

REPORT OF THE INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

TO THE SHAREHOLDERS AND BOARD OF DIRECTORS

KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED

Opinion

We have audited the consolidated financial statements of Khon Kaen Sugar Industry Public Company Limited and its subsidiaries (the “Group”) and the separate financial statements of Khon Kaen Sugar Industry Public Company Limited (the “Company”) which comprise the consolidated and separate statements of financial position as at October 31, 2017, and the related consolidated and separate statements of profit or loss, profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of Khon Kaen Sugar Industry Public Company Limited and its subsidiaries and of Khon Kaen Sugar Industry Public Company Limited as at October 31, 2017, and financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards (“TFRSs”).

Basis for Opinion

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

Emphasis of Matter

Without modifying our opinion, as discussed in Note 2.3 to the financial statements, the Company and its subsidiaries have initially adopted the Accounting Standard No. 41, “Agriculture” commencing November 1, 2016. The corresponding figures thus have been retrospectively restated to be in accordance with those new accounting policies.

Key Audit Matters

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

Key Audit Matters	Audit Responses
<p>Measurement of fair value of investment in an associate and gain from sales of investment in subsidiaries which are resulted from amalgamation</p> <p>The Company's management measures the value of investment in an associate resulted from amalgamation of a subsidiary of the Company and a subsidiary of Bangchak Corporation Public Company Limited as at October 31, 2017, by exercising their judgement in estimating its fair value by setting significant assumptions in forecasting the results of operations including future sales volume and sales price, costs of production and administration, long-term growth rate and weighted average cost of capital (discounted rate) of each subsidiary of such associate. The difference between value of investment in subsidiaries before amalgamation and fair value of investment in an associate resulted from amalgamation is recorded as gain on sales of investment in subsidiaries for the year ended October 31, 2017.</p> <p>We consider that the measurement of fair value of investment in an associate and recording of gain on sales of investment in subsidiaries resulted from amalgamation are key audit matters because of materiality of transactions and complexity of estimation using management's judgement.</p> <p>The accounting policy and disclosure of investment in associate are in Notes 3.6, 4 and 11.</p>	<p>Significant audit procedures include</p> <ul style="list-style-type: none"> • Reading and understanding the condition of amalgamation and control power after amalgamation as stipulated in the Amalgamation Agreement • Understanding and evaluating the Company's management procedures for measurement of investment in an associate and recording of gain on sales of investment in subsidiaries including testing and evaluation the reasonableness of key significant assumptions which consisted of <ul style="list-style-type: none"> - Assumptions used for plan and forecast future cash flow of each subsidiary of an associate by understanding the process to obtain such figures, comparing assumptions with external and internal sources and comparing forecast cash flow to the actual results of operations including comparing long-term growth of each subsidiaries to the forecast economic and industry - Discounted rate by evaluating whether the rate is appropriate by comparing the Company's weighted average cost of capital and other information with other comparative companies. • Evaluation whether valuation of investment in an associate and gain on sales of investment in subsidiaries are appropriate and related disclosure in the notes to the financial statements is sufficient in accordance with the financial reporting standards.

Key Audit Matters	Audit Responses
<p>Impairment on investment in subsidiaries in foreign countries in the separate financial statements and of building and equipment of those subsidiaries in foreign countries in the consolidated financial statements</p> <p>As there are 3 subsidiaries in foreign countries having net loss continuously and substantial deficit as at October 31, 2017 which the Company's management consider as indicators of impairment on investment in the subsidiaries in foreign countries in the separate financial statements and on building and equipment of those subsidiaries in foreign countries in the consolidated financial statements. As such, the Company's management estimate realizable values of its investment in subsidiaries and of buildings and equipment of such subsidiaries for consideration of their losses on impairment. The realizable values are estimated at higher of their values in use and their fair values less costs to sell those assets.</p> <ul style="list-style-type: none"> - Values in use are estimated by exercising the Company's management judgment in connection with the judgement on significant assumptions to forecast the results of operations including future sales volume and sales price, costs of production and administration, long-term growth rate and weighted average cost of capital (discounted rate) of each subsidiaries. - Fair values of assets are estimated by an independent appraiser who has been approved by the Office of the Securities and Exchange Commission (Thailand) and the costs to sell those assets are estimated by the Company's management. <p>We consider that the exercising of management's judgment relate to significant assumptions for estimation of impairment on investment in subsidiaries in foreign countries in the separate financial statements and impairment of building and equipment of those subsidiaries in the consolidated financial statements are key audit matter because of materiality of transactions and complexity of estimation of realizable values of the Company's investment in subsidiaries and of buildings and equipment of subsidiaries.</p> <p>The accounting policy and disclosure of investment and impairment of investment in subsidiaries are in Notes 3.6 and 12.</p>	<p>Significant audit procedures include</p> <ul style="list-style-type: none"> • Understanding and evaluating the reasonableness of indicator of impairment on investment in subsidiaries in foreign countries in the separate financial statements and impairment of building and equipment of those subsidiaries in the consolidated financial statements. • Understanding and evaluating the procedures of the Company's management for measurement of investment in subsidiaries including testing and evaluation the reasonableness of key significant assumption which consisted of <ul style="list-style-type: none"> - Assumptions used for plan and forecast future cash flow of each subsidiary by understanding the process to obtained such figures, comparing assumptions with external and internal sources and comparing forecast cash flow to the actual results of operations including comparing long-term growth of each subsidiaries to the forecast economic and industry. - Discounted rate by evaluating whether the rate is appropriate by comparing the Company's weighted average cost of capital and other information with other comparative companies. • Testing and evaluating the report of independent appraiser whether independent appraiser has knowledge, competency and fairness, and evaluating whether the procedures and reasonableness of assumptions used in estimation of building and equipment values. • Evaluating whether the disclosure in the notes to the financial statements is sufficient in accordance with the financial reporting standards.

Other Information

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

BANGKOK
December 22, 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 OCTOBER 31, 2017

UNIT : BAHT

	Notes	Consolidated Financial Statements			Separate Financial Statements		
			"Restated"	"Restated"		"Restated"	"Restated"
		As at	As at	As at	As at	As at	As at
		October 31,	October 31,	November 1,	October 31,	October 31,	November 1,
		2017	2016	2015	2017	2016	2015
ASSETS							
CURRENT ASSETS							
Cash and cash equivalents	5.2	153,003,915	82,310,755	168,021,065	11,894,182	20,856,186	42,206,281
Temporary investments		23,760	2,724,766	6,839,374	-	-	-
Trade and other receivables	7	1,291,592,694	1,407,276,153	2,119,293,957	880,893,530	980,114,240	2,395,815,409
Short-term loans	8	1,569,258,589	1,273,097,453	1,096,635,110	5,373,550,020	2,484,005,635	1,784,395,560
Inventories	9	3,099,981,854	2,551,548,641	3,393,616,627	1,884,927,836	1,298,017,899	2,192,591,140
Biological assets	10	111,894,503	250,734,092	341,564,070	5,853,825	11,502,090	14,555,872
Other current assets		63,932,416	84,752,393	91,550,865	46,062,046	45,495,595	46,749,922
Total Current Assets		6,289,687,731	5,652,444,253	7,217,521,068	8,203,181,439	4,839,991,645	6,476,314,184
NON-CURRENT ASSETS							
Investments in associates	4 and 11	3,746,845,314	386,600,371	356,860,049	3,381,614,766	136,747,288	194,147,191
Investments in subsidiaries	4 and 12	-	-	-	4,775,811,396	5,786,096,202	6,060,380,805
Other long-term investments	13	405,335,197	370,795,300	373,504,062	398,174,055	370,324,775	370,324,775
Long-term loans	14	393,199,212	358,063,846	480,477,523	1,404,914,760	4,395,437,803	4,409,737,929
Investment property	15	4,917,206,835	4,496,183,778	3,354,562,730	1,544,915,482	1,499,684,003	1,013,557,788
Property, plant and equipment	16	26,354,311,858	26,185,988,447	24,934,213,098	9,203,863,790	7,947,679,169	7,463,493,638
Intangible assets		48,146,718	46,275,784	47,683,415	37,040,499	34,016,422	36,109,081
Deferred tax assets	22.2	13,213,508	2,830,109	9,939,697	-	-	-
Other non-current assets	17	822,774,936	875,649,203	742,293,886	26,963,991	7,597,329	6,193,878
Total Non-Current Assets		36,701,033,578	32,722,386,838	30,299,534,460	20,773,298,739	20,177,582,991	19,553,945,085
TOTAL ASSETS		42,990,721,309	38,374,831,091	37,517,055,528	28,976,480,178	25,017,574,636	26,030,259,269

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

KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION (CONTINUED)
AS AT OCTOBER 31, 2017

UNIT : BAHT

	Notes	Consolidated Financial Statements			Separate Financial Statements		
		"Restated"	"Restated"		"Restated"	"Restated"	
		As at	As at	As at	As at	As at	As at
		October 31,	October 31,	November 1,	October 31,	October 31,	November 1,
		2017	2016	2015	2017	2016	2015
LIABILITIES AND SHAREHOLDERS' EQUITY							
CURRENT LIABILITIES							
Short-term borrowings from financial institutions	18	8,508,780,110	3,757,025,777	4,188,897,059	4,260,785,360	1,108,000,000	935,001,787
Trade and other payables	19	1,595,348,418	1,711,609,813	1,168,663,324	1,101,787,294	905,766,039	695,977,401
Current portion of long-term debentures	20	2,998,989,350	2,999,307,425	999,908,704	2,998,989,350	2,999,307,425	999,908,704
Current portion of long-term borrowings	21	1,623,833,330	2,011,633,330	1,511,593,330	1,223,833,330	1,205,833,330	705,833,330
Short-term borrowings	6.1	5,000,000	6,900,000	6,100,000	545,200,000	482,900,000	1,265,100,000
Current income tax payable		30,393,276	25,325,610	59,596,131	-	-	-
Other current liabilities		55,952,915	78,797,513	93,307,260	11,967,980	12,846,457	22,642,763
Total Current Liabilities		<u>14,818,297,399</u>	<u>10,590,599,468</u>	<u>8,028,065,808</u>	<u>10,142,563,314</u>	<u>6,714,653,251</u>	<u>4,624,463,985</u>
NON-CURRENT LIABILITIES							
Long-term debentures	20	6,494,445,369	6,993,762,810	9,989,250,923	6,494,445,369	6,993,762,810	9,989,250,923
Long-term borrowings	21	2,032,000,000	3,055,833,330	4,517,466,660	1,980,000,000	2,203,833,330	2,859,666,660
Deferred tax liabilities	22.3	1,190,006,596	739,563,386	247,190,427	477,892,053	148,274,515	64,697,497
Employee benefit obligations	23	264,742,366	261,286,846	217,435,891	112,075,741	107,426,505	91,774,405
Other non-current liabilities		98,997,867	83,354,128	75,332,319	41,650,302	29,186,820	27,577,630
Total Non-Current Liabilities		<u>10,080,192,198</u>	<u>11,133,800,500</u>	<u>15,046,676,220</u>	<u>9,106,063,465</u>	<u>9,482,483,980</u>	<u>13,032,967,115</u>
TOTAL LIABILITIES		<u>24,898,489,597</u>	<u>21,724,399,968</u>	<u>23,074,742,028</u>	<u>19,248,626,779</u>	<u>16,197,137,231</u>	<u>17,657,431,100</u>

KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION (CONTINUED)
AS AT OCTOBER 31, 2017

UNIT : BAHT

	Notes	Consolidated Financial Statements			Separate Financial Statements		
		"Restated"	"Restated"		"Restated"	"Restated"	
	As at	As at	As at	As at	As at	As at	
	October 31,	October 31,	November 1,	October 31,	October 31,	November 1,	
	2017	2016	2015	2017	2016	2015	
LIABILITIES AND SHAREHOLDERS' EQUITY (CONTINUED)							
SHAREHOLDERS' EQUITY							
SHARE CAPITAL							
Authorized share capital							
4,410,243,648 ordinary shares of Baht 0.50 each	2,205,121,824	2,205,121,824		2,205,121,824	2,205,121,824		
4,009,312,522 ordinary shares of Baht 0.50 each			2,004,656,261			2,004,656,261	
Issued and paid-up share capital							
4,410,232,619 ordinary shares of Baht 0.50 each							
fully paid	2,205,116,310	2,205,116,310		2,205,116,310	2,205,116,310		
4,009,312,407 ordinary shares of Baht 0.50 each			2,004,656,204			2,004,656,204	
fully paid							
SHARE PREMIUM ACCOUNT - ORDINARY SHARES	2,946,439,199	2,946,439,199	2,946,439,199	2,946,439,199	2,946,439,199	2,946,439,199	
RETAINED EARNINGS							
Appropriated							
Legal reserve	220,512,200	220,512,200	200,466,000	220,512,200	220,512,200	200,466,000	
Unappropriated	10,584,282,739	9,004,709,766	7,973,535,203	3,554,072,983	2,668,936,413	2,848,046,491	
OTHER COMPONENTS OF EQUITY	1,693,639,643	1,789,332,672	866,269,876	801,712,707	779,433,283	373,220,275	
TOTAL EQUITY ATTRIBUTABLE TO OWNERS							
OF THE PARENT	17,649,990,091	16,166,110,147	13,991,366,482	9,727,853,399	8,820,437,405	8,372,828,169	
NON-CONTROLLING INTERESTS	442,241,621	484,320,976	450,947,018	-	-	-	
TOTAL SHAREHOLDERS' EQUITY	18,092,231,712	16,650,431,123	14,442,313,500	9,727,853,399	8,820,437,405	8,372,828,169	
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	42,990,721,309	38,374,831,091	37,517,055,528	28,976,480,178	25,017,574,636	26,030,259,269	

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

KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF PROFIT OR LOSS

FOR THE YEAR ENDED OCTOBER 31, 2017

UNIT : BAHT

	Notes	Consolidated		Separate	
		Financial Statements		Financial Statements	
		2017	2016	2017	2016
Revenues from sales and revenues from rendering of services					
Revenues from sales		15,370,900,452	16,744,461,945	8,207,641,053	9,721,413,840
Revenues from rendering of services		252,449,270	166,710,882	208,439,489	142,929,351
Total Revenues		<u>15,623,349,722</u>	<u>16,911,172,827</u>	<u>8,416,080,542</u>	<u>9,864,343,191</u>
Costs of sales of goods and rendering of services					
Costs of sales of goods		(13,073,456,018)	(13,143,499,906)	(7,834,331,662)	(8,277,323,350)
Costs of rendering of services		(106,560,355)	(135,214,452)	(146,712,874)	(83,564,185)
Total Costs		<u>(13,180,016,373)</u>	<u>(13,278,714,358)</u>	<u>(7,981,044,536)</u>	<u>(8,360,887,535)</u>
Gross profit		2,443,333,349	3,632,458,469	435,036,006	1,503,455,656
Gain (Loss) on sales and disposal of assets		(19,757,776)	21,260,048	266,283	91,086,897
Gain on fair value adjustments of investment property		426,259,308	1,138,275,998	45,168,135	486,106,848
Gain (Loss) on exchange rate		53,166,005	37,226,250	-74,887,354	(7,826,894)
Gain on sales of investments in subsidiaries		2,370,353,122	-	2,634,597,274	-
Other incomes		565,950,362	301,103,361	527,808,174	640,414,395
Selling expenses		(1,519,292,072)	(1,691,459,467)	(625,689,048)	(811,426,011)
Administrative expenses		(837,028,671)	(757,925,496)	(342,478,318)	(319,814,677)
Management benefit expenses	6.2	(147,141,807)	(141,312,434)	(50,507,750)	(48,566,150)
Loss on impairment of investments in subsidiaries		-	-	(400,299,205)	(744,534,596)
Loss on impairment of property, plant and equipment		(222,645,523)	(75,747,704)	-	(16,782,135)
Loss on fair value adjustments of biological assets		(54,383,398)	-	(6,053,835)	-
Finance costs		(668,129,437)	(709,982,998)	(514,185,853)	(551,698,388)
Share of profit of investments in associates		120,914,119	56,881,078	-	-
Profit before income tax (expense) income		<u>2,511,597,581</u>	<u>1,810,777,105</u>	<u>1,628,774,509</u>	<u>220,414,945</u>
Income tax (expense) income	22.1	<u>(559,852,032)</u>	<u>(370,517,011)</u>	<u>(316,791,055)</u>	<u>13,873,224</u>
PROFIT FOR THE YEAR		<u><u>1,951,745,549</u></u>	<u><u>1,440,260,094</u></u>	<u><u>1,311,983,454</u></u>	<u><u>234,288,169</u></u>
PROFIT ATTRIBUTABLE TO :					
Owners of the parent		1,970,395,073	1,426,152,258	1,311,983,454	234,288,169
Non-controlling interests		(18,649,524)	14,107,836	-	-
		<u><u>1,951,745,549</u></u>	<u><u>1,440,260,094</u></u>	<u><u>1,311,983,454</u></u>	<u><u>234,288,169</u></u>
EARNINGS PER SHARE	28				
Basic earnings per share	BAHT	0.447	0.323	0.297	0.053
Basic number of ordinary shares	SHARES	4,410,232,619	4,410,232,619	4,410,232,619	4,410,232,619

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

KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED OCTOBER 31, 2017

UNIT : BAHT

	Consolidated		Separate	
	Financial Statements		Financial Statements	
	2017	2016	2017	2016
Profit for the year	1,951,745,549	1,440,260,094	1,311,983,454	234,288,169
Other comprehensive income (expense) :				
Items that will be reclassified subsequently to profit or loss:				
Exchange differences on translating financial statements	(119,980,669)	(23,408,245)	-	-
Changes in the fair value of available-for-sale securities - net of tax	22,279,424	-	22,279,424	-
	<u>(97,701,245)</u>	<u>(23,408,245)</u>	<u>22,279,424</u>	<u>-</u>
Items that will be not reclassified subsequently to profit or loss:				
Gain (loss) on revaluation of assets - net of tax	(4,090,286)	1,059,868,715	-	452,466,717
Actuarial gain (loss) - net of tax	32,869,813	(44,304,844)	14,176,358	(16,412,041)
	<u>28,779,527</u>	<u>1,015,563,871</u>	<u>14,176,358</u>	<u>436,054,676</u>
Total other comprehensive income (expense)	<u>(68,921,718)</u>	<u>992,155,626</u>	<u>36,455,782</u>	<u>436,054,676</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u><u>1,882,823,831</u></u>	<u><u>2,432,415,720</u></u>	<u><u>1,348,439,236</u></u>	<u><u>670,342,845</u></u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO				
Owners of the parent	1,924,903,186	2,397,477,274	1,348,439,236	670,342,845
Non-controlling interests	(42,079,355)	34,938,446	-	-
	<u><u>1,882,823,831</u></u>	<u><u>2,432,415,720</u></u>	<u><u>1,348,439,236</u></u>	<u><u>670,342,845</u></u>

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

KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED OCTOBER 31, 2017

1

Note	Owners of the Parent										Non-controlling		
	Issued and paid-up share capital	Share premium account Ordinary shares	Retained Earnings		Other components of equity						Total	Non-controlling interests	
			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	owners of the parent		
"Restated"													
For the year ended October 31, 2016													
Beginning balance as at November 1, 2015													
- as previously reported	2,004,656,204	2,946,439,199	200,466,000	7,150,166,442	59,182,588	(136,843)	1,396,271,914	(264,043,132)	(83,641,192)	1,107,633,335	13,409,361,180	2,079,122,596	
Effects of the changes in accounting policies and adoption of new Thai Financial Reporting Standard													
- Investment property	-	-	-	834,325,153	-	-	(190,722,232)	-	-	(190,722,232)	643,602,921	9,461,361	
- Assets not yet used in operation for land	-	-	-	7,059,707	-	-	110,958,836	-	-	110,958,836	118,018,543	5,636,323	
- Consolidated financial statements	-	-	-	(18,016,099)	-	136,843	(134,651,519)	767,265	(27,852,652)	(161,600,063)	(179,616,162)	(1,643,273,262)	
Beginning balance as at November 1, 2015													
- after adjustment	2,004,656,204	2,946,439,199	200,466,000	7,973,535,203	59,182,588	-	1,181,856,999	(263,275,867)	(111,493,844)	866,269,876	13,991,366,482	450,947,018	
Changes in shareholders' equity during the year													
- Dividends paid	24	-	-	(222,733,609)	-	-	-	-	-	-	(222,733,609)	(1,564,488)	
- Dividends stock	24	200,460,106	-	(200,460,106)	-	-	-	-	-	-	-	-	
- Legal reserve	24	-	-	20,046,200	(20,046,200)	-	-	-	-	-	-	-	
- Transfer of gain of asset revaluation		-	-	91,375,108	-	-	(91,375,108)	-	-	(91,375,108)	-	-	
- Unrealized actuarial losses adjustment		-	-	(43,112,888)	-	-	-	-	-	-	(43,112,888)	(1,191,956)	
- Total comprehensive income (expense) for the year		-	-	1,426,152,258	(18,731,989)	-	1,033,169,893	-	-	1,014,437,904	2,440,590,162	36,130,402	
Ending balance as at October 31, 2016		2,205,116,310	2,946,439,199	220,512,200	9,004,709,766	40,450,599	-	2,123,651,784	(263,275,867)	(111,493,844)	1,789,332,672	16,166,110,147	484,320,976

UNIT : BAHT

Total
shareholders'
equity

15,488,483,776

653,064,282
123,654,866
(1,822,889,424)

14,442,313,500

(224,298,097)
-
-
-
(44,304,844)

2,476,720,564
16,650,431,123

KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (CONTINUED)
FOR THE YEAR ENDED OCTOBER 31, 2017

UNIT : BAHT

Note	Owners of the Parent										Non-controlling interests	Total shareholders'		
	Issued and paid-up share capital	Share premium account Ordinary shares	Retained Earnings		Other components of equity					Total owners of the parent				
			Appropriated Legal reserve	Unappropriated	Other comprehensive income (expense)			Losses on restructure of entities under common control	Losses on change in shareholding ratio in subsidiaries				Total other components of equity	
					Exchange differences on translating financial statements	Gain (loss) on remeasuring available-for-sale investments	Gain (loss) on asset revaluation							
For the year ended October 31, 2017														
Beginning balance as at November 1, 2016	2,205,116,310	2,946,439,199	220,512,200	9,004,709,766	40,450,599	-	2,123,651,784	(263,275,867)	(111,493,844)	1,789,332,672	16,166,110,147	484,320,976	16,650,431,123	
Changes in shareholders' equity during the period														
- Dividends paid	24	-	-	(441,023,242)	-	-	-	-	-	-	(441,023,242)	-	(441,023,242)	
- Transfer of gain of asset revaluation		-	-	18,286,252	-	-	(21,976,099)	-	-	(21,976,099)	(3,689,847)	(400,439)	(4,090,286)	
- Unrealized actuarial losses adjustment		-	-	31,914,890	-	-	-	-	-	-	31,914,890	954,923	32,869,813	
- Total comprehensive income (expense) for the year		-	-	1,970,395,073	(95,996,354)	22,279,424	-	-	-	(73,716,930)	1,896,678,143	(42,633,839)	1,854,044,304	
Ending balance as at October 31, 2017		2,205,116,310	2,946,439,199	220,512,200	10,584,282,739	(55,545,755)	22,279,424	2,101,675,685	(263,275,867)	(111,493,844)	1,693,639,643	17,649,990,091	442,241,621	18,092,231,712

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

KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES

SEPARATE STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEAR ENDED OCTOBER 31, 2017

UNIT : BAHT

	Note	Issued and paid-up share capital	Share premium account Ordinary shares	Retained Earnings		Other components of equity		Total
				Appropriated Legal reserve	Unappropriated	Other comprehensive income Gain on asset revaluation	Total other components of equity	shareholders' equity
"Restated"								
For the year ended October 31, 2016								
Beginning balance as at November 1, 2015 - as previously reported		2,004,656,204	2,946,439,199	200,466,000	2,250,746,494	517,481,506	517,481,506	7,919,789,403
Effects of the changes in accounting policies								
- Investment property		-	-	-	591,745,585	(146,830,279)	(146,830,279)	444,915,306
- Assets not yet used in operation for land		-	-	-	5,554,412	2,569,048	2,569,048	8,123,460
Beginning balance as at November 1, 2015 - after adjustment		2,004,656,204	2,946,439,199	200,466,000	2,848,046,491	373,220,275	373,220,275	8,372,828,169
Changes in shareholders' equity during the year								
- Dividends paid	24	-	-	-	(222,733,609)	-	-	(222,733,609)
- Dividends stock	24	200,460,106	-	-	(200,460,106)	-	-	-
- Legal reserve	24	-	-	20,046,200	(20,046,200)	-	-	-
- Transfer of gain of asset revaluation		-	-	-	46,253,709	(46,253,709)	(46,253,709)	-
- Unrealized actuarial losses adjustment		-	-	-	(16,412,041)	-	-	(16,412,041)
- Total comprehensive expense for the year		-	-	-	234,288,169	452,466,717	452,466,717	686,754,886
Ending balance as at October 31, 2016		2,205,116,310	2,946,439,199	220,512,200	2,668,936,413	779,433,283	779,433,283	8,820,437,405

KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES
SEPARATE STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (CONTINUED)
FOR THE YEAR ENDED OCTOBER 31, 2017

UNIT : BAHT									
	Note	Issued and paid-up share capital	Share premium account Ordinary shares	Retained Earnings		Other components of equity			Total
				Appropriated	Unappropriated	Other comprehensive income		Total	shareholders'
				Legal reserve		Gain on remeasuring available-for-sale investments	Gain on asset revaluation	other components of equity	equity
For the year ended October 31, 2017									
Beginning balance as at November 1, 2016		2,205,116,310	2,946,439,199	220,512,200	2,668,936,413	-	779,433,283	779,433,283	8,820,437,405
Changes in shareholders' equity during the year									
- Dividends paid	24	-	-	-	(441,023,242)	-	-	-	(441,023,242)
- Unrealized actuarial losses adjustment		-	-	-	14,176,358	-	-	-	14,176,358
- Total comprehensive income for the year		-	-	-	1,311,983,454	22,279,424	-	22,279,424	1,334,262,878
Ending balance as at October 31, 2017		2,205,116,310	2,946,439,199	220,512,200	3,554,072,983	22,279,424	779,433,283	801,712,707	9,727,853,399

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

KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED OCTOBER 31, 2017

UNIT : BAHT

	Consolidated Financial Statements		Separate Financial Statements	
		"Restated"		"Restated"
	2017	2016	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before income tax (expense) income	2,511,597,581	1,810,777,105	1,628,774,509	220,414,945
Adjustments for:				
Dividend income	(14,956,534)	-	(20,493,188)	(7,294,130)
Doubtful accounts - trade and other receivables	26,221,568	54,949,489	8,246,103	8,111,172
Share of gain of investment in an associate	(120,914,119)	(56,881,078)	-	-
Amortization of premium on bonds	59,485	123,713	-	-
Employee benefit expenses	74,038,776	18,734,971	33,510,710	7,888,629
Loss on obsolete goods and supplies	5,525,630	27,732,860	258,146	27,732,860
Loss on diminution in value of inventories (reversal)	301,324,060	(159,699,008)	208,966,800	(24,898,270)
Loss from plantation	154,637,006	36,257,152	-	-
Depreciation and amortization	1,182,249,244	1,247,360,500	352,846,605	411,960,580
Loss (gain) on sales and disposal of assets	20,419,605	(21,042,914)	(266,283)	(91,086,897)
Loss on impairment of assets	222,726,671	75,747,704	-	16,782,135
Loss on impairment of investments in subsidiaries	-	-	400,299,205	744,534,596
Gain on sales of investments in an associate	-	(45,223,547)	-	(10,700,000)
Gain on sales of investments in subsidiaries	(2,370,353,122)	-	(2,634,597,274)	-
Gain on fair value adjustments of investment property	(426,259,308)	(1,138,275,998)	(45,168,135)	-486,106,848
Unrealized loss on exchange rate	7,292,816	3,581,135	85,902,645	20,215,078
Loss on fair value adjustments of biological assets	54,383,398	-	6,053,835	-
Interest income	(111,254,867)	(101,723,484)	(208,380,799)	(217,752,182)
Interest expenses	663,808,074	706,072,390	509,864,490	547,787,780
Finance costs	4,321,363	3,910,608	4,321,363	3,910,608
	<u>2,184,867,327</u>	<u>2,462,401,598</u>	<u>330,138,732</u>	<u>1,171,500,056</u>
Operating assets (increase) decrease				
Trade and other receivables	(60,484,193)	707,353,511	83,150,720	320,244,942
Inventories	(1,189,424,846)	1,036,745,724	(796,134,884)	891,738,651
Biological assets	25,762,169	91,292,224	(405,571)	3,053,783
Other current assets	26,278,192	6,112,628	11,596,625	6,864,872
Other non-current assets	62,526,260	86,130,263	(15,973,844)	(1,403,451)
Operating liabilities increase (decrease)				
Trade and other payables	10,484,485	552,693,576	198,805,309	225,529,539
Other current liabilities	(5,359,271)	(14,960,057)	(878,477)	(9,796,306)
Employee benefit obligations	(23,929,539)	(30,057,765)	(11,141,027)	(12,751,580)
Other non-current liabilities	15,643,739	8,472,119	12,463,481	1,609,190
Cash received (paid) from operating activities	<u>1,046,364,323</u>	<u>4,906,183,821</u>	<u>(188,378,936)</u>	<u>2,596,589,696</u>
Interest paid	(681,693,325)	(715,519,611)	(528,902,577)	(554,720,660)
Income tax expense paid	<u>(128,235,788)</u>	<u>(152,889,462)</u>	<u>(8,450,538)</u>	<u>(5,610,545)</u>
Net cash provided by (used in) operating activities	<u>236,435,210</u>	<u>4,037,774,748</u>	<u>(725,732,051)</u>	<u>2,036,258,491</u>

KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED OCTOBER 31, 2017

UNIT : BAHT

	Consolidated Financial Statements		Separate Financial Statements	
		"Restated"		"Restated"
	2017	2016	2017	2016
CASH FLOWS FROM INVESTING ACTIVITIES				
Cash payments for the purchase of temporary investments	(337)	(343)	-	-
(Increase) decrease in short-term loans to related parties and others	(171,400,000)	-	153,027,799	(544,035,302)
Increase in short-term loans to farmers	(109,606,105)	(156,580,156)	(226,062,176)	(162,172,599)
Cash payments for investments in an associate	-	(16,400,096)	-	(16,400,096)
Cash received from sales of investments in an associate	-	84,500,000	-	84,500,000
Cash payments for investments in subsidiaries	-	-	(284,604)	(470,249,994)
Cash received from sales of investments in subsidiaries	-	-	-	-
Cash payments for purchases of other long-term investments	(6,748,759)	-	-	-
Cash received from redemption of other long-term investments	2,700,000	6,700,000	-	-
(Increase) decrease in loans for cane plantation development	(61,477,505)	21,480,370	10,324,663	(25,350,000)
Decrease in long-term loans to related parties and others	10,845,333	33,333,334	77,755,333	33,333,334
Cash received from interest income	110,600,057	95,574,939	216,235,080	214,560,907
Cash received from dividends of subsidiaries and others	20,493,188	4,264,399	20,493,188	275,530,000
Cash payments for purchases of property, plant and equipment	(3,115,121,873)	(1,957,248,877)	(1,601,185,979)	(531,340,040)
Cash received from sales of property, plant and equipment	16,886,952	378,776,367	455,900	59,340,202
Cash payments for purchase of investment properties	(4,936,679)	(4,919,366)	(63,344)	(19,367)
Cash received from sales of investment properties	117,850	-	-	-
Cash payments for purchase of assets not yet used in operation	(9,613,085)	(18,731,201)	(31,937)	-
Cash received from sales of assets not yet used in operation	930,429	8,622,497	-	-
Cash payments of purchase of intangible assets	(3,363,646)	(431,042)	(2,380,426)	(2,538,692)
Cash received from sales of intangible assets	-	93,327	-	-
Net cash used in investing activities	<u>(3,319,694,180)</u>	<u>(1,520,965,848)</u>	<u>(1,351,716,503)</u>	<u>(1,084,841,647)</u>
CASH FLOWS FROM FINANCING ACTIVITIES				
Increase (decrease) in short-term borrowings from financial institutions	4,907,968,973	(434,869,495)	3,157,000,000	170,000,000
(Decrease) increase in short-term borrowings from related parties	(1,900,000)	800,000	62,300,000	235,800,000
Cash received from long-term debentures	2,496,043,121	-	2,496,043,121	-
Cash payment for long-term debentures	(3,000,000,000)	(1,000,000,000)	(3,000,000,000)	(1,000,000,000)
Cash received from long-term borrowings	1,000,000,000	1,000,000,000	1,000,000,000	1,000,000,000
Cash payment for long-term borrowings	(1,811,633,330)	(1,961,593,330)	(1,205,833,330)	(1,155,833,330)
Cash payments for dividends to shareholders of the parent	(441,023,242)	(222,733,609)	(441,023,241)	(222,733,609)
Cash payments for non-controlling interests	-	(1,564,488)	-	-
Net cash provided by (used in) financing activities	<u>3,149,455,522</u>	<u>(2,619,960,922)</u>	<u>2,068,486,550</u>	<u>(972,766,939)</u>
Exchange differences on translation of cash of foreign subsidiaries	4,496,608	17,441,712	-	-
Net increase (decrease) in cash and cash equivalents	70,693,160	(85,710,310)	(8,962,004)	(21,350,095)
Cash and cash equivalents at the beginning of the year	82,310,755	168,021,065	20,856,186	42,206,281
Cash and cash equivalents at the end of the year	<u>153,003,915</u>	<u>82,310,755</u>	<u>11,894,182</u>	<u>20,856,186</u>

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

KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED OCTOBER 31, 2017

1. GENERAL INFORMATION AND OPERATIONS OF THE COMPANY

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

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

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

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

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

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

The Company’s main businesses are to manufacture and distribute sugar and molasses and 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 2.2.

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 shares capital.

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

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

The financial statements of the foreign subsidiaries are translated into Thai Baht for preparation of the consolidated financial statements (see Note 3.22).

- 2.1 The Company's financial statements have been prepared in accordance with the Thai Accounting Standard (TAS) No. 1 (Revised 2016) "Presentation of Financial Statements", and the regulation of the Stock Exchange of Thailand (SET) dated January 22, 2001, regarding the preparation and submission of financial statements and reports for the financial position and results of operations of the listed companies B.E. 2544. The format of presentation of the financial statements is not significantly different from the Notification of the Department of Business Development regarding "The Brief Particulars in the Financial Statement B.E. 2554" dated September 28, 2011.

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

- 2.2 These consolidated financial statements included the accounts of the Company and its subsidiaries (the "Group"). Significant transactions and balances between the Company and its subsidiaries have been eliminated except for the reassessment of control over the investees by the management of the Company which has effected to the change in the structure of the Group for the preparation of the consolidated financial statements as follows:

Company Name	Percentage of		Country of	Type of Business
	Shareholding			
	As at	As at		
	October 31, 2017	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	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
Subsidiaries in which the Company holds shares directly and indirectly				
K.S.L. Export Trading Co., Ltd.*	79.55	79.55	Thailand	Export sugar as exporting agent
KSL Real Estate Company Limited**	91.02	91.02	Thailand	Housing and land for agriculture estate including holiday resort for training and seminar center and office building for rental
Subsidiary in which the Company holds the shares indirectly through Wynn In Trading Co., Ltd.				
Koh Kong Plantation Company Limited	80.00	80.00	Cambodia	Agricultural operation

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

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

The accounting period of subsidiaries ended the same date as the Company (accounting period ended on October 31) except for 5 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

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

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

2.3 New or revised Thai Financial Reporting Standards

2.3.1 Adoption of new and revised Thai Financial Reporting Standards

Since November 1, 2016, the Company and its subsidiaries have adopted the new and revised Thai Financial Reporting Standards (TFRSs) issued by The Federation of Accounting Professions, which are effective for the accounting period beginning on or after January 1, 2016 onwards, in the preparation and presentation of financial statement as follows:

Thai Accounting Standards (TAS)

TAS No. 1 (Revised 2015)	Presentation of Financial Statements
TAS No. 2 (Revised 2015)	Inventories
TAS No. 7 (Revised 2015)	Statement of Cash Flows
TAS No. 8 (Revised 2015)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS No. 10 (Revised 2015)	Events after the Reporting Period
TAS No. 11 (Revised 2015)	Construction Contracts
TAS No. 12 (Revised 2015)	Income Taxes
TAS No. 16 (Revised 2015)	Property, Plant and Equipment
TAS No. 17 (Revised 2015)	Leases
TAS No. 18 (Revised 2015)	Revenue
TAS No. 19 (Revised 2015)	Employee Benefits
TAS No. 20 (Revised 2015)	Accounting for Government Grants and Disclosure of Government Assistance
TAS No. 21 (Revised 2015)	The Effects of Changes in Foreign Exchange Rates
TAS No. 23 (Revised 2015)	Borrowing Costs
TAS No. 24 (Revised 2015)	Related Party Disclosures
TAS No. 26 (Revised 2015)	Accounting and Reporting by Retirement Benefit Plans
TAS No. 27 (Revised 2015)	Separate Financial Statements
TAS No. 28 (Revised 2015)	Investments in Associates and Joint Ventures
TAS No. 29 (Revised 2015)	Financial Reporting in Hyperinflationary Economies
TAS No. 33 (Revised 2015)	Earnings per Share
TAS No. 34 (Revised 2015)	Interim Financial Reporting
TAS No. 36 (Revised 2015)	Impairment of Assets
TAS No. 37 (Revised 2015)	Provisions, Contingent Liabilities and Contingent Assets
TAS No. 38 (Revised 2015)	Intangible Assets
TAS No. 40 (Revised 2015)	Investment Property
TAS No. 41	Agriculture

Thai Financial Reporting Standards (TFRS)

TFRS No. 2 (Revised 2015)	Share-based Payment
TFRS No. 3 (Revised 2015)	Business Combinations
TFRS No. 4 (Revised 2015)	Insurance Contracts
TFRS No. 5 (Revised 2015)	Non-current Assets Held for Sale and Discontinued Operations
TFRS No. 6 (Revised 2015)	Exploration for and Evaluation of Mineral Resources
TFRS No. 8 (Revised 2015)	Operations Segments
TFRS No. 10 (Revised 2015)	Consolidated Financial Statements
TFRS No. 11 (Revised 2015)	Joint Arrangements
TFRS No. 12 (Revised 2015)	Disclosure of Interests in Other Entities
TFRS No. 13 (Revised 2015)	Fair Value Measurement

Thai Accounting Standard Interpretations (TSIC)

TSIC 10 (Revised 2015)	Government Assistance - No Specific Relation to Operations Activities
TSIC 15 (Revised 2015)	Operations Leases - Incentives
TSIC 25 (Revised 2015)	Income Taxes - Changes in the Tax Status of an Enterprise or its Shareholders
TSIC 27 (Revised 2015)	Evaluating the Substance of Transactions Involving the Legal Form of a Lease
TSIC 29 (Revised 2015)	Disclosures : Service Concession Arrangements
TSIC 31 (Revised 2015)	Revenue - Barter Transactions Involving Advertising Services
TSIC 32 (Revised 2015)	Intangible Assets - Web Site Costs

Thai Financial Reporting interpretations (TFRIC)

TFRIC 1 (Revised 2015)	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4 (Revised 2015)	Determining whether an Arrangement contains a Lease
TFRIC 5 (Revised 2015)	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
TFRIC 7 (Revised 2015)	Applying the Restatement Approach under TAS 29 (Revised 2015) Financial Reporting in Hyperinflationary Economies
TFRIC 10 (Revised 2015)	Interim Financial Reporting and Impairment
TFRIC 12 (Revised 2015)	Service Concession Arrangements
TFRIC 13 (Revised 2015)	Customer Loyalty Programmes
TFRIC 14 (Revised 2015)	The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction for TAS 19 (Revised 2015) Employee Benefits
TFRIC 15 (Revised 2015)	Agreements for the Construction of Real Estate
TFRIC 17 (Revised 2015)	Distributions of Non-cash Assets to Owners
TFRIC 18 (Revised 2015)	Transfers of Assets from Customers
TFRIC 20 (Revised 2015)	Stripping Costs in the Production Phase of a Surface Mine
TFRIC 21	The Money Remitted State

The Group has applied the aforementioned financial reporting standards. However, the Group's management assessed and believe that the application of those financial reporting standards has no significant effects to the financial statements being presented, except TAS 41, "Agriculture".

The Adoption of 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 Company determines the accounting policies as disclosed in Notes 3.5 and 3.8.

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:

	Consolidated		Unit : Million Baht	
	Financial statements		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 (see Note 10)	-	250.73	-	11.50
Bearer plant (see Note 16)	-	156.51	-	10.49
As at November 1, 2015				
Deferred cane plantation costs	517.93	-	24.81	-
Biological assets	-	341.56	-	14.55
Bearer plant	-	176.37	-	10.26

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

The Federation of Accounting Professions has issued the Notification regarding 56 Thai Financial Reporting Standards (TFRSs) that will be effective for the financial statements for the period beginning on or after January 1, 2018 onwards, which has been announced in the Royal Gazette on September 26, 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 management of the Group believe that the revised financial reporting standards and interpretations and new accounting treatment guidance will not have any significant impact on the financial statements when they are initially applied, except TAS 27 (revised 2016), "Separate Financial Statements".

This revised standard stipulates an additional option to account for investments in subsidiaries, joint ventures and associates in separate financial statements under the equity method, as described in TAS 28 (revised 2016), "Investments in Associates and Joint Ventures". However, the entity is to apply the same accounting treatment for each category of investment. If an entity elects to account for such investments using the equity method in the separate financial statements, it has to adjust the transaction retrospectively.

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 Cash and cash equivalents

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

3.2 Temporary investments

Temporary investments are fixed deposit with maturity term over 3 months up to 12 months with no obligation commitments and investments in debt securities classified as held-to-maturity, which will be matured within 1 year from the date in the statement of financial position. Such investments are stated at the amortized cost.

3.3 Trade receivables, farmer receivables, and other receivables

Trade receivables, farmer receivables, and other receivables are stated at the net realizable value.

Allowance for doubtful accounts is assessed primarily on analysis of payment histories, future expectations of customer payments and the value of collateral (if any). Bad debts are written off when incurred.

3.4 Inventories

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

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

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

3.5 Biological assets

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

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.

3.6 Investments

3.6.1 Investments in an associate in the consolidated financial statements are recorded by the equity method and in the separate financial statements are recorded under the cost method net by the allowance for impairment. The change in the investment is recognized in the statement of income when the investment is disposed or the impairment of the investment incurred.

3.6.2 Investments in subsidiaries in the separate financial statements are recorded under the cost method net by the allowance for impairment. The change in the investment is recognized in the statement of income when the investment is disposed or the impairment of the investment incurred.

3.6.3 Investments in marketable debts and equity instruments which are recorded as securities available-for-sale are those held for an unspecified period which might be sold in need of liquidity and shown in total under of non-current assets except the management has intention to hold them less than 12 months from the statement of financial position date or the management is to sell them to increase the working capital. In the latter case, they will be classified as current asset. Normally, the management will fix the appropriate classification at the time of investing and will review the classification regularly. These investments are stated at fair values which are calculated from the latest quote of purchase price as of the reporting period and recognized the change in value in the statement of comprehensive income. When these investments are sold or impaired in value, the recognition will be made through the statement of income.

- 3.6.4 Investments in debt instruments, which are held to maturity, will be classified as short-term or long-term investments according to the remaining maturity period. They are stated at amortized cost and deducted by the allowance for impairment (if any). Premium/discount over value of debt instruments is amortized by effective interest rates method and the amortization amount will be presented in the statement of income.
- 3.6.5 General investments are non-marketable equity instruments are stated at cost less allowance for impairment (if any). Change in value of general investments is recognized in the statement of income when they are sold or impaired.

3.7 Investment property

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

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

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

3.8 Property, plant and equipment

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

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

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

Land improvement	3 - 90	years
Buildings and construction	3 - 76	years
Machineries and equipment	2 - 50	years
Motor vehicles and labor saving tools	2 - 28	years
Furniture and office equipment	2 - 37	years
Bearer plant	3	years

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

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

Interest expenses incurred from the loans obtained especially for the construction in progress project and during installation of equipment are included in the cost of the said construction in progress until it is ready for its intended usage.

3.9 Intangible assets

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

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

Amortization of land concession is calculated by the straight-line method within 60 - 90 years.

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

3.10 Assets not used in operation

Assets not used in operation are assets for business expansion in the future consist of land and equipment. Land is stated at the revalued amount less allowance for impairment (if any). The revalued amount is the fair value determined on the basis of the property's existing use at the date of revaluation. Equipment are stated at cost less accumulated depreciation and the allowance for impairment (if any).

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

3.11 Impairment of assets

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

3.12 Debentures

Debentures are initially recorded at cost by calculating from the fair value of the money received, which comprised of the fund received net by the direct costs from the issuances of debentures such as the management fee, debenture holder's representatives trustee appointment fee and the fee for financial advisor for debenture issuances. Such costs are amortized as expenses using the straight-line method, which is not significantly differ from the effective rate method. The said expenses would be recorded over various periods throughout the periods of debentures according to each period's outstanding value of debentures. Interest bearing liabilities are presented at cost and expenses related to the occurrence of liabilities are recorded as expenses for the year.

3.13 Provisions

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

3.14 Employee benefits

3.14.1 Provident fund

The Company and its subsidiaries have a provident fund for those employees who have indicated their willingness to join. The contributions from the employees are deducted from their monthly salaries, with the Company matching the individuals' contributions. The provident fund is managed by a financial institution which is authorized by the Government in accordance with the Provident Fund Act B.E. 2530.

The contribution for employee provident fund is recorded as expenses when incurred.

3.14.2 Post-employment benefits

The Company and its subsidiaries operate post-employment benefits under the Thai Labor Protection Act and the Company and its subsidiaries' retirement rules. Such employee benefit obligations are calculated based on actuarial assumptions at the end of reporting period using Projected Unit Credit Method, which is estimated based on the present value of expected cash flows of benefits to be paid in the future taken into account the actuarial assumptions, including salaries, turnover rate, mortality rate, years of services and other factors. Discount rate used in calculation of the post-employment benefit obligations is referred from the yield curve of government bond. Actuarial gains (losses) are recognized in other comprehensive income in the period when they incur. Expenses related to employee benefits are recognized in the statement of income in order to allocate such costs throughout the service period.

3.15 Share premium account on ordinary shares

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

3.16 Other components of equity

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

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

3.17 Non-controlling interests

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

3.18 Revenue recognition

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

- 3.18.1 Revenues from sales are recognized when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognized if there is continuing management involvement with the goods or there are significant uncertainties regarding recovery of the economic benefit due from the sale of goods or render of services or the amount of the revenue and cost incurred could not be reasonably measured or the probable return of goods.
- 3.18.2 Revenues from services, which the lengths of the services are short-term, are recognized when services are rendered.
- 3.18.3 Revenues from rental are recognized over the term of the lease.
- 3.18.4 Revenues from sale of land are recognized when the land ownership has already been transferred to the purchaser.
- 3.18.5 Revenues from sales of houses together with land are recognized in accordance with installments due for payment under gross margin method. If the payment of installments due is more than the percentage of work completed, it would be restrictively recognized only that amount pursuant to the work already completed. Revenue will be ceased to recognize immediately if purchaser becomes overdue by more than three consecutive installments.

The amount of money received by installments which exceeding the percentage of the work completed will be recorded as advance received from purchaser and is presented as other liabilities in the statement of financial position.
- 3.18.6 Revenues from sale of electricity and steam are recognized when the products steam are delivered and the customers have accepted the deliveries.
- 3.18.7 Interest income and discount receivable from discounting notes receivable are recognized according to the related period.
- 3.18.8 Dividend income is recognized when entitled to receive such dividend.
- 3.18.9 Other incomes are recognized on an accrual basis.

3.19 Expense recognition

The policies relating to expenses are as follows:

- 3.19.1 In case of cost of sales for house together with land, all estimated development costs of properties are allocated based on actual costs to house and land sold according to saleable areas. Cost of sales is recognized in the statement of income according to proportion of revenue recognition.
- 3.19.2 Other expenses are recognized on an accrual basis.

3.20 Leases

Operating lease

Lease in which substantially the risks and ownership of assets remain with the lessor is accounted for as operating lease. Rental applicable to such operating leases are charged to the statement of income using the straight-line method over the lease period.

Finance lease

Lease for equipment which substantially transfer all the risks and rewards of ownership to the lessee is classified as finance lease. Finance leases are capitalized at the inception of the lease at the lower of the fair value of the leased equipment or the present value of the minimum lease payments. The related interest is recognized by effective interest rate method over the term of contracts and charged to the statement of income. The equipment acquired under finance leasing contracts is depreciated over the estimated useful lives of the equipment using the straight-line method.

3.21 Finance costs

Finance costs such as interest expenses and similar costs are charged to the statement of income for the period in which they are incurred, except to the extent that they are capitalized as being directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to be prepared for its intended use or sale.

3.22 Foreign currency transactions

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

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

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

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

3.23 Related parties

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

3.24 Income tax expense

Income tax expenses represents the sum of the current tax and deferred tax.

3.24.1 Current tax

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

3.24.2 Deferred tax

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

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

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

3.25 Earnings per share

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

3.26 Sectorial business operations

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

3.27 Financial assets and liabilities

Financial assets and liabilities carried on the statement of financial position include cash and cash equivalents, trade and other receivables, trade and other payables, investments and loan receivables and payables. The important accounting policies and measurement of these items are disclosed in the respective accounting policies for related items.

Derivatives are invested by the Group for hedging the risk from the fluctuation of exchange rates or prices of goods by determining the future exchange rates or prices of goods relating to assets or liabilities will be derived or paid. Gain or loss on the investment in derivatives is recorded in the statement of income when the contracts are settled or contractual terms are expired.

3.28 Fair Value Measurement

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

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

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

3.29 Use of accounting estimates

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

The significant accounting estimates which requires the Company's and its subsidiaries' management to exercise the significant judgments consist of the following:

1. Measurement of fair value of investment in an associate which is resulted from amalgamation

Estimate and setting significant assumptions in forecasting the results of operations including future sales volume and sales price, costs of production and administration, long-term growth rate and weighted average cost of capital (discounted rate) of each subsidiaries of such associate.

2. Estimation of realizable values of the Company's investment in subsidiaries in foreign countries and of buildings and equipment of subsidiaries.

Estimate realizable values of its investment in subsidiaries and of buildings and equipment of such subsidiaries for consideration of their loss on impairment. The realizable values are estimated at higher of their values in use and their fair values deducted by sales cost of assets, whereby

- Values in use are estimated exercising the Company's management judgment in connection with the judgement on significant assumptions to forecast the results of operations including future sales volume and sales price, costs of production and administration, long-term growth rate and weighted average cost of capital (discounted rate) of each subsidiaries
- Fair values of assets are estimated by an independent appraiser who has been approved by the Office of the Securities and Exchange Commission (Thailand) and the costs to sell those assets are estimated by the Company's management.

4. AMALGAMATION IN SUBSIDIARY TO CHANGE TO ASSOCIATE

The Board of Directors' Meeting of the Company No.6/2016-2017 held on July 19, 2017 approved the amalgamation between KSLGI Company Limited (KSLGI) a subsidiary of the Company which will be incorporated to accept the transfer of and hold 99.99% of total issued shares in KSL Green Innovation Public Company Limited (KGI), a subsidiary of the Company and BBP Holding Company Limited (BBH), a new subsidiary of Bangchak Corporation Public Company Limited (BCP). Such amalgamation is in accordance with the agreements on business alliance for bio-based product businesses. The Company and Bangchak Corporation Public Company Limited entered into the agreement on July 19, 2017.

On July 20, 2017, KSLGI Company Limited was registered as a limited company under Thai law held with the registered capital of Baht 832.00 million (83.20 million ordinary shares with a par value of Baht 10.00 each). Subsequently, as at September 30, 2017, KSLGI Company Limited was transferred of and hold 99.99% of total issued shares in KSL Green Innovation Public Company Limited according to the amalgamation plan.

On October 31, 2017, BBGI Company Limited (BBGI) which is a new entity arising from the amalgamation between KSLGI Company Limited and BBP Holding Company Limited, was entitled to all the assets, liabilities, rights, obligations and commitments of both companies. The amalgamation was completed on the date specified according to the amalgamation agreement dated July 19, 2017.

The amalgamation acquired the allocation of share capital to shareholders of KSLGI Company Limited and BBP Holding Company Limited in exchange for the new shares based on the following:

One existing share in KSLGI	:	1.21730769 shares in BBGI
One existing share in BBH	:	0.89364706 shares in BBGI

As at October 31, 2017, the Company holds 40% and Bangchak Corporation Public Company Limited holds 60% of all BBGI Company Limited. The Company has been identified as the seller and loses its control power over KSL Green Innovation Public Company Limited and has BBGI Company Limited as an associate from this amalgamation.

Details of net assets of KSL Green Innovation Public Company Limited and KSLGI Company Limited on the disposal date are as follows:

	Unit : Thousand Baht
Cash and cash equivalents	14,534
Trade and other receivables	138,109
Inventories	508,364
Other current assets	2,813
Property, plant and equipment (see Note 16)	1,201,078
Intangible assets	1,012
Other non-current assets	6,335
Short-term borrowings from financial institutions	(452,000)
Trade and other payable	(53,617)
Current Portion of long-term borrowings (see Note 21)	(200,000)
Current income tax payable	(5,630)
Other current liabilities	(8,760)
Long-term borrowings (see Note 21)	(200,000)
Deferred tax liabilities (see Note 22.3)	(3,038)
Employee benefit obligations (see Note 23)	(4,729)
Other non-current liabilities	(200)
Total net assets	<u>944,271</u>

As a result, the Company changed accounting treatment from investment in subsidiary (KSLGI and KGI) to investment in associate (BBGI) using the fair value method, as at October 31, 2017 amount of Baht 3,244.87 million and recognized gain on disposal of investment in subsidiary in the consolidated and separate financial statements for the year ended October 31, 2017 amounting to Baht 2,370.35 million and Baht 2,634.60 million, respectively.

5. ADDITIONAL CASH FLOW INFORMATION AND CASH EQUIVALENTS

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

Type of Transactions	Consolidated Financial Statements "Restated"		Unit : Thousand Baht Separate Financial Statements "Restated"	
	2017	2016	2017	2016
Purchases of property, plant and equipment which have not yet been paid	95,982	179,651	53,814	42,562
Transfer of other current assets to inventories	-	62,712	-	-
Transfer of property, plant and equipment to investment property and assets not used in operations	58,376	5,095	3,361	-
Transfer of equipment to intangible assets	5,969	4,398	5,729	-
Transfer of investment property to property, plant and equipment and assets not used in operations	4,658	2,676	-	-
Decrease in short-term borrowings from subsidiaries by offsetting against dividend received	-	-	-	815,000
Decrease in short-term borrowings from subsidiaries by offsetting against other receivables	-	-	-	203,000
Decrease in short-term borrowings from subsidiaries by offsetting against investments in subsidiaries	-	-	624,000	-
Transfer of other current assets to other non-current assets	8,395	-	-	-
Transfer of other non-current liabilities to other current liabilities	-	450	-	-

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

Type of Transactions	Consolidated Financial Statements		Unit : Thousand Baht Separate Financial Statements	
	2017	2016	2017	2016
Cash	2,460	3,214	1,182	2,070
Current accounts deposits	40,864	16,593	(318)	7,854
Savings accounts deposits	109,680	62,504	11,030	10,932
Total	<u>153,004</u>	<u>82,311</u>	<u>11,894</u>	<u>20,856</u>

6. TRANSACTIONS WITH RELATED PARTIES

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

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

Type of Balances	Consolidated Financial Statements		Unit : Million Baht Separate Financial Statements	
	2017	2016	2017	2016
Trade and other receivables				
Subsidiaries	-	-	165.68	275.67
Associates	-	1.30	-	1.27
Related parties	34.57	0.03	6.26	0.03
Total	<u>34.57</u>	<u>1.33</u>	<u>171.94</u>	<u>276.97</u>
Short-term loans (see Note 8)				
Subsidiaries	<u>-</u>	<u>-</u>	<u>4,625.92</u>	<u>2,136.23</u>
Other current assets				
Subsidiaries	-	-	32.83	40.00
Related parties	1.02	0.43	0.17	0.23
Total	<u>1.02</u>	<u>0.43</u>	<u>33.00</u>	<u>40.23</u>
Long-term loans				
Subsidiaries	<u>-</u>	<u>-</u>	<u>1,300.00</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	-	-	113.76	100.79
Associates	4.63	3.54	-	2.38
Related parties	8.39	2.58	3.96	0.23
Total	<u>13.02</u>	<u>6.12</u>	<u>117.72</u>	<u>103.40</u>

Type of Balances	Consolidated		Unit : Million Baht	
	Financial Statements	Financial Statements	Financial Statements	Financial Statements
	2017	2016	2017	2016
Other accrued expenses (included in other payables)				
Subsidiaries	-	-	0.68	0.49
Related parties	-	0.02	-	-
Total	<u>-</u>	<u>0.02</u>	<u>0.68</u>	<u>0.49</u>
Short-term borrowings				
Subsidiaries	-	-	540.20	476.00
Related parties	<u>5.00</u>	<u>6.90</u>	<u>5.00</u>	<u>6.90</u>
Total	<u>5.00</u>	<u>6.90</u>	<u>545.20</u>	<u>482.90</u>
Other current liabilities				
Subsidiaries	-	-	0.03	0.02
Related parties	-	0.02	-	0.02
Total	<u>-</u>	<u>0.02</u>	<u>0.03</u>	<u>0.04</u>
Other non-current liabilities - others				
Subsidiaries	-	-	0.47	0.58
Related parties	<u>1.55</u>	<u>1.32</u>	<u>1.55</u>	<u>1.30</u>
Total	<u>1.55</u>	<u>1.32</u>	<u>2.02</u>	<u>1.88</u>

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

As at October 31, 2017 and 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 October 31, 2017 and 2016, short-term borrowings from subsidiaries and related parties represented promissory notes payable on demand, carrying the interest rates at 1.83% - 1.92% per annum and 1.90% - 3.60% per annum, respectively.

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

Type of Transactions	Unit : Million Baht			
	Consolidated		Separate	
	Financial Statements	Financial Statements	Financial Statements	Financial Statements
	2017	2016	2017	2016
Revenues from sales and services				
Subsidiaries	-	-	3,446.03	3,605.26
Related parties	2.02	3.02	-	1.07
Total	<u>2.02</u>	<u>3.02</u>	<u>3,446.03</u>	<u>3,606.33</u>
Cost of sales and services				
Subsidiaries	-	-	2,877.72	2,038.77
Associates	11.56	8.24	11.56	8.24
Related parties	1.47	6.41	1.33	0.74
Total	<u>13.03</u>	<u>14.65</u>	<u>2,890.61</u>	<u>2,047.75</u>
Other income				
Subsidiaries	-	-	194.96	505.78
Associates	1.02	7.89	0.32	6.43
Related parties	4.50	15.34	4.48	15.33
Total	<u>5.52</u>	<u>23.23</u>	<u>199.76</u>	<u>527.54</u>
Selling expenses				
Subsidiaries	-	-	5.16	7.74
Associates	20.38	53.81	0.18	32.56
Total	<u>20.38</u>	<u>53.81</u>	<u>5.34</u>	<u>40.30</u>
Administrative expenses				
Subsidiaries	-	-	3.28	5.52
Related parties	16.29	17.91	6.16	7.18
Related juristic person	11.44	11.57	10.10	10.19
Total	<u>27.73</u>	<u>29.48</u>	<u>19.54</u>	<u>22.89</u>
Financial cost				
Subsidiaries	-	-	8.42	13.49
Related juristic person	0.11	0.13	0.11	0.13
Total	<u>0.11</u>	<u>0.13</u>	<u>8.53</u>	<u>13.62</u>
Management compensation				
Short-term employee benefits	147.14	141.31	50.51	48.57
Post-employment benefits	4.32	5.10	1.82	2.19
Total	<u>151.46</u>	<u>146.41</u>	<u>52.33</u>	<u>50.76</u>

POLICIES OF INTER-PRICE SETTING

- The inter-purchases/sales of raw sugar transactions among the Group are based on the world market prices.
- In case of the sugar purchases/sales agreements entered into on behalf of the Group, which each company has already been allocated the sales volume, if any company within the Group has no sufficient volume of sugar to sell, the purchases of sugar can be made within the group companies at the same price as stipulated in such sugar purchases/sales agreements.
- The prices for other inter-purchases/sales of goods (except for sugar products) are in accordance with the prices stipulated in the mutually agreed contracts, which are higher than costs.
- The prices for the inter-purchases/sales of assets are in accordance with the agreed prices by counter parties, which are higher than costs.
- Revenues from sales of supplies are in accordance with the agreed prices by counter parties, which are higher than cost.
- Revenues from land leased to a subsidiary are charged according to the lease agreement which term is 30 years, commencing from January 25, 2005 until January 24, 2035 at annual rent of Baht 0.11 million, and will be increased by 10% for every 3 years. Once the lease is expired, ownership rights on all constructions built on the leased land will be vested to the lessor.
- Rental income from land structure and machines which lease terms range from 1 to 3 years are in accordance with the mutually agreed prices.
- Inter-service income, other incomes and expenses are charged according to the normal price charged to general clients.
- Fees for goods custody are charged according to the volume of the goods and the custody period at general market rates.
- Expenses paid on behalf of each other are charged at actual.

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

2017

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
KSL Green Innovation Public Company Limited	Related party	Same common shareholder and Mutual director

* K.K. Wood Industry Co., Ltd. and Amarco Co., Ltd., registered the dissolution with the Ministry of Commerce in the first quarter of 2017.

2016

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 Thai Sugar Terminal Public Company Limited and K.S.L. Export Trading Co., Ltd., which are subsidiaries of Khon Kaen Sugar Industry Public Company Limited.

7. TRADE AND OTHER RECEIVABLES

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

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2017	2016	2017	2016
Trade receivables	774,625	943,453	591,680	765,798
Farmer receivables	384,827	309,238	208,680	130,431
Other receivables	20,490	15,689	10,139	12,123
Prepaid expenses	32,738	37,652	17,793	17,232
Advance payment	12,657	16,574	8,146	4,767
Accrued income	66,256	84,670	44,456	49,763
Total trade and other receivables	<u>1,291,593</u>	<u>1,407,276</u>	<u>880,894</u>	<u>980,114</u>

7.1 Trade receivables as at October 31, consisted of:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2017	2016	2017	2016
Related parties	33,619	2	170,066	266,621
Others	<u>742,886</u>	<u>945,255</u>	<u>421,614</u>	<u>499,177</u>
Total	776,505	945,257	591,680	765,798
<u>Less</u> Allowance for doubtful accounts	<u>(1,880)</u>	<u>(1,804)</u>	<u>-</u>	<u>-</u>
Total trade receivables	<u>774,625</u>	<u>943,453</u>	<u>591,680</u>	<u>765,798</u>

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

7.1.1 Trade receivables - related parties

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2017	2016	2017	2016
Domestic trade receivables				
Not yet due	17,114	2	131,518	239,955
Overdue not over 3 months	5	-	23,131	26,666
Total	17,119	2	154,649	266,621
Foreign trade receivables				
Not yet due	16,500	-	6,816	-
Overdue not over 3 months	-	-	8,601	-
Total	16,500	-	15,417	-
Total trade receivables - related parties	33,619	2	170,066	266,621

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

7.1.2 Trade receivables - others

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2017	2016	2017	2016
Business are to manufacture and distribute sugar and molasses				
Domestic trade receivables				
Not yet due	201,273	181,966	72,875	58,378
Overdue not over 3 months	67,278	59,742	34,988	21,541
Total	268,551	241,708	107,863	79,919
Foreign trade receivables				
Not yet due	394,101	442,321	292,722	417,908
Overdue not over 3 months	36,065	1,350	21,029	1,350
Total	430,166	443,671	313,751	419,258
Total of business are to manufacture and distribute sugar and molasses	698,717	685,379	421,614	499,177
Manufacture and distribution of alcohol and electricity				
Domestic trade receivables				
Not yet due	17,748	187,547	-	-
Overdue not over 3 months	15,133	61,813	-	-
Total of business of manufacturing and distributing of alcohol and electricity	32,881	249,360	-	-
Other business				
Domestic trade receivables				
Not yet due	2,307	3,279	-	-
Overdue not over 3 months	1,969	678	-	-
Overdue not over 3 months and not over 6 months	71	-	-	-
Overdue over 12 months	6,941	6,559	-	-
Total other business	11,288	10,516	-	-
Total	742,886	945,255	421,614	499,177
Less Allowance for doubtful accounts	(1,880)	(1,804)	-	-
Total trade receivables - others	741,006	943,451	421,614	499,177

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

7.2 Farmer receivables as at October 31, consisted of:

	Consolidated Financial Statements		Unit : Thousand Baht Separate Financial Statements	
	2017	2016	2017	2016
Cane receivables				
Before Season 2012/2013	35,776	45,833	6,023	6,615
Season 2012/2013	21,906	27,923	5,259	6,465
Season 2013/2014	39,555	40,946	6,283	6,844
Season 2014/2015	46,777	54,698	12,921	13,088
Season 2015/2016	49,446	79,180	15,331	22,345
Season 2016/2017	53,371	-	23,837	-
Total cane receivables	<u>246,831</u>	<u>248,580</u>	<u>69,654</u>	<u>55,357</u>
Advance payment				
Season 2015/2016	-	95,891	-	93,021
Season 2016/2017	197,958	-	164,183	-
Total advance payment for purchases of cane	<u>197,958</u>	<u>95,891</u>	<u>164,183</u>	<u>93,021</u>
Receivables from fuel oil, fertilizer and other services	<u>9,681</u>	<u>8,607</u>	<u>9,455</u>	<u>8,418</u>
Total	454,470	353,078	243,292	156,796
<u>Less</u> Allowance for doubtful accounts	<u>(69,643)</u>	<u>(43,840)</u>	<u>(34,612)</u>	<u>(26,365)</u>
Total farmer receivables	<u>384,827</u>	<u>309,238</u>	<u>208,680</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.

8. SHORT-TERM LOANS

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

	Consolidated Financial Statements		Unit : Thousand Baht Separate Financial Statements	
	2017	2016	2017	2016
Short-term loans to subsidiaries and related parties (see Note 6.1)	-	-	1,766,197	2,136,233
Short-term loans to other	181,000	-	181,000	-
Short-term loans to farmers	1,075,055	965,448	473,971	247,908
Current portion of long-term loans to subsidiaries (see Note 6.1)	-	-	2,859,727	-
Current portion of long-term loans to others	31,733	41,333	31,733	41,333
Current portion of loans for cane plantation development	281,471	266,316	60,922	58,532
Total short-term loans	<u>1,569,259</u>	<u>1,273,097</u>	<u>5,373,550</u>	<u>2,484,006</u>

Short-term loans to other as at October 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 October 31, 2017 and 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.

9. INVENTORIES

Inventories as at October 31, consisted of:

	Consolidated Financial Statements		Unit : Thousand Baht Separate Financial Statements	
	2017	2016	2017	2016
Sugar and molasses	2,490,630	1,560,120	1,542,500	771,747
Alcohol and bio-fertilizer	39,463	182,593	-	-
Bagasse	125,006	93,279	-	-
Real estate development	62,712	62,712	-	-
Factory supplies	199,922	179,693	161,688	141,252
Machine maintenance supplies	526,774	510,827	423,828	418,881
	<u>3,444,507</u>	<u>2,589,224</u>	<u>2,128,016</u>	<u>1,331,880</u>
<u>Less</u> Allowance for obsolete inventories	(39,388)	(33,862)	(34,121)	(33,862)
Allowance for diminution in value of inventories	(305,137)	(3,813)	(208,967)	-
Total inventories	<u>3,099,982</u>	<u>2,551,549</u>	<u>1,884,928</u>	<u>1,298,018</u>

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

	Consolidated Financial Statements		Unit : Thousand Baht Separate Financial Statements	
	2017	2016	2017	2016
Beginning balance	(33,862)	(6,129)	(33,862)	(6,129)
<u>Add</u> Increase during the years - recognized as expense of sales for the years	<u>(5,526)</u>	<u>(27,733)</u>	<u>(259)</u>	<u>(27,733)</u>
Ending balance	<u>(39,388)</u>	<u>(33,862)</u>	<u>(34,121)</u>	<u>(33,862)</u>

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

	Consolidated Financial Statements		Unit : Thousand Baht Separate Financial Statements	
	2017	2016	2017	2016
Beginning balance	(3,813)	(163,512)	-	(24,898)
<u>Add</u> Increase during the years - recognized as cost of sales for the years	<u>(324,397)</u>	<u>(22,681)</u>	<u>(208,967)</u>	<u>-</u>
<u>Less</u> Reversal during the years	<u>23,073</u>	<u>182,380</u>	<u>-</u>	<u>24,898</u>
Ending balance	<u>(305,137)</u>	<u>(3,813)</u>	<u>(208,967)</u>	<u>-</u>

10. BIOLOGICAL ASSETS

Movements of biological assets for the years ended October 31, 2017 are as follows:

	Consolidated Financial Statements		Unit : Thousand Baht Separate Financial Statements	
	2560	2559	2560	2559
Beginning book value	250,734	341,564	11,502	14,556
Gain (loss) on arising from change in fair value	(55,629)	(10,641)	2,465	95
Additional costs from cane plantation during the period	196,448	252,002	11,908	11,502
Amortization of cane plantation costs during the period	(218,864)	(334,731)	(20,021)	(14,651)
Loss from plantation	(54,294)	(3,345)	-	-
Exchange differences on translating financial statements	(6,500)	5,885	-	-
Ending book value	<u>111,895</u>	<u>250,734</u>	<u>5,854</u>	<u>11,502</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 19). The fair value is hierarchy level 3.

11. INVESTMENTS IN ASSOCIATES

Investments in associates as at October 31, consisted of:

Consolidated Financial Statements

Company Name	Paid-up		Percentage of		2017			2016		
	Share Capital		Shareholding		Investment		Dividend	Investment		Dividend
	2017	2016	%	%	Cost	Equity	for	Cost	Equity	for
			2017	2016			the period 2017			the year 2016
Thai Sugar Terminal Public Company Limited	191,664	191,664	23.82	23.82	90,267	455,593	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*	342,051	342,051	0.07	0.07	313	218	59	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	-
BBGI Co., Ltd.**	2,532,000	-	40.00	-	3,244,868	3,244,867	-	-	-	-
Total					<u>3,381,615</u>	<u>3,746,845</u>	<u>5,537</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 parent company of this associate.

** BBGI Company Limited (BBGI) arose from the amalgamation between KSLGI Company Limited (KSLGI) and BBP Holding Company Limited (BBH) which was registered on October 31, 2017 (see Note 4).

Separate Financial Statements

Company Name	Paid-up		Percentage of		Investment Cost		Unit : Thousand Baht	
	share Capital		Shareholding				Dividends	
	2017	2016	%	%	2017	2016	For the year ended	
			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*	342,051	342,051	0.07	0.07	313	313	59	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	-	-
BBGI Co., Ltd.**	2,532,000	-	40.00	-	3,244,868	-	-	-
Total					<u>3,381,615</u>	<u>136,747</u>	<u>5,537</u>	<u>4,264</u>

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

** BBGI Company Limited (BBGI) arose from the amalgamation between KSLGI Company Limited (KSLGI) and BBP Holding Company Limited (BBH) which was registered on October 31, 2017 (see Note 4).

12. INVESTMENTS IN SUBSIDIARIES

Investments subsidiaries as at October 31, consisted of:

Separate Financial Statements

Company Name	Paid-up		Percentage of		Investment Cost		Unit : Thousand Baht	
	Share Capital		Shareholding				Dividends	
	2017	2016	%	%	2017	2016	For the year ended	
			2017	2016			October 31,	
							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	-	-
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
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	-	100.00	-	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	-	-
Savannakhet Sugar Corporation	684,757	684,757	98.49	98.49	674,178	674,178	-	-
Koh Kong Sugar Industry Company Limited *	1,167,660	1,167,660	80.00	80.00	932,589	932,589	-	-
Wynn In Trading Company Limited *	487,497	487,497	100.00	100.00	487,497	487,497	-	-
Total					<u>5,926,529</u>	<u>6,536,515</u>	<u>-</u>	<u>308,042</u>
<u>Less</u> Allowance for impairment of investments					<u>(1,150,718)</u>	<u>(750,419)</u>	<u>-</u>	<u>-</u>
Total investments subsidiaries					<u>4,775,811</u>	<u>5,786,096</u>	<u>-</u>	<u>308,042</u>

* 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. As at October 31, 2017, loss of Koh Kong Plantation Company Limited exceed 75% of the registered share capital. The Company's management is performing to resolve its loss less than 75% of the registered share capital.

** The Company loses control of a subsidiary from amalgamation on October 31, 2017 (see Note 4).

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

	Unit : Thousand Baht Separate Financial Statements	
	2017	2016
Beginning balance	5,786,096	6,060,381
Additional investments		
KSLGI Company Limited (see Note 4)	831,715	-
KSL Material Supplys Company Limited	-	470,000
KSL WSP Logistic Company Limited	-	250
Selling investments		
KSL Green Innovation Public Company Limited (see Note 4)	(609,986)	-
Decrease from amalgamation		
KSLGI Company Limited (see Note 4)	(831,715)	-
Increase in allowance for impairment of investments		
Savannakhet Sugar Corporation	(137,670)	(402,557)
Koh Kong Sugar Industry Company Limited	(262,629)	(341,978)
Ending balance	<u>4,775,811</u>	<u>5,786,096</u>

The Board of Directors Meeting No. 5/2016 on June 24, 2016 has approved the establishment of a new subsidiary, WSP Logistic Company Limited, to operate the transportation and logistics. With authorized share capital of Baht 1,000,000 (100,000 shares at par value of Baht 10.00 each) which Baht 2.50 per share totaling Baht 250,000, was called and paid-up. Such subsidiary incorporated with the Ministry of Commerce on August 23, 2016. The Company directly invested 100%.

In accordance with the minute of Extraordinary General Meeting of Shareholders No.1 of the annual 2016 of KSL Material Supplys Company Limited held on October 13, 2016, has resolution to increase of registered capital totaling amount of Baht 470,000,000 by newly issued ordinary shares totaling amount 47,000,000 shares at the par value of Baht 10.00 totaling amount of Baht 480,000,000. The subsidiary company has registered and articles of association letter with the Commercial Business Development Department of the Ministry of Commerce, on October 31, 2016. The Company directly invested 100%.

As at October 31, 2016, in consistent with Thai Accounting Standard No. 36 “Impairment of Assets”, the Company has made an assessment of impairment loss to investment in Savannakhet Sugar Corporation and Koh Kong Sugar Industry Company Limited, the forecasted cash flows covering a period of 20 years and using the discounted rates at 9.30% - 9.70% p.a. and recorded impairment loss of investments in subsidiaries amounting to Baht 744.53 million in the separate statements of profit or loss and other comprehensive income for the year ended October 31, 2016. Subsequently, as at October 31, 2017, the Company has additional made an assessment of impairment loss to investment, the independent appraiser evaluates the assets that generate future cash inflows and recorded impairment loss of investments in subsidiaries amounting to Baht 400.30 million in the separate statements of profit or loss and other comprehensive income for the year ended October 31, 2017.

However, the Company firmly believes that the subsidiaries could be carried according to plan and remain the potential for further growth in the future.

13. OTHER LONG-TERM INVESTMENTS

Other long-term investments as at October 31, consisted of:

	Parentage of Shareholding		Consolidated		Unit : Thousand Baht	
	Direct and indirect		Financial Statements		Separate	
	2017	2016	2017	2016	2017	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
- Mudman 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			(55,103)	-	(55,103)	-
Net			377,849	-	377,849	-
Held-to-maturity debt securities - government bonds			6,749	2,724	-	-
<u>Less</u> Amortization			(58)	(22)	-	-
Current portion			-	(2,702)	-	-
Net			6,691	-	-	-
Total other long-term investments			405,335	370,795	398,174	370,325

In the second quarter of 2017, the investment in Mudman Co., Ltd. was changed from general investment to investment in available-for-sale securities since Mudman Public Company Limited was 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.

14. LONG-TERM LOANS

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

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Financial Statements	
	2017	2016	2017	2016
Long-term loans to subsidiaries (see Note 6.1)	-	-	4,159,728	4,266,963
Long-term loans to others	66,221	86,667	66,221	86,667
Loans for cane plantation development	707,427	645,950	141,050	151,375
<u>Less</u> Current portion (included as part of short-term loans, see Note 8)	(313,204)	(307,649)	(2,952,382)	(99,865)
Total	460,444	424,968	1,414,617	4,405,140
<u>Less</u> Allowance for doubtful debts	(67,245)	(66,904)	(9,702)	(9,702)
Total long-term loans	393,199	358,064	1,404,915	4,395,438

As at October 31, 2017 and 2016, most of long-term loans to others is loan to individual of Baht 60.00 million and Baht 80.00 million, respectively, which is under lending limit of Baht 120.00 million on August 31, 2015 principal installment payable every six months on the last working day of February and August of each year for 6 installments at Baht 20.00 million each. The first installment must be made in February 2016. The interest rate is 7.00% per annum. The interest is payable at the end of each month. Such loans are guaranteed by the shares and the land of two companies which the borrowers are the directors. Subsequently, in 2017, the agreement is amended to pay for 4 installments at Baht 15.00 million, and the first installment is due in February 2018.

As at October 31, 2017 and 2016, loans for cane plantation development included in the consolidated financial statements of Baht 685.78 million and Baht 624.30 million, respectively, and in the separate financial statements of Baht 119.40 million and Baht 129.73 million, respectively, were the loans to farmers the purpose to buy land for cane plantation, agricultural machineries and equipment. The loan agreements were entered into for the periods of 1 - 8 years, or longer. Loans carry interest rates of 7.12% - 8.00% per annum and 7.25% - 8.00% per annum, respectively, which the farmers mostly use land and vehicles as collateral. For the remaining loans for cane plantation development of Baht 21.65 million for each year were loans to other personals and parties for purchases of agricultural machineries for planting cane for one of the Company's overseas subsidiary for periods of 3 - 4 years and carrying interest rate at MLR+1.00% per annum. The principal and interest are payable annually. The loan is secured by such agricultural machineries.

15. INVESTMENT PROPERTY

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

2017

	Consolidated Financial Statements			Unit : Thousand Baht Separate Financial Statements		
	Land	Buildings and Warehouses	Total	Land	Buildings and Warehouses	Total
Fair value :						
As at November 1, 2016	2,617,149	1,879,035	4,496,184	927,955	571,729	1,499,684
Adjustment and reclassification	(4,709)	51	(4,658)	-	-	-
Purchases	-	4,936	4,936	-	63	63
Disposals	-	(402)	(402)	-	-	-
Gain from fair value adjustments on investment property	366,247	54,900	421,147	27,547	17,621	45,168
As at October 31, 2017	2,978,687	1,938,520	4,917,207	955,502	589,413	1,544,915

2016

	Consolidated Financial Statements			Unit : Thousand Baht Separate Financial Statements		
	Land	Buildings and Warehouses	Total	Land	Buildings and Warehouses	Total
Fair value :						
As at November 1, 2015	1,644,150	1,710,413	3,354,563	529,088	484,470	1,013,558
Adjustment and reclassification	(1,574)	-	(1,574)	-	-	-
Purchases	4,900	19	4,919	-	19	19
Gain from fair value adjustments on investment property	969,673	168,603	1,138,276	398,867	87,240	486,107
As at October 31, 2016	2,617,149	1,879,035	4,496,184	927,955	571,729	1,499,684

For the years ended October 31, 2017 and 2016, the Company and its subsidiaries recognized rental income from investment property of Baht 203.58 million and Baht 195.51 million, respectively, in the consolidated statements of income, and of Baht 51.48 million and Baht 47.98 million, respectively, in the separate statements of income.

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.

16. PROPERTY, PLANT AND EQUIPMENT

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

2017

Unit : Thousand Baht

	Consolidated Financial Statements								
	Land	Land Improvement	Buildings and Construction	Machinery and Equipment	Motor Vehicle and Labor Saving Tools	Furniture and Office Equipment	Construction in progress	Bearer Plant	Total
Cost :									
As at November 1, 2016	850,225	1,522,517	6,211,168	22,040,659	1,824,246	291,879	1,668,078	297,906	34,706,678
Adjustment and reclassification	1,539	29,164	(4,210)	(94,040)	-	(772)	(29,107)	-	(97,426)
Purchases	124,057	70	37,480	31,959	60,967	19,306	2,711,562	61,700	3,047,101
Disposals/written off	(900)	(104)	(26,018)	(18,513)	(42,021)	(6,666)	(562)	(56,196)	(150,980)
Amalgamation	(50,699)	(21,492)	(321,843)	(1,276,560)	(7,493)	(26,442)	(61,454)	-	(1,765,983)
Transfer in (out)	-	49,306	82,914	475,561	3,490	2,687	(613,958)	-	-
Translation of financial statements differences	-	(28,851)	(30,177)	(75,657)	(12,846)	(874)	(775)	(5,287)	(154,467)
As at October 31, 2017	924,222	1,550,610	5,949,314	21,083,409	1,826,343	279,118	3,673,784	298,123	35,584,923
Accumulated depreciation :									
As at November 1, 2016	-	(379,474)	(1,220,117)	(7,769,223)	(1,077,929)	(236,175)	-	(138,389)	(10,821,307)
Adjustment and reclassification	-	(1,436)	8,601	7,022	-	(170)	-	-	14,017
Depreciation for the year	-	(35,948)	(169,797)	(783,873)	(106,797)	(26,612)	-	(52,530)	(1,175,557)
Disposals/written off	-	87	2,412	17,355	31,470	6,485	-	-	57,809
Amalgamation	-	8,043	47,460	510,407	2,751	17,251	-	-	585,912
Translation of financial statements differences	-	9,871	5,712	12,436	8,027	821	-	850	37,717
As at October 31, 2017	-	(398,857)	(1,325,729)	(8,005,876)	(1,142,478)	(238,400)	-	(190,069)	(11,301,409)
Differences on revaluation of assets :									
As at November 1, 2016	2,339,528	-	-	-	-	-	-	-	2,339,528
Amalgamation	(22,858)	-	-	-	-	-	-	-	(22,858)
As at October 31, 2017	2,316,670	-	-	-	-	-	-	-	2,316,670
Allowance for impairment of assets :									
As at November 1, 2016	(29,540)	-	(6,363)	-	-	-	-	(3,008)	(38,911)
Increased	-	-	-	(152,035)	(9,285)	-	-	(47,492)	(208,812)
Amalgamation	1,851	-	-	-	-	-	-	-	1,851
As at October 31, 2017	(27,689)	-	(6,363)	(152,035)	(9,285)	-	-	(50,500)	(245,872)
Net book value :									
As at October 31, 2017	3,213,203	1,151,753	4,617,222	12,925,498	674,580	40,718	3,673,784	57,554	26,354,312

“Restated”
2016

Unit : Thousand Baht

Consolidated Financial Statements									
	Land	Land Improvement	Buildings and Construction	Machinery and Equipment	Motor Vehicle and Labor Saving Tools	Furniture and Office Equipment	Construction in progress	Bearer Plant	Total
Cost :									
As at November 1, 2015	730,353	1,454,203	6,140,642	21,724,413	1,848,115	273,335	938,710	218,755	33,328,526
Adjustment and reclassification	(500)	(7,067)	(20,232)	(9,884)	5	(274)	11,013	-	(26,939)
Purchases	160,112	85,494	126,850	125,477	45,910	11,456	1,302,335	119,741	1,977,375
Disposals/written off	(39,740)	(84,982)	(117,919)	(167,959)	(67,177)	(3,435)	(2,217)	(30,835)	(514,264)
Transfer in (out)	-	84,186	91,673	393,132	1,497	11,075	(581,563)	-	-
Translation of financial statements differences	-	(9,317)	(9,846)	(24,520)	(4,104)	(278)	(200)	(9,755)	(58,020)
As at October 31, 2016	850,225	1,522,517	6,211,168	22,040,659	1,824,246	291,879	1,668,078	297,906	34,706,678
Accumulated depreciation :									
As at November 1, 2015	-	(365,637)	(1,081,699)	(7,032,202)	(1,047,354)	(213,442)	-	(39,385)	(9,779,719)
Adjustment and reclassification	-	(3,440)	2,419	3,748	-	585	-	-	3,312
Depreciation for the year	-	(32,731)	(160,673)	(831,436)	(90,659)	(26,583)	-	(99,135)	(1,241,217)
Disposals/written off	-	19,274	18,185	87,048	57,618	3,008	-	-	185,133
Translation of financial statements differences	-	3,060	1,651	3,619	2,466	257	-	131	11,184
As at October 31, 2016	-	(379,474)	(1,220,117)	(7,769,223)	(1,077,929)	(236,175)	-	(138,389)	(10,821,307)
Differences on revaluation of assets :									
As at November 1, 2015	1,412,609	-	-	-	-	-	-	-	1,412,609
Adjustment and reclassification	(14,314)	-	-	-	-	-	-	-	(14,314)
Increased	1,007,588	-	-	-	-	-	-	-	1,007,588
Disposals	(66,355)	-	-	-	-	-	-	-	(66,355)
As at October 31, 2016	2,339,528	-	-	-	-	-	-	-	2,339,528
Allowance for impairment of assets :									
As at November 1, 2015	(12,400)	-	(6,363)	-	-	-	-	(3,008)	(21,771)
Adjustment and reclassification	2,350	-	-	-	-	-	-	-	2,350
Increased	(22,582)	-	-	-	-	-	-	-	(22,582)
Disposals	3,092	-	-	-	-	-	-	-	3,092
As at October 31, 2016	(29,540)	-	(6,363)	-	-	-	-	(3,008)	(38,911)
Net book value :									
As at October 31, 2016	3,160,213	1,143,043	4,984,688	14,271,436	746,317	55,704	1,668,078	156,509	26,185,988

Accumulated depreciation as at October 31,

2017

Thousand Baht 1,175,557

2016 (Restated)

Thousand Baht 1,241,217

2017

Unit : Thousand Baht

	Separate Financial Statements								
	Land	Land Improvement	Buildings and Construction	Machinery and Equipment	Motor Vehicle and Labor Saving Tools	Furniture and Office Equipment	Construction in progress	Bearer Plant	Total
Cost :									
As at November 1, 2016	407,137	318,285	1,524,401	7,197,884	612,610	121,510	515,815	25,933	10,723,575
Adjustment and reclassification	(3,361)	29,027	(37,151)	(156)	-	156	(12,345)	-	(23,830)
Purchases	46,495	-	313	10,031	10,410	3,896	1,546,983	3,571	1,621,699
Disposals/written off	(900)	-	-	(678)	(4,740)	(4,679)	-	-	(10,997)
Transfer in (out)	-	1,084	50,770	109,254	2,833	1,393	(165,334)	-	-
As at October 31, 2017	449,371	348,396	1,538,333	7,316,335	621,113	122,276	1,885,119	29,504	12,310,447
Accumulated depreciation :									
As at November 1, 2016	-	(40,817)	(338,266)	(2,889,197)	(348,352)	(96,771)	-	(15,448)	(3,728,851)
Adjustment and reclassification	-	(1,387)	8,503	21	-	(21)	-	-	7,116
Depreciation for the year	-	(11,984)	(46,716)	(237,969)	(28,959)	(12,993)	-	(9,141)	(347,762)
Disposals/written off	-	-	-	660	4,739	4,560	-	-	9,959
As at October 31, 2017	-	(54,188)	(376,479)	(3,126,485)	(372,572)	(105,225)	-	(24,589)	(4,059,538)
Differences on revaluation of assets :									
As at November 1, 2016	974,292	-	-	-	-	-	-	-	974,292
As at October 31, 2017	974,292	-	-	-	-	-	-	-	974,292
Allowance for impairment of assets :									
As at November 1, 2016	(21,337)	-	-	-	-	-	-	-	(21,337)
As at October 31, 2017	(21,337)	-	-	-	-	-	-	-	(21,337)
Net book value :									
As at October 31, 2017	1,402,326	294,208	1,161,854	4,189,850	248,541	17,051	1,885,119	4,915	9,203,864

“Restated”
2016

Unit : Thousand Baht

	Separate Financial Statements							
	Land	Land Improvement	Buildings and Construction	Machinery and Equipment	Motor Vehicle and Labor Saving Tools	Furniture and Office Equipment	Construction in progress	Bearer Plant
Cost :								
As at November 1, 2015	397,162	300,409	1,659,379	6,997,942	605,812	112,563	313,149	15,383
Adjustment and reclassification	-	-	960	(962)	2	-	(4,238)	-
Purchases	23,821	974	21,233	57,555	17,839	5,760	392,036	10,550
Disposals/written off	(13,846)	-	(177,795)	(21)	(11,856)	(236)	-	-
Transfer in (out)	-	16,902	20,624	143,370	813	3,423	(185,132)	-
As at October 31, 2016	407,137	318,285	1,524,401	7,197,884	612,610	121,510	515,815	25,933
Accumulated depreciation :								
As at November 1, 2015	-	(30,395)	(354,503)	(2,588,738)	(335,280)	(83,467)	-	(5,128)
Adjustment and reclassification	-	-	(878)	878	-	-	-	-
Depreciation for the year	-	(10,422)	(46,766)	(301,358)	(24,928)	(13,535)	-	(10,320)
Disposals/written off	-	-	63,881	21	11,856	231	-	-
As at October 31, 2016	-	(40,817)	(338,266)	(2,889,197)	(348,352)	(96,771)	-	(15,448)
Differences on revaluation of assets :								
As at November 1, 2015	463,313	-	-	-	-	-	-	-
Purchases	557,232	-	-	-	-	-	-	-
Disposals	(46,253)	-	-	-	-	-	-	-
As at October 31, 2016	974,292	-	-	-	-	-	-	-
Allowance for impairment of assets :								
As at November 1, 2015	(7,319)	-	-	-	-	-	-	-
Purchases	(16,782)	-	-	-	-	-	-	-
Disposals	2,764	-	-	-	-	-	-	-
As at October 31, 2016	(21,337)	-	-	-	-	-	-	-
Net book value :								
As at October 31, 2016	1,360,092	277,468	1,186,135	4,308,687	264,258	24,739	515,815	10,485

Accumulated depreciation as at October 31,

2017	Thousand Baht	347,762
2016 (Restated)	Thousand Baht	407,329

As at October 31, 2017 and 2016, buildings and structure and building under construction of two foreign subsidiaries at book value of Baht 448.03 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 30.7.3).

As at October 31, 2017 and 2016, assets at cost of Baht 4,461.68 million and Baht 4,013.62 million, respectively, in the consolidated financial statements, and of Baht 2,534.27 million and Baht 2,260.77 million, respectively, in the separate financial statements, were fully depreciated but still in use.

As at October 31, 2017 and 2016, land which is recorded at revaluation method with the net value of Baht 3,213.20 million and Baht 3,160.21 million, respectively, in the consolidated financial statements and Baht 1,402.33 million and Baht 1,360.09 million, respectively, in the separate financial statements represented fair value of land which was determined by an independent appraiser who has been approved by the Office of the Securities and Exchange Commission (Thailand) using the market approach which is hierarchy level 3. As at October 31, 2017 and 2016, land net book value at the cost method of Baht 924.22 million and Baht 850.23 million, respectively, in the consolidated financial statements, and of Baht 449.37 million and Baht 407.14 million, respectively, in the separate financial statement.

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

17. OTHER NON-CURRENT ASSETS

Other non-current assets as at October 31, consisted of:

	Consolidated Financial Statements		Unit : Thousand Baht Separate Financial Statements	
	2017	2016	2017	2016
Assets not yet used in operation				
- Land	731,017	718,125	3,393	-
- Machinery and Equipment	28,574	35,862	-	-
Other non-current assets	63,184	121,662	23,571	7,597
Total other non-current assets	<u>822,775</u>	<u>875,649</u>	<u>26,964</u>	<u>7,597</u>

As at October 31, 2017 and 2016, assets not yet used in operation of Baht 731.02 million and Baht 718.12 million, respectively, represented fair value of land which was determined by an independent appraiser who has been approved by the Office of the Securities and Exchange Commission (Thailand) using the market approach which is hierarchy level 3. As at October 31, 2017 and 2016, land net book value at the cost method of Baht 341.29 million and Baht 328.40 million, respectively, in the consolidated financial statements.

18. SHORT-TERM BORROWINGS FROM FINANCIAL INSTITUTIONS

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

	Consolidated Financial Statements		Unit : Thousand Baht Separate Financial Statements	
	2017	2016	2017	2016
Promissory notes	7,512,995	3,757,026	3,265,000	1,108,000
Bills of exchange	995,785	-	995,785	-
Total short-term borrowings from financial institutions	<u>8,508,780</u>	<u>3,757,026</u>	<u>4,260,785</u>	<u>1,108,000</u>

As at October 31, 2017 and 2016, promissory notes have maturity period ranging from 1 - 6 months. Part of the promissory notes in the consolidated financial statements from one commercial bank by two and a subsidiary of Baht 249.22 million and Baht 1.30 million from a commercial banks, respectively, are the borrowings denominated in US dollar carrying interest rates between LIBOR+2.00% and LIBOR+1.50% to LIBOR+2.00% per annum, respectively. The remaining are borrowings denominated in Baht, carrying interest rates at 1.87% - 2.68% per annum and 1.90% - 2.70% per annum, respectively. Promissory notes, in the separate financial statements, are borrowings denominated in Baht, carrying interest rates at 1.87% - 1.98% per annum and 1.90% - 2.01% per annum, respectively.

As at October 31, 2017, bills of exchange in the consolidated and the separate financial statements represented the borrowings denominated in Baht, carrying interest rate at 1.65% per annum.

19. TRADE AND OTHER PAYABLES

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

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2017	2016	2017	2016
Trade payables - related parties	10,040	2,325	89,193	87,341
Trade payable - others				
- Payables for cane purchases	360,051	724,238	121,888	230,566
- Other trade payables	83,342	61,470	2,829	21,687
Advances received for sales of goods	82,515	20,442	44,574	13,714
Accrued fees payable to the Office of the Cane and Sugar Fund	54,774	38,842	23,663	5,456
Other accrued expenses	235,151	178,212	141,044	109,894
Payables on purchases of assets	149,227	242,030	57,581	45,541
Other payables	620,248	444,051	621,015	391,567
Total trade and other payables	<u>1,595,348</u>	<u>1,711,610</u>	<u>1,101,787</u>	<u>905,766</u>

As at October 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 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 Board of Directors approved the issuance of these 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 accounts payable - cane purchases and calculated cost of goods sold and inventories for the year ended October 31, 2017 from the estimate made by the management of the Company and its subsidiaries at cane price of Baht 1,285.52 - 1,376.06 per ton with average sweetness level at 11.06 - 12.81 c.c.s.

20. LONG-TERM DEBENTURES

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

	Unit : Thousand Baht	
	Consolidated Financial Statements/ Separate Financial Statements 2017	2016
Unsecured senior debt debentures	9,493,434	9,993,070
<u>Less</u> Current portion	<u>(2,998,989)</u>	<u>(2,999,307)</u>
Net	<u>6,494,445</u>	<u>6,993,763</u>

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

Consolidated Financial Statements/Separate Financial Statements as at October 31, 2017								Unit : Thousand Baht	
Bond Set No.	Symbol	Term	Maturity Date	Interest Rate per annum	Number of Units Issued	Total Value	Deferred debenture issuance cost	Net	Fair Value
1	KSL185A	3 years	May 7, 2018	2.88	2,000,000	2,000,000	475	1,999,525	2,014,200
2	KSL189A	3 years	September 25,2018	2.50	1,000,000	1,000,000	535	999,465	1,006,642
3	KSL192A	2 years	February 24, 2019	2.34	1,000,000	1,000,000	1,052	998,948	1,004,286
4	KSL198A	5 years	August 5, 2019	4.25	1,000,000	1,000,000	654	999,346	1,035,717
5	KSL199A	5 years	September 18, 2019	4.07	1,000,000	1,000,000	663	999,337	1,034,554
6	KSL202A	3 years	February 24, 2020	2.56	1,000,000	1,000,000	1,224	998,776	1,007,448
7	KSL203A	5 years	March 13, 2020	3.48	2,000,000	2,000,000	1,332	1,998,668	2,054,539
8	KSL206A	3 years	June 20, 2020	2.50	500,000	500,000	631	499,369	501,028
Total long-term debentures					9,500,000	9,500,000	6,566	9,493,434	9,658,414

Consolidated Financial Statements/Separate Financial Statements as at October 31, 2016									Unit : Thousand Baht
Bond Set No.	Symbol	Term	Maturity Date	Interest Rate per annum	Number of Units Issued	Total Value	Deferred debenture issuance cost	Net	Fair Value
1	KSL172A	3 years	February 27, 2017	3.84	1,000,000	1,000,000	138	999,862	1,006,885
2	KSL174A	3 years	April 30, 2017	3.63	1,000,000	1,000,000	335	999,665	1,009,388
3	KSL175A	3 years	May 16, 2017	3.60	1,000,000	1,000,000	220	999,780	1,009,869
4	KSL185A	3 years	May 7, 2018	2.88	2,000,000	2,000,000	1,395	1,998,605	2,030,127
5	KSL189A	3 years	September 25, 2018	2.50	1,000,000	1,000,000	974	999,026	1,007,599
6	KSL198A	5 years	August 5, 2019	4.25	1,000,000	1,000,000	979	999,021	1,050,787
7	KSL199A	5 years	September 18, 2019	4.07	1,000,000	1,000,000	993	999,007	1,046,245
8	KSL203A	5 years	March 13, 2020	3.48	2,000,000	2,000,000	1,896	1,998,104	2,066,557
Total long-term debentures					10,000,000	10,000,000	6,930	9,993,070	10,227,457

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

	Unit : Thousand Baht	
	2017	2016
Beginning book value	9,993,070	10,989,160
Debentures issuance during the years	2,500,000	-
Redemptions during the years	(3,000,000)	(1,000,000)
Amortized debenture issuance cost	364	3,910
Ending book value	<u>9,493,434</u>	<u>9,993,070</u>

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

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

As at October 31, 2017 and 2016, the Company maintains the debts with interest to equity ratio in accordance with the conditions (see Note 26).

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

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

21. LONG-TERM BORROWINGS

Long-term borrowings as at October 31, consisted of long-term borrowings from financial institutions as follows:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2017	2016	2017	2016
Borrowings	3,655,833	5,067,466	3,203,833	3,409,666
<u>Less</u> Current portion	<u>(1,623,833)</u>	<u>(2,011,633)</u>	<u>(1,223,833)</u>	<u>(1,205,833)</u>
Long-term borrowings	<u>2,032,000</u>	<u>3,055,833</u>	<u>1,980,000</u>	<u>2,203,833</u>

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

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2016	2016	2017	2016
Beginning book value	5,067,466	6,029,060	3,409,666	3,565,500
Additional borrowings during the years	1,000,000	1,000,000	1,000,000	1,000,000
Repayment during the years	(2,011,633)	(1,961,594)	(1,205,833)	(1,155,834)
Amalgamation	(400,000)	-	-	-
Ending book value	<u>3,655,833</u>	<u>5,067,466</u>	<u>3,203,833</u>	<u>3,409,666</u>

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

	Consolidated		Separate	
	Financial Statements		Financial Statements	
	2017	2016	2017	2016
	%	%	%	%
Borrowings - Baht currency	2.00 - 4.25	2.00 - 4.25	2.00 - 3.80	2.00 - 3.86

Maturity of long-term borrowings were as follows:

	Consolidated Financial Statements		Unit : Thousand Baht Separate Financial Statements	
	2017	2016	2017	2016
Within 1 year	1,623,833	2,011,633	1,223,833	1,205,833
Over 1 year and within 5 years	2,032,000	3,055,833	1,980,000	2,203,833

The significant terms of such borrowings are as follows:

Credit Limit	Balances At as October 31,		Interest rate	Principal repayment	Interest payment	Commencing repayment	Maturity
	2017	2016					
	Thousand Baht	Thousand Baht					
The Company							
1. Baht 2,500 million	350,000	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	400,000	600,000	AMLR - Fixed rate	Semi-annual	Monthly	April 2015	October 2019
5. Baht 1,000 million	1,000,000	-	Fixed rate	Semi-annual	Monthly	April 2016	October 2023
6. Baht 11.30 million	-	2,000	Fixed rate	Annual	Monthly	June 2012	June 2017
7. Baht 23 million	3,833	7,666	Fixed rate	Annual	Annual	June 2013	June 2019
Total	3,203,833	3,409,666					
The subsidiaries							
8. Baht 800 million	-	200,000	AMLR - Fixed rate	Semi-annual	Monthly	February 2014	February 2019
9. Baht 1,000 million	-	600,000	Fixed rate	Semi-annual	Monthly	April 2015	October 2019
10. Baht 1,000 million	200,000	400,000	AMLR - Fixed rate	Semi-annual	Monthly	March 2012	June 2018
11. Baht 1,000 million	252,000	452,000	AMLR - Fixed rate	Semi-annual	Monthly	August 2014	February 2019
12. Baht 33.90 million	-	5,800	Fixed rate	Annual	Annual	June 2012	June 2017
Total	452,000	1,657,800					
Grand Total	3,655,833	5,067,466					

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

In the consolidated and separate financial statements as at October 31, 2017 and 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 sixth, seventh and twelfth 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 October 31, 2017 and 2016, the Company and its subsidiaries can maintain the ratios as stipulated in the agreements.

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

22.1 Income tax expense (income)

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

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2017	2016	2017	2016
<u>Current income tax</u>				
Current income tax expense (income)	130,180	102,193	(3,713)	-
<u>Deferred income tax</u>				
Deferred income tax expense (income) and temporary differences	429,672	268,324	320,504	(13,873)
Total	559,852	370,517	316,791	(13,873)

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

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2017	2016	2017	2016
Profit before income tax expense (income)				
- Promoted sector-exempted from income tax	(165,219)	133,401	-	-
- Non-promoted sector	2,676,817	1,677,376	1,628,775	220,415
Total profit before income tax expense (income)	2,511,598	1,810,777	1,628,775	220,415
Statutory tax rate (%)	20	20	20	20
Income tax expense				
- Non-promoted sector	535,363	335,475	325,755	44,083
Total income tax	535,363	335,475	325,755	44,083
Effect on income tax from exempted taxable income	(419,100)	(220,674)	(325,755)	(44,083)
	116,263	114,801	-	-
Prior year income tax expense (income)	13,917	(12,608)	(3,713)	-
Deferred income tax expense (income)	429,672	268,324	320,504	(13,873)
Income tax expense (income)	559,852	370,517	316,791	(13,873)

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

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2017	2016	2017	2016
Deferred tax assets - net				
Employee benefit obligations	8,904	587	-	-
Loss carried forward	103,538	2,243	-	-
Depreciation	(6,097)	-	-	-
Allowance for diminution in value of inventories	12,518	-	-	-
Gain on asset revaluation	(66,070)	-	-	-
Allowance for doubtful accounts	16,676	-	-	-
Change in fair value of investment property	(69,646)	-	-	-
Others	13,391	-	-	-
Deferred tax assets - net	13,214	2,830	-	-

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

2017

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	Items as recognized in shareholders' equity directly	As at October 31, 2017
Deferred tax assets - net					
Employee benefit obligations	587	9,442	(1,125)	-	8,904
Loss carried forward	2,243	101,295	-	-	103,538
Depreciation	-	(6,097)	-	-	(6,097)
Allowance for diminution in value of inventories	-	12,518	-	-	12,518
Gain on asset revaluation	-	(66,070)	-	-	(66,070)
Allowance for doubtful accounts	-	16,676	-	-	16,676
Change in fair value of investment property	-	(69,646)	-	-	(69,646)
Others	-	13,391	-	-	13,391
Deferred tax assets - net	2,830	11,509	(1,125)	-	13,214

2016

2016

Unit : Thousand Baht					
Consolidated Financial Statements					
“Restated”					
As at	Items as	Items as	Items as	As at	
November 1,	recognized	recognized	recognized in	October 31,	
2015	in profit or	in other	shareholders’	2016	
	loss	comprehensive	equity directly		
		income			
Deferred tax assets - net					
Employee benefit obligations	1,281	(721)	27	-	587
Loss carried forward	1,208	1,035	-	-	2,243
Depreciation	(269)	269	-	-	-
Allowance for diminution in value of inventories	11,655	(11,655)	-	-	-
Gain on asset revaluation	(14,455)	-	14,455	-	-
Allowance for doubtful accounts	361	(361)	-	-	-
Change in fair value of investment property	9,768	(9,768)	-	-	-
Others	391	(391)	-	-	-
Deferred tax assets - net	9,940	(21,592)	14,482	-	2,830

Unrecognized deferred tax assets of three foreign subsidiaries, as at October 31, 2017 and 2016 are as follows:

	Unit : Thousand Baht	
	Consolidated	
	Financial Statements	
	2017	2016
The following deferred tax assets have not been recognized		
Temporary differences	(167,216)	(154,717)
Loss carried forward	289,753	284,058
	<u>122,537</u>	<u>129,341</u>

As at October 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 recognized deferred tax asset of Baht 289.75 million, will be matured by the years 2018 to 2022.

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

	Consolidated Financial Statements		Unit : Thousand Baht Separate Financial Statements	
	2017	2016	2017	2016
Deferred tax liabilities - net				
Allowance for doubtful accounts	(11,208)	(18,702)	(8,863)	(7,213)
Allowance for diminution in value of inventories	(45,858)	(1,226)	(41,793)	(1,226)
Allowance for impairment in subsidiary investments	-	-	(230,144)	(148,907)
Allowance for impairment in other long-term investments	-	(1,177)	-	(1,177)
Employee benefit obligations	(43,187)	(51,385)	(22,415)	(21,485)
Gain on asset revaluation	479,606	551,270	194,858	194,858
Loss carried forward	(164,820)	(178,919)	(164,722)	(94,696)
Depreciation	68,483	37,383	30,892	5,595
Change in fair value of investment property	444,607	425,368	242,925	230,738
Change in fair value of biological assets	(3,209)	-	(1,211)	-
Gain from amalgamation	482,573	-	482,573	-
Others	(16,980)	(23,049)	(4,208)	(8,213)
Deferred tax liabilities - net	<u>1,190,007</u>	<u>739,563</u>	<u>477,892</u>	<u>148,274</u>

The movements of deferred tax liabilities for the years ended October 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	Amalgamation	As at October 31, 2017
Deferred tax liabilities - net					
Allowance for doubtful accounts	(18,702)	7,494	-	-	(11,208)
Allowance for diminution in value of inventories	(1,226)	(44,632)	-	-	(45,858)
Allowance for impairment in other long-term investments	(1,177)	1,177	-	-	-
Employee benefit obligations	(51,385)	(502)	7,754	946	(43,187)
Gain on asset revaluation	551,270	(66,070)	(1,023)	(4,571)	479,606
Loss carried forward	(178,919)	14,099	-	-	(164,820)
Depreciation	37,383	30,883	-	217	68,483
Change in fair value of investment property	425,368	19,239	-	-	444,607
Change in fair value of biological assets	-	(3,209)	-	-	(3,209)
Gain from amalgamation	-	482,573	-	-	482,573
Others	(23,049)	129	5,570	370	(16,980)
Deferred tax liabilities - net	<u>739,563</u>	<u>441,181</u>	<u>12,301</u>	<u>(3,038)</u>	<u>1,190,007</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	As at October 31, 2016
Deferred tax liabilities - net				
Allowance for doubtful accounts	(11,290)	(7,412)	-	(18,702)
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)	2,096	(10,841)	(51,385)
Gain on asset revaluation	294,692	-	256,578	551,270
Loss carried forward	(229,712)	50,889	(96)	(178,919)
Depreciation	124,765	(87,382)	-	37,383
Change in fair value of investment property	136,516	288,852	-	425,368
Others	(3,578)	(19,471)	-	(23,049)
Deferred tax liabilities - net	<u>247,190</u>	<u>246,732</u>	<u>245,641</u>	<u>739,563</u>

2017

Unit : Thousand Baht				
Separate Financial Statements				
	As at November 1, 2016	Items as recognized in profit or loss	Items as recognized in other comprehensive income	As at October 31, 2017
Deferred tax liabilities - net				
Allowance for doubtful accounts	(7,213)	(1,650)	-	(8,863)
Allowance for diminution in value of inventories	(1,226)	(40,567)	-	(41,793)
Allowance for impairment in subsidiary investments	(148,907)	(81,237)	-	(230,144)
Allowance for impairment in other long-term investments	(1,177)	1,177	-	-
Employee benefit obligations	(21,485)	(4,474)	3,544	(22,415)
Gain on asset revaluation	194,858	-	-	194,858
Loss carried forward	(94,696)	(70,026)	-	(164,722)
Depreciation	5,595	25,297	-	30,892
Change in fair value of investment property	230,738	12,187	-	242,925
Change in fair value of biological assets	-	(1,211)	-	(1,211)
Gain from amalgamation	-	482,573	-	482,573
Others	(8,213)	(1,565)	5,570	(4,208)
Deferred tax liabilities - net	<u>148,274</u>	<u>320,504</u>	<u>9,114</u>	<u>477,892</u>

2016

	Unit : Thousand Baht			
	Separate Financial Statements			
	“Restated” As at November 1, 2015	Items as recognized in profit or loss	Items as recognized in other comprehensive income	As at October 31, 2016
Deferred tax liabilities - net				
Allowance for doubtful accounts	(5,591)	(1,622)	-	(7,213)
Allowance for diminution in value of inventories	(4,980)	3,754	-	(1,226)
Allowance for impairment in subsidiary investments	-	(148,907)	-	(148,907)
Allowance for impairment in other long-term investments	(1,177)	-	-	(1,177)
Employee benefit obligations	(18,355)	973	(4,103)	(21,485)
Gain on asset revaluation	93,305	-	101,553	194,858
Loss carried forward	(89,776)	(4,920)	-	(94,696)
Depreciation	(3,525)	9,120	-	5,595
Change in fair value of investment property	94,167	136,571	-	230,738
Others	629	(8,842)	-	(8,213)
Deferred tax liabilities - net	<u>64,697</u>	<u>(13,873)</u>	<u>97,450</u>	<u>148,274</u>

23. EMPLOYEE BENEFIT OBLIGATIONS

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

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

	Unit : Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2017	2016	2017	2016
Current service cost	12,647	10,245	5,791	4,269
Interest cost	5,424	8,490	2,198	3,620
Past service cost	55,968	-	25,522	-
Total	<u>74,039</u>	<u>18,735</u>	<u>33,511</u>	<u>7,889</u>

Movement in the present value of employee benefit obligations for the years ended October 31, are as follows:

	Unit : Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2017	2016	2017	2016
Employee benefit obligations brought forward	261,287	217,436	107,427	91,774
Current service cost	12,647	10,245	5,791	4,269
Interest cost	5,424	8,490	2,198	3,620
Past service cost	55,968	-	25,522	-
Actuarial (gain) loss on the estimation of the obligations	(41,926)	55,174	(17,720)	20,515
Benefit paid during the year	(23,929)	(30,058)	(11,142)	(12,751)
Amalgamation	(4,729)	-	-	-
Employee benefit obligations carried forward	<u>264,742</u>	<u>261,287</u>	<u>112,076</u>	<u>107,427</u>

The significant actuarial assumptions used to provision for employee benefit obligations as at October 31, are as follows:

	Consolidated Financial Statements		Separate Financial Statements	
	2017	2016	2017	2016
	%	%	%	%
Discount rate	1.67 - 2.93	1.70 - 2.74	2.19 - 2.80	1.90 - 2.17
Expected rate of salary increase	5.00	6.00	5.00	6.00
Voluntary resignation rate (Depended on employee's age)				
- Monthly employees	4.00 - 34.00	10.00 - 100.00	7.00 - 11.00	10.00 - 100.00
- Daily employees	3.00 - 100.00	4.00 - 100.00	9.00 - 22.00	12.00 - 46.00

The sensitivity analysis of the above actuarial assumptions impacted on increase (decrease) in present value of the employee benefit obligations as at October 31, are as follows:

	Consolidated financial statements		Unit : Million Baht Separate financial statements	
	2017	2016	2017	2016
<u>Discount rate</u>				
Discount rates, decrease of 0.5 percent	0.58 - 86.61	0.04 - 109.27	86.61	109.27
Discount rates, increase of 0.5 percent	0.48 - 85.14	0.03 - 105.68	85.14	105.68
<u>Salary growth rates</u>				
Salary growth rates, decrease of 0.5 percent	0.48 - 86.64	0.03 - 107.43	86.64	107.43
Salary growth rates, increase of 0.5 percent	0.57 - 87.92	0.04 - 109.14	87.92	109.14
<u>Turnover rates</u>				
Turnover rates, decrease of 1 percent	0.65 - 86.80	0.04 - 111.13	86.80	111.13
Turnover rates, increase of 1 percent	0.42 - 83.87	0.03 - 104.13	83.87	104.13

24. 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 October 31, 2017 and 2016, the Company's legal reserve reaches 10 percent of the Company's authorized share capital.

25. 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:

	Consolidated Financial Statements		Unit : Million Baht Separate Financial Statements	
	2017	2016	2017	2016
For the years ended October 31,	9.09	9.01	9.09	9.01

26. CAPITAL MANAGEMENT

The primary objectives of the Company and its subsidiaries' capital management are to maintain their ability to continue as a going concern, to maintain an appropriate capital structure and to maintain the debt with interest to equity ratio in the consolidated financial statements not to exceed the covenants of the debenture issuances (see Note 20) and the loan agreements (see Note 21).

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

	2017	2016
Debt with interest to equity	1.20 : 1.00	1.13 : 1.00

27. EXPENSES BY NATURE

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

	Consolidated Financial Statements		Unit : Thousand Baht Separate Financial Statements	
	2017	"Restate" 2016	2017	"Restate" 2016
Salaries, wages and other employee benefits	1,382,584	1,420,095	533,494	523,696
Depreciation and amortization	1,182,249	1,247,360	352,847	411,961
Fees paid to the Office of the Cane and Sugar Fund	1,095,557	1,149,835	441,214	506,900
Maintenance expenses	651,798	785,324	239,711	244,860
Transportation expenses	508,729	629,153	188,228	305,228
Raw material and supply used	10,448,253	8,664,216	5,198,432	4,681,020
Purchase finished goods	121,917	23,491	2,065,694	1,585,074
Changes in finished goods and goods in process	(622,211)	1,084,842	(611,796)	819,990
Loss on fair value adjustments of biological assets	54,383	-	6,054	-
Loss from obsolete supplies and spare parts	5,856	27,733	588	27,733
Loss on impairment of investments in subsidiaries	-	-	400,299	744,534
Loss on impairment of assets	222,646	75,748	-	16,782
Loss on exchange rate	-	-	74,887	7,827
Management benefit expenses	147,142	141,312	50,508	48,566
Finance costs	668,129	709,983	514,186	551,698
Other operating expenses	781,363	696,050	540,800	385,667
Total	<u>16,648,395</u>	<u>16,655,142</u>	<u>9,995,146</u>	<u>10,861,536</u>

28. BASIC EARNINGS PER SHARE

The calculations of basic earnings per share were based on dividing the profit for the year attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares held by the outsiders outstanding during the period. Basic earnings per share for the years ended October 31, 2017 and 2016 are as follows:

2017

	Consolidated Financial Statements			Separate Financial Statements		
	Profit	Number of	Earnings	Profit	Number	Profit
	for the year	shares	per share	for the year	of shares	per share
	Thousand	Thousand	Baht	Thousand	Thousand	Baht
	Baht	Shares		Baht	Shares	
<u>Basic and diluted earnings per share</u>						
For the year ended to ordinary equity holders	1,970,395	4,410,233	<u>0.447</u>	1,311,983	4,410,233	<u>0.297</u>

2016 (Restate)

	Consolidated Financial Statements			Separate Financial Statements		
	Profit	Number of	Earnings	Profit	Number	Profit
	for the year	shares	per share	for the year	of shares	per share
	Thousand	Thousand	Baht	Thousand	Thousand	Baht
	Baht	Shares		Baht	Shares	
<u>Basic and diluted earnings per share</u>						
For the year ended to ordinary equity holders	1,426,152	4,410,233*	<u>0.323</u>	234,288	4,410,233*	<u>0.053</u>

* Number of share as at October 31, 2016 changed from the stock dividend adjustment.

29. DISCLOSURE OF SECTORIAL BUSINESS OPERATIONS

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 for rent 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 Lao People's Democratic Republic and Kingdom of Cambodia.

Major Customer Information

For the years ended October 31, 2017 and 2016, the Group has revenue with a single external customer in electricity sector in the amount of Baht 751.67 million and Baht 808.69 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 years ended October 31, 2017 and 2016

	Unit : Million Baht														Total	
	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	
	“Restate”														“Restate”	
	2017		2016		2017		2016		2017		2016		2017		2016	
	Thai	Overseas	Thai	Overseas	Thai	Thai	Thai	Thai	Thai	Thai	Thai	Thai	Thai	Thai	Thai	2016
Net revenue from operation - other	11,447	604	12,677	896	2,100	2,023	752	809	168	158	552	348	-	-	15,623	16,911
Net revenue from operation - related parties	6,058	152	6,147	167	-	-	1,634	1,716	-	-	1,912	1,366	(9,756)	(9,396)	-	-
Total	17,505	756	18,824	1,063	2,100	2,023	2,386	2,525	168	158	2,464	1,714	(9,756)	(9,396)	15,623	16,911
Profit from operations	4,843	86	3,715	31	263	360	476	617	486	969	141	125	(436)	(687)	5,859	5,130
Selling, administrative expenses and others															(2,800)	(2,666)
Finance costs	(651)	(92)	(687)	(84)	(28)	(36)	(66)	(75)	(25)	(30)	-	(3)	194	205	(668)	(710)
Share of profit of investment in an associate															121	57
Income tax expenses															(560)	(371)
Net profit															1,952	1,440
Add (Less) Profit (loss) for the year of non-controlling interest															18	(14)
Profit for the year to owners of the parent															1,970	1,426
Interest income	297	6	291	7	-	6	-	-	-	-	2	3	(194)	(205)	111	102
Depreciation	(636)	(74)	(645)	(91)	(73)	(40)	(328)	(327)	-	-	(19)	(45)	-	-	(1,130)	(1,148)
Consolidated Statements of Financial Position																
As at October 31, 2017 and 2016																
Trade and other receivables	1,401	47	1,452	72	-	198	61	168	15	12	136	166	(368)	(661)	1,292	1,407
Inventories	2,113	219	1,423	145	-	334	139	62	-	-	630	637	(1)	(49)	3,100	2,552
Property, plant and equipment	15,783	2,975	14,437	3,275	-	907	7,485	7,041	-	1	425	757	(314)	(370)	26,354	26,048
Central assets	19,579	298	17,342	513	-	15	29	104	3,989	3,635	305	455	(11,955)	(13,696)	12,245	8,368
Total Assets	38,876	3,539	34,654	4,005	-	1,454	7,714	7,375	4,004	3,648	1,496	2,015	(12,638)	(14,776)	42,991	38,375
Total Liabilities	24,499	2,890	21,467	2,907	-	948	2,405	2,363	884	964	686	461	(6,466)	(7,386)	24,898	21,724

30. COMMITMENTS AND CONTINGENT LIABILITIES

As at October 31, 2017 and 2016, apart from liabilities presented in the statements of financial position, the Company and its subsidiaries have commitments and contingent liabilities as follows:

30.1 The Company and its subsidiaries have commitments relating to the sales agreements but not yet delivered in the consolidated financial statements amounting to Baht 2,060.07 million and Baht 1,455.67 million, respectively, and in the separate financial statements amounting to Baht 1,879.91 million and Baht 816.63 million, respectively.

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

	Consolidated		Unit : Million Baht	
	Financial Statements		Separate	
	2017	2016	2017	2016
For the production season 2016/2017	-	1,106.95	-	370.17
For the production season 2017/2018	1,167.01	-	472.11	-

30.3 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, Khonkaen Province, for the period of 21 years commencing from the first month of electricity sales (December 2006) at the volume of 20 Megawatt at the voltage of 115 Kilovolts. For the second year until the year before last year, EGAT agrees to buy electricity at not less than 80% of the electricity volume stipulated in the agreement.
- 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.

30.4 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.

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

Unit : Million							
Consolidated Financial Statements							
		As at October 31, 2017			As at October 31, 2016		
	Currency	Total	Utilized	Remaining	Total	Utilized	Remaining
Commitments							
Contract to guarantee of debt repayment of subsidiary for all contingent liabilities	THB	-	2,829.88	-	-	3,417.35	-
Contract to guarantee of debt repayment of subsidiary for all contingent liabilities	USD	-	7.50	-	-	1.97	-
Contract to guarantee of debt repayment of associate for all contingent liabilities	THB	-	74.10	-	-	-	-
Contingent Liabilities							
Letters of guarantees (unspecified credit limit)	THB	-	91.68	-	-	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	22,255.70	5,901.27	16,354.43	21,512.20	2,720.73	18,791.47
Short-term borrowings	USD	50.50	7.50	43.00	50.50	0.04	50.46
Joint credit line in short-term borrowings	THB	3,676.50	2,362.50	1,314.00	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							
Separate Financial Statements							
		As at October 31, 2017			As at October 31, 2016		
	Currency	Total	Utilized	Remaining	Total	Utilized	Remaining
Commitments							
Contract to guarantee of debt repayment of subsidiary for all contingent liabilities	THB	-	2,058.08	-	-	1,642.85	-
Contract to guarantee of debt repayment of subsidiary for all contingent liabilities	USD	-	7.50	-	-	1.93	-
Contract to guarantee of debt repayment of associate for all contingent liabilities	THB	-	74.10	-	-	-	-
Contingent Liabilities							
Letters of guarantees (unspecified credit limit)	THB	-	9.78	-	-	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	11,593.70	4,265.00	7,328.70	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	3,676.50	2,362.50	1,314.00	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	3,203.83	3,203.83	-	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 facilities are secured by the executive directors of the Company and guaranteed cheques of the Company. In addition, for certain credit facilities, if they are utilized, certain inventories of the Company and its subsidiaries will be used as collateral, however, as at October 31, 2017 and 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.

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

Consolidated Financial Statements						Unit : Million
Currency	As at October 31, 2017		As at October 31, 2016			
	Contractual Amount	Outstanding Contractual Commitments	Contractual Amount	Outstanding Contractual Commitments		
Construction and subcontract agreements	THB	1,018.23	168.64	1,070.15	207.36	
Machine and equipment purchase agreements	THB	489.43	107.51	317.72	49.65	
	USD	13.60	0.46	13.60	1.42	
	EURO	-	-	2.88	2.01	

										Unit : Million
Consolidated Financial Statements										
Outstanding Contractual Commitments										
As at October 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	11.48	12.33	0.17	0.68	11.69	12.54	
Rental agreements	THB	15.58	27.69	-	43.27	5.61	11.87	-	17.48	

Separate Financial Statements						Unit : Million
Currency	As at October 31, 2017		As at October 31, 2016			
	Contractual Amount	Outstanding Contractual Commitments	Contractual Amount	Outstanding Contractual Commitments		
Construction and subcontract agreements	THB	620.33	84.25	704.01	98.22	
Machine and equipment purchase agreements	THB	467.87	95.46	304.59	40.46	
	EURO	-	-	2.88	2.01	

							Unit : Million
Separate Financial Statements							
Outstanding Contractual Commitments							
As at October 31, 2017				As at October 31, 2016			
Currency	Within 1 year	1 - 5 years	Total	Within 1 year	1 - 5 years	Total	
Rental agreements	THB	5.86	9.87	15.73	5.61	11.87	17.48

30.7 Other significant agreements

- 30.7.1 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, Khonkaen Province, for the period of 21 years. However, such subsidiary obtained a license for energy industry operation from the Energy Regulatory Commission (ERC) as a replacement when the Energy Industry Act B.E. 2550 was effective, for the period of 19 years ending in December 2028. The subsidiary has to comply with the Energy Industry Act B.E. 2550 and the conditions according to the license.
- 30.7.2 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 October 31, 2017 and 2016, the subsidiary has already utilized the area of 5,053.61 hectares at the rental rate.
- 30.7.3 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 October 31, 2017 and 2016, the subsidiaries have already utilized the area of 9,398.69 hectares, equal for both years. 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 16).
- 30.7.4 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 October 31, 2017 and 2016, the balances of the advance lease fee paid are USD 0.42 million and USD 0.43 million, respectively, which is presented as part of other non-current assets.

31. FINANCIAL INSTRUMENTS

Risk management policies

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

Risk on interest rate

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

Unit : Thousand Baht					
Consolidated Financial Statements					
As at October 31, 2017					
	Fixed Interest Rate			Floating	Total
	Within	More than	More than	Interest Rate	
	1 year	1 year	5 years		
		to 5 years			
Financial Assets					
Saving accounts deposits	-	-	-	109,680	109,680
Fixed account deposits	24	-	-	-	24
Loans for cane plantation development	281,470	354,373	4,090	249	640,182
Short-term loans to farmers	1,034,514	10,330	-	30,211	1,075,055
Short-term loans to others	181,000	-	-	-	181,000
Long-term loans to others	41,983	24,238	-	-	66,221
Other long-term investments	-	-	6,691	-	6,691
Total	<u>1,538,991</u>	<u>388,941</u>	<u>10,781</u>	<u>140,140</u>	<u>2,078,853</u>
Financial Liabilities					
Short-term borrowings from financial institutions	8,508,780	-	-	-	8,508,780
Short-term borrowings from related parties	5,000	-	-	-	5,000
Long-term debentures	2,998,989	6,494,446	-	-	9,493,435
Long-term borrowings	<u>1,223,833</u>	<u>1,980,000</u>	<u>-</u>	<u>452,000</u>	<u>3,655,833</u>
Total	<u>12,736,602</u>	<u>8,474,446</u>	<u>-</u>	<u>452,000</u>	<u>21,663,048</u>

Unit : Thousand Baht					
Consolidated Financial Statements					
As at October 31, 2016					
	Fixed Interest Rate			Floating	Total
	Within 1 year	More than 1 year	More than 5 years	Interest Rate	
Financial Assets					
Saving 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
Other short-term borrowings	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>

Risk on exchange rates

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

Unit : Million Baht								
Currency	Consolidated Financial Statements				Separate Financial Statements			
	2017		2016		2017		2016	
	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
USD	15.79	9.03	15.60	2.58	56.22	-	11.91	-
YEN	-	2.50	-	2.50	-	-	-	-
RIEL	975.58	79.68	711.48	92.03	-	-	-	-
LAK	108.52	602.24	252.97	489.34	-	-	-	-

As at October 31, 2017 and 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, which are due between 1 - 3 years, are as follows:

								Unit : Million Baht	
Currency	Amount fixed in contract				Currency	Amount earned in contract			
	Consolidated		Separate			Consolidated		Separate	
	Financial Statements		Financial Statements			Financial Statements		Financial Statements	
	2017	2016	2017	2016		2017	2016	2017	2016
USD	-	30.99	-	47.74	THB	-	1,098.04	-	1,693.00

Net fair values of financial derivatives of the Company and its subsidiaries as at October 31, are as follows:

		Unit : Million Baht			
		Consolidated		Separate	
		Financial Statements		Financial Statements	
		2017	2016	2017	2016
Net loss on fair values of contracts		-	(6.35)	-	(13.33)

Risk on 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 periods not over 1 years. Gain or loss is recognized in the statement of income when the contracts are settled or expired.

For the years ended October 31, the Company and its subsidiaries have accounted for transactions in the financial statements as follows:

		Unit : Million Baht			
		Consolidated		Separate	
		Financial Statements		Financial Statements	
		2017	2016	2017	2016
Gain on commodity swap contracts		3.66	26.49	36.05	14.32

Net fair values of financial derivatives as at October 31, of the Company and its subsidiaries are as follows:

		Unit : Million Baht	
Currency		Consolidated/Separate	
		Financial Statements	
		2017	2016
Net fair values for commodity swap contracts	USD	1.09	(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 other receivables. However, 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 book value 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
	Book value Million Baht	Fair value Million Baht		
As At October 31, 2017				
Financial liabilities				
Long-term debentures	9,493	9,658	Level 2	Calculated from the closing price of the last Bond Market Association Thailand at the last day.
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.

32. PROVIDENT FUND

The Company and ten subsidiaries and their employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. For the years ended October 31, 2017 and 2016, the group companies and their employees monthly contribute to the fund at the rate of 3% - 5% of basic salary. The fund, which is managed by Ayudhya Fund Management Co., Ltd. will pay the employees upon their termination in accordance with the fund rules. For the years ended October 31, 2017 and 2016, the Company and its subsidiaries contributed in amounts of Baht 32.60 million and Baht 30.08 million, respectively, in the consolidated financial statements and the Company contributed in amounts of Baht 13.57 million and Baht 12.30 million, respectively, in the separate financial statements.

33. PRIVILEGES OF BENEFITS FROM PROMOTED INVESTMENT

Two domestic subsidiaries received 4 investment promotion certificates from the Board of Investment of Thailand (BOI) under the Investment Promotion Act B.E. 2520. The benefits includes the exemption from income tax for profit for the year derived from operations of promoted businesses for the period of 8 years, commencing from the date of first receiving operation revenue of promoted businesses. The details are as follows:

<u>Certificate No.</u>	<u>Sections Privilege</u>	<u>Date</u>	<u>Promoted activity types</u>	<u>Commenced date of revenues generated</u>	<u>Expire date</u>
1063(2)/2552*	25, 26, 28, 31, 34, 35(3), 36(1), and 36(2)	January 30, 2009	- Production of pure alcohol or fuel from agricultural products, including scraps, garbage or waste - Production of biological fertilizers or organic fertilizers	December 6, 2011 December 30, 2011	December 31, 2019 December 31, 2019
2364(1)/2554*	25, 26, 28, 31, 34, 35(1), 35(2), and 35(3)	September 20, 2011	- Production of biological - Production of biological	February 29, 2012 February 28, 2013	December 31, 2019 February 28, 2021
1432(2)/2552	25, 26, 28, 31(1), 31(2), 31(3), 31(4), 34, 35(1), 35(2) and 35(3)	June 24, 2009	- Production of electricity, power steams and water for manufacture	November 30, 2010	November 29, 2018
1349(2)/2556	25 26 28 31(1) 31(2) 31(3) 31(4) 34 35(1) 35(2) and 35(3)	Mach 15, 2013	- Production of electricity, power steams and water for manufacture	January 21, 2014	January 20, 2022

* The Promotion Certificates No. 1064(2)/2552 and 2365(1)/2554 belong to KSL Green Innovation Public Company Limited, which the Company loses control power in this subsidiary from amalgamation on October 31, 2017 (see Note 4).

Furthermore, in accordance with the Promotion Certificate No. 2364(1)/2554, 1432(2)/2552, and 1349(2)/2556 the subsidiary receives the privilege in 50% income tax reduction of the regular rate for the period of 5 years commencing from the expiration date of income tax exemption and under all Promotion Certificates, the subsidiary is granted privilege for exemption of import duties for approved machinery and exemption from income tax on dividend on profit from promoted businesses during the period in which the Company is granted exemption from corporate income tax.

Three foreign subsidiaries are granted by foreign investment certificate and tax privilege from Lao People's Democratic Republic (the 1st Certificate) and from Kingdom of Cambodia (the 2nd - 4th Certificates) which the details are as follows:

- 1) Foreign Investment Certificate No. 017-06/ Khor Lor Tor includes tax privilege for exemption from income tax for 5 years from the date of first receiving revenue from sales of sugar, thereafter, the subsidiary shall pay income tax at the rate of 20%. The revenue is first derived on July 21, 2010 and expired on July 20, 2015.
- 2) Foreign Investment Certificate No. 4420/06 Ghor. Wor. Ghor. dated December 15, 2006 issued by the Council for the Development of Cambodia, the subsidiary is granted by tax privilege for exemption from import the duties for machinery for manufacturing and construction materials.
- 3) Foreign Investment Certificate No. 1641/09 Ghor. Wor. Ghor. and No. 1642/09 Ghor. Wor. Ghor. dated July 28, 2009 issued by the Council for the Development of Cambodia, the subsidiary is granted tax privilege for exemption from income tax for the period of 8 years and 9 years, respectively, including priority period commencing from the period when subsidiary is operated (year 2006).
- 4) Tax Exemption Certificate for agriculture-industrial (sugar cane) No. 2299 dated April 12, 2012 issued by the Ministry of Economy and Finance, Cambodia, grants the privilege to charge value-added tax (VAT) at 0% for sales of sugar cane to manufacture sugar for export. This certificate is valid for the period of 1 year from August 1, 2015 to July 31, 2016. The Ministry of Economy and Finance, Kingdom of Cambodia had announced the execution of VAT on the supply of agricultural products has not adapted to exempt VAT announced by April 2016.

34. EVENTS AFTER THE REPORTING PERIOD

The minute of Board of Executive Directors' meeting No.1/2017-2018 of the Company held on November 24, 2017, approved issued debentures by private placement 1 set, 2,000,000 units per set at par value of Baht 1,000 each, totaling Baht 2,000 million. The term is for 10 years and with redemption date on December 7, 2027, carrying interest at 3.74% per annum. The Company shall maintain the interest bearing debt to shareholders' equity ratio in the consolidated financial statements as at October 31, of each year, at not more than 2 : 1 for the entire debentures terms.

On December 7, 2017, the Company issued debentures by private placement to the financial institution amount of Baht 2,000 million in accordance with the conditions of the approval of Board of Executive Directors' meeting.

35. APPROVAL OF FINANCIAL STATEMENTS

These financial statements have been approved for issuance by the Company's Board of Directors on December 22, 2017.