44,713,664	38,374,831	28,542,740	25,017,575

See the condensed notes to the interim financial statements

KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION (CONTINUED)

AS AT JULY 31, 2017

UNIT : THOUSAND BAHT

	Notes	Consolidated Financial Statements		Separate Financial Statements	
		"Unaudited"		"Unaudited"	
		As at	As at	As at	As at
		July 31, 2017	October 31, 2016	July 31, 2017	October 31, 2016
LIABILITIES AND SHAREHOLDERS' EQUITY					
CURRENT LIABILITIES					
Short-term borrowings from financial institutions		11,341,611	3,757,026	6,237,307	1,108,000
Trade and other payables	14	1,155,852	1,711,610	1,045,735	905,766
Current portion of long-term debentures	16	1,999,293	2,999,307	1,999,293	2,999,307
Current portion of long-term borrowings	17	1,853,833	2,011,633	1,153,833	1,205,833
Short-term borrowings	5.1	5,300	6,900	397,500	482,900
Current income tax payable		88,806	25,326	-	-
Provision for production costs	15	477,997	-	119,394	-
Other current liabilities		75,269	78,798	17,556	12,847
Total Current Liabilities		<u>16,997,961</u>	<u>10,590,600</u>	<u>10,970,618</u>	<u>6,714,653</u>
NON-CURRENT LIABILITIES					
Long-term debentures	16	7,493,462	6,993,763	7,493,462	6,993,763
Long-term borrowings	17	1,802,000	3,055,833	1,350,000	2,203,833
Deferred tax liabilities	18.3	766,034	739,563	154,699	148,274
Employee benefit obligations		273,422	261,287	112,556	107,427
Other non-current liabilities		94,753	83,354	37,314	29,187
Total Non-Current Liabilities		<u>10,429,671</u>	<u>11,133,800</u>	<u>9,148,031</u>	<u>9,482,484</u>
TOTAL LIABILITIES		<u>27,427,632</u>	<u>21,724,400</u>	<u>20,118,649</u>	<u>16,197,137</u>

KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION (CONTINUED)

AS AT JULY 31, 2017

UNIT : THOUSAND BAHT

	Notes	Consolidated Financial Statements		Separate Financial Statements	
		"Unaudited"		"Unaudited"	
		As at	As at	As at	As at
		July 31, 2017	October 31, 2016	July 31, 2017	October 31, 2016
LIABILITIES AND SHAREHOLDERS' EQUITY (CONTINUED)					
SHAREHOLDERS' EQUITY					
SHARE CAPITAL					
Authorized share capital					
		2,205,122	2,205,122	2,205,122	2,205,122
4,410,243,648 ordinary shares of Baht 0.50 each					
Issued and paid-up share capital					
		2,205,116	2,205,116	2,205,116	2,205,116
4,410,232,619 ordinary shares of Baht 0.50 each					
		2,205,116	2,205,116	2,205,116	2,205,116
fully paid					
SHARE PREMIUM ACCOUNT - ORDINARY SHARES					
		2,946,439	2,946,439	2,946,439	2,946,439
RETAINED EARNINGS					
Appropriated					
		220,512	220,512	220,512	220,512
Legal reserve					
		9,714,935	9,004,710	2,241,494	2,668,937
Unappropriated					
OTHER COMPONENTS OF EQUITY					
		1,726,777	1,789,333	810,530	779,434
TOTAL EQUITY ATTRIBUTABLE TO OWNERS					
		16,813,779	16,166,110	8,424,091	8,820,438
OF THE PARENT					
NON-CONTROLLING INTERESTS					
		472,253	484,321	-	-
TOTAL SHAREHOLDERS' EQUITY					
		17,286,032	16,650,431	8,424,091	8,820,438
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY					
		44,713,664	38,374,831	28,542,740	25,017,575

See the condensed notes to the interim financial statements

KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF PROFIT OR LOSS

FOR THE THREE-MONTH PERIOD ENDED JULY 31, 2017

"UNAUDITED"

UNIT : THOUSAND BAHT

	Notes	Consolidated		Separate		
		Financial Statements		Financial Statements		
		"Restated"		"Restated"		
		2017	2016	2017	2016	
Revenues from sales and revenues from rendering of services						
Revenues from sales		4,125,408	4,452,672	2,376,422	2,145,168	
Revenues from rendering of services		65,630	41,441	75,884	43,558	
		<u>4,191,038</u>	<u>4,494,113</u>	<u>2,452,306</u>	<u>2,188,726</u>	
Costs of sales of goods and rendering of services						
Costs of sales of goods		(3,385,730)	(3,624,317)	(2,160,464)	(1,840,181)	
Costs of rendering of services		(21,886)	(26,725)	(48,381)	(15,036)	
		<u>(3,407,616)</u>	<u>(3,651,042)</u>	<u>(2,208,845)</u>	<u>(1,855,217)</u>	
Gross profit		783,422	843,071	243,461	333,509	
Other incomes		84,042	106,331	43,565	86,124	
Selling expenses		(352,308)	(460,021)	(158,183)	(209,002)	
Administrative expenses		(186,861)	(152,837)	(63,127)	(66,435)	
Management benefit expenses		(30,707)	(27,728)	(11,454)	(9,463)	
Finance costs		(174,124)	(184,881)	(131,943)	(138,307)	
Share of gain of an associate		5,087	4,499	-	-	
Profit (loss) before income tax (expense) income		<u>128,551</u>	<u>128,434</u>	<u>(77,681)</u>	<u>(3,574)</u>	
Income tax (expense) income	18.1	<u>(57,378)</u>	<u>(35,603)</u>	<u>7,829</u>	<u>124</u>	
PROFIT (LOSS) FOR THE PERIOD		<u><u>71,173</u></u>	<u><u>92,831</u></u>	<u><u>(69,852)</u></u>	<u><u>(3,450)</u></u>	
PROFIT (LOSS) ATTRIBUTABLE TO :						
Owners of the parent		58,339	93,197	(69,852)	(3,450)	
Non-controlling interests		12,834	(366)	-	-	
		<u>71,173</u>	<u>92,831</u>	<u>(69,852)</u>	<u>(3,450)</u>	
EARNINGS (LOSS) PER SHARE	22					
Basic earnings (loss) per share		BAHT	0.013	0.021	(0.016)	(0.001)
Basic number of ordinary shares		THOUSAND SHARES	4,410,233	4,410,244	4,410,233	4,410,244

KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE THREE-MONTH PERIOD ENDED JULY 31, 2017
"UNAUDITED"

UNIT : THOUSAND BAHT

	Consolidated		Separate	
	Financial Statements		Financial Statements	
	"Restated"		"Restated"	
	2017	2016	2017	2016
Profit (loss) for the period	71,173	92,831	(69,852)	(3,450)
Other comprehensive expense :				
Items that will be reclassified subsequently to profit or loss:				
Exchange differences on translating financial statements	(89,295)	(2,700)	-	-
	<u>(89,295)</u>	<u>(2,700)</u>	<u>-</u>	<u>-</u>
Items that will be not reclassified subsequently to profit or loss:				
Losses on revaluation of assets	-	(430)	-	-
	<u>-</u>	<u>(430)</u>	<u>-</u>	<u>-</u>
Total other comprehensive expense	(89,295)	(3,130)	-	-
TOTAL COMPREHENSIVE INCOME (EXPENSE) FOR THE PERIOD	<u>(18,122)</u>	<u>89,701</u>	<u>(69,852)</u>	<u>(3,450)</u>
TOTAL COMPREHENSIVE INCOME (EXPENSE) ATTRIBUTABLE TO				
Owners of the parent	(13,105)	90,607	(69,852)	(3,450)
Non-controlling interests	(5,017)	(906)	-	-
	<u>(18,122)</u>	<u>89,701</u>	<u>(69,852)</u>	<u>(3,450)</u>

See the condensed notes to the interim financial statements

KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF PROFIT OR LOSS

FOR THE NINE-MONTH PERIOD ENDED JULY 31, 2017

"UNAUDITED"

UNIT : THOUSAND BAHT

	Notes	Consolidated		Separate		
		Financial Statements		Financial Statements		
		"Restated"		"Restated"		
		2017	2016	2017	2016	
Revenues from sales and revenues from rendering of services						
Revenues from sales		11,540,468	12,100,967	5,915,814	6,541,491	
Revenues from rendering of services		183,387	124,182	162,802	105,156	
		<u>11,723,855</u>	<u>12,225,149</u>	<u>6,078,616</u>	<u>6,646,647</u>	
Costs of sales of goods and rendering of services						
Costs of sales of goods		(8,691,040)	(9,196,932)	(5,280,685)	(5,590,107)	
Costs of rendering of services		(62,591)	(93,913)	(108,619)	(59,616)	
		<u>(8,753,631)</u>	<u>(9,290,845)</u>	<u>(5,389,304)</u>	<u>(5,649,723)</u>	
Gross profit		2,970,224	2,934,304	689,312	996,924	
Other incomes		584,917	255,987	383,279	244,812	
Selling expenses		(1,116,629)	(1,316,998)	(412,327)	(634,408)	
Administrative expenses		(573,970)	(552,783)	(224,307)	(223,334)	
Management benefit expenses	5.2	(115,158)	(112,501)	(40,177)	(38,611)	
Finance costs		(508,073)	(545,625)	(387,262)	(420,052)	
Share of profit of investments in associates		98,549	18,918	-	-	
Profit (loss) before income tax (expense) income		<u>1,339,860</u>	<u>681,302</u>	<u>8,518</u>	<u>(74,669)</u>	
Income tax (expense) income	18.1	(177,281)	(63,039)	5,062	15,223	
PROFIT (LOSS) FOR THE PERIOD		<u><u>1,162,579</u></u>	<u><u>618,263</u></u>	<u><u>13,580</u></u>	<u><u>(59,446)</u></u>	
PROFIT (LOSS) ATTRIBUTABLE TO :						
Owners of the parent		1,151,248	634,632	13,580	(59,446)	
Non-controlling interests		11,331	(16,369)	-	-	
		<u>1,162,579</u>	<u>618,263</u>	<u>13,580</u>	<u>(59,446)</u>	
EARNINGS (LOSS) PER SHARE	22					
Basic earnings (loss) per share		BAHT	0.261	0.144	0.003	(0.013)
Basic number of ordinary shares		THOUSAND SHARES	4,410,233	4,410,244	4,410,233	4,410,244

KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE NINE-MONTH PERIOD ENDED JULY 31, 2017
"UNAUDITED"

UNIT : THOUSAND BAHT

	Consolidated		Separate	
	Financial Statements		Financial Statements	
	"Restated"		"Restated"	
	2017	2016	2017	2016
Profit (loss) for the period	1,162,579	618,263	13,580	(59,446)
Other comprehensive income (expense) :				
Items that will be reclassified subsequently to profit or loss:				
Changes in the fair value of available-for-sale securities	31,096	-	31,096	-
Exchange differences on translating financial statements	(117,051)	(37,882)	-	-
	<u>(85,955)</u>	<u>(37,882)</u>	<u>31,096</u>	<u>-</u>
Items that will be not reclassified subsequently to profit or loss:				
Losses on revaluation of assets	-	(430)	-	-
	<u>-</u>	<u>(430)</u>	<u>-</u>	<u>-</u>
Total other comprehensive income (expense)	<u>(85,955)</u>	<u>(38,312)</u>	<u>31,096</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME (EXPENSE) FOR THE PERIOD	<u><u>1,076,624</u></u>	<u><u>579,951</u></u>	<u><u>44,676</u></u>	<u><u>(59,446)</u></u>
TOTAL COMPREHENSIVE INCOME (EXPENSE) ATTRIBUTABLE TO				
Owners of the parent	1,088,692	603,890	44,676	(59,446)
Non-controlling interests	(12,068)	(23,939)	-	-
	<u><u>1,076,624</u></u>	<u><u>579,951</u></u>	<u><u>44,676</u></u>	<u><u>(59,446)</u></u>

See the condensed notes to the interim financial statements

KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE NINE-MONTH PERIOD ENDED JULY 31, 2017
"UNAUDITED"

UNIT : THOUSAND BAHT

Note	Owners of the Parent									Total owners of the parent	Non-controlling interests	Total shareholders' equity	
	Issued and paid-up share capital	Share premium account Ordinary shares	Retained Earnings		Other components of equity								
			Appropriated Legal reserve	Unappropriated	Other comprehensive income (expense)			Losses on internal restructure of entities under common control	Losses on change in shareholding ratio in subsidiaries				Total other components of equity
					Exchange differences on translating financial statements	Gain (loss) on remeasuring available-for-sale investments	Gain (loss) on asset revaluation						
"Restated"													
For the nine-month period ended													
July 31, 2016													
Beginning balance as at November 1, 2015													
- as previously reported	2,004,656	2,946,439	200,466	7,150,166	59,183	(138)	1,396,272	(264,043)	(83,641)	1,107,633	13,409,360	2,079,123	15,488,483
Effects of the changes in accounting policies and adoption of new Thai Financial Reporting Standard													
- Investment property	-	-	-	834,325	-	-	(190,722)	-	-	(190,722)	643,603	9,461	653,064
- Assets not yet used in operation for land	-	-	-	7,060	-	-	110,959	-	-	110,959	118,019	5,636	123,655
- Consolidated financial statements	-	-	-	(18,016)	-	138	(134,652)	767	(27,853)	(161,600)	(179,616)	(1,643,273)	(1,822,889)
Beginning balance as at November 1, 2015													
- after adjustment	2,004,656	2,946,439	200,466	7,973,535	59,183	-	1,181,857	(263,276)	(111,494)	866,270	13,991,366	450,947	14,442,313
Changes in shareholders' equity during the period													
- Dividends paid	19	-	-	(222,734)	-	-	-	-	-	-	(222,734)	(1,564)	(224,298)
- Dividends stock	19	200,466	-	(200,466)	-	-	-	-	-	-	-	-	-
- Legal reserve	19	-	-	20,046	(20,046)	-	-	-	-	-	-	-	-
- Transfer of gain of asset revaluation	-	-	-	538	-	-	-	-	-	-	538	-	538
- Total comprehensive income (expense) for the period	-	-	-	634,632	(30,312)	-	(430)	-	-	(30,742)	603,890	(23,939)	579,951
Ending balance as at July 31, 2016	2,205,122	2,946,439	220,512	8,165,459	28,871	-	1,181,427	(263,276)	(111,494)	835,528	14,373,060	425,444	14,798,504

KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (CONTINUED)
FOR THE NINE-MONTH PERIOD ENDED JULY 31, 2017
"UNAUDITED"

UNIT : THOUSAND BAHT

Note	Owners of the Parent									Total owners of the parent	Non-controlling interests	Total shareholders' equity			
	Issued and paid-up share capital	Share premium account Ordinary shares	Retained Earnings		Other components of equity										
			Appropriated	Unappropriated	Other comprehensive income loss			Losses on internal restructure of entities under common control	Losses on change in shareholding ratio in subsidiaries	Total other components of equity					
			Legal reserve		Exchange differences on translating financial statements	Gain (loss) on remeasuring available-for-sale investments	Gain (loss) on asset revaluation								
For the nine-month period ended July 31, 2017															
	Beginning balance as at November 1, 2016	2,205,116	2,946,439	220,512	9,004,710	40,451	-	2,123,652	(263,276)	(111,494)	1,789,333	16,166,110	484,321	16,650,431	
	Changes in shareholders' equity during the period														
	- Dividends paid	19	-	-	(441,023)	-	-	-	-	-	-	(441,023)	-	(441,023)	
	- Total comprehensive income (expense) for the period		-	-	1,151,248	(93,652)	31,096	-	-	-	(62,556)	1,088,692	(12,068)	1,076,624	
	Ending balance as at July 31, 2017		2,205,116	2,946,439	220,512	9,714,935	(53,201)	31,096	2,123,652	(263,276)	(111,494)	1,726,777	16,813,779	472,253	17,286,032

See the condensed notes to the interim financial statements

KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES

SEPARATE STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE NINE-MONTH PERIOD ENDED JULY 31, 2017

"UNAUDITED"

UNIT : THOUSAND BAHT

	Note	Issued and paid-up share capital	Share premium account Ordinary shares	Retained Earnings		Other components of equity		Total shareholders' equity
				Appropriated Legal reserve	Unappropriated	Other comprehensive income Gain on asset revaluation	Total other components of equity	
"Restated"								
For the nine-month period ended July 31, 2016								
Beginning balance as at November 1, 2015 - as previously reported		2,004,656	2,946,439	200,466	2,250,747	517,481	517,481	7,919,789
Effects of the changes in accounting policies								
- Investment property		-	-	-	591,746	(146,830)	(146,830)	444,916
- Assets not yet used in operation for land		-	-	-	5,554	2,569	2,569	8,123
Beginning balance as at November 1, 2015 - after adjustment		2,004,656	2,946,439	200,466	2,848,047	373,220	373,220	8,372,828
Changes in shareholders' equity during the period								
- Dividends paid	19	-	-	-	(222,734)	-	-	(222,734)
- Dividends stock	19	200,466	-	-	(200,466)	-	-	-
- Legal reserve	19	-	-	20,046	(20,046)	-	-	-
- Total comprehensive expense for the period		-	-	-	(59,446)	-	-	(59,446)
Ending balance as at July 31, 2016		2,205,122	2,946,439	220,512	2,345,355	373,220	373,220	8,090,648

KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES
SEPARATE STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (CONTINUED)
FOR THE NINE-MONTH PERIOD ENDED JULY 31, 2017
"UNAUDITED"

UNIT : THOUSAND BAHT

Note	Issued and paid-up share capital	Share premium account Ordinary shares	Retained Earnings		Other components of equity			Total shareholders' equity	
			Appropriated Legal reserve	Unappropriated	Other comprehensive income		Total other components of equity		
					Gain on available-for-sale investments	Gain on asset revaluation			
For nine-month period ended July 31, 2017									
	Beginning balance as at November 1, 2016	2,205,116	2,946,439	220,512	2,668,937	-	779,434	779,434	8,820,438
	Changes in shareholders' equity during the period								
	- Dividends paid	19	-	-	(441,023)	-	-	-	(441,023)
	- Total comprehensive income for the period		-	-	13,580	31,096	-	31,096	44,676
	Ending balance as at July 31, 2017	2,205,116	2,946,439	220,512	2,241,494	31,096	779,434	810,530	8,424,091

See the condensed notes to the interim financial statements

KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE NINE-MONTH PERIOD ENDED JULY 31, 2017

"UNAUDITED"

UNIT : THOUSAND BAHT

	Consolidated		Separate	
	Financial Statements		Financial Statements	
	"Restated"		"Restated"	
	2017	2016	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit (loss) before income tax (expense) income	1,339,860	681,302	8,518	(74,669)
Adjustments for:				
Dividend income	(14,956)	-	(20,449)	(7,294)
Doubtful accounts - trade and other receivables (reversal)	(5,259)	6,489	(2,432)	6,202
Share of gain of investment in an associate	(98,549)	(18,918)	-	-
Amortization of premium on bonds	66	122	-	-
Employee benefit expenses	13,537	14,051	5,992	5,917
Loss on diminution in value and obsolescence of inventories (reversal)	149,990	(95,098)	45,862	(24,898)
Loss from plantation	8,504	8,589	-	-
Depreciation and amortization	1,022,446	1,099,326	315,510	376,302
Loss on disposal and amortization of assets	22,275	14,854	981	4,511
Gain on sales of investments in an associate	-	(45,224)	-	(10,700)
(Gain) loss on fair value adjustments of investment property	-	(1,130)	-	19
Unrealized loss on exchange rate	14,269	1,301	84,732	21,799
(Gain) loss on fair value adjustments of biological assets	(4,425)	10,641	(3,391)	(95)
Interest expenses	504,432	542,274	383,621	416,701
Finance costs	3,641	3,351	3,641	3,351
	<u>2,955,831</u>	<u>2,221,930</u>	<u>822,585</u>	<u>717,146</u>
Operating assets (increase) decrease				
Trade and other receivables	(504,315)	619,218	(203,841)	503,300
Inventories	(4,706,009)	(2,276,758)	(2,434,986)	(1,093,326)
Biological assets	73,745	85,884	4,201	4,109
Other current assets	55,381	6,438	38,679	6,410
Other non-current assets	52,466	57,455	(17,895)	4,967
Operating liabilities increase (decrease)				
Trade and other payables	(521,529)	110,882	(95,506)	(38,565)
Provision for production costs	477,997	1,006,299	119,394	379,973
Other current liabilities	(3,529)	(21,624)	4,709	(8,807)
Employee benefit obligations	(1,402)	(2,344)	(863)	(2,208)
Other non-current liabilities	11,399	1,739	8,127	(598)
Cash received (paid) from operating activities	<u>(2,109,965)</u>	<u>1,809,119</u>	<u>(1,755,396)</u>	<u>472,401</u>
Interest paid	(476,206)	(508,115)	(357,173)	(382,880)
Income tax expense paid	(108,963)	(126,855)	(5,290)	(4,069)
Net cash provided by (used in) operating activities	<u>(2,695,134)</u>	<u>1,174,149</u>	<u>(2,117,859)</u>	<u>85,452</u>

KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS (CONTINUED)

FOR THE NINE-MONTH PERIOD ENDED JULY 31, 2017

"UNAUDITED"

UNIT : THOUSAND BAHT

	Consolidated		Separate	
	Financial Statements		Financial Statements	
	"Restated"		"Restated"	
	2017	2016	2017	2016
CASH FLOWS FROM INVESTING ACTIVITIES				
Cash payments for the purchase of temporary investments	(1)	-	-	-
(Increase) decrease in short-term loans to related parties	-	(7,696)	104,114	111,467
Increase in short-term loans to farmers and others	(141,434)	(62,355)	(151,755)	(82,087)
Cash payments for investments in an associate	-	(8,100)	-	(8,100)
Cash received from sales of investments in an associate	-	84,500	-	84,500
Cash payments for investments in subsidiaries	-	-	(208,000)	-
Cash received from sales of investments in subsidiaries	-	-	207,929	-
Cash payments for purchases of other long-term investments	(6,749)	-	-	-
Cash received from redemption of other long-term investments	2,700	3,100	-	-
Decrease (increase) in loans for cane plantation development	38,534	35,744	14,542	(16,965)
Decrease in long-term loans to related parties and others	7,856	23,332	7,206	23,332
Cash received from dividends from other company	20,449	4,246	20,449	275,530
Cash payments for purchases of property, plant and equipment	(2,294,046)	(920,911)	(1,070,726)	(286,628)
Cash received from sales of property, plant and equipment	15,193	7,882	456	400
Cash payments for purchase of investment properties	(2,756)	(19)	(36)	(19)
Cash received from sales of investment properties	65	-	-	-
Cash payments for purchase of assets not yet used in operation	(32)	(18,731)	(32)	-
Cash received from sales of assets not yet used in operation	931	5,373	-	-
Cash payments of purchase of intangible assets	(279)	(319)	(230)	(2,526)
Net cash provided by (used in) investing activities	<u>(2,359,569)</u>	<u>(853,954)</u>	<u>(1,076,083)</u>	<u>98,904</u>
CASH FLOWS FROM FINANCING ACTIVITIES				
Increase in short-term borrowings from financial institutions	7,588,848	1,097,433	5,133,570	622,000
(Decrease) increase in short-term borrowings from related parties	(1,600)	900	(85,400)	57,900
Cash received from long-term debentures	2,496,044	-	2,496,044	-
Cash payment for long-term debentures	(3,000,000)	(1,000,000)	(3,000,000)	(1,000,000)
Cash received from long-term borrowings	-	1,000,000	-	1,000,000
Cash payment for long-term borrowings	(1,411,633)	(1,251,594)	(905,833)	(655,834)
Cash payments for dividends to shareholders of the parent	(441,023)	(222,734)	(441,023)	(222,734)
Cash payments for non-controlling interests	-	(1,564)	-	-
Net cash provided by (used in) financing activities	<u>5,230,636</u>	<u>(377,559)</u>	<u>3,197,358</u>	<u>(198,668)</u>
Exchange differences on translation of cash of foreign subsidiaries	(557)	14,374	-	-
Net increase (decrease) in cash and cash equivalents	<u>175,376</u>	<u>(42,990)</u>	<u>3,416</u>	<u>(14,312)</u>
Cash and cash equivalents at the beginning of the period	<u>82,311</u>	<u>168,021</u>	<u>20,856</u>	<u>42,206</u>
Cash and cash equivalents at the end of the period	<u><u>257,687</u></u>	<u><u>125,031</u></u>	<u><u>24,272</u></u>	<u><u>27,894</u></u>

See the condensed notes to the interim financial statements

KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES
CONDENSED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED JULY 31, 2017
“UNAUDITED”

1. GENERAL INFORMATION AND THE COMPANY’S OPERATIONS

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

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

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

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

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

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

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

The Company’s major shareholder is K.S.L. Sugar Holding Co., Ltd., a company incorporated in Thailand, which holds 32.92% of issued and paid-up share capital.

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

2.1 These interim consolidated and separate financial statements are prepared in Thai Baht and in compliance with Thai Accounting Standard No. 34 (Revised 2016) “Interim Financial Reporting” and accounting practices generally accepted in Thailand. The Company presents the condensed notes to interim financial statements.

2.2 The consolidated and separate statements of financial position as at October 31, 2016, presented herein for comparison, have been derived from the consolidated and separate financial statements of the Company for the year then ended which had been previously audited.

2.3 The unaudited results of operations presented in the nine-month period ended July 31, 2017 are not necessarily an indication nor anticipation of the operating results for the full year.

- 2.4 Certain financial information which is normally included in the annual financial statements prepared in accordance with TFRS, but which is not required for interim reporting purposes, has been omitted. Therefore, the interim financial statements for the nine-month period ended July 31, 2017 should be read in conjunction with the audited financial statements for the year ended October 31, 2016.
- 2.5 Material intercompany transactions between the Company and its subsidiaries have been eliminated from this interim consolidated financial statements. The interim consolidated financial statements for the nine-month period ended July 31, 2017 have included the subsidiaries' interim financial statements for the nine-month period ended July 31, 2017 which were reviewed.
- 2.6 These interim consolidated financial statements have been prepared by including the financial information of the Company and its subsidiaries (the "Group") and have been prepared under the same basis as the consolidated financial statements for the year ended October 31, 2016, as follows:

Company Name	Percentage of Shareholding		Country of Incorporation	Type of Business
	As at July 31, 2017	As at October 31, 2016		
	%	%		
Subsidiaries in which the Company holds shares directly				
New Krung Thai Sugar Factory Company Limited	95.78	95.78	Thailand	Manufacture and distribution of sugar and molasses
Tamaka Sugar Industry Company Limited	90.21	90.21	Thailand	Manufacture and distribution of sugar and molasses
New Kwang Soon Lee Sugar Factory Company Limited	98.61	98.61	Thailand	Manufacture and distribution of sugar and molasses
KSL Material Supplys Co., Ltd.	100.00	100.00	Thailand	Manufacture and distribution of fertilizer and trading spare part of agricultural
Khon Kaen Sugar Power Plant Company Limited	100.00	100.00	Thailand	Production and distribution of electricity
KSL Green Innovation Public Company Limited	100.00	100.00	Thailand	Manufacture and distribution of alcohol or fuel from agricultural produce
KSL. Agro & Trading Company Limited	100.00	100.00	Thailand	Domestic sugar trading and agricultural business operation
WSP Logistic Company Limited	100.00	100.00	Thailand	Service transport and shipping goods
Savannakhet Sugar Corporation	98.49	98.49	Laos	Agricultural operation, manufacture and distribution of sugar and molasses
Koh Kong Sugar Industry Co., Ltd.	80.00	80.00	Cambodia	Manufacture and distribution of sugar and molasses
Wynn In Trading Co., Ltd.	100.00	100.00	Mauritius	Trading and consultancy services
KSLGI Company Limited***	100.00	-	Thailand	The holding company
Subsidiaries in which the Company holds shares indirectly				
K.S.L. Export Trading Co., Ltd.*	79.55	79.55	Thailand	Export sugar as exporting agent
KSL Real Estate Company Limited**	91.02	91.02	Thailand	Housing and land for agriculture estate including holiday resort for training and seminar center and office building for rental
Subsidiary in which the Company holds the shares indirectly through Wynn In Trading Co., Ltd.				
Koh Kong Plantation Company Limited	80.00	80.00	Cambodia	Agricultural operation

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

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

*** New subsidiary which was registered as a limited company on July 20, 2017 (see Note 10)

The accounting period of subsidiaries ended the same date as the Company (accounting period ended on October 31) except for 6 subsidiaries whose accounting periods ended December 31, as follows:

- New Krung Thai Sugar Factory Company Limited
- Tamaka Sugar Industry Company Limited
- New Kwang Soon Lee Sugar Factory Company Limited
- KSL. Agro & Trading Company Limited
- WSP Logistic Company Limited
- KSLGI Company Limited

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

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

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

Commencing November 1, 2016, the Company has adopted the revised and new financial reporting standards issued by the Federation of Accounting Professions which become effective for fiscal years beginning on or after January 1, 2017. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards. The adoption of these financial reporting standards does not have any significant impact on the Company's financial statements, except the following financial reporting standard:

TAS 41 Agriculture and Accounting Treatment Guidance for Recognition and Measurement of Bearer Plant

TAS 41 and the Accounting Treatment Guidance for Recognition and Measurement of Bearer Plant prescribe the accounting treatment for recognition and measurement of biological asset, bearer plant and agricultural produce. The measurement is as follows:

- Biological asset which is not bearer plant is to be measured at its fair value less costs to sell.
- Bearer plant which is not yet mature and mature is to be measured at its costs less accumulated depreciation and allowance for impairment or at revaluation method. The measurement is in accordance with TAS 16 Property, Plant and Equipment.
- Agricultural produce is measured at its fair value less costs to sell at the point of harvest.

However, the cumulative effect of this change in accounting policies have no material impact on the previous year's financial statements presented herein for comparison, except for the presentation in the statements of financial position as follows:

	Unit : Million Baht			
	Consolidated Financial statements		Separate Financial statements	
	Previously presented	Currently presented	Previously presented	Currently presented
As at October 31, 2016				
Deferred cane plantation costs	407.24	-	21.99	-
Biological assets	-	250.73	-	11.50
Bearer plant (see Note 13)	-	156.51	-	10.49
As at November 31, 2015				
Deferred cane plantation costs	517.93	-	24.81	-
Biological assets	-	341.56	-	10.26
Bearer plant	-	176.37	-	14.55

2.8 In the fourth quarter of fiscal year 2016, the Company and its subsidiaries changed their accounting policies for investment property and assets not used in operation for land from valuation using the cost method to fair value. The consolidated and separate statements of financial position as at October 31, 2016, presented herein for comparison, are prepared in accordance with the new accounting policies. However, the consolidated and separate statements of profit and loss and statements of changes in shareholders' equity for the nine-month period ended July 31, 2016, presented herein for comparison, and the financial information for the year ended July 31, 2016, which is presented for comparison with the financial information for the year ended July 31, 2017 in Note 26 have been retrospectively adjusted, for the effects of such changes in accounting policies accordingly.

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

3. SIGNIFICANT ACCOUNTING POLICIES

The interim financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended October 31, 2016, except for the change in accounting policies regarding agriculture as a result of the adoption of new standard (see Note 2.7).

The Group's accounting policies regarding agriculture are as follows:

- Biological asset which is standing sugar cane is measured at its fair value less costs to sell.
- Agricultural produce which is harvested sugar cane is measured at its fair value less costs to sell at the point of harvest and is presented as a part of inventories.
- Bearer plant which consisted of sugar cane roots, labor cost and related initial harvest expenses is measured at its costs less accumulated depreciation and allowance for impairment (if any). The depreciation is calculated using the straight-line method over its estimated useful life of 3 years and presented as a part of property, plant and equipment.

The fair value of domestic harvested cane 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.

4. ADDITIONAL CASH FLOW INFORMATION AND CASH EQUIVALENTS

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

Type of Transactions	Consolidated		Unit : Thousand Baht Separate	
	Financial Statements		Financial Statements	
	2017	2016	2017	2016
Purchases of property, plant and equipment which have not yet been paid during the period	80,063	113,006	39,605	48,063
Dividend income offset against short-term borrowings from subsidiaries	-	-	-	815,000
Transfer of property, plant and equipment to assets not used in operations	58,458	1,659	3,361	-
Transfer of investment property to property, plant and equipment	4,849	2,251	-	-
Transfer of investment property to assets not used in operations	-	(1,102)	-	-
Transfer of equipment to intangible assets	5,969	4,333	5,779	-
Transfer of other non-current liabilities to other current liabilities	-	685	-	-

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

Type of Transactions	Consolidated		Unit : Thousand Baht Separate	
	Financial Statements		Financial Statements	
	As at July 31, 2017	As at October 31, 2016	As at July 31, 2017	As at October 31, 2016
Cash	3,382	3,214	1,901	2,070
Savings accounts deposits	74,019	16,593	13,858	7,854
Current accounts deposits	152,399	62,504	8,513	10,932
Deposit in transit	27,887	-	-	-
Total	<u>257,687</u>	<u>82,311</u>	<u>24,272</u>	<u>20,856</u>

5. TRANSACTIONS WITH RELATED PARTIES

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

5.1 Significant balances with the related parties are as follows:

Type of Balances	Unit : Million Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	As at July 31, 2017	As at October 31, 2016	As at July 31, 2017	As at October 31, 2016
Trade and other receivables				
Subsidiaries	-	-	207.76	275.67
Associates	-	1.30	-	1.27
Related parties	-	0.03	-	0.03
Total	<u>-</u>	<u>1.33</u>	<u>207.76</u>	<u>276.97</u>
Short-term loans (see Note 7)				
Subsidiaries	<u>-</u>	<u>-</u>	<u>3,829.03</u>	<u>2,136.23</u>
Other current assets				
Subsidiaries	-	-	48.14	40.00
Related parties	0.07	0.43	0.04	0.23
Total	<u>0.07</u>	<u>0.43</u>	<u>48.18</u>	<u>40.23</u>
Long-term loans				
Subsidiaries	<u>-</u>	<u>-</u>	<u>2,219.88</u>	<u>4,266.96</u>
Other non-current assets				
Subsidiaries	-	-	3.29	0.02
Related parties	0.02	-	-	-
Total	<u>0.02</u>	<u>-</u>	<u>3.29</u>	<u>0.02</u>
Trade and other payables				
Subsidiaries	-	-	336.43	100.79
Associates	0.07	3.54	-	2.38
Related parties	0.38	2.58	0.21	0.23
Total	<u>0.45</u>	<u>6.12</u>	<u>336.64</u>	<u>103.40</u>
Other accrued expenses (included in other payables)				
Subsidiaries	-	-	30.61	0.49
Related parties	-	0.02	-	-
Total	<u>-</u>	<u>0.02</u>	<u>30.61</u>	<u>0.49</u>
Short-term borrowings				
Subsidiaries	-	-	392.20	476.00
Related parties	5.30	6.90	5.30	6.90
Total	<u>5.30</u>	<u>6.90</u>	<u>397.50</u>	<u>482.90</u>
Other current liabilities				
Subsidiaries	-	-	0.25	0.02
Related parties	-	0.02	-	0.02
Total	<u>-</u>	<u>0.02</u>	<u>0.25</u>	<u>0.04</u>
Other non-current liabilities - others				
Subsidiaries	-	-	0.92	0.58
Related parties	1.19	1.32	1.19	1.30
Total	<u>1.19</u>	<u>1.32</u>	<u>2.11</u>	<u>1.88</u>

As at July 31, 2017 and October 31, 2016, short-term loans to subsidiaries represented promissory notes receivable on demand and represented current portion of long-term loans, carrying interest rates at 1.96% - 3.39% per annum and 1.90% - 3.60% per annum, respectively.

As at July 31, 2017 and October 31, 2016, long-term loans to subsidiaries represented loans with maturity date within 2020 carrying the interest rates at 3.73% per annum and 2.03% - 3.73% per annum, respectively.

As at July 31, 2017 and October 31, 2016, short-term borrowings from related parties represented promissory notes payable on demand, carrying the interest rates at 1.83% - 1.95% per annum and 1.90% - 3.60% per annum, respectively.

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

Type of transactions	Unit : Million Baht			
	Consolidated Financial Statements for the three-month periods ended July 31,		Separate Financial Statements for the three-month periods ended July 31,	
	2017	2016	2017	2016
Revenues from sales and rendering of services				
Subsidiaries	-	-	748.71	846.11
Related parties	0.58	0.45	-	0.06
Total	0.58	0.45	748.71	846.17
Cost of sales and rendering of services				
Subsidiaries	-	-	702.54	468.63
Associates	0.71	-	0.71	-
Related parties	0.84	-	0.80	-
Total	1.55	-	704.05	468.63
Other income				
Subsidiaries	-	-	48.86	47.00
Associates	0.38	1.06	0.32	0.55
Related parties	1.11	12.03	1.11	12.03
Total	1.49	13.09	50.29	59.58
Selling expenses				
Subsidiaries	-	-	0.82	0.96
Associates	2.63	15.69	0.10	9.90
Total	2.63	15.69	0.92	10.86
Administrative expenses				
Subsidiaries	-	-	0.82	0.46
Related parties	4.15	4.09	1.47	1.55
Related juristic person	2.11	2.91	1.76	2.55
Total	6.26	7.00	4.05	4.56
Financial costs				
Subsidiaries	-	-	1.21	1.41
Related juristic person	0.18	0.03	0.18	0.03
Total	0.18	0.03	1.39	1.44
Management compensation				
Short-term employee benefits	30.71	27.73	11.46	9.46
Post-employment benefits	1.08	1.28	0.45	0.55
Total	31.79	29.01	11.91	10.01

Type of transactions	Unit : Million Baht			
	Consolidated Financial Statements for the nine-month periods ended July 31,		Separate Financial Statements for the nine-month periods ended July 31,	
	2017	2016	2017	2016
Revenues from sales and rendering of services				
Subsidiaries	-	-	2,573.55	2,853.60
Related parties	1.41	2.55	-	1.03
Total	1.41	2.55	2,573.55	2,854.63
Cost of sales and rendering of services				
Subsidiaries	-	-	2,401.34	1,544.22
Associates	11.56	8.24	11.56	8.24
Related parties	1.44	0.41	1.33	0.41
Total	13.00	8.65	2,414.23	1,552.87
Other income				
Subsidiaries	-	-	147.12	144.33
Associates	0.99	2.09	0.32	0.65
Related parties	3.34	14.20	3.34	14.19
Total	4.33	16.29	150.78	159.17
Selling expenses				
Subsidiaries	-	-	1.98	3.54
Associates	12.41	36.58	0.18	17.74
Total	12.41	36.58	2.16	21.28
Administrative expenses				
Subsidiaries	-	-	2.46	0.94
Related parties	12.24	11.43	4.64	4.23
Related juristic person	7.80	8.68	6.81	7.63
Total	20.04	20.11	13.91	12.80
Financial costs				
Subsidiaries	-	-	4.42	10.90
Related juristic person	0.30	0.10	0.30	0.10
Total	0.30	0.10	4.72	11.00
Management compensation				
Short-term employee benefits	115.16	112.50	40.18	38.61
Post-employment benefits	3.24	3.83	1.36	1.64
Total	118.40	116.33	41.54	40.25

POLICIES OF INTER-PRICE SETTING

- The inter-purchases/sales of raw sugar transactions among the Group are based on the world market prices.
- In case of the sugar purchases/sales agreements entered into on behalf of the Group, which each company has already been allocated the sales volume, if any company within the Group has no sufficient volume of sugar to sell, the purchases of sugar can be made within the group companies at the same price as stipulated in such sugar purchases/sales agreements.

- The prices for other inter-purchases/sales of goods (except for sugar products) are in accordance with the prices stipulated in the mutually agreed contracts, which are higher than costs.
- The prices for the inter-purchases/sales of assets are in accordance with the agreed prices by counter parties, which are higher than costs.
- Revenues from sales of supplies are in accordance with the agreed prices by counter parties, which are higher than 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 incomes and expenses are charged according to the normal price charged to general clients.
- Fees for goods custody are charged according to the volume of the goods and the custody period at general market rates.
- Expenses paid on behalf of each other are charged at actual.

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

Company Name	Relationship	Connection
K.S.L. IT Center Co., Ltd.	Related party	Same group of shareholder and Mutual directors
On Nuj Construction Co., Ltd.	Related party	Same group of shareholder and Mutual directors
Raja Ceramics Co., Ltd.	Related party	Same group of shareholders
K.K. Wood Industry Co., Ltd.	Related party	Same group of shareholders
Amarco Co., Ltd.	Related party	Same group of shareholders
Thai Fermentation Industry Co., Ltd.	Related party	Same group of shareholders
KSL Tower Juristic Person office	Related Juristic Person	Shared owner of office building

All of the aforementioned related entities are incorporated in Thailand.

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

K.K Wood Industry Co., Ltd and Amarco Co., Ltd are related companies, registered the dissolution with the Ministry of Commerce in quarter 1 of 2017.

6. TRADE AND OTHER RECEIVABLES

Trade and other receivables consisted of:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	As at	As at	As at	As at
	July 31, 2017	October 31, 2016	July 31, 2017	October 31, 2016
Trade receivables	1,233,580	943,453	842,678	765,798
Farmer receivables	469,673	309,238	199,161	130,431
Other receivables	23,966	15,689	20,106	12,123
Prepaid expenses	54,941	37,652	22,132	17,232
Advance payment	23,343	16,574	19,206	4,767
Revenue Department receivable	23,243	-	20,219	-
Accrued income	80,533	84,670	59,186	49,763
Total trade and other receivables	<u>1,909,279</u>	<u>1,407,276</u>	<u>1,182,688</u>	<u>980,114</u>

6.1 Trade receivables consisted of:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	As at	As at	As at	As at
	July 31, 2017	October 31, 2016	July 31, 2017	October 31, 2016
Related parties	-	2	197,669	266,621
Others	<u>1,235,461</u>	<u>945,255</u>	<u>645,009</u>	<u>499,177</u>
Total	1,235,461	945,257	842,678	765,798
<u>Less</u> Allowance for doubtful accounts	<u>(1,881)</u>	<u>(1,804)</u>	<u>-</u>	<u>-</u>
Total trade receivables	<u>1,233,580</u>	<u>943,453</u>	<u>842,678</u>	<u>765,798</u>

Aging analyzes for trade receivables are as follows:

6.1.1 Trade receivables - related parties

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	As at	As at	As at	As at
	July 31, 2017	October 31, 2016	July 31, 2017	October 31, 2016
Domestic trade receivables				
Not yet due	-	2	178,914	239,955
Overdue not over 3 months	-	-	18,755	26,666
Total	<u>-</u>	<u>2</u>	<u>197,669</u>	<u>266,621</u>

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

6.1.2 Trade receivables - others

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	As at July 31, 2017	As at October 31, 2016	As at July 31, 2017	As at October 31, 2016
Business are to manufacture and distribute sugar and molasses				
Domestic trade receivables				
Not yet due	193,763	181,966	70,573	58,378
Overdue not over 3 months	57,884	59,742	30,792	21,541
Total	<u>251,647</u>	<u>241,708</u>	<u>101,365</u>	<u>79,919</u>
Foreign trade receivables				
Not yet due	494,669	442,321	418,457	417,908
Overdue not over 3 months	267,114	1,350	125,187	1,350
Total	<u>761,783</u>	<u>443,671</u>	<u>543,644</u>	<u>419,258</u>
Total of business are to manufacture and distribute sugar and molasses	<u>1,013,430</u>	<u>685,379</u>	<u>645,009</u>	<u>499,177</u>
Manufacture and distribution of alcohol and electricity				
Domestic trade receivables				
Not yet due	151,962	187,547	-	-
Overdue not over 3 months	57,533	61,813	-	-
Total of business of manufacturing and distributing of alcohol and electricity	<u>209,495</u>	<u>249,360</u>	<u>-</u>	<u>-</u>
Other business				
Domestic trade receivables				
Not yet due	2,167	3,279	-	-
Overdue not over 3 months	3,060	678	-	-
Overdue over 3 months but not over 6 months	444	-	-	-
Overdue over 12 months	6,865	6,559	-	-
Total other business	<u>12,536</u>	<u>10,516</u>	<u>-</u>	<u>-</u>
Total	1,235,461	945,255	645,009	499,177
<u>Less</u> Allowance for doubtful accounts	(1,881)	(1,804)	-	-
Total trade receivables - others	<u>1,233,580</u>	<u>943,451</u>	<u>645,009</u>	<u>499,177</u>

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

6.2 Farmer receivables consisted of:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	As at	As at	As at	As at
	July 31, 2017	October 31, 2016	July 31, 2017	October 31, 2016
Cane receivables				
Before Season 2013/2014	57,314	73,756	11,282	13,080
Season 2013/2014	40,133	40,946	6,283	6,844
Season 2014/2015	51,661	54,698	12,922	13,088
Season 2015/2016	59,708	79,180	15,389	22,345
Season 2016/2017	119,674	-	23,898	-
Total cane receivables	<u>328,490</u>	<u>248,580</u>	<u>69,774</u>	<u>55,357</u>
Advance payment				
Season 2016/2017	-	95,891	-	93,021
Season 2017/2018	170,677	-	143,877	-
Total advance payment for purchases of cane	<u>170,677</u>	<u>95,891</u>	<u>143,877</u>	<u>93,021</u>
Receivables from fuel oil, fertilizer and other services	<u>9,687</u>	<u>8,607</u>	<u>9,443</u>	<u>8,418</u>
Total	508,854	353,078	223,094	156,796
<u>Less</u> Allowance for doubtful accounts	<u>(39,181)</u>	<u>(43,840)</u>	<u>(23,933)</u>	<u>(26,365)</u>
Total farmer receivables	<u>469,673</u>	<u>309,238</u>	<u>199,161</u>	<u>130,431</u>

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

7. SHORT-TERM LOANS

Short-term loans consisted of:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	As at	As at	As at	As at
	July 31, 2017	October 31, 2016	July 31, 2017	October 31, 2016
Short-term loans to subsidiaries (see Note 5.1)	-	-	1,829,032	2,136,233
Short-term loans to other	169,139	-	169,139	-
Short-term loans to farmers	937,094	965,448	399,663	247,908
Current portion of long-term loans to subsidiaries (see Note 5.1)	-	-	2,000,000	-
Current portion of long-term loans to others	41,983	41,333	41,983	41,333
Current portion of loans for cane plantation development	179,583	266,316	45,317	58,532
Total short-term loans	<u>1,327,799</u>	<u>1,273,097</u>	<u>4,485,134</u>	<u>2,484,006</u>

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

Short-term loans to farmers as at July 31, 2017 and October 31, 2016, in the consolidated and separate financial statements represent loans the form of discounted check purchase for post-dated checks which the Company and its subsidiaries issued to the farmers on purchases of sugar cane, which the farmers discounted sale to the Company and its subsidiaries with interest rates based on average lending rates of commercial banks.

8. BIOLOGICAL ASSETS

Movements of biological assets for the nine-month period ended July 31, 2017 are as follows:

	Unit : Thousand Baht	
	Consolidated Financial Statements	Separate Financial Statements
Beginning book value	250,734	11,502
Gain on arising from change in fair value	4,425	3,391
Additional costs from cane plantation during the period	131,473	10,692
Amortization of cane plantation costs during the period	(205,218)	(14,893)
Exchange differences on translating financial statements	(10,656)	-
Ending book value	<u>170,758</u>	<u>10,692</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 current production season, a sweetness level and quantity of sugar cane (see Note 14). The fair value is hierarchy level 3.

9. INVESTMENTS IN ASSOCIATES

Investments in associates consisted of:

Consolidated Financial Statements

Company Name	Paid-up		Percentage of		As at July 31, 2017			As at October 31, 2016		
	Share Capital		Shareholding		Investment		Dividend	Investment		Dividend
	2017	2016	%	%	Cost	Equity	for the period 2017	Cost	Equity	for the year 2016
Thai Sugar Terminal Public Company Limited	191,664	191,664	23.82	23.82	90,267	433,229	5,478	90,267	340,157	4,227
T S G Assets Co., Ltd.*	50,000	50,000	4.11	4.11	2,061	2,061	-	2,061	2,061	-
T S Oil Industry Co., Ltd.*	500,000	500,000	0.62	0.62	3,089	3,089	-	3,089	3,089	-
T S Flour Mill Public Company Limited*	342,260	342,051	0.06	0.07	313	260	16	313	276	37
T S Warehouse Co., Ltd.*	12,500	12,500	4.02	4.02	509	509	-	509	509	-
T S Transport and Logistic Co., Ltd.*	400,000	400,000	10.12	10.12	40,508	40,508	-	40,508	40,508	-
Total					<u>136,747</u>	<u>479,656</u>	<u>5,494</u>	<u>136,747</u>	<u>386,600</u>	<u>4,264</u>

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

Separate Financial Statements

Company Name	Paid-up		Percentage of		Investment Cost		Dividends	
	share Capital		Shareholding		As at	As at	For the period ended	For the year ended
	2017	2016	%	%	July 31,	October 31,	July 31,	October 31,
			2017	2016	2017	2016	2017	2016
Thai Sugar Terminal Public Company Limited	191,664	191,664	23.82	23.82	90,267	90,267	5,478	4,227
T S G Assets Co., Ltd.*	50,000	50,000	4.11	4.11	2,061	2,061	-	-
T S Oil Industry Co., Ltd.*	500,000	500,000	0.62	0.62	3,089	3,089	-	-
T S Flour Mill Public Company Limited*	342,260	342,051	0.06	0.07	313	313	16	37
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	-	-
Total					136,747	136,747	5,494	4,264

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

10. INVESTMENTS IN SUBSIDIARIES

Investments in subsidiaries consisted of :

Separate Financial Statements

Company Name	Paid-up		Percentage of		Investment Cost		Dividends	
	Share Capital		Shareholding		As at	As at	For the period ended	For the year ended
	2017	2016	%	%	July 31,	October 31,	July 31,	October 31,
			2017	2016	2017	2016	2017	2016
New Krung Thai Sugar Factory Company Limited	1,000,000	1,000,000	95.78	95.78	834,394	834,394	-	-
Tamaka Sugar Industry Company Limited	600,000	600,000	90.21	90.21	523,337	523,337	-	-
New Kwang Soon Lee Sugar Factory Company Limited	500,000	500,000	98.61	98.61	569,284	569,284	-	-
KSL Material Supplys Company Limited	480,000	480,000	100.00	100.00	479,119	479,119	-	-
Khon Kaen Sugar Power Plant Company Limited	800,000	800,000	100.00	100.00	799,972	799,972	-	-
KSL Green Innovation Public Company Limited	610,000	610,000	100.00	100.00	609,986	609,986	-	304,993
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	-	-
Savannahet Sugar Corporation	684,757	684,757	98.49	98.49	674,178	674,178	-	-
Koh Kong Sugar Industry Company Limited *	1,167,660	1,167,660	80.00	80.00	932,589	932,589	-	-
Wynn In Trading Company Limited	487,497	487,497	100.00	100.00	487,497	487,497	-	-
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	-	3,049
KSLGI Company Limited	208,000	-	100.00	-	208,000	-	-	-
Total					6,744,515	6,536,515	-	308,042
<u>Less</u> Allowance for impairment of investments					(750,419)	(750,419)	-	-
Total investments in subsidiaries					5,994,096	5,786,096	-	308,042

* 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 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.

Movements in investments in subsidiaries for the nine-month period ended July 31, 2017 are as follows:

	Unit : Thousand Baht
Beginning balance	5,786,096
Additional investments	
KSLGI Company Limited	208,000
Ending balance	5,994,096

On July 19, 2017, the Company's Board of Directors' Meeting No. 6/2016-2017 has resolutions as follows:

- To approve the incorporation of the Company's subsidiary, KSLGI Company Limited, with the registered capital of Baht 832.00 million (83.20 million ordinary shares with a par value of Baht 10 each) which 25% of such subsidiary's registered capital would be called.
- To approve the sales of all shares of KSL Green Innovation Public Company Limited held by the Company to KSLGI Company Limited 609,985,600 ordinary shares (a subsidiary of the Company which be established and the transfer of and hold 99.99% in KSL Green Innovation Public Company).
- To approve the amalgamation between KSLGI Company Limited and BBP Holding Co., Ltd (a subsidiary of Bangchak Corporation Public Company Limited). The Company and Bangchak Corporation Public Company Limited will hold 40% and 60% of shares of new amalgamated company.

On July 19, 2017, the Company has signed the Amalgamation Agreement with Banchan Corporation Public Company Limited for the amalgamation between KSLGI Company Limited and BBP Holding Co., Ltd. The amalgamation is expected to be completed within 2017.

On July 20, 2017, the subscriptions of Baht 208.00 million were paid by the Company to KSLGI Company Limited, a subsidiary, for the called 25% of such subsidiary's registered capital. KSLGI Company Limited was registered as a limited company with the Department of Business Development on July 20, 2017. And the remaining subscriptions called and paid in August 2017.

In July 2017, the Company received advance payment of Baht 207.93 million for the 25% of agreed selling price of KSL Green Innovation Public Company Limited's shares from KSLGI Company Limited and the remaining amount will be received within the 4th quarter of 2017.

11. OTHER LONG-TERM INVESTMENTS

Other long-term investments consisted of:

	Parentage of Shareholding		Consolidated		Unit : Thousand Baht	
	Direct and indirect		Financial Statements		Separate	
	As at July 31, 2017	As at October 31, 2016	As at July 31, 2017	As at October 31, 2016	As at July 31, 2017	As at October 31, 2016
General Investments	%	%				
- Thai Cane and Sugar Co., Ltd.	3.93	3.93	787	787	323	323
- Thai Sugar Millers Co., Ltd.	7.36	7.36	8	8	2	2
- Madman Co., Ltd.	-	9.46	-	350,000	-	350,000
- TISCO ESG Investment Fund for Society			20,000	20,000	20,000	20,000
Total			20,795	370,795	20,325	370,325
Marketable equity securities-Available-for-sale-securities						
- Madman Public Company Limited	7.46	-	350,000	-	350,000	-
Gain from the reclassification of investment			82,952	-	82,952	-
Change in fair value			(44,082)	-	(44,082)	-
Net			388,870	-	388,870	-
Held-to-maturity debt securities - government bonds			6,749	2,724	-	-
Less Amortization			(64)	(22)	-	-
Current portion			-	(2,702)	-	-
Net			6,685	-	-	-
Total other long-term investments			416,350	370,795	409,195	370,325

In during the second quarter of 2017, the investment in Madman Co., Ltd. was changed from general investment to investment in available-for-sale securities since the Company had has registered with the Stock Exchange of Thailand and started trading on April 11, 2017 which gain from the reclassification of investment of Baht 82.95 million was recognized.

The fair value of investments in available-for-sale securities is the offer price on the Stock Exchange of Thailand which is hierarchy level 1.

12. INVESTMENT PROPERTY

Movement of investment property which consisted of land, land improvement and building and warehouses using fair value method for the nine-month period ended July 31, 2017 are as follows:

	Consolidated Financial Statements	Unit : Thousand Baht Separate Financial Statements
Beginning book value	4,496,184	1,499,684
Reclassification/Adjustments	(4,849)	-
Purchases	2,756	36
Disposal	(301)	-
Ending book value	<u>4,493,790</u>	<u>1,499,720</u>

For the nine-month periods ended July 31, 2017 and 2016, the Company and its subsidiaries recognized rental income from investment property of Baht 151.52 million and Baht 145.51 million, respectively, in the consolidated statements of profit or loss, and of Baht 38.40 million and Baht 35.52 million, respectively, in the separate statements of profit or loss.

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

13. PROPERTY, PLANT AND EQUIPMENT

Movements of property, plant and equipment for the nine-month period ended July 31, 2017 are as follows:

	Consolidated Financial Statements	Unit : Thousand Baht Separate Financial Statements
Beginning book value - as previously reported	26,029,479	7,937,194
Restated - increase of bearer plant	156,510	10,485
Beginning book value - after adjustment	<u>26,185,989</u>	<u>7,947,679</u>
Reclassifications/adjustments	(76,595)	(16,142)
Purchases of assets (including construction in progress and bearer plant)	2,228,465	1,074,567
Transfer in - cost	535,749	138,792
Transfer out - cost	(535,749)	(138,792)
Cost of disposal/written off of assets	(88,798)	(6,216)
Accumulated depreciation - disposal/written off	51,613	4,779
Depreciation	(1,017,512)	(311,765)
Translation of financial statements differences	(105,856)	-
Ending book value	<u>27,177,306</u>	<u>8,692,902</u>

As at July 31, 2017 and October 31, 2016, buildings and structure and building under construction of two foreign subsidiaries at book value of Baht 448.38 million and Baht 487.43 million, respectively, in the consolidated financial statements, are located on the concessional and which the ownership will be transferred to the lesser when the agreements are expired (see Note 24.7.3).

As at July 31, 2017 and October 31, 2016, assets at cost of Baht 4,544.09 million and Baht 4,013.62 million, respectively, in the consolidated financial statements, and of Baht 2,495.30 million and Baht 2,260.77 million, respectively, in the separate financial statements, were fully depreciated but still in use.

As at July 31, 2017 and October 31, 2016, land which is recorded at revaluation method with the net value of Baht 3,263.28 million and Baht 3,160.21 million, respectively, in the consolidated financial statements and in the separate financial statements of Baht 1,402.33 million and Baht 1,360.09 million, respectively, 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, 2016, and net book value at the cost method of Baht 953.29 million and Baht 850.23 million, respectively, in the consolidated financial statements, and in the separate financial statements of Baht 449.37 million and Baht 407.14 million, respectively.

14. TRADE AND OTHER PAYABLES

Trade and other payables consisted of:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	As at July 31, 2017	As at October 31, 2016	As at July 31, 2017	As at October 31, 2016
Trade payables - related parties	216	2,325	114,692	87,341
Trade payables - others				
- Payables for cane purchases	93,463	724,238	6,538	230,566
- Other trade payables	72,654	61,470	5,209	21,687
Advances received for sales of goods	106,750	20,442	67,726	13,714
Advances received for sales of shares (see Note 10)	-	-	207,929	-
Accrued fees payable to the Office of the Cane and Sugar Fund	34,150	38,842	19,205	5,456
Accrued stabilization function payment to the Office of the Cane and Sugar Fund	43,960	-	23,370	-
Other accrued expenses	195,944	178,212	169,309	109,894
Payables on purchases of assets	175,312	242,030	42,377	45,541
Other payables	433,403	444,051	389,380	391,567
Total trade and other payables	<u>1,155,852</u>	<u>1,711,610</u>	<u>1,045,735</u>	<u>905,766</u>

As at July 31, 2017, the Company and its three subsidiaries purchased canes for the production season 2016/2017 using the initial cane price for production season 2016/2017 announced by the Cane and Sugar Board's in the Royal Gazette dated April 17, 2017. The price is Baht 1,050.00 per cane ton with sweetness level at 10 c.c.s. and fluctuating cane price per one c.c.s. is fixed at Baht 63.00 per cane ton. Until the date the Company's an authorized director approved the issuance of these interim financial statements, the Office of Cane and Sugar Board has not yet announced a final cane price for the production season 2016/2017. Therefore, the Company and its subsidiaries recorded the provision for production costs as mentioned in Note 15 and calculated cost of goods sold and inventories for the nine-month period ended July 31, 2017, from the estimation made by the management of the Company and its subsidiaries by reference calculated from the Office of Cane and Sugar Board at cane price of Baht 1,277.56 - 1,373.52 per ton with average sweetness level at 11.06 - 12.81 c.c.s.

15. PROVISION FOR PRODUCTION COSTS

As at July 31, 2017, the Company and three subsidiaries recorded provision for production cost based on average rate of production costs for the entire production season to estimate the cost of production per unit, which was calculated from the estimated cost of cane, direct labor and production costs expected to occur divided by the estimated volume of production expected to produce in each production season. The estimated cost of cane is based on the price as mentioned in Note 14 and the quantities of cane to be crushed in each production season. Direct labor and production costs are estimated by the management of the Company and its subsidiaries by considering from past information relating to the nature of each recurring expense and capacity in each production season. The differences between the estimated production cost of the produced units and the actual production cost is upper in each reporting period is shown under the “Provision for Production Costs”, which will reduce over time according to the increase in actual production costs and will be completely depleted at the end of the production season.

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

16. LONG-TERM DEBENTURES

Long-term debentures consisted of:

	Unit : Thousand Baht	
	Consolidated/Separate	
	Financial Statements	
	As at	As at
	July 31,	October 31,
	2017	2016
Unsecured senior debt debentures	9,492,755	9,993,070
<u>Less</u> Current portion	<u>(1,999,293)</u>	<u>(2,999,307)</u>
Net	<u>7,493,462</u>	<u>6,993,763</u>

Movements of long-term debentures for the nine-month period ended July 31, 2017 are as follows:

	Unit : Thousand Baht
	Consolidated/Separate
	Financial Statements
Beginning book value	9,993,070
Debentures issuance during the period	2,500,000
Redemptions during the period	(3,000,000)
Amortized debenture issuance expenses during the period	<u>(315)</u>
Ending book value	<u>9,492,755</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 not exceed 2 : 1 the entire term.

As at October 31, 2016, the debts with interest to equity ratio is 1.13 : 1.00.

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

As at July 31, 2017, the credit rating of the debentures was not lower than the Company's credit rating.

17. LONG-TERM BORROWINGS

Movements of long-term borrowings for the nine-month periods ended July 31, 2017, are as follows:

	Consolidated Financial Statements	Unit : Thousand Baht Separate Financial Statements
Beginning balance at book value	5,067,466	3,409,666
Repayment during the period	<u>(1,411,633)</u>	<u>(905,833)</u>
Ending balance at book value	3,655,833	2,503,833
<u>Less</u> Current portion	<u>(1,853,833)</u>	<u>(1,153,833)</u>
Long-term borrowings	<u>1,802,000</u>	<u>1,350,000</u>

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

	Consolidated Financial Statements		Separate Financial Statements	
	As at July 31, 2017 %	As at October 31, 2016 %	As at July 31, 2017 %	As at October 31, 2016 %
Borrowings - Baht currency	2.00 - 4.25	2.00 - 4.25	2.00 - 3.80	2.00 - 3.86

Maturities of long-term borrowings are as follows:

	Consolidated Financial Statements		Unit : Thousand Baht Separate Financial Statements	
	As at July 31, 2017	As at October 31, 2016	As at July 31, 2017	As at October 31, 2016
Within 1 year	1,853,833	2,011,633	1,153,833	1,205,833
Over 1 year and within 5 years	1,802,000	3,055,833	1,350,000	2,203,833

Credit Limit	Balances		Interest rate	Principal repayment	Interest payment	Commencing repayment	Maturity
	As at	As at					
	July 31, 2017	October 31, 2016					
	Thousand Baht	Thousand Baht					
The Company							
1. Baht 2,500 million	550,000	850,000	AMLR - Fixed rate	Semi-annual	Monthly	May 2013	March 2019
2. Baht 1,500 million	750,000	1,050,000	AMLR - Fixed rate	Semi-annual	Quarterly	May 2015	November 2019
3. Baht 1,000 million	700,000	900,000	AMLR - Fixed rate	Semi-annual	Quarterly	June 2016	December 2020
4. Baht 1,000 million	500,000	600,000	AMLR - Fixed rate	Semi-annual	Monthly	April 2015	October 2019
5. Baht 11.30 million	-	2,000	Fixed rate	Annual	Monthly	June 2012	June 2017
6. Baht 23 million	3,833	7,666	Fixed rate	Annual	Annual	June 2013	June 2019
Total	<u>2,503,833</u>	<u>3,409,666</u>					
The subsidiaries							
7. Baht 800 million	100,000	200,000	AMLR - Fixed rate	Semi-annual	Monthly	February 2014	February 2019
8. Baht 1,000 million	500,000	600,000	Fixed rate	Semi-annual	Monthly	April 2015	October 2019
9. Baht 1,000 million	200,000	400,000	AMLR - Fixed rate	Semi-annual	Monthly	March 2012	June 2018
10. Baht 1,000 million	352,000	452,000	AMLR - Fixed rate	Semi-annual	Monthly	August 2014	February 2019
11. Baht 33.90 million	-	5,800	Fixed rate	Annual	Annual	June 2012	June 2017
Total	<u>1,152,000</u>	<u>1,657,800</u>					
Grand Total	<u>3,655,833</u>	<u>5,067,466</u>					

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

In the consolidated and separate financial statements as at July 31, 2017 and October 31, 2016, most of the borrowings are guaranteed by the Company and its subsidiaries. The subsidiaries insured certain structure and machine with transferring beneficial right to lenders, the commercial banks. The fifth, sixth and eleventh credit lines are borrowing for purchases of agricultural equipment with secured by the executive directors of the Company and guaranteed cheques of the Company.

In addition, the Company and its subsidiaries have to abide to certain financial conditions, the Company and its subsidiaries have to maintain the debt with interest-to-equity ratio. And the subsidiaries have to maintain the shareholding ratio of the Company in subsidiaries, debt service coverage ratio, restriction on additional long-term debt creation, increase of the registered share capital and restriction on dividend payment of subsidiaries. As at July 31, 2017 and October 31, 2016, the Company and its subsidiaries can maintain the ratios as stipulated in the agreements.

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

18.1 Income tax expense (income)

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

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	"Restated"		Financial Statements	
	2017	2016	2017	"Restated" 2016
<u>Current income tax</u>				
Current income tax expense (income)	159,598	97,351	(3,713)	-
<u>Deferred income tax</u>				
Deferred income tax expense (income)				
and temporary differences	17,683	(34,312)	(1,349)	(15,223)
Total	<u>177,281</u>	<u>63,039</u>	<u>(5,062)</u>	<u>(15,223)</u>

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

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	"Restated"		Financial Statements	
	2017	2016	2017	"Restated" 2016
Profit (loss) before income tax expense (income)				
- Promoted sector-exempted from income tax	427,647	244,954	-	-
- Non-promoted sector	912,213	436,348	8,518	(74,669)
Total profit (loss) before income tax expense (income)	<u>1,339,860</u>	<u>681,302</u>	<u>8,518</u>	<u>(74,669)</u>
Statutory tax rates (%)	20	20	20	20
Income tax expense				
- Non-promoted sector	182,443	87,270	1,704	-
Total income tax	<u>182,443</u>	<u>87,270</u>	<u>1,704</u>	<u>-</u>
Effect on income tax from non-deductible taxable expense and exempted taxable income expense	<u>(37,737)</u>	<u>22,689</u>	<u>(1,704)</u>	<u>-</u>
	144,706	109,959	-	-
Prior year income tax income	14,892	(12,608)	(3,713)	-
Deferred income tax expense (income)	<u>17,683</u>	<u>(34,312)</u>	<u>(1,349)</u>	<u>(15,223)</u>
Income tax expense (income)	<u>177,281</u>	<u>63,039</u>	<u>5,062</u>	<u>(15,223)</u>

18.2 Deferred tax assets - net are as follows:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	As at	As at	As at	As at
	July 31, 2017	October 31, 2016	July 31, 2017	October 31, 2016
Deferred tax assets - net				
Employee benefit obligations	614	587	-	-
Loss carried forward	3,180	2,243	-	-
Allowance for diminution in value of inventories	50	-	-	-
Deferred tax assets - net	<u>3,844</u>	<u>2,830</u>	<u>-</u>	<u>-</u>

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

2017

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

2016

	Unit : Thousand Baht			
	Consolidated Financial Statements			
	“Restated”	Items as	Items as	“Restated”
	As at	recognized in	recognized	As at
November 1, 2015	profit or loss	in other comprehensive income	July 31, 2016	
Deferred tax assets - net				
Employee benefit obligations	1,281	7,964	-	9,245
Loss carried forward	1,208	60,835	-	62,043
Depreciation	(269)	4,606	-	4,337
Allowance for diminution in value of inventories	11,655	(1,530)	-	10,125
Gain on asset revaluation	(14,455)	-	(51,413)	(65,868)
Allowance for doubtful accounts	361	4,044	-	4,405
Change in fair value	9,768	(27,829)	-	(18,061)
Others	391	959	-	1,350
Deferred tax assets - net	<u>9,940</u>	<u>49,049</u>	<u>(51,413)</u>	<u>7,576</u>

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

	Unit : Thousand Baht Consolidated Financial Statements	
	2017	2016
	The following deferred tax assets have not been recognized	
Temporary differences	(155,197)	(145,018)
Loss carried forward	<u>264,554</u>	<u>266,638</u>
	<u>109,357</u>	<u>121,620</u>

As at July 31, 2017, the Company's management assessed that the deferred tax assets will not be utilized in full amount because the future taxable profit of subsidiaries will not be sufficient to utilize such deferred tax assets. The loss carried forward which is not recognize deferred tax asset of Baht 264.55 million, will be matured by the years 2017 and 2022 of Baht 61.09 million and Baht 203.46 million, respectively.

18.3 Deferred tax liabilities - net are as follows:

	Consolidated Financial Statements		Unit : Thousand Baht Separate Financial Statements	
	As at July 31, 2017	As at October 31, 2016	As at July 31, 2017	As at October 31, 2016
	Deferred tax liabilities - net			
Allowance for doubtful accounts	(21,447)	(18,702)	(6,727)	(7,213)
Allowance for diminution in value of inventories	(23,385)	(1,226)	(10,398)	(1,226)
Allowance for impairment in subsidiary investments	-	-	(150,084)	(148,907)
Allowance for impairment in other long-term investments	-	(1,177)	-	(1,177)
Employee benefit obligations	(53,725)	(51,385)	(22,511)	(21,485)
Gain on asset revaluation	551,270	551,270	194,858	194,858
Loss carried forward	(150,434)	(178,919)	(97,719)	(94,696)
Depreciation	46,602	37,383	14,853	5,595
Change in fair value	431,981	425,368	233,018	230,738
Others	(14,828)	(23,049)	(591)	(8,213)
Deferred tax liabilities - net	<u>766,034</u>	<u>739,563</u>	<u>154,699</u>	<u>148,274</u>

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

2017

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

2016

	Unit : Thousand Baht			
	Consolidated Financial Statements			
	“Restated” As at November 1, 2015	Items as recognized in profit or loss	Items as recognized in other comprehensive income	“Restated” As at July 31, 2016
Deferred tax liabilities - net				
Allowance for doubtful accounts	(11,290)	2,747	-	(8,543)
Allowance for diminution in value of inventories	(20,386)	19,160	-	(1,226)
Allowance for impairment in other long-term investments	(1,177)	-	-	(1,177)
Employee benefit obligations	(42,640)	5,656	-	(36,984)
Gain on asset revaluation	294,692	-	(51,521)	243,171
Loss carried forward	(229,712)	110,971	-	(118,741)
Depreciation	124,765	(102,558)	-	22,207
Change in fair value	136,516	(22,849)	-	113,667
Others	(3,578)	1,610	-	(1,968)
Deferred tax liabilities - net	<u>247,190</u>	<u>14,737</u>	<u>(51,521)</u>	<u>210,406</u>

2017

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

2016

	Unit : Thousand Baht			
	“Restated” As at November 1, 2015	Separate Financial Statements		“Restated” As at July 31, 2016
		Items as recognized in profit or loss	Items as recognized in other comprehensive income	
Deferred tax liabilities - net				
Allowance for doubtful accounts	(5,591)	(953)	-	(6,544)
Allowance for diminution in value of inventories	(4,980)	3,754	-	(1,226)
Allowance for impairment in other long-term investments	(1,177)	-	-	(1,177)
Employee benefit obligations	(18,355)	(742)	-	(19,097)
Gain on asset revaluation	93,305	-	-	93,305
Loss carried forward	(89,776)	(16,843)	-	(106,619)
Depreciation	(3,525)	(224)	-	(3,749)
Change in fair value	94,167	417	-	94,584
Others	629	(632)	-	(3)
Deferred tax liabilities - net	<u>64,697</u>	<u>(15,223)</u>	<u>-</u>	<u>49,474</u>

19. DIVIDENDS PAID AND LEGAL RESERVE

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

Dividends	Approved by	Number of shares Billion shares	Dividends Paid per share	Ordinary Shares per share	Dividends Paid Million Baht	Dividends Paid Date	Addition Legal Reserve
- Dividends paid from the Company's result of operations from November 1, 2015 to October 31, 2016	No. 1/2017 held on February 24, 2017	4.41	0.10	-	441.02	March 23, 2017	-
- Dividends paid from the Company's result of operations from November 1, 2014 to October 31, 2015	No. 1/2016 held on February 26, 2016	4.01	0.06	0.05	423.21	March 25, 2016	20.05

In accordance with the Public Limited Company Act B.E. 2535, the Company is required to set aside a legal reserve of at least 5 percent of net earnings after deducting accumulated deficit brought forward (if any) until reserve reaches 10 percent of the authorized share capital and this reserve is not available for distribution as dividends. As at July 31, 2017 and October 31, 2016, the Company's legal reserve reaches 10 percent of the Company's authorized share capital.

20. MANAGEMENT BENEFIT EXPENSES

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

	Unit : Thousand Baht	
	Consolidated/ 2017	Separate 2016
For the three-month periods ended July 31,	1,692	1,713
For the nine-month periods ended July 31,	7,420	7,279

21. EXPENSES BY NATURE

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

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	for the three-month		Financial Statements	
	for the three-month		for the three-month	
	periods ended July 31,		periods ended July 31,	
	“Restated”		“Restated”	
	2017	2016	2017	2016
Salaries, wages and other employee benefits	140,124	155,677	37,842	64,604
Depreciation	180,990	151,696	37,834	19,494
Fee paid to the Office of the Cane and Sugar Fund	238,638	289,729	97,625	124,803
Maintenance expenses	59,419	54,157	12,596	22,378
Transportation expenses	107,831	169,416	60,664	84,799
Raw material and supplies used	262,596	181,036	59,008	38,478
Purchased finished goods	56,485	7,560	476,870	395,390
Changes in finished goods and goods in process	2,731,193	3,106,091	1,537,739	1,285,511
Management benefit expenses	30,707	27,728	11,454	9,463
Finance costs	174,124	184,881	131,943	138,307
Other operating expenses	169,509	148,538	109,977	95,197
Total	4,151,616	4,476,509	2,573,552	2,278,424

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	for the nine-month		Financial Statements	
	for the nine-month		for the nine-month	
	periods ended July 31,		periods ended July 31,	
	“Restated”		“Restated”	
	2017	2016	2017	2016
Salaries, wages and other employee benefits	1,205,656	1,237,779	480,397	499,521
Depreciation	1,017,512	1,054,834	311,765	390,361
Fee paid to the Office of the Cane and Sugar Fund	832,347	910,517	312,491	424,556
Maintenance expenses	626,956	648,928	239,201	248,303
Transportation expenses	363,577	412,655	104,363	210,627
Raw material and supplies used	10,183,853	8,442,494	4,923,052	4,506,584
Purchased finished goods	163,972	18,067	1,666,695	1,130,708
Changes in finished goods and goods in process	(4,473,479)	(2,235,449)	(2,446,471)	(1,205,671)
Management benefit expenses	115,158	112,501	40,177	38,611
Finance costs	508,073	545,625	387,262	420,052
Other operating expenses	523,836	670,801	434,445	302,476
Total	11,067,461	11,818,752	6,453,377	6,966,128

22. EARNINGS (LOSS) PER SHARE

The calculations of basic earnings (loss) per share were based on dividing the profit (loss) for the period attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares held by the outsiders outstanding during the period. Basic earnings (loss) per share for three-month and nine-month periods ended July 31, 2017 and 2016 is as follows:

2017

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

2016 (Restated)

	Consolidated Financial Statements			Separate Financial Statements		
	Net profit for the period Thousand Baht	Number of shares Thousand Shares	Earnings per share Baht	Net loss for the period Thousand Baht	Number of shares Thousand Shares	(Loss) per share Baht
<u>Basic earnings (loss) per share</u>						
For the three-month period						
to ordinary equity holders	93,197	4,410,244	<u>0.021</u>	(3,450)	4,410,244	<u>(0.001)</u>
For the nine-month period						
to ordinary equity holders	634,632	4,410,244	<u>0.144</u>	(59,446)	4,410,244	<u>(0.013)</u>

* Number of shares as at July 31, 2017 equivalent to number of shares as at October 31, 2016. However, number of share as at October 31, 2016 changed from the stock dividend adjustment.

23. DISCLOSURE OF OPERATING SEGMENTS

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

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 Distribution of Alcohol

Produce and distribute alcohol to a domestic and overseas oil companies.

Manufacture and Sale of Electricity

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

Real Estate Rental

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

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

Major Customer Information

For the nine-month periods ended July 31, 2017 and 2016, the Group has revenue with an other party in Thailand in electricity sector in the amount of Baht 675.68 million and Baht 607.49 million, respectively, of the Group's total revenue.

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

Consolidated statements of profit or loss

For the nine-month periods ended July 31, 2017 and 2016

	Unit : Million Baht															
	Manufacture and Distribution of Sugar and Molasses		Manufacture and Distribution of Alcohol		Manufacture and Sale of Electricity		Real Estate Rental		Others Business		Inter-Transaction		Total			
	“Restated”		“Restated”		“Restated”		“Restated”		“Restated”		“Restated”		“Restated”			
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016		
Thai	Overseas	Thai	Overseas	Thai	Thai	Thai	Thai	Thai	Thai	Thai	Thai	Thai	Thai	Thai		
Net revenue from operation - others	8,300	472	8,863	826	1,657	1,489	676	608	125	117	494	322	-	-	11,724	12,225
Net revenue from operation - related parties	4,761	136	4,755	153	-	-	1,588	1,634	-	-	1,527	907	(8,012)	(7,449)	-	-
Total	13,061	608	13,618	979	1,657	1,489	2,264	2,242	125	117	2,021	1,229	(8,012)	(7,449)	11,724	12,225
Profit (loss) from operations	2,228	231	2,152	30	313	290	682	691	142	131	119	94	(161)	(198)	3,554	3,190
Selling, administrative expenses and others															(1,806)	(1,982)
Finance costs	(491)	(70)	(525)	(65)	(21)	(27)	(52)	(57)	(19)	(23)	-	(3)	145	154	(508)	(546)
Share of profit of investment in an associate															99	19
Income tax expenses															(177)	(63)
Net profit															1,162	618
(Less) Loss for the nine-month period of non-controlling interest															(11)	16
Profit for the period															1,151	634
Interest income	223	5	219	7	-	6	-	-	-	-	1	3	(145)	(154)	84	81
Depreciation	(567)	(69)	(616)	(76)	(54)	(40)	(246)	(244)	-	-	(14)	(24)	-	-	(950)	(1,000)

Consolidated Statements of Financial Position

As at July 31, 2017 and October 31, 2016

Trade and other receivables	2,022	52	1,452	72	156	198	175	168	18	12	333	166	(847)	(661)	1,909	1,407
Inventories	5,444	344	1,423	145	686	334	97	62	-	-	574	637	(37)	(49)	7,108	2,552
Property, plant and equipment	15,261	3,266	14,437	3,413	880	907	7,487	7,041	-	1	732	757	(449)	(370)	27,177	26,186
Central assets	17,195	410	17,342	375	22	15	31	104	3,641	3,635	518	455	(13,297)	(13,696)	8,520	8,230
Total Assets	39,922	4,072	34,654	4,005	1,744	1,454	7,790	7,375	3,659	3,648	2,157	2,015	(14,630)	(14,776)	44,714	38,375
Total Liabilities	26,729	3,028	21,467	2,907	1,035	948	2,266	2,363	907	964	498	461	(7,035)	(7,386)	27,428	21,724

24. COMMITMENTS, CONTINGENT LIABILITIES AND SIGNIFICANT AGREEMENTS

As at July 31, 2017 and October 31, 2016, apart from liabilities reflected in the interim financial information, the Company and its subsidiaries have commitments and contingent liabilities as follows:

24.1 The Company and its subsidiaries have commitments relating to the sales agreements but not yet delivered in the consolidated financial statements amounting to Baht 4,907.05 million and Baht 1,455.67 million, respectively, and in the separate financial statements amounting to Baht 2,355.85 million and Baht 816.63 million, respectively.

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

	Consolidated		Unit : Million Baht Separate	
	Financial Statements		Financial Statements	
	As at July 31, 2017	As at October 31, 2016	As at July 31, 2017	As at October 31, 2016
For the production season 2016/2017	-	1,106.95	-	370.17
For the production season 2017/2018	1,013.36	-	378.55	-

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

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

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

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

Unit : Million

	Currency	Consolidated Financial Statements					
		As at July 31, 2017			As at October 31, 2016		
		Total	Utilized	Remaining	Total	Utilized	Remaining
Commitments							
Contract to guarantee of debt repayment of subsidiary for all contingent liabilities	THB	-	4,176.60	-	-	3,417.35	-
Contract to guarantee of debt repayment of subsidiary for all contingent liabilities	USD	-	8.79	-	-	1.97	-
Credit facilities							
Letters of guarantees (unspecified credit limit)	THB	-	90.95	-	-	81.45	-
Letters of credit and trust receipts	THB	120.00	-	120.00	170.00	-	170.00
Letters of credit	USD	10.00	-	10.00	11.90	1.90	10.00
Letters of credit	EURO	-	-	-	2.01	2.01	-
Overdraft and short-term borrowings	THB	25,006.70	8,101.56	16,905.14	21,512.20	2,720.73	18,791.47
Short-term borrowings	USD	50.50	8.22	42.28	50.50	0.04	50.46
Joint credit line in short-term borrowings	THB	3,875.50	2,970.50	905.00	2,365.00	1,035.00	1,330.00
Joint credit line in short-term borrowings	USD	-	-	-	20.00	-	20.00
Long-term borrowings	THB	3,655.83	3,655.83	-	5,067.47	5,067.47	-

Unit : Million

	Currency	Separate Financial Statements					
		As at July 31, 2017			As at October 31, 2016		
		Total	Utilized	Remaining	Total	Utilized	Remaining
Commitments							
Contract to guarantee of debt repayment of subsidiary for all contingent liabilities	THB	-	2,940.60	-	-	1,642.85	-
Contract to guarantee of debt repayment of subsidiary for all contingent liabilities	USD	-	8.07	-	-	1.93	-
Credit facilities							
Letters of guarantees (unspecified credit limit)	THB	-	4.53	-	-	4.13	-
Letters of credit and trust receipts	THB	30.00	-	30.00	30.00	-	30.00
Letters of credit	EURO	-	-	-	2.01	2.01	-
Overdraft and short-term borrowings	THB	11,394.70	6,241.57	5,153.13	9,545.20	1,108.00	8,437.20
Short-term borrowings	USD	10.50	-	10.50	10.50	-	10.50
Joint credit line in short-term borrowings	THB	3,875.50	2,970.50	905.00	2,365.00	1,035.00	1,330.00
Joint credit line in short-term borrowings	USD	-	-	-	20.00	-	20.00
Long-term borrowings	THB	2,503.83	2,503.83	-	3,409.67	3,409.67	-

The above credit facilities are partially secured between the Company and its subsidiaries, and transfer of benefits arisen from insurance policy for structure and machineries to the lenders. For certain credit fatalities are secured by the executive directors of the Company and guaranteed cheques of the Company. In addition, for certain credit facilities, if they are is utilized, certain inventories of the Company and its subsidiaries will be used as collateral, however, as at July 31, 2017 and October 31, 2016 the Company and its subsidiaries do not use those facilities.

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

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

Unit : Million

Consolidated Financial Statements					
		As at July 31, 2017		As at October 31, 2016	
Currency		Contractual Amount	Outstanding Contractual Commitments	Contractual Amount	Outstanding Contractual Commitments
Construction and subcontract agreements	THB	1,249.67	255.36	1,070.15	207.36
Machine and equipment purchase agreements	THB	382.55	67.68	317.72	49.65
	USD	14.01	0.78	13.60	1.42
	EURO	-	-	2.88	2.01

Unit : Million

Consolidated Financial Statements									
Outstanding Contractual Commitments									
		As at July 31, 2017				As at October 31, 2016			
Currency		Within 1 year	1 - 5 years	Over 5 years	Total	Within 1 year	1 - 5 years	Over 5 years	Total
Leased concessions									
agreements	USD	0.17	0.68	11.52	12.37	0.17	0.68	11.69	12.54
Rental agreements	THB	15.66	30.84	-	46.50	5.61	11.87	-	17.48

Unit : Million

Separate Financial Statements					
		As at July 31, 2017		As at October 31, 2016	
Currency		Contractual Amount	Outstanding Contractual Commitments	Contractual Amount	Outstanding Contractual Commitments
Construction and subcontract agreements	THB	825.91	155.03	704.01	98.22
Machine and equipment purchase agreements	THB	366.75	60.72	304.59	40.46
	EURO	-	-	2.88	2.01

Unit : Million

Separate Financial Statements						
Outstanding Contractual Commitments						
		As at July 31, 2017			As at October 31, 2016	
Currency		Within 1 year	1 - 5 years	Total	Within 1 year	1 - 5 years
Rental agreements	THB	5.97	11.30	17.27	5.61	11.87

24.7 Other significant agreements

- 24.7.1 A subsidiary was granted the electricity generating business concession from the Ministry of Energy on October 1, 2005 in the area of 43 Moo 10, Tambol Namphong, Amphur Namphong, Khon kaen Province, for the period of 21 years. However, such subsidiary obtained a license for energy industry operation from the Energy Regulatory Commission (ERC) as a replacement when the Energy Industry Act B.E. 2550 was effective, for the period of 19 years ending in December 2028. The subsidiary has to comply with the Energy Industry Act B.E. 2550 and the conditions according to the license.
- 24.7.2 On February 16, 2006, Savannakhet Sugar Corporation (subsidiary) made a contract to develop area in the Laos People's Democratic Republic with the Government of that country to be used for the subsidiary's office, factory unit, road and area for cane plantation with the total area of 10,000 hectares covering the period of 40 years which can be extended for another 20 years if approved by the counter party. As at July 31, 2017 and October 31, 2016, the subsidiary has already utilized the area of 5,053.61 hectares at the rental rate.
- 24.7.3 Koh Kong Plantation Company Limited and Koh Kong Sugar Industry Co., Ltd. (subsidiaries) entered into the Memorandum of Understanding (MOU) with the Government of Kingdom of Cambodia on August 2, 2006 in order to build a sugar mill factory and receive concession land for cane plantation in Koh Kong Province, Kingdom of Cambodia with total area of 19,100 hectares covering period of 90 years and the rental price has a grace period of the first 4 years, afterwards, the rate of rental price of USD 1 - 4 per hectare per annum. As at July 31, 2017 and October 31, 2016, the subsidiaries have already utilized the area of 9,398.69 hectares, equal for both period. Buildings and structure and building under construction of subsidiaries, are located on the concession land which the ownership will be transferred to the lessor when the agreements are expired (see Note 13).
- 24.7.4 A subsidiary in the Kingdom of Cambodia entered into two long-term land lease agreements with an outside person to build port and land awaiting development dated June 1, 2007 and May 21, 2007, respectively. The contractual term is 90 years for both agreements. The subsidiary has already paid the entire advance lease fee at USD 0.48 million. As at July 31, 2017 and October 31, 2016, the balances of the advance lease fee paid are USD 0.43 million, equal for both period, which is presented as part of other non-current assets.

25. FINANCIAL INSTRUMENTS

Risk management policies

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

Risk on interest rate

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

Unit : Thousand Baht

Consolidated Financial Statements
As at July 31, 2017

	Fixed Interest Rate			Floating Interest Rate	Total
	Within 1 year	More than 1 year to 5 years	More than 5 years		
Financial Assets					
Savings accounts deposits	-	-	-	74,019	74,019
Fixed account deposits	24	-	-	-	24
Loans for cane plantation development	175,539	349,992	11,170	4,488	541,189
Short-term loans to farmers	907,684	6,046	-	23,364	937,094
Short-term loans to others	169,139	-	-	-	169,139
Long-term borrowings to related parties	41,983	37,477	-	-	79,460
Long-term loans to others	-	-	6,685	-	6,685
Total	<u>1,294,369</u>	<u>393,515</u>	<u>17,855</u>	<u>101,871</u>	<u>1,807,610</u>
Financial Liabilities					
Short-term borrowings from financial institutions	11,341,611	-	-	-	11,341,611
Short-term borrowings from related parties	5,300	-	-	-	5,300
Long-term debentures	1,999,293	7,493,462	-	-	9,492,755
Long-term borrowings	1,453,833	1,650,000	-	552,000	3,655,833
Total	<u>14,800,037</u>	<u>9,143,462</u>	<u>-</u>	<u>552,000</u>	<u>24,495,499</u>

Unit : Thousand Baht

Consolidated Financial Statements
As at October 31, 2016

	Fixed Interest Rate			Floating Interest Rate	Total
	Within 1 year	More than 1 year to 5 years	More than 5 years		
Financial Assets					
Savings accounts deposits	-	-	-	62,504	62,504
Fixed account deposits	23	-	-	-	23
Loans for cane plantation development	257,821	314,656	1,815	4,754	579,046
Short-term loans to farmers	896,631	8,814	-	60,004	965,449
Long-term loans to others	41,333	45,334	-	-	86,667
Other long-term investments	2,702	-	-	-	2,702
Total	<u>1,198,510</u>	<u>368,804</u>	<u>1,815</u>	<u>127,262</u>	<u>1,696,391</u>
Financial Liabilities					
Short-term borrowings from financial institutions	3,757,026	-	-	-	3,757,026
Short-term borrowings from related parties	6,900	-	-	-	6,900
Long-term debentures	2,999,307	6,993,763	-	-	9,993,070
Long-term borrowings	1,409,733	2,805,734	-	852,000	5,067,467
Liabilities from long-term lease agreements	1,323	-	-	-	1,323
Total	<u>8,174,289</u>	<u>9,799,497</u>	<u>-</u>	<u>852,000</u>	<u>18,825,786</u>

Risks on exchange rates

Risks on exchange rates for the Company and its subsidiaries are mainly involved with sales of goods and import of machines which are transactions denominated in foreign currencies. As at July 31, 2017 and October 31, 2016, the significant assets and liabilities denominated in foreign currencies of the Company and its subsidiaries which the risk on exchange rates have not been hedged are as follows:

Currency	Consolidated Financial Statements				Separate Financial Statements			
	As at		As at		As at		As at	
	July 31, 2017		October 31, 2016		July 31, 2017		October 31, 2016	
	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
USD	24.49	10.67	15.60	2.58	43.52	-	11.91	-
YEN	-	2.50	-	2.50	-	-	-	-
RIEL	772.92	61.97	711.48	92.03	-	-	-	-
LAK	149.85	10.18	252.97	489.34	-	-	-	-

Unit : Million

As at July 31, 2017 and October 31, 2016, the Company and its subsidiaries entered into forward contracts and cross currency swap with commercial banks to hedge against exchange rate risk from receipts and debt repayments denominated in foreign currencies. The Company and its subsidiaries have not recorded such financial liabilities in the consolidated and separate financial statements.

The open forward contracts and cross currency swap contracts, which are due between 6 - 12 months, are as follows:

Currency	Amount fixed in contracts				Currency	Amount earned on contracts			
	Consolidated		Separate			Consolidated		Separate	
	Financial Statements		Financial Statements			Financial Statements		Financial Statements	
	As at	As at	As at	As at		As at	As at	As at	As at
July 31, 2017	October 31, 2016	July 31, 2017	October 31, 2016	July 31, 2017	October 31, 2016	July 31, 2017	October 31, 2016		
USD	15.19	30.99	20.00	47.74	THB	540.09	1,098.04	700.57	1,693.00

Unit : Million

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

	Unit: Million Baht			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	As at	As at	As at	As at
July 31, 2017	October 31, 2016	July 31, 2017	October 31, 2016	
Net fair values of forward contracts	35.01	(6.35)	34.63	(13.33)

Risk on the fluctuation of sugar and cane prices

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

Net fair values of commodity swap contracts as at July 31, 2017 and October 31, 2016 of the Company and its subsidiaries are as follows:

	Currency	Unit : Million	
		Consolidated/ Separate Financial Statements As at July 31, 2017	As at October 31, 2016
Net fair values for commodity swap contracts	USD	(2.62)	(0.85)

Credit risk

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

Fair value

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

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

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

	Consolidated / Separate Financial Statement		Fair value Hierarchy	Valuation technique of fair value
	Carrying amount Million Baht	Fair value Million Baht		
As at July 31, 2017				
Financial liabilities				
Long-term debentures	9,493	9,671	Level 2	Calculated from the closing price of the last Bond Market Association Thailand at the last day.
As at October 31, 2016				
Financial liabilities				
Long-term debentures	9,993	10,227	Level 2	Calculated from the closing price of the last Bond Market Association Thailand at the last day.

The fair values of derivative financial instruments, which are forward contracts and cross currency swap contracts are assessment determined by discounted cash flows method. Future cash flows are estimated based on relevant market price discounting the weighted average cost (interest rate swap contracts at the end of the reporting period), are the market prices adjusted by credit risk of the counter parties which are hierarchy level 3 and the commodity swap contracts are calculated by using the raw sugar and white sugar prices from The Exchange and Bloomberg at the end of the reporting period as though the Company and its subsidiaries have settled those contracts at the end of the reporting period are hierarchy level 2.

26. COMPARATIVE INFORMATION OF FINANCIAL STATEMENTS FOR THE YEARS ENDED JULY 31, 2017 AND 2016

The nature of the operations of the Company and its subsidiaries with the main business activities in manufacturing and distributing sugar depending on seasons, which can be classified as production season, from November to April of each year, and outside production season, from May to October. To facilitate the users of these interim financial information in comparing the information for the business with definite seasonal fluctuation, the Company presents the comparative financial information for the years ended July 31, 2017 and 2016 as follows:

	Consolidated Financial Statements		Unit : Thousand Baht Separate Financial Statements	
	As at July 31, "Restated" 2017	2016	As at July 31, "Restated" 2017	2016
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents	257,687	125,031	24,272	27,894
Trade and other receivables	1,909,279	1,492,262	1,182,688	801,704
Short-term loans	1,327,799	1,170,328	4,485,134	1,747,570
Inventories	7,107,568	5,765,473	3,687,142	3,310,815
Biological assets	170,758	248,847	10,692	10,542
Other current assets	42,240	93,735	15,820	44,409
Total Current Assets	10,815,331	8,895,676	9,405,748	5,942,934

	Consolidated Financial Statements As at July 31,		Unit : Thousand Baht Separate Financial Statements As at July 31,	
			"Restated"	
	2017	2016	2017	2016
	ASSETS (CONTINUED)			
NON-CURRENT ASSETS				
Long-term loans	399,083	417,784	2,339,170	4,390,390
Investment property	4,493,790	3,354,563	1,499,720	1,013,558
Property, plant and equipment	27,177,306	24,687,728	8,692,902	7,372,445
Other non-current assets	1,828,154	1,470,351	6,605,200	6,595,555
Total Non-Current Assets	33,898,333	29,930,426	19,136,992	19,371,948
TOTAL ASSETS	44,713,664	38,826,102	28,542,740	25,314,882
LIABILITIES AND SHAREHOLDERS' EQUITY				
CURRENT LIABILITIES				
Short-term borrowings from financial institutions	11,341,611	5,289,328	6,237,307	1,560,000
Trade and other payables	1,155,852	1,331,788	1,045,735	688,499
Current portion of long-term debentures	1,999,293	2,999,016	1,999,293	2,999,016
Current portion of long-term borrowings	1,853,833	2,121,593	1,153,833	1,405,833
Short-term borrowings	5,300	7,000	397,500	508,000
Current income tax payable	88,806	35,091	-	-
Provision for production costs	477,997	1,006,299	119,394	379,973
Other current liabilities	75,269	72,369	17,556	13,837
Total Current Liabilities	16,997,961	12,862,484	10,970,618	7,555,158
Total Non-Current Liabilities	10,429,671	11,165,114	9,148,031	9,669,076
TOTAL LIABILITIES	27,427,632	24,027,598	20,118,649	17,224,234
TOTAL SHAREHOLDERS' EQUITY	17,286,032	14,798,504	8,424,091	8,090,648
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	44,713,664	38,826,102	28,542,740	25,314,882

	Consolidated Financial Statements For the years ended July 31,		Unit : Thousand Baht Separate Financial Statements For the years ended July 31,	
			"Restated"	
	2017	2016	2017	2016
	Revenue from sales	16,183,963	17,810,278	9,095,737
Revenues from services	225,915	162,786	200,575	115,655
Total revenues	16,409,878	17,973,064	9,296,312	9,634,486
Costs of the sales of goods	(12,637,607)	(14,476,591)	(7,967,901)	(8,386,621)
Cost of the rendering of services	(103,893)	(121,389)	(132,567)	(74,693)
Total costs	(12,741,500)	(14,597,980)	(8,100,468)	(8,461,314)
Gross profit	3,668,378	3,375,084	1,195,844	1,173,172
Other incomes	1,826,796	540,062	1,348,248	1,529,560
Profit before expenses	5,495,174	3,915,146	2,544,092	2,702,732
Selling expenses	(1,491,090)	(1,792,062)	(589,345)	(826,999)
Administrative expenses	(854,860)	(856,692)	(1,082,104)	(372,972)
Management benefit expenses	(143,970)	(147,106)	(50,132)	(51,651)
Finance costs	(672,431)	(752,388)	(518,909)	(576,931)
Share of gain of an associate	136,512	25,481	-	-
Profit before income tax income	2,469,335	392,379	303,602	874,179
Income tax (expense) income	(484,759)	(14,838)	3,712	39,663
Profit for the year	1,984,576	377,541	307,314	913,842

27. APPROVAL OF INTERIM FINANCIAL STATEMENTS

These interim financial information have been approved for issuance by an authorized director of the Company on September 11, 2017.