

BURIRAM SUGAR PUBLIC COMPANY LIMITED

CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

31 DECEMBER 2019

Independent Auditor's Report

To the shareholders of Buriram Sugar Public Company Limited

My opinion

In my opinion, the consolidated financial statements of Buriram Sugar Public Company Limited (the Company) and its subsidiaries (the Group) and the separate financial statements of the Company present fairly, in all material respects, the consolidated and separate financial position of the Group and of the Company as at 31 December 2019, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRSs).

What I have audited

The consolidated financial statements and the separate financial statements comprise:

- the consolidated and separate statements of financial position as at 31 December 2019;
- the consolidated and separate statements of comprehensive income for the year then ended;
- the consolidated and separate statements of changes in equity for the year then ended;
- the consolidated and separate statements of cash flows for the year then ended; and
- the notes to the consolidated and separate financial statements, which include a summary of significant accounting policies.

Basis for opinion

I conducted my audit in accordance with Thai Standards on Auditing (TSAs). My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated and separate financial statements section of my report. I am independent of the Group and the Company 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 my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key audit matters

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

Key audit matter	How my audit addressed the key audit matter
<p>Allowance for doubtful accounts - Farmer receivables</p> <p>Refer to Note 2.6 'Accounting policies - Trade and farmer receivables' and Note 9 'Farmer receivables, net' to the consolidated and separate financial statements.</p> <p>As of 31 December 2019, the Group has account farmer receivables, net and non-current farmer receivables in the consolidated financial statements in the amount of Baht 210.62 million and Baht 31.12 million, respectively, which represented 2.56% of total assets. The allowance for doubtful accounts - farmer receivables was set up totalling Baht 89.15 million. The management has a policy to assess the collectability of outstanding accounts receivables and sets up the appropriate allowance for doubtful accounts - farmer receivables based on period of overdue balance, collectability histories, collaterals and future expectations of repayments.</p> <p>The allowance is assessed based on number of days outstanding of farmer receivables which have been recorded for overdue more than 2 years after deducting appraisal value of collateral. The management assess the value of collateral by comparing between the market value and carrying value and reassess its value on a yearly basis. In addition, they will also consider individual high-value overdue accounts based on historical collectability and the possibility of recoverable amount and adjust the allowance as appropriate each year.</p> <p>I focused on this area due to the amount of allowance for doubtful accounts are material and related with the management's judgement on the reasonableness of the assumptions used in the valuation of the collateral and the collectability in the future.</p>	<p>I evaluated the appropriateness of the allowance for doubtful accounts - Farmer receivables by :</p> <ul style="list-style-type: none"> • Inquiring management the appropriateness of identification and judgement of allowance required. • Testing the reliability of accounting receivables aging report used in assessing the allowance • Assessing the reasonableness of the historical data for farmer receivables collection included the possibility of recoverable amount and considering the management's reasons used to assess the adequacy of the allowance based on the assessment of overdue individual accounts receivables, and • Examining each collateral value with reliable external sources of information and comparing value with similar and comparative objects market value <p>Based on my procedures above, I found that the allowance for doubtful accounts - farmer receivables was reasonable and consistent with historical data and align with the available evidence.</p>

Key audit matter	How my audit addressed the key audit matter
<p>Impairment assessment of investments in subsidiaries</p> <p>Refer to Note 4.2 'Impairment of investments in subsidiaries' and Note 14 'Investments in subsidiaries, net in the separate financial statements.</p> <p>As of 31 December 2019, some of the Group's subsidiaries have indicators of the possible impairment due to inability to achieve the expected profits, which might affect to the recoverable amounts of the investments in subsidiaries. In addition, some subsidiaries have net loss continuously and capital deficits. Management considered these as impairment indicators of investments in subsidiaries.</p> <p>Management performed impairment testing on investments in subsidiaries in the separate financial statements and calculated the recoverable amount by comparing between the higher of the fair value less costs to sell and value-in-use. The assessment for the recoverable amount requires the management's and independent appraiser's significant judgement on the deriving fair value, future operating results of business, projected cash flows and the discount rate applied to the projected cash flows.</p> <p>I focused on the recoverable amount of investments in subsidiaries due to its significant value and because of the subjectivity of management's and appraiser's judgement on the reasonableness of the key assumptions used in deriving the recoverable amount.</p>	<p>I carried out the following audit procedures to assess the impairment test of investments in subsidiaries in the separate financial statements prepared by management.</p> <ul style="list-style-type: none"> • Assessed the appropriateness of management's identification of the indicators for impairment of investments in subsidiaries. • Held discussions with the management to understand the basis for the assumptions applied to the cash flow projections. • Challenged management's significant assumptions used in impairment testing, especially in respect to the forecasted revenue, expected changes to working capital, overhead costs and long-term growth rate to the business. My procedures included comparing those assumptions to the external sources and management's approved business plan. • Assessed the reasonableness of the business plan by comparing the plans of 2019 with actual results. • Assessed the discount rate by considering and comparing with the independence data obtained from available public information of companies in the same industry sector to see whether the discount rate used by the management was within the acceptable range. • Tested the sensitivity analysis of the key assumptions used in the discounted cash flows projection, such as forecasted revenue and discount rate, to assess the sensitivity impact and the impact from changes in these key assumptions. • Assessed the competency of the independent appraiser engaged by the Group. • Assessed the reasonableness of the source of information and significant factors that management and independent appraiser used to evaluate the fair value of underlying assets using market approach for selling consideration purpose. • Assessed the appropriateness of the impairment testing and recording for the impairment of investments in subsidiaries in the separate financial statements. <p>As a result of the procedures performed, I did not find any irregularity of the management's assessment of the impairment and noted that the key assumptions used by management and the independent appraiser were reasonable based on the available evidence and the calculated fair value was acceptable.</p>

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated and separate financial statements and my auditor's report thereon. The annual report is expected to be made available to me after the date of this auditor's report.

My opinion on the consolidated and separate financial statements does not cover the other information and I will not express any form of assurance conclusion thereon.

In connection with my audit of the consolidated and separate financial statements, my 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 consolidated and separate financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to the audit committee.

Responsibilities of the directors for the consolidated and separate financial statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with TFRSs, and for such internal control as the directors determine 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, the directors are responsible for assessing the Group 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 the directors either intend to liquidate the Group and the Company or to cease operations, or has no realistic alternative but to do so.

The audit committee assists the directors in discharging their responsibilities for overseeing the Group and the Company's financial reporting process.

Auditor's responsibilities for the audit of the consolidated and separate financial statements

My 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 my 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, I exercise professional judgment and maintain professional scepticism throughout the audit. I 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 my 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 and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' 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 and the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with the audit committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide the audit committee with a statement that I 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 my independence, and where applicable, related safeguards.

From the matters communicated with the audit committee, I 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. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

PricewaterhouseCoopers ABAS Ltd.

Sa-nga Chokenitisawat
Certified Public Accountant (Thailand) No. 11251
Bangkok
28 February 2020

Buriram Sugar Public Company Limited
Statements of Financial Position
As at 31 December 2019

	Notes	Consolidated financial statements		Separate financial statements	
		2019 Baht	2018 Baht	2019 Baht	2018 Baht
Assets					
Current assets					
Cash and cash equivalents	7	40,613,707	179,126,261	2,496,796	15,830,327
Trade and other receivables, net	8, 32	388,685,845	360,413,837	118,018,137	214,607,562
Farmer receivables, net	9, 32	210,621,598	598,552,754	-	-
Accrued income - Office of the Cane and Sugar Fund	10	325,519,666	301,507,431	-	-
Inventories, net	11	911,954,629	1,337,505,832	-	-
Current portion of long-term borrowings to subsidiaries	32 (c)	-	-	92,000,000	144,000,000
Current portion of long-term borrowings to farmer receivables	16, 32 (d)	127,426,477	134,926,615	-	-
Other current assets	12	65,306,091	58,483,589	6,497,961	4,472,347
Total current assets		2,070,128,013	2,970,516,319	219,012,894	378,910,236
Non-current assets					
Non-current farmer receivables		31,116,324	27,105,440	-	-
Non-current accrued income - Office of the Cane and Sugar Fund	10	158,759,020	148,080,796	-	-
Investment in an associate	13	1,111,340,992	1,208,109,474	1,099,855,592	1,194,706,819
Investments in subsidiaries, net	14	-	-	1,508,476,700	1,450,476,300
Other long-term investments, net	15	1,409,950	2,052,236	2,175	644,461
Long-term borrowings to subsidiaries, net	32 (c)	-	-	2,208,723,764	2,221,786,767
Long-term borrowings to farmer receivables, net	16, 32 (d)	193,261,017	272,940,066	-	-
Investment property	17	3,971,127	3,971,127	3,971,127	3,971,127
Property, plant and equipment, net	18	5,674,842,200	5,432,152,570	37,244,820	27,810,732
Intangible assets, net	19	31,063,464	31,092,103	17,805,707	16,530,690
Deferred tax assets, net	20	126,612,482	162,602,059	-	12,326,658
Other non-current assets		26,746,710	17,602,992	396,355	2,913,702
Total non-current assets		7,359,123,286	7,305,708,863	4,876,476,240	4,931,167,256
Total assets		9,429,251,299	10,276,225,182	5,095,489,134	5,310,077,492

Director _____

Date _____

The accompanying notes on pages are an integral part of these consolidated and separate financial statements.

Buriram Sugar Public Company Limited
Statements of Financial Position
As at 31 December 2019

	Notes	Consolidated financial statements		Separate financial statements	
		2019 Baht	2018 Baht	2019 Baht	2018 Baht
Liabilities and equity					
Current liabilities					
Bank overdrafts	22	-	343,161	-	-
Trade and other payables	21, 32	839,193,344	817,893,134	167,271,841	180,492,000
Short-term borrowings from financial institutions, a related party and others	22, 32 (e)	2,611,879,730	2,617,912,052	-	748,000
Current portion of long-term borrowings from financial institutions and other	22	295,988,187	384,135,916	-	-
Current portion of long-term borrowings from an associate	22, 32 (f)	211,241,564	202,512,995	-	-
Current portion of long-term borrowings from a subsidiary	22, 32 (g)	-	-	50,000,000	376,000,000
Current portion of hire-purchase liabilities	22	7,178,183	10,893,729	2,899,368	2,313,356
Current portion of employee benefit obligations	24	8,042,319	7,495,294	3,662,990	2,605,538
Income tax payable		4,665,850	6,462,099	-	-
Other current liabilities	23	9,831,435	14,415,779	4,960,462	3,282,078
Total current liabilities		3,988,020,612	4,062,064,159	228,794,661	565,440,972
Non-current liabilities					
Long-term borrowings from financial institutions and other, net	22	488,474,763	487,792,626	-	-
Long-term borrowings from an associate, net	22, 32 (f)	3,024,413,138	3,177,323,563	-	-
Long-term borrowings from a subsidiary, net	22, 32 (g)	-	-	2,696,119,162	2,370,119,162
Hire-purchase liabilities, net	22	8,666,293	10,497,447	4,709,512	5,842,066
Employee benefit obligations, net	24	56,742,223	38,040,201	20,145,078	13,331,406
Total non-current liabilities		3,578,296,417	3,713,653,837	2,720,973,752	2,389,292,634
Total liabilities		7,566,317,029	7,775,717,996	2,949,768,413	2,954,733,606

The accompanying notes on pages are an integral part of these consolidated and separate financial statements.

Buriram Sugar Public Company Limited
Statements of Financial Position
As at 31 December 2019

	Notes	Consolidated financial statements		Separate financial statements	
		2019 Baht	2018 Baht	2019 Baht	2018 Baht
Liabilities and equity (Cont'd)					
Equity					
Share capital					
Authorised share capital					
		812,099,845 ordinary shares			
	25	at par value of Baht 1 each			
		<u>812,099,845</u>	<u>812,099,845</u>	<u>812,099,845</u>	<u>812,099,845</u>
Issued and paid-up share capital					
		812,099,845 ordinary shares			
		fully paid-up of Baht 1 each			
		812,099,845	812,099,845	812,099,845	812,099,845
		Premium on ordinary shares			
		954,665,813	954,665,813	954,665,813	954,665,813
Retained earnings					
Appropriated					
		- Legal reserve			
	27	56,601,140	56,601,140	56,601,140	56,601,140
		Unappropriated			
		38,246,817	675,700,077	322,353,923	531,916,635
		Other components of equity			
		-	60,453	-	60,453
		<u>1,861,613,615</u>	<u>2,499,127,328</u>	<u>2,145,720,721</u>	<u>2,355,343,886</u>
Equity attributable to owners of the parent					
		1,861,613,615	2,499,127,328	2,145,720,721	2,355,343,886
Non-controlling interests					
		1,320,655	1,379,858	-	-
		<u>1,862,934,270</u>	<u>2,500,507,186</u>	<u>2,145,720,721</u>	<u>2,355,343,886</u>
Total equity					
		<u>1,862,934,270</u>	<u>2,500,507,186</u>	<u>2,145,720,721</u>	<u>2,355,343,886</u>
Total liabilities and equity					
		<u>9,429,251,299</u>	<u>10,276,225,182</u>	<u>5,095,489,134</u>	<u>5,310,077,492</u>

The accompanying notes on pages are an integral part of these consolidated and separate financial statements.

Buriram Sugar Public Company Limited
Statements of Comprehensive Income
For the year ended 31 December 2019

	Notes	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
		Baht	Baht	Baht	Baht
Revenue from sales and services		4,985,157,676	5,555,969,176	-	-
Cost of sales and services		(4,469,211,704)	(4,508,873,193)	-	-
Gross profit		515,945,972	1,047,095,983	-	-
Other income	28	123,272,234	253,049,160	384,876,426	425,840,143
Gain (loss) on foreign exchange rate		8,208,280	35,793,513	-	(10,914)
Selling expenses		(304,175,681)	(321,610,076)	-	-
Administrative expenses		(501,313,536)	(388,305,625)	(278,542,964)	(140,930,720)
Finance costs		(384,000,393)	(385,994,757)	(180,263,658)	(180,384,517)
Share of profit from an associate	13	63,783,415	71,854,032	-	-
Profit (loss) before income tax		(478,279,709)	311,882,230	(73,930,196)	104,513,992
Income tax	30	(33,491,120)	(40,213,584)	(12,341,771)	(7,699,024)
Profit (loss) for the year		<u>(511,770,829)</u>	<u>271,668,646</u>	<u>(86,271,967)</u>	<u>96,814,968</u>
Other comprehensive income (expense):					
Items that will not be reclassified subsequently to profit or loss					
Remeasurements of post-employment benefit obligations	24	(4,539,661)	-	(1,475,843)	-
Income tax relating to remeasurements of post-employment benefit obligations		612,764	-	-	-
		<u>(3,926,897)</u>	<u>-</u>	<u>(1,475,843)</u>	<u>-</u>
Items that will be reclassified subsequently to profit or loss					
Change in value of available-for-sale investments		-	(84,679)	-	(84,679)
Transferred disposal of available-for-sale investments		(60,453)	-	(60,453)	-
Income tax relating to change in value of available-for-sale investments		-	16,936	-	16,936
		<u>(60,453)</u>	<u>(67,743)</u>	<u>(60,453)</u>	<u>(67,743)</u>
Other comprehensive expense for the year, net of tax		<u>(3,987,350)</u>	<u>(67,743)</u>	<u>(1,536,296)</u>	<u>(67,743)</u>
Total comprehensive income (expense) for the year		<u>(515,758,179)</u>	<u>271,600,903</u>	<u>(87,808,263)</u>	<u>96,747,225</u>
Profit (loss) attributable to:					
Owners of the parent		(511,711,461)	271,621,488	(86,271,967)	96,814,968
Non-controlling interests		(59,368)	47,158	-	-
		<u>(511,770,829)</u>	<u>271,668,646</u>	<u>(86,271,967)</u>	<u>96,814,968</u>
Total comprehensive income (loss) attributable to:					
Owners of the parent		(515,698,811)	271,553,745	(87,808,263)	96,747,225
Non-controlling interests		(59,368)	47,158	-	-
		<u>(515,758,179)</u>	<u>271,600,903</u>	<u>(87,808,263)</u>	<u>96,747,225</u>
Earnings (loss) per share					
Basic earnings (loss) per share	31	(0.63)	0.33	(0.11)	0.12

The accompanying notes on pages are an integral part of these consolidated and separate financial statements.

Buriram Sugar Public Company Limited
Statement of Changes in Equity
For the year ended 31 December 2019

Consolidated financial statements									
Notes	Issued and paid-up share capital Baht	Premium on ordinary shares Baht	Retained earnings		Other components of equity		Total owners of the parent Baht	Non-controlling interests Baht	Total Baht
			Appropriated-Legal reserve Baht	Unappropriated Baht	Change in fair value of available-for-sale investments Baht				
Opening balance as at 1 January 2018	812,099,845	954,665,813	51,760,392	652,547,941	128,196	2,471,202,187	1,333,790	2,472,535,977	
Changes in equity for the year 2018									
Dividends paid	26	-	-	(243,628,604)	-	(243,628,604)	(1,390)	(243,629,994)	
Legal reserve	27	-	4,840,748	(4,840,748)	-	-	-	-	
Increased in non-controlling interest		-	-	-	-	-	300	300	
Total comprehensive income (expense) for the year		-	-	271,621,488	(67,743)	271,553,745	47,158	271,600,903	
Closing balance as at 31 December 2018	<u>812,099,845</u>	<u>954,665,813</u>	<u>56,601,140</u>	<u>675,700,077</u>	<u>60,453</u>	<u>2,499,127,328</u>	<u>1,379,858</u>	<u>2,500,507,186</u>	
Opening balance as at 1 January 2019	812,099,845	954,665,813	56,601,140	675,700,077	60,453	2,499,127,328	1,379,858	2,500,507,186	
Changes in equity for the year 2019									
Dividends paid	26	-	-	(121,814,902)	-	(121,814,902)	(435)	(121,815,337)	
Increased in non-controlling interest		-	-	-	-	-	600	600	
Total comprehensive expense for the year		-	-	(515,638,358)	(60,453)	(515,698,811)	(59,368)	(515,758,179)	
Closing balance as at 31 December 2019	<u>812,099,845</u>	<u>954,665,813</u>	<u>56,601,140</u>	<u>38,246,817</u>	<u>-</u>	<u>1,861,613,615</u>	<u>1,320,655</u>	<u>1,862,934,270</u>	

The accompanying notes on pages are an integral part of these consolidated and separate financial statements.

Buriram Sugar Public Company Limited
Statement of Changes in Equity
For the year ended 31 December 2019

	Separate financial statements						
	Notes	Issued and Paid-up share capital Baht	Premium on ordinary shares Baht	Retained earnings		Other components of equity	Total Baht
				Appropriated - Legal reserve Baht	Unappropriated Baht	Change in fair value available-for-sale investments Baht	
Opening balance as at 1 January 2018		812,099,845	954,665,813	51,760,392	683,571,019	128,196	2,502,225,265
Changes in equity for the year 2018							
Dividends paid	26	-	-	-	(243,628,604)	-	(243,628,604)
Legal reserve	27	-	-	4,840,748	(4,840,748)	-	-
Total comprehensive income (expense) for the year		-	-	-	96,814,968	(67,743)	96,747,225
Closing balance as at 31 December 2018		<u>812,099,845</u>	<u>954,665,813</u>	<u>56,601,140</u>	<u>531,916,635</u>	<u>60,453</u>	<u>2,355,343,886</u>
Opening balance as at 1 January 2019		812,099,845	954,665,813	56,601,140	531,916,635	60,453	2,355,343,886
Changes in equity for the year 2019							
Dividends paid	26	-	-	-	(121,814,902)	-	(121,814,902)
Total comprehensive expense for the year		-	-	-	(87,747,810)	(60,453)	(87,808,263)
Closing balance as at 31 December 2019		<u>812,099,845</u>	<u>954,665,813</u>	<u>56,601,140</u>	<u>322,353,923</u>	<u>-</u>	<u>2,145,720,721</u>

The accompanying notes on pages are an integral part of these consolidated and separate financial statements.

Buriram Sugar Public Company Limited

Statements of Cash Flows

For the year ended 31 December 2019

	Consolidated		Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
Notes	Baht	Baht	Baht	Baht
Cash flows from operating activities				
Profit (loss) before income tax	(478,279,709)	311,882,230	(73,930,196)	104,513,992
Adjustments to reconcile profit (loss) before income tax to net cash provided by operations:				
- Depreciation and amortisation	29	344,217,169	289,555,157	6,368,649
- Interest income	28	(59,301,016)	(82,887,779)	(147,086,517)
- Dividends income	28	(204,680)	(204,680)	(126,720,354)
- Allowance for doubtful accounts (reversal)	8, 9	4,619,625	(5,947,375)	(2,276,250)
- (Reversal) allowance for declining in value of inventories	11	(7,621,386)	12,271,688	-
- Allowance for impairment of property, plant and equipment	18	98,419,224	-	-
- Allowance for impairment of investment in subsidiaries	14	-	-	14,999,000
- Allowance for decrease in value of long-term borrowings to subsidiaries	32 (c)	-	-	122,545,905
- (Gain) on disposals of available for sale investments		(149,829)	-	(149,829)
- Loss (Gain) on disposals of property, plant and equipment		1,570,410	(1,581,442)	-
- Loss on write-off of property, plant and equipment and intangible assets	18, 19	30,628,696	11,164,417	7,181
- Finance costs		384,000,393	385,994,757	180,263,658
- Share of (profit) from an associate	13	(63,783,415)	(71,854,032)	-
- Employee benefit expenses	24	18,629,754	5,132,990	6,814,031
Cash flows before changes in operating assets and liabilities		272,745,236	853,525,931	(19,164,722)
Change in operating assets and liabilities				
- Trade and other receivables		(27,756,074)	(103,545,050)	(44,842,149)
- Accrued income - Office of the Cane and Sugar Fund	10	(24,012,235)	(301,507,431)	-
- Farmer receivables		382,795,597	274,509,644	2,276,250
- Inventories		433,172,589	(289,005,282)	-
- Other current assets		(6,822,502)	(25,423,096)	(2,025,614)
- Non-current farmer receivables		(4,010,884)	(27,105,440)	-
- Non-current accrued income - Office of the Cane and Sugar Fund	10	(10,678,224)	(148,080,796)	-
- Other non-current assets		(9,143,718)	(9,234,930)	2,517,347
- Trade and other payables		18,842,448	92,212,246	(183,853)
- Other current liabilities		(4,584,344)	(10,115,011)	1,678,384
- Employee benefit paid	24	(3,920,368)	(1,604,537)	(418,750)
Cash generated from (used in) operating activities		1,016,627,521	304,626,248	(60,163,107)
- Income tax received		12,182,795	5,073,168	-
- Income tax paid		(10,400,100)	(54,173,790)	-
- Interest paid		(381,573,335)	(376,287,312)	(193,332,048)
Net cash generated from (used in) operating activities		636,836,881	(120,761,686)	(72,279,828)

The accompanying notes on pages are an integral part of these consolidated and separate financial statements.

Buriram Sugar Public Company Limited

Statements of Cash Flows

For the year ended 31 December 2019

	Notes	Consolidated		Separate	
		financial statements		financial statements	
		2019	2018	2019	2018
		Baht	Baht	Baht	Baht
Cash flows from investing activities					
Interest received		59,301,016	82,887,779	170,099,721	94,347,515
Dividends received		65,905,350	91,076,782	245,138,724	315,879,941
Proceeds from capital reduction of an associate	13	94,851,227	-	94,851,227	-
Payments for acquisition of investment in a subsidiary	14	-	-	(72,999,400)	(4,999,700)
Proceeds from disposal of available-for-sale investments		716,549	-	716,549	-
Proceeds from long-term borrowings to subsidiaries	32 (c)	-	-	1,222,124,798	255,867,998
Payments on long-term borrowings to subsidiaries	32 (c)	-	-	(1,279,607,700)	(242,000,000)
Proceeds from long-term borrowings to farmers receivables	16	123,393,836	226,452,097	-	-
Payments on long-term borrowings to farmers receivables	16	(36,214,649)	(101,155,459)	-	-
Purchases of investment property	17	-	(3,971,127)	-	(3,971,127)
Proceeds from disposals of property, plant and equipment		309,539	2,700,935	-	1,588,785
Purchases of property, plant and equipment and intangible assets		(692,670,190)	(907,204,434)	(14,862,980)	(11,246,497)
Capitalised borrowing costs to property, plant and equipment		(18,983,633)	(11,707,336)	-	-
Net cash (used in) generated from investing activities		(403,390,955)	(620,920,763)	365,460,939	405,466,915
Cash flows from financing activities					
(Decreased) increased from short-term borrowings from financial institutions, a related party and others	22	(6,375,483)	1,481,950,335	(748,000)	(89,940,878)
Proceeds from long-term borrowings from financial institutions and other	22	299,625,000	-	-	-
Repayments on long-term borrowings from financial institutions and other	22	(387,090,592)	(383,724,249)	-	-
Repayments on long-term borrowings from an associate	22	(144,181,856)	(149,552,871)	-	-
Repayments on hire-purchase liabilities		(12,150,906)	(13,155,023)	(2,768,497)	(2,011,259)
Proceeds from issue of ordinary shares from non-controlling interests		-	300	-	-
Dividends paid		(121,784,643)	(243,778,493)	(121,782,818)	(243,597,822)
Net cash (used in) generated from financing activities		(371,958,480)	691,739,999	(125,299,315)	(335,549,959)
Net decrease in cash and cash equivalents		(138,512,554)	(49,942,450)	(13,333,531)	(2,362,872)
Opening balance		179,126,261	229,068,711	15,830,327	18,193,199
Closing balance		40,613,707	179,126,261	2,496,796	15,830,327
Non-cash transactions					
Purchases of property, plant and equipment under hire-purchase liabilities		6,604,206	9,240,211	2,221,955	3,204,602

The accompanying notes on pages are an integral part of these consolidated and separate financial statements.

1 General information

Buriram Sugar Public Company Limited (the Company) is a public limited company which is listed on the Stock Exchange of Thailand, limited company incorporated and resident in Thailand. The address of the Company's registered offices are as follows:

Head office: Located at No. 237 moo 2, Tambol Hin Lek Fai, Amphur Kumueug, Buriram 31190.

Branch: Located at No. 128/77-78, 7th floor, Phayathai Plaza Building, Tungphayathai, Ratchathewe, Bangkok 10400.

For reporting purposes, the Company and its subsidiaries are referred to as "the Group".

The principal business operations of the Group are summarised as follows:

- 1) Manufacturing and distribution of sugar and molasses
- 2) Trading agricultural products
- 3) Power plant for electricity and steam generation and distribution
- 4) Other businesses

These consolidated and separate financial statements have been approved by the Board of Directors on 28 February 2020.

2 Accounting policies

The principal accounting policies applied in the preparation of these consolidated and separate financial statements are set out below:

2.1 Basis for preparation

The consolidated and separate financial statements have been prepared in accordance with Thai Financial Reporting Standards ("TFRS") and the financial reporting requirements issued under the Securities and Exchange Act.

The consolidated and separate financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with Thai generally accepted accounting principles requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated and separate financial statements are disclosed in Note no.4.

An English language version of the consolidated and separate financial statements has been prepared from the financial statements that are in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language financial statements shall prevail.

2.2 New and amended financial reporting standards that are relevant and have significant impacts to the Group

2.2.1 The Group has applied the following standard and amendments for the first time for their annual reporting commencing 1 January 2019

a) Thai Financial Reporting Standard no.15 (TFRS 15), Revenue from contracts with customers

The standard provides principle and approach of revenue recognition under five-step process. The underlying principle is that the Group will recognise revenue to depict the transfer of goods or services to customers at an amount that the entity expects to be entitled to in exchange for those goods or services. It replaces the principles of transferring the significant risks and rewards of ownership of the goods or services to the buyer in accordance with TAS 11, Construction contracts, TAS 18, Revenue and related interpretations.

The adoption of this standard affect the timing of revenue recognition of the Group for some revenue from sales of goods which changes from revenue recognition when it satisfies a performance obligation at a point in time to be over time. However, the impact is not significant to the Group.

b) Thai Accounting Standard no.28 (revised 2018), Investments in associates and joint ventures

The amendment clarifies that the election by venture capital organisations, mutual funds, unit trusts and similar entities to measure investments in associates or joint ventures at fair value through profit or loss should be made separately for each associate or joint venture at initial recognition.

The adoption of this standard does not have significant impact to the Group.

c) Thai Accounting Standard no.40 (revised 2018), Investment property

The amendments clarify that transfers to, or from, investment property can only be made if there has been a change in use that is supported by evidence. A change in use occurs when the property meets, or ceases to meet, the definition of investment property. A change in management's intention alone is not sufficient to support a transfer.

The adoption of this standard does not have significant impact to the Group.

d) Thai Financial Reporting Interpretation no.22 (TFRIC 22), Foreign currency transactions and advance consideration

TFRIC 22 clarifies how to determine the date of transaction for the exchange rate to be used on initial recognition of a related asset, expense or income where an entity pays or receives consideration in advance for foreign currency-denominated contracts.

The adoption of this interpretation does not have significant impact to the Group.

2.2.2 New and amended financial reporting standards that are effective for accounting period beginning or after 1 January 2020

Certain new and amended financial reporting standards have been issued that are not mandatory for current period end 31 December 2019 reporting period and have not been early adopted by the Group.

a) Financial instruments

The new financial standards relate to financial instruments are:

TAS 32	Financial instruments: Presentation
TFRS 7	Financial Instruments: Disclosures
TFRS 9	Financial Instruments
TFRIC 16	Hedges of a Net Investment in a Foreign Operation
TFRIC 19	Extinguishing Financial Liabilities with Equity Instruments

These new standards address the classification, measurement, derecognition of financial assets and financial liabilities, impairment of financial assets, hedge accounting, and presentation and disclosure of financial instruments.

The Group's management is currently assessing the impact of initial adoption of these standards.

b) TFRS 16, Leases

Where the Group is a lessee, TFRS 16, *Leases* will result in almost all leases being recognised on the balance sheet as the distinction between operating and finance leases is removed. A right-of-use asset and a lease liability will be recognised, with exception on short-term and low-value leases.

The Group's management is currently assessing the impact of initial adoption of these standards.

c) Other new/amended standards

The new and amended financial reporting standards that will have significant impact on the Group are:

TAS 12	Income tax
TAS 19	Employee benefits
TAS 23	Borrowing cost
TAS 28	Investments in associates and joint ventures
TFRS 9	Financial instruments
TFRIC 23	Uncertainty over income tax treatments

Amendment to TAS 12, Income tax - clarified that the income tax consequences of dividends of financial instruments classified as equity should be recognised according to where the past transactions or events that generated distributable profits were recognised.

Amendment to TAS 19, Employee benefits (plan amendment, curtailment or settlement) - clarified accounting for defined benefit plan amendments, curtailments and settlements that the updated assumptions on the date of change are applied to determine current service cost and net interest for the remainder of the reporting period after the plan amendment, curtailment or settlement.

Amendment to TAS 23, Borrowing costs - clarified that if a specific borrowing remains outstanding after the related qualifying asset is ready for its intended use or sale, it becomes part of general borrowings.

Amendment to TAS 28, Investments in associates and joint ventures (long-term interests in associates and joint ventures) - clarified the accounting for long-term interests in an associate or joint venture, which is in substance form part of the net investment in the associate or joint venture, but to which equity accounting is not applied. Entities must account for such interests under TFRS 9, *Financial instruments* before applying the loss allocation and impairment requirements in TAS 28, *Investments in associates and joint ventures*.

Amendment to TFRS 9, Financial instruments (prepayment features with negative compensation) - enabling entities to measure certain prepayable financial assets with negative compensation at amortised cost instead of fair value through profit or loss. These assets include some loan and debt securities. To qualify for amortised cost measurement, the negative compensation must be 'reasonable compensation for early termination of the contract' and the asset must be held within a 'held to collect' business model.

TFRIC 23, Uncertainty over income tax treatments - explained how to recognise and measure deferred and current income tax assets and liabilities where there is uncertainty over a tax treatment. In particular, it discusses:

- that the Group should assume a tax authority will examine the uncertain tax treatments and have full knowledge of all related information, ie that detection risk should be ignored.
- that the Group should reflect the effect of the uncertainty in its income tax accounting when it is not probable that the tax authorities will accept the treatment.
- that the judgements and estimates made must be reassessed whenever circumstances have changed or there is new information that affects the judgements.

The Group's management is currently assessing the impact of these new and amended standards.

2.3 Group accounting - Investments in subsidiaries and associates

(1) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred to the former owners of acquiree and the equity interest issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in profit or loss.

Intercompany transactions, balances and unrealised gains or loss on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

A list of the Group's principal subsidiaries and the effect from the acquisition and disposal of subsidiaries have been disclosed in Note no.14.

(2) Transaction with non-controlling interests

The Group treats transactions with non-controlling interests as transactions with equity owners of the Group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

(3) Disposal of subsidiaries

When the Group ceases to have control, any retained interest in the entity is re-measured to its fair value, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities.

(4) Associates

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting.

(5) Accounting under equity method

Under the equity method, the investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition. The Group's investment in associates includes goodwill identified on acquisition.

If the ownership interest in associates is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate. Profit or loss from reduction of the ownership interest in an associate is recognised in profit or loss.

The Group's share of its associates post-acquisition profits or losses is recognised in the profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in associates equals or exceeds its interest in the associates, together with any long-term interests that, in substance, form part of the entity's net investment in the associates, together with any long-term interests that, in substance, form part of the entity's net investment in the associates the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associates.

The Group determines at each reporting date whether there is any objective evidence that the investments in the associates are impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the investments and its carrying value and recognises the amount adjacent to share of profit (loss) of associates in statement of income.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

(6) Separate financial statements

In the separate financial statements, investments in subsidiaries and associate is accounted for at cost less impairment (if any). Cost is adjusted to reflect changes in consideration arising from contingent consideration amendments. Cost also includes direct attributable costs of investments.

2.4 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The consolidated financial statements are presented in Baht, which is the Company's functional and the Group's presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss.

When a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is recognised in other comprehensive income. Conversely, when a gain or loss on a non-monetary item is recognised in profit and loss, any exchange component of that gain or loss is recognised in profit and loss.

2.5 Cash and cash equivalents

In the statement of cash flows, cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less. In the statements of financial position, bank overdrafts are shown in current liabilities.

2.6 Trade and farmer receivables

Trade receivables are recognised initially at the original invoice amount and subsequently measured at the remaining amount less allowance for doubtful receivables based on a review of all outstanding amounts at the year end. The amount of the allowance is the difference between the carrying amount of the receivable and the amount expected to be collectible. Bad debts are written off during the year in which they are identified and recognised in profit or loss within administrative expense.

Farmer receivables are stated at the net realisable value. The Group has policy to set up allowance for doubtful accounts based on period of overdue balance, payment histories, collaterals and future expectations of customer payments. Allowance for doubtful accounts is provided in full amount (after deducting appraisal value of collateral). Bad debts are written off when incurred.

2.7 Inventories

Inventories are stated at the lower of cost or net realisable value. Cost is determined by weighted average method.

The cost of purchase comprises both the purchase price and costs directly attributable to the acquisition of the inventory, such as import duties and transportation charges, less all attributable discounts, allowances or rebates. The cost of finished goods and work in progress comprises design costs, raw materials, direct labour, other direct costs and related production overheads based on normal operating capacity. It excludes borrowing costs.

Net realisable value is the estimate of the selling price in the ordinary course of business, less the costs of completion and selling expenses. Allowance is made, where necessary, for obsolete, slow-moving and defective inventories.

2.8 Other investments

Investments other than investments in subsidiaries, associates and joint ventures are initially recognised at fair value of consideration paid plus direct transaction cost.

Trading and available-for-sale investments

Trading investments and available-for-sale investments are subsequently measured at fair value. The unrealised gains and losses of trading investments are recognised in profit or loss. The unrealised gains and losses of available for sale investments are recognised in other comprehensive income and are subsequently reclassified to profit or loss when the investment is disposed.

Held-to-maturity investments

Held-to-maturity investments are carried at amortised cost using the effective interest method less impairment.

General investments

General investments are carried at cost less impairment.

Disposal of investments

On a disposal of an investment, the difference between the net disposal proceeds and the carrying amount (including cumulative changes in fair value recognised in equity) is recognised to the profit or loss. When the Group disposes an investment partially, the carrying amount of the disposed part is determined by the weighted average method.

2.9 Investment property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the companies in the Group, is classified as investment property. Investment property also includes property that is being constructed or developed for future use as investment property.

Investment property is measured initially at its cost, including related transaction

After initial recognition, investment property is carried at cost less any accumulated depreciation and any accumulated impairment losses.

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Land is not depreciated. Depreciation on other investment properties is calculated using the straight line method to allocate their cost to their residual values over their estimated useful lives.

2.10 Property, plant and equipment

Property, plant and equipment are initially recorded at cost and subsequently stated at historical cost less accumulated depreciation and allowance for impairment loss. Historical costs include directly attributable expenses in acquiring such asset.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Land is not depreciated. Depreciation on other assets are calculated using the straight-line method to allocate their costs to their residual values over their estimated useful life, as follows:

Land improvement	10 years - 30 years
Building and building improvement	2 years - 40 years
Machinery and tools	2 years - 30 years
Tools and agriculture equipment	2 years - 10 years
Furniture, fixtures and office equipment	3 years - 20 years
Vehicles	5 years - 10 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains or losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within other gains (loss), net account in profit or loss.

2.11 Intangible assets

2.11.1 Computer software

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Amortisation is calculated using the straight-line method over their useful life of 5 years.

2.11.2 Right to use of assets

Expenditure on right to use of assets which are transmission lines is capitalised and amortised using the straight-line method over their useful life of 20 years.

2.12 Impairment of assets

Assets that have an indefinite useful life (such as trademark and licences) are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash flows. Non-financial assets other than trademark and licences that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

2.13 Leases - where the Group is the lessee

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease.

Leases of property, plant or equipment where the Group has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the inception of the lease at the lower of the fair value of the leased property or the present value of the minimum lease payments.

Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charges, are included in other long-term payables. The interest element of the finance cost is charged to profit or loss over the lease period so as to achieve a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant or equipment acquired under finance leases is depreciated over the shorter period of the useful life of the asset or the lease term.

2.14 Leases - where the Group is the lessor

When assets are leased out under a finance lease, the present value of the lease payments is recognised as a receivable. The difference between the gross receivable and the present value of the receivable is recognised as unearned finance income. Lease income is recognised over the term of the lease using the net investment method, which reflects a constant periodic rate of return. Initial direct costs are included in initial measurement of the finance lease receivable and reduce the amount of income recognised over the lease term.

Assets leased out under operating leases are included in property, plant and equipment in the statement of financial position. They are depreciated over their expected useful lives on a basis consistent with other similar property, plant and equipment owned by the Group. Rental income (net of any incentives given to lessees) is recognised on a straight-line basis over the lease term.

2.15 Borrowings

Borrowings are recognised initially at the fair value of proceeds received, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost using the effective yield method. Any difference between proceeds (net of transaction costs) and the redemption value is recognised in the statement of comprehensive income over the period of the borrowings.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent that there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of reporting date.

2.15.1 Borrowings costs

Specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Borrowing costs comprise:

- Interest arising from long-term borrowings including related tax
- Amortisation of transaction costs

All other borrowing costs are recognised as expense in the period which they are incurred.

2.16 Current and deferred income tax

The income tax expense for the period comprises current and deferred tax. Income tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the income tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of reporting period in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised, using the liability method, on temporary differences arising from differences between the tax base of assets and liabilities and their carrying amounts in the financial statements.

However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Deferred income tax is provided on temporary differences arising from investments in subsidiaries, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2.17 Employee benefits

The Group operate various retirement benefits schemes. The Group has both defined benefit and defined contribution plans.

A defined contribution plan is a retirement plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. The Group pays contributions to a separate fund which is managed by an external fund manager in accordance with the provident fund Act. B.E. 2530. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

A defined benefit plan is a retirement plan that is not a defined contribution plan. Typically defined benefit plans define an amount of retirement benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognised in the statement of financial position in respect of defined benefit retirement plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yield of government bonds that have terms to maturity approximating to the terms of the related pension liability. The estimated future cash flows shall reflect employee salaries, turnover rate, mortality, and others.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income in the period in which they arise.

Past-service costs are recognised immediately in profit or loss.

2.18 Provisions

Provisions (excluding employee benefits) are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. Where the Group expects a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

2.19 Revenue recognition

Revenue include all revenues from ordinary business activities. All ancillary income in connection with the delivery of goods and rendering of services in the course of the Group's ordinary activities is also presented as revenue.

Revenue are recorded net of value added tax. They are recognised in accordance with the provision of goods or services, provided that collectibility of the consideration is probable.

Multiple element arrangements involving delivery or provision of multiple products or services are separated into distinct performance obligations. Total transaction price of the bundled contract is allocated to each performance obligation based on their relative standalone selling prices or estimated standalone selling prices. Each performance obligation is recognised as revenue on fulfillment of the obligation to the customer.

Sales of goods

The Group recognises revenue from sales of goods when it satisfies a performance obligation by delivering goods and transferring control of those goods to a customer. The performance obligation may be satisfied at a point in time or over time.

Revenue from services

The Group recognises revenue from services rendered when services are provided to a customer. The Group satisfies a performance obligation over time. The Group recognised service contracts with a continuous service provision as revenue on a straight line basis over the contract term, regardless of the payment pattern.

Interest and dividend income

Interest income is recognised using the effective interest method. Dividends income are recognised when the right to receive payment is established.

Other income

Other income is recognised in the statement of income on an accrual basis.

2.20 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the Company's shareholders, and when the interim dividends are approved by the Board of Directors.

2.21 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as Chief Executive Officer that makes strategic decisions.

Segment information is presented in respect of the Group's business segments which is based on the Group's management and internal reporting structure (See more information in Note no.6).

2.22 Financial status

As at 31 December 2019, the Group and the Company have current liabilities greater than current assets of Baht 1,917.89 million and Baht 9.78 million, respectively (2018: Baht 1,091.55 million and Baht 186.53 million, respectively). However, the Group has policies and procedures to manage its liquidity risk and other circumstances. Short-term borrowings from financial institutions are credit facilities for the Group's operation which can be rolled over under the conditions that the Group can maintain debt to equity ratio as required by the financial institutions. In addition, the Group has also extended the repayment term for current portion of borrowings from financial institutions to be long-term borrowings. Management is satisfied that the Group will meet their working capital and facilities that the Group's operation requires and will continue as a going concern for the foreseeable future. Thus, the Group can continue its operations for a period of next 12 months from the date of this report. Also, the Group is able to comply with the current and future financial obligations. Therefore, these financial statements are prepared on the going concern basis.

3 Financial risk management

3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including, exchange rate risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

3.1.1 Foreign exchange risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to US dollar. Foreign exchange risk arises from future commercial transactions. The Group has entered into foreign currency forward contracts to mitigate risk from exchange rate fluctuation.

3.1.2 Interest rate risk

The Group's income and operating cash flows are substantially independent of changes in market interest rates. All interest rate derivative transactions are subject to approval by the Finance Director before execution. The Group has no significant interest-bearing assets. The Group is able to raise long-term borrowings at floating rates.

3.1.3 Credit risk

The Group is exposed to credit risk primarily with respect to trade and other receivables, farmer receivables and borrowings. The Group's management manages the risk by adopting appropriate credit control policies and procedures to ensure that sales of products and services to customers and borrowings to receivables are made with an appropriate credit history. The Group has policies to limit the amount of credit exposure to any one financial institution. The Group has no significant concentrations of credit risk

3.1.4 Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding and the ability to manage risk. Due to the dynamic nature of the underlying business, the Group's treasury aims at maintaining flexibility in funding by keeping committed credit lines available.

3.2 Pricing risk factors regarding raw materials and products

3.2.1 Sugar cane and sugar prices fluctuation risk

The Group has a fluctuation risk from sugar cane and sugar prices. The sugar cane and sugar industry in Thailand is an industry under the supervision of a government agency, the Cane and Sugar Board, under the Cane and Sugar Act B.E. 2527. Allocation of net income generated by the system between the cane farmers and the sugar mills under a benefit sharing arrangement, whereby cane farmers receive 70% of the income, which is the cane price, and the sugar mills receive 30%, which is the return on production.

The net income of the cane and sugar system is calculated based on the income from the domestic sugar distribution and income from exports less the expenses of the Cane and Sugar Industry. Currently, the ratio of exported sugar to domestically sold sugar is approximately 70:30.

The sugar price depends on the market force.

3.3 Accounting for derivative financial instruments

The Group is party to derivative financial instruments, which mainly comprise foreign currency forward contracts. Such instruments are not recognised in the financial statements on inception and will be recognised when the contracts are settled or expired.

Foreign currency forward contracts protect the Group from movements in exchange rates by establishing the rate at which a foreign currency asset will be realised or a foreign currency liability settled. Any increase or decrease in the amount required to realise the asset or settle the liability is offset by a corresponding movement in the value of the forward exchange contract. The gains and losses on the derivative instruments which relate to borrowings are offset for financial reporting purposes and are recognised as finance costs in the statement of comprehensive income, whereas the gains and losses on the derivative instruments which relate to trading business are offset for financial reporting purposes and are recognised as other income - net in the statement of comprehensive income.

3.4 Fair value estimation

Analysis of financial instruments carried at fair value, by valuation method, the different levels have been defined as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3: Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

The following table presents the Group's financial instruments that are not measured at fair value and classified into the different fair value levels.

As at 31 December 2019	Consolidated financial statements			
	Level 1 Baht	Level 2 Baht	Level 3 Baht	Total Baht
Financial assets not estimated at fair value				
Foreign currency forward contracts	-	207,803,154	-	207,803,154
As at 31 December 2018	Consolidated financial statements			
	Level 1 Baht	Level 2 Baht	Level 3 Baht	Total Baht
Financial assets not estimated at fair value				
Foreign currency forward contracts	-	63,290,709	-	63,290,709

Valuation techniques

Valuation techniques used in measuring level 2 fair values.

Market comparison technique is used in measuring the fair values of foreign currency forward contracts. The fair value is based on broker quotes. Similar contracts are traded in an active market and the quotes reflect the actual transactions in similar instruments.

There were no transfers between levels during the year.

4 Critical accounting estimates, assumptions and judgements

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

4.1 Allowance for doubtful accounts of trade receivables and farmer receivables

In determining an allowance for doubtful accounts, management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts, collaterals and the prevailing economic condition.

The Group has policy to set up allowance for doubtful accounts based on period of overdue balance. Allowance for doubtful accounts is provided in full amount (after deducting appraisal value of collaterals).

4.2 Impairment of investments in subsidiaries

The Group tests impairment of investments in subsidiaries whenever events or changes in circumstances indicate that the carrying amount of asset is greater than its estimated recoverable amount which calculated by using the higher of the fair value less costs to sell and value-in-use. Value in use involves the future operating results of business, projected cash flows, discount rate to be applied to the projected cash flows and projected dividend payouts of subsidiaries. The Group has engaged an independent appraiser in deriving the fair value of underlying assets.

4.3 Property, plant and equipment and intangible assets

Management determines the estimated useful lives and residual values for the Group's Property, plant and equipment and intangible assets. Management will revise the depreciation or amortisation charge where useful lives and residual values are different to the previously estimation, or it will write off or write down technically obsolete or assets that have been abandoned or sold. The Group reviews for impairment whenever events or changes in circumstances indicate that the carrying amount may not be greater than its recoverable amount.

4.4 Provision for employee benefits

The present value of the provision for employee benefits depends on a number of factors that are determined on an actuarial basis using a number of assumptions including discount rate, salary increasing rate, dead rate, and turnover rate. Any changes in these assumptions will impact the carrying amount of pension obligations.

The Group determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the employee benefits obligations. In determining the appropriate discount rate, the Group considers the interest rate of government bonds that have terms to maturity approximating the terms of the related employee benefits liability.

Additional information of other key assumptions are disclosed in Note no. 24.

4.5 Raw material costs

The Group purchased sugar cane for the production season 2017/2018 using the initial sugar cane price which was announced by the Cane and Sugar Board's on 13 December 2017 adjusted by sweetness of sugar cane purchased to recognise raw materials and payables for the production season 2017/2018. As at the audit report date, the Cane and Sugar Board has not announced the final price of sugar cane for the production season 2017/2018 yet.

The Group purchased sugar cane for the production season 2018/2019 using the initial sugar cane price which was announced by the Cane and Sugar Board's on 6 December 2018 adjusted by sweetness of sugar cane purchased to recognise raw materials and payables for the production season 2018/2019. As at the audit report date, the Cane and Sugar Board has not announced the final price of sugar cane for the production season 2018/2019 yet.

The Group purchased sugar cane for the production season 2019/2020 using the initial sugar cane price which was announced by the Cane and Sugar Board's on 9 December 2019 adjusted by sweetness of sugar cane purchased to recognise raw materials and payables for the production season 2019/2020. As at the audit report date, the Cane and Sugar Board has not announced the final price of sugar cane for the production season 2019/2020 yet since the production season has not ended.

5 Capital risk management

The Group's objectives of capital management are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

6 Operating segments

Reporting segment is referred from internal report of the Group which is reviewed by Chief Operating Decision Maker (CODM). CODM is Chief Executive Officer who makes decisions about resource allocation and assesses the segment performance.

Chief Operating Decision Maker considers the reporting segment as below:

- Manufacturing and distribution of sugar and molasses
- Trading agricultural products
- Power plant for electricity and steam generation and distribution
- Other businesses

Chief Operating Decision Maker considers performance of reporting segments from profit from operating segments.

The accounting policies for the operating segments are in accordance with the summaries of accounting policies above.

Unallocated costs mainly represent corporate expenses.

Geographic information

As at 31 December 2019, the Group's revenue from sales external customers approximately 57.93% (2018: 57.72%) is mostly the export sales. Revenue attributed to foreign countries are mainly from countries in Asia Pacific. In addition, most non-current assets of the Group are located in Thailand.

Major customer

The Group has no revenue from sales transactions with a single external customer that amounts to 10% or more of the Group's revenue. Therefore, the Group does not present the information about major customers.

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Operating segments of the Group are as follows:

For the year ended 31 December 2019 and 2018

	Unit: Million Baht													
	Sugar and Molasses business		Trading agriculture products		Electricity and steam generation and distribution		Others		Total		Eliminated entries		Consolidated financial statements	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
Revenue from sales and services														
- Intersegment revenue	303	243	278	292	414	417	71	87	1,066	1,039	(1,066)	(1,039)	-	-
- Revenue from external customers	3,987	4,366	375	435	479	557	144	198	4,985	5,556	-	-	4,985	5,556
Total	4,290	4,609	653	727	893	974	215	285	6,051	6,595	(1,066)	(1,039)	4,985	5,556
Profit from operating segments	50	350	73	93	207	410	14	39	344	892	172	155	516	1,047
Other income													123	253
Administrative and selling expenses													(797)	(674)
Finance costs													(384)	(386)
Share of profit from an associate													64	72
Income tax													(34)	(40)
Profit (loss) for the year													(512)	272
Timing of revenue recognition														
At a point in time	4,265	4,609	581	641	893	974	215	285	5,954	6,509	(1,010)	(1,013)	4,944	5,496
Over time	25	-	72	86	-	-	-	-	97	86	(56)	(26)	41	60
Total revenue	4,290	4,609	653	727	893	974	215	285	6,051	6,595	(1,066)	(1,039)	4,985	5,556

As of 31 December 2019 and 2018

	Sugar and Molasses business		Trading agriculture products		Electricity and steam generation and distribution		Others		Total		Eliminated entries		Consolidated financial statements	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
Inventories, net	800	1,220	93	113	7	7	18	1	918	1,341	(6)	(3)	912	1,338
Property, plant and equipment, net	3,491	3,431	93	105	1,513	1,608	594	303	5,691	5,447	(16)	(15)	5,675	5,432
Other assets, net	1,594	2,020	159	513	5,149	5,299	5,121	5,310	12,023	13,142	(9,181)	(9,636)	2,842	3,506
Total assets	5,885	6,671	345	731	6,669	6,914	5,733	5,614	18,632	19,930	(9,203)	(9,654)	9,429	10,276

7 Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Cash on hand	440,000	440,000	80,000	80,000
Deposits held at call with banks	40,173,707	178,686,261	2,416,796	15,750,327
	40,613,707	179,126,261	2,496,796	15,830,327

As at 31 December 2019 and 2018, the weighted average effective interest rate of deposits held at call with banks was 0.38% per annum.

8 Trade and other receivables, net

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
<u>Trade receivables - third parties, net</u>				
Within 3 months	32,285,144	86,261,596	-	-
3 months - 6 months	-	383,051	-	-
6 months - 12 months	-	285,477	-	-
Over 12 months	17,908,779	18,424,714	7,763,431	7,763,431
	50,193,923	105,354,838	7,763,431	7,763,431
<u>Less</u> Allowance for doubtful accounts	(17,908,788)	(18,424,722)	(7,763,431)	(7,763,431)
	32,285,135	86,930,116	-	-
<u>Trade receivables - related parties</u>				
Within 3 months	197,843,567	61,070,005	-	-
3 months - 6 months	14,901	16,142	-	-
Over 12 months	16,456	-	-	-
	197,874,924	61,086,147	-	-
<u>Other receivables</u>				
Accrued income - third parties	48,499,462	52,940,876	-	3,507
Accrued income - related parties	441,632	34,161,886	-	6,955,000
Other receivables - third parties	469,090	482,413	2,550	-
Other receivables - related parties	21,268	768,423	59,300,532	5,983,236
Advance payments	608,175	330,000	8,500	-
Prepaid expenses	108,486,159	123,713,976	1,438,415	2,966,105
Accrued interest income - related parties	-	-	57,268,140	80,281,344
Accrued dividends income - related parties	-	-	-	118,418,370
	158,525,786	212,397,574	118,018,137	214,607,562
Total trade and other receivables, net	388,685,845	360,413,837	118,018,137	214,607,562

9 Farmer receivables, net

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Farmer receivables				
- Third parties	296,213,210	677,255,984	67,753,806	70,030,056
- Related parties	3,561,157	5,313,980	-	-
	299,774,367	682,569,964	67,753,806	70,030,056
<u>Less</u> Allowance for doubtful accounts	(89,152,769)	(84,017,210)	(67,753,806)	(70,030,056)
	210,621,598	598,552,754	-	-

Outstanding farmer receivables - third parties can be classified by season as follows:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Season 2020/2021	42,305,410	-	-	-
Season 2019/2020	102,922,510	84,098,910	-	-
Season 2018/2019	30,300,470	466,105,500	-	-
Season 2017/2018	12,599,878	12,351,894	-	-
Season 2016/2017	12,797,978	12,898,951	-	-
Season 2015/2016	14,472,705	15,697,985	-	-
Season 2014/2015	9,967,145	11,817,381	-	-
Before season 2014/2015	70,847,114	74,285,363	67,753,806	70,030,056
	296,213,210	677,255,984	67,753,806	70,030,056
<u>Less</u> Allowance for doubtful accounts	(89,152,769)	(84,017,210)	(67,753,806)	(70,030,056)
	207,060,441	593,238,774	-	-

Outstanding farmer receivables - related parties can be classified by season as follows:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Season 2020/2021	761,584	-	-	-
Season 2019/2020	2,658,012	3,164,043	-	-
Season 2018/2019	141,561	2,149,937	-	-
	3,561,157	5,313,980	-	-

10 Accrued income - Office of the Cane and Sugar Fund

Accrued income from Office of the Cane and Sugar Fund represents a compensation that the Group expects to be received from the Office of the Cane and Sugar Fund, which comprises of the difference of the final sugar cane which is less than the initial sugar cane price as announced by the Office of the Cane and Sugar Board and return on sugar production and distribution. Since in the production season 2017/2018 and 2018/2019, the management of the Group expects that the final sugar cane price will be lower than the initial sugar cane price, which in accordance with Section 56 of the Cane and Sugar Act B.E. 2527 stated that, in case that the final sugar cane price and the final return on production and distribution is lower than the initial sugar cane price and the initial return on production and distribution, the fund will pay the compensation equal to the difference to a factory. However, there is still uncertainty regarding the estimates of the final sugar cane price due to various future factors such as selling prices and exchange rates. As a result, the final sugar cane price that will be announced could differ from the estimated amount.

As at 31 December 2019 and 2018, the Group recorded an accrued income for the sugar cane price as a current assets in the consolidated financial statements with the difference of the final sugar cane price which is less than the initial sugar cane price and recorded a non-current accrued income for the compensation on sugar production and distribution as a non-current assets in the consolidated financial statements.

11 Inventories, net

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Raw materials	32,153,027	36,762,018	-	-
Finished goods	763,719,241	1,216,829,562	-	-
Merchandise inventories	48,285,711	36,824,331	-	-
Work in process	27,744,526	14,111,742	-	-
Factory supplies	50,466,967	50,436,432	-	-
	922,369,472	1,354,964,085	-	-
<u>Less</u> Allowance declining in value of inventories				
Obsolescence and damaged inventories				
- Raw materials	(585,310)	(613,480)	-	-
- Work in progress	(7,345,433)	(2,814,693)	-	-
- Factory supplies	(1,125,414)	(1,125,414)	-	-
Net realisable value lower than cost				
- Finished goods	(1,358,686)	(13,482,642)	-	-
	(10,414,843)	(18,036,229)	-	-
Goods in transit	-	577,976	-	-
	911,954,629	1,337,505,832	-	-

The cost of inventories for the year ended 31 December 2019 recognised as expenses and included in cost of sales amounting to Baht 4,198.99 million (2018: Baht 4,338.83 million).

As at 31 December 2019, the Group records allowance for net realisable value lower than cost amounting to Baht 1.36 million (2018: Baht 13.48 million) according to the decrease in raw sugar price of New York Market No.11. The estimate of net realisable value is based on net amount that the Group expects to realise from the sale of inventories in the ordinary course of business deducting by costs of completion and expenses necessary to be incurred to sell the inventories. The Group recognised loss on write-down of inventories to net realisable value as an expense including in cost of sales.

12 Other current assets

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Revenue Department receivable	58,219,538	53,096,478	4,474,853	4,309,459
Undue input VAT	4,794,329	4,965,999	7,305	162,888
Withholding tax	2,292,224	421,112	2,015,803	-
	65,306,091	58,483,589	6,497,961	4,472,347

13 Investments in an associate

The amounts recognised in the statements of financial position are as follows:

	Consolidated financial statements		Separate financial statements	
	Equity method		Cost method	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
As at 31 December				
An associate	1,111,340,992	1,208,109,474	1,099,855,592	1,194,706,819

The amounts recognised in the statements of comprehensive income are as follows:

	Consolidated financial statements	
	2019 Baht	2018 Baht
For the year ended 31 December		
An associate	63,783,415	71,854,032

Detail of investment in an associate as at 31 December are as follows:

Name of entity	Place of Business/ Country of incorporation	Nature of Business	% of ownership interest (Direct)	Nature of the relationship	Measurement method
Buriram Sugar Group Power Plant Infrastructure Fund	Thailand	Invest in the power plant infrastructure business	33.05	Associate	Equity method

There are no contingent liabilities relating to the Group's interest in the associate.

Summarised financial information for a material associate

Summarised statement of financial position as at 31 December information:

	Buriram Sugar Group Power Plant Infrastructure Fund	
	2019 Baht	2018 Baht
Current Assets		
Cash and cash equivalents	5,096,718	7,519,466
Other current assets	106,939,931	245,124,078
Total current assets	112,036,649	252,643,544
Non-current Assets	3,250,000,000	3,402,000,000
Current liabilities		
Other current liabilities	3,011,228	2,816,914
Total current liabilities	3,011,228	2,816,914
Net assets	3,359,025,421	3,651,826,630

Summarised statement of comprehensive income for the years ended 31 December:

	Buriram Sugar Group Power Plant Infrastructure Fund	
	2019 Baht	2018 Baht
Interest income	244,178,669	264,175,036
Total revenue	244,178,669	264,175,036
Total expenses	(26,962,682)	(27,291,191)
Unrealised loss on investment valuation	(24,220,696)	(19,468,556)
Total comprehensive income	192,995,291	217,415,289

The information above reflects the amounts presented in the financial statements of the associate (not the Group's share of those amounts) and adjusted for differences in accounting policies between the Group and the associate.

Reconciliation of summarised financial informations

Reconciliation of the summarised financial informations presented to the carrying amount of its interest in an associate

	Buriram Sugar Group Power Plant Infrastructure Fund	
	2019 Baht	2018 Baht
Opening net assets		
Total comprehensive income	3,651,826,630	3,709,371,341
Dividends paid	192,995,291	217,415,289
Reduction of investment unit value	(198,796,500)	(274,960,000)
	(287,000,000)	-
Closing net assets	3,359,025,421	3,651,826,630
Interest in an associate (33.05%)	1,111,340,992	1,208,109,474
Carrying value	1,111,340,992	1,208,109,474

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The movements of investments in an associate for the years ended 31 December, are as follows:

	Consolidated financial statements		Consolidated financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Opening net book balance	1,208,109,474	1,227,127,544	1,194,706,819	1,194,706,819
Dividends received from an associate	(65,700,670)	(90,872,102)	-	-
Share of profit from an associate	63,783,415	71,854,032	-	-
Reduction of investment unit value	(94,851,227)	-	(94,851,227)	-
Closing net book balance	1,111,340,992	1,208,109,474	1,099,855,592	1,194,706,819

Buriram Sugar Group Power Plant Infrastructure Fund

As at 31 December 2019, Buriram Sugar Public Company Limited subscribed for totalling 115,672,228 units in Buriram Sugar Group Power Plant Infrastructure Fund (“the Fund”) totalling Baht 1,111.34 million (2018: Baht 1,208.11 million), by equity method, which is equivalent to 33.05% of the number of units in public issuance.

As at 31 December 2019, the fair value of the Group’s interest in Buriram Sugar Group Power Plant Infrastructure Fund, a listed company in Stock Exchange of Thailand, is Baht 948.51 million (2018: Baht 1,145.16 million).

14 Investments in subsidiaries, net

The movements of investment in subsidiaries for the years ended 31 December are as follows:

	Separate financial statements	
	2019 Baht	2018 Baht
Beginning balance	1,450,476,300	1,445,476,600
Acquisitions	72,999,400	4,999,700
<u>Less</u> Allowance for impairment	(14,999,000)	-
Ending balance	1,508,476,700	1,450,476,300

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The details of investments in subsidiaries which are located in Thailand as presented in the Separate financial statements are as follows:

Name	Nature of business	Issued and paid-up share capital		% Ownership interest		Cost method		Impairment		Cost, net		Dividends income	
		2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
		Million Baht	Million Baht	Percentage	Percentage	Million Baht	Million Baht						
Buriram Sugar Factory Co., Ltd.	Manufacturing and distribution of sugar and molasses	1,050	1,050	99.90	99.90	1,049	1,049	-	-	1,049	1,049	-	-
Chamni Sugar Factory Co., Ltd.	Manufacturing and distribution of sugar and molasses	5	5	99.99	99.99	5	5	(5)	-	-	5	-	-
Buriram Sugar Capital Co., Ltd.	Manufacturing and distribution of sugar and molasses	10	10	99.99	99.99	10	10	(10)	-	-	10	-	-
Buriram Sugarcane Research and Development Co., Ltd.	Trading agriculture products	71	71	99.99	99.99	70	70	-	-	70	70	-	-
Key brand Fertilizer Co., Ltd.	Manufacturing and distribution of fertilizer	15	15	99.99	99.99	15	15	-	-	15	15	-	18
Sugarcane Ecoware Co., Ltd.	Manufacturing and distribution of packaging from bagasses and natural materials	75	5	99.99	99.99	75	5	-	-	75	5	-	-
BRR Logistics Management Co., Ltd.	Providing logistics services	3	-	99.98	-	3	-	-	-	3	-	-	-
Buriram Power Plus Co., Ltd.	Power plant for electricity and steam generation and distribution	160	160	99.99	99.99	160	160	-	-	160	160	-	-
Buriram Energy Co., Ltd. and a subsidiary	Power plant for electricity and steam generation and distribution	136	136	99.99	99.99	136	136	-	-	136	136	61	95
- Buriram Power Co., Ltd.	Power plant for electricity and steam generation and distribution	170	170	99.99	99.99	-	-	-	-	-	-	-	-
Total investment in subsidiaries, net						1,523	1,450	(15)	-	1,508	1,450	61	113

Sugarcane Ecoware Co., Ltd.

At the Company's Extraordinary Shareholders' Meeting of Sugarcane Ecoware Co., Ltd. held on 7 January 2019, the shareholders passed a resolution to approve an increase in the authorised share capital from 50,000 ordinary shares to 750,000 ordinary shares at a par value of Baht 100 per share, totalling Baht 75 million. The Company registered the increased share capital with the Ministry of Commerce on 17 January 2019.

BRR Logistics Management Co., Ltd.

On 12 December 2019, BRR Logistics Management Co., Ltd. was registered with the Ministry of Commerce with authorised share capital totalling Baht 3,000,000 divided into 30,000 ordinary shares at par value of Baht 100 per share. The Company acquired ordinary shares of BRR Logistics Management Co., Ltd. for 99.98% of ownership interest totalling Baht 2,999,400.

Impairment assessment of investments in subsidiaries

The Company's management has assessed the recoverable amount of investment in subsidiaries by determining discounted future cash flows. The key assumptions used to determine recoverable amount which was calculated by using value-in-use method, included forecasted revenue, expected changes to working capital, operating expenditures, long-term growth rate derived from expectations of future outcomes taking into account of the past experience, adjusted for anticipated revenue growth and discount rate referred to weighted average cost of capital (WACC). The recoverable amount was estimated to be higher than its carrying amount and no allowance for impairment of investments in subsidiaries was required to separate financial statements.

However, Chamni Sugar Factory Co., Ltd. and Buriram Sugar Capital Co., Ltd. are dormant entities, the Group's management has assessed the recoverable amount of investments in the subsidiaries by using fair value less costs to sell which involved an independent appraiser to determine the fair value of underlying assets using market approach and adjusted for differences in key attributes. The fair value is within level 2 of the fair value hierarchy. The recoverable amount is lower than the carrying amount; therefore, the allowance for impairment of investments in those subsidiaries were recognised.

15 Other long-term investments, net

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Marketable equity securities - available-for sales (Decreased) in fair value of investments	-	726,965	-	726,965
	-	(84,679)	-	(84,679)
	-	642,286	-	642,286
General investments - equity securities	1,409,950	1,409,950	2,175	2,175
Other long-term investments, net	1,409,950	2,052,236	2,175	644,461

The movements of other long-term investments for the year ended 31 December 2019 are as follows:

	Consolidated financial statements		
	General investments Baht	Available-for-sale securities Baht	Total Baht
Opening net book amount	1,409,950	642,286	2,052,236
Increased in fair value of investments	-	55,329	55,329
Disposal	-	(697,615)	(697,615)
Closing net book amount	1,409,950	-	1,409,950

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	Separate financial statements		
	General investments Baht	Available-for-sale securities Baht	Total Baht
Opening net book amount	2,175	642,286	644,461
Increased in fair value of investments	-	55,329	55,329
Disposal	-	(697,615)	(697,615)
Closing net book amount	2,175	-	2,175

The fair value of available-for-sales investment is based on quoted bid price at the close of business day by reference to the Stock Exchange of Thailand. The fair value is within level 1 of the fair value hierarchy.

16 Long-term borrowings to farmer receivables, net

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Current portion of long-term borrowings	127,426,477	134,926,615	-	-
Long-term borrowings, net	193,261,017	272,940,066	-	-
	320,687,494	407,866,681	-	-

The movements of long-term borrowings to farmer receivables are as follows:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Opening balance	407,866,681	533,163,319	-	-
Additions	36,214,649	101,155,459	-	-
Repayments received	(123,393,836)	(226,452,097)	-	-
Closing balance	320,687,494	407,866,681	-	-

As at 31 December 2019 and 2018, long-term borrowings to farmer receivables bear interest at the rate 7.02% per annum.

Long-term borrowings to farmer receivables including long-term borrowings to related parties as follows:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Current portion of long-term borrowings	10,947,820	10,434,000	-	-
Long-term borrowings, net	1,500,000	12,447,820	-	-
	12,447,820	22,881,820	-	-

17 Investment property

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
As at 1 January				
Cost	3,971,127	-	3,971,127	-
<u>Less</u> Allowance for impairment	-	-	-	-
Net book amount	3,971,127	-	3,971,127	-
For the year ended 31 December				
Opening net book amount	3,971,127	-	3,971,127	-
Additions	-	3,971,127	-	3,971,127
Net book amount	3,971,127	3,971,127	3,971,127	3,971,127
As at 31 December				
Cost	3,971,127	3,971,127	3,971,127	3,971,127
<u>Less</u> allowance for impairment	-	-	-	-
Net book amount	3,971,127	3,971,127	3,971,127	3,971,127

As at 31 December 2019, the fair value of investment property is at Baht 3.95 million (2018: Baht 4.78 million) which is close to cost of investment property presented in the statements of financial position.

The fair value of investment property is based on the comparative price method. Sales prices of comparable land in close proximity are adjusted for differences in key attributes such as property size and the locations of the investment property. The fair value is within level 2 of the fair value hierarchy.

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18 Property, plant and equipment, net

	Consolidated financial statements							Total Baht
	Land and land improvement Baht	Building and building improvement Baht	Machinery and tools Baht	Tools and agriculture equipment Baht	Furniture, fixtures and office equipment Baht	Vehicles Baht	Assets under construction Baht	
As at 1 January 2018								
Cost	310,021,982	1,115,814,228	3,913,241,230	89,453,964	89,921,191	127,481,920	115,094,067	5,761,028,582
<u>Less</u> Allowance for impairment	-	-	-	-	-	-	(682,804)	(682,804)
Accumulated depreciation	(10,816,808)	(150,641,482)	(638,359,014)	(43,419,557)	(43,926,696)	(62,481,916)	-	(949,645,473)
Net book amount	299,205,174	965,172,746	3,274,882,216	46,034,407	45,994,495	65,000,004	114,411,263	4,810,700,305
For the year ended 31 December 2018								
Opening net book amount	299,205,174	965,172,746	3,274,882,216	46,034,407	45,994,495	65,000,004	114,411,263	4,810,700,305
Additions	108,455,972	12,704,939	19,257,235	10,781,223	9,942,043	7,464,809	752,228,732	920,834,953
Transfer in (out)	8,548,606	28,518,895	274,716,852	1,092,092	605,538	-	(313,481,983)	-
Disposals, net	-	-	-	-	-	(1,119,493)	-	(1,119,493)
Write-off, net	-	(494,200)	(10,659,159)	(1)	(11,052)	(5)	-	(11,164,417)
Reclassification, net	883,877	(883,877)	-	(292,222)	-	-	-	(292,222)
Depreciation charges	(4,696,788)	(45,926,569)	(196,003,052)	(16,256,460)	(13,895,149)	(10,028,538)	-	(286,806,556)
Closing net book amount	412,396,841	959,091,934	3,362,194,092	41,359,039	42,635,875	61,316,777	553,158,012	5,432,152,570
As at 31 December 2018								
Cost	427,026,560	1,156,345,936	4,191,739,067	101,316,579	100,407,221	122,714,570	553,840,816	6,653,390,749
<u>Less</u> Allowance for impairment	-	-	-	-	-	-	(682,804)	(682,804)
Accumulated depreciation	(14,629,719)	(197,254,002)	(829,544,975)	(59,957,540)	(57,771,346)	(61,397,793)	-	(1,220,555,375)
Net book amount	412,396,841	959,091,934	3,362,194,092	41,359,039	42,635,875	61,316,777	553,158,012	5,432,152,570
For the year ended 31 December 2019								
Opening net book amount	412,396,841	959,091,934	3,362,194,092	41,359,039	42,635,875	61,316,777	553,158,012	5,432,152,570
Additions	51,471,331	14,148,643	55,762,298	8,343,404	14,449,743	8,637,458	560,915,973	713,728,850
Transfer in (out)	3,334,903	59,610,450	782,210,112	352,132	484,855	-	(845,992,452)	-
Disposals, net	-	-	(1,580,011)	(3,529)	(2,919)	(293,490)	-	(1,879,949)
Write-off, net	-	(593,333)	(29,441,676)	(247,834)	(333,083)	(9)	-	(30,615,935)
Reclassification, net	-	-	-	(452,000)	-	-	-	(452,000)
Allowance for impairment	(98,419,224)	-	-	-	-	-	-	(98,419,224)
Depreciation charges	(6,495,035)	(50,598,909)	(241,082,595)	(15,994,873)	(14,686,576)	(10,814,124)	-	(339,672,112)
Closing net book amount	362,288,816	981,658,785	3,928,062,220	33,356,339	42,547,895	58,846,612	268,081,533	5,674,842,200
As at 31 December 2019								
Cost	481,832,794	1,229,265,690	4,990,199,285	107,266,021	110,272,024	128,133,308	268,764,337	7,315,733,459
<u>Less</u> Allowance for impairment	(98,419,224)	-	-	-	-	-	(682,804)	(99,102,028)
Accumulated depreciation	(21,124,754)	(247,606,905)	(1,062,137,065)	(73,909,682)	(67,724,129)	(69,286,696)	-	(1,541,789,231)
Net book amount	362,288,816	981,658,785	3,928,062,220	33,356,339	42,547,895	58,846,612	268,081,533	5,674,842,200

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As at 31 December 2019, hire-purchase liabilities included in assets at the net book value of Baht 53.97 million (2018: Baht 49.19 million).

As at 31 December 2019, the building and equipment are fully depreciated but still in use with costs value of Baht 66.16 million (2018: Baht 72.28 million).

As at 31 December 2019, property, plant and equipment at the net book value of Baht 1,971.13 million are pledged as collaterals for long-term borrowings from financial institutions (2018: Baht 1,715.67 million) (Note no. 22).

As at 31 December 2019, borrowing costs of Baht 19.75 million (2018: Baht 11.71 million) arising from financing were capitalised and are included in 'Additions' with capitalisation rate of 4.53% - 5.78% (2018: 5.15% - 5.78%).

During the year ended 31 December 2019, land and land improvement of subsidiaries in the consolidated financial statements have been impaired amounting to Baht 98.42 million. The Group's management engaged an independent appraiser for measuring the fair value of underlying assets by using market value method, which is a level 2 fair value measurement. Since the subsidiaries are dormant entities with no future business plan, the recoverable amount of the underlying assets are lower than the carrying amount.

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	Separate financial statements				Total Baht
	Building and building improvement Baht	Furniture, fixtures and office equipment Baht	Vehicles Baht	Asset under construction Baht	
As at 1 January 2018					
Cost	14,807,604	7,105,788	32,909,804	40,734	54,863,930
<u>Less</u> Accumulated depreciation	(8,621,483)	(1,752,492)	(21,335,113)	-	(31,709,088)
Net book amount	6,186,121	5,353,296	11,574,691	40,734	23,154,842
For the year ended 31 December 2018					
Opening net book amount	6,186,121	5,353,296	11,574,691	40,734	23,154,842
Additions	-	1,039,461	4,267,107	3,696,531	9,003,099
Transfer, in (out)	-	40,734	-	(40,734)	-
Disposals, net	-	-	(1,119,492)	-	(1,119,492)
Write-off, net	-	-	(5)	-	(5)
Reclassification, net	-	(292,222)	-	-	(292,222)
Depreciation charges	(267,371)	(1,173,185)	(1,494,934)	-	(2,935,490)
Closing net book amount	5,918,750	4,968,084	13,227,367	3,696,531	27,810,732
As at 31 December 2018					
Cost	14,807,604	8,185,983	28,494,753	3,696,531	55,184,871
<u>Less</u> Accumulated depreciation	(8,888,854)	(3,217,899)	(15,267,386)	-	(27,374,139)
Net book amount	5,918,750	4,968,084	13,227,367	3,696,531	27,810,732
For the year ended 31 December 2019					
Opening net book amount	5,918,750	4,968,084	13,227,367	3,696,531	27,810,732
Additions	9,419,700	819,948	2,960,455	600,874	13,800,977
Transfer, in (out)	3,933,405	364,000	-	(4,297,405)	-
Write-off, net	-	(7,166)	(4)	-	(7,170)
Depreciation charges	(1,032,705)	(1,387,257)	(1,939,757)	-	(4,359,719)
Closing net book amount	18,239,150	4,757,609	14,248,061	-	37,244,820
As at 31 December 2019					
Cost	28,160,708	9,329,331	30,411,768	-	67,901,807
<u>Less</u> Accumulated depreciation	(9,921,558)	(4,571,722)	(16,163,707)	-	(30,656,987)
Net book amount	18,239,150	4,757,609	14,248,061	-	37,244,820

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As at 31 December 2019, hire-purchase liabilities included in assets at the net book value of Baht 13.81 million (2018: Baht 12.56 million).

As at 31 December 2019, property and equipment are fully depreciated but still in use with costs value of Baht 10.85 million (2018: Baht 11.90 million).

Depreciation charge for the years ended 31 December are as follows:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Depreciation charge for property, plant and equipment				
- Cost of sales	314,987,472	260,108,390	-	-
- Administrative expenses	24,684,640	26,698,166	4,359,719	2,935,490
	339,672,112	286,806,556	4,359,719	2,935,490

19 Intangible assets, net

	Consolidated financial statements				
	Computer software Baht	Patent Baht	Right to use assets Baht	Assets under installation Baht	Total Baht
As at 1 January 2018					
Cost	11,641,372	82,474	12,567,324	10,295,936	34,587,106
<u>Less</u> Accumulated amortisation	(6,621,444)	(15,240)	(1,718,968)	-	(8,355,652)
Net book amount	5,019,928	67,234	10,848,356	10,295,936	26,231,454
For the year ended 31 December 2018					
Opening net book amount	5,019,928	67,234	10,848,356	10,295,936	26,231,454
Additions	2,001,828	-	-	5,315,200	7,317,028
Reclassification, net	292,222	-	-	-	292,222
Amortisation charge	(2,112,424)	(8,241)	(627,936)	-	(2,748,601)
Closing net book amount	5,201,554	58,993	10,220,420	15,611,136	31,092,103
As at 31 December 2018					
Cost	13,643,199	82,474	12,567,324	15,611,136	41,904,133
<u>Less</u> Accumulated amortisation	(8,441,645)	(23,481)	(2,346,904)	-	(10,812,030)
Net book amount	5,201,554	58,993	10,220,420	15,611,136	31,092,103
For the year ended 31 December 2019					
Opening net book amount	5,201,554	58,993	10,220,420	15,611,136	31,092,103
Additions	1,265,972	99,607	-	3,163,600	4,529,179
Transfer, in (out)	18,774,736	-	-	(18,774,736)	-
Write-off, net	(12,761)	-	-	-	(12,761)
Amortisation charge	(3,896,033)	(21,088)	(627,936)	-	(4,545,057)
Closing net book amount	21,333,468	137,512	9,592,484	-	31,063,464
As at 31 December 2019					
Cost	32,942,467	187,474	12,567,324	-	45,697,265
<u>Less</u> Accumulated amortisation	(11,608,999)	(49,962)	(2,974,840)	-	(14,633,801)
Net book amount	21,333,468	137,512	9,592,484	-	31,063,464

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	Separate financial statements		
	Computer software Baht	Assets under installation Baht	Total Baht
As at 1 January 2018			
Cost	1,963,060	10,295,936	12,258,996
<u>Less</u> Accumulated amortisation	(1,212,859)	-	(1,212,859)
Net book amount	750,201	10,295,936	11,046,137
For the year ended 31 December 2018			
Opening net book amount	750,201	10,295,936	11,046,137
Additions	132,800	5,315,200	5,448,000
Reclassification, net	292,222	-	292,222
Amortisation charge	(255,669)	-	(255,669)
Closing net book amount	919,554	15,611,136	16,530,690
As at 31 December 2018			
Cost	2,095,860	15,611,136	17,706,996
<u>Less</u> Accumulated amortisation	(1,176,306)	-	(1,176,306)
Net book amount	919,554	15,611,136	16,530,690
For the year ended 31 December 2019			
Opening net book amount	919,554	15,611,136	16,530,690
Additions	120,358	3,163,600	3,283,958
Transfer, in (out)	18,774,736	(18,774,736)	-
Write-off, net	(11)	-	(11)
Amortisation charge	(2,008,930)	-	(2,008,930)
Closing net book amount	17,805,707	-	17,805,707
As at 31 December 2019			
Cost	20,353,094	-	20,353,094
<u>Less</u> Accumulated amortisation	(2,547,387)	-	(2,547,387)
Net book amount	17,805,707	-	17,805,707

Amortisation charge for the year ended 31 December are as follows:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Amortisation charge for intangible assets				
- Cost of sales	1,219,440	1,172,487	-	-
- Administrative expenses	3,325,617	1,576,114	2,008,930	255,669
	4,545,057	2,748,601	2,008,930	255,669

20 Deferred income taxes, net

The analysis of deferred tax assets and deferred tax liabilities are as follows:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Deferred tax assets				
Deferred tax assets to be recovered more than 12 months	126,612,482	162,617,172	-	12,341,771
Deferred tax liabilities				
Deferred tax liabilities to be settled more than 12 months	-	(15,113)	-	(15,113)
Deferred income taxes, net	126,612,482	162,602,059	-	12,326,658

The gross movement in deferred income tax are as follows:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
At 1 January	162,602,059	194,433,310	12,326,658	20,008,746
(Credited) to profit or loss	(36,617,454)	(31,848,187)	(12,326,658)	(7,699,024)
Charged to other comprehensive income	627,877	16,936	-	16,936
At 31 December	126,612,482	162,602,059	-	12,326,658

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The movements in deferred tax assets and liabilities during the year are as follows:

	Consolidated financial statements							Total Baht
	Depreciation Baht	Employee benefits obligations Baht	Allowance for doubtful accounts Baht	Allowance for declining in inventory value Baht	Deferred revenue Baht	Impairment of assets Baht	Intangible assets Baht	
Deferred tax assets								
At 1 January 2018	160,139,805	8,401,408	21,677,862	1,152,908	9,457	136,561	2,947,358	194,465,359
Charged (credited) to profit or loss	(25,946,520)	705,691	(7,593,790)	2,454,338	-	-	(1,467,906)	(31,848,187)
At 31 December 2018	134,193,285	9,107,099	14,084,072	3,607,246	9,457	136,561	1,479,452	162,617,172
At 1 January 2019	134,193,285	9,107,099	14,084,072	3,607,246	9,457	136,561	1,479,452	162,617,172
(Credited) to profit or loss	(24,724,304)	(1,098,594)	(7,775,208)	(1,524,277)	-	-	(1,495,071)	(36,617,454)
Charged to other comprehensive income	-	612,764	-	-	-	-	-	612,764
At 31 December 2019	109,468,981	8,621,269	6,308,864	2,082,969	9,457	136,561	(15,619)	126,612,482

Deferred tax assets are recognised for taxable losses carry forwards only to the extent that realisation of the related tax benefit through the future taxable profits is probable.

The Group did not recognise deferred income tax assets of Baht 129.38 million (2018 : Baht 17.14 million) in respect of losses amounting to Baht 646.90 million (2018 : Baht 85.70 million) that can be carried forward against future taxable income. Losses amounting to Baht 646.90 million will expire during 2021 to 2024 (2018 : Baht 85.70 million will expire during 2020 to 2023).

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	Consolidated financial statements		
	Fair value revaluation of available-for-sale securities		
	Baht		
Deferred tax liabilities			
As at 1 January 2018			32,049
(Credited) to other comprehensive income			(16,936)
As at 31 December 2018			15,113
As at 1 January 2019			15,113
(Credited) to profit or loss			(15,113)
As at 31 December 2019			-
	Separate financial statements		
	Employee benefits obligations	Allowance for doubtful accounts	Total
	Baht	Baht	Baht
Deferred tax assets			
As at 1 January 2018	2,879,193	17,161,602	20,040,795
Charged (credited) to profit or loss	308,196	(8,007,220)	(7,699,024)
As at 31 December 2018	3,187,389	9,154,382	12,341,771
As at 1 January 2019	3,187,389	9,154,382	12,341,771
(Credited) to profit or loss	(3,187,389)	(9,154,382)	(12,341,771)
As at 31 December 2019	-	-	-
	Separate financial statements		
	Fair value revaluation of available-for-sale securities		
	Baht		
Deferred tax liabilities			
As at 1 January 2018			32,049
(Credited) to other comprehensive income			(16,936)
As at 31 December 2018			15,113
As at 1 January 2019			15,113
(Credited) to profit or loss			(15,113)
As at 31 December 2019			-

21 Trade and other payables

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Trade payables - third parties	83,512,953	135,490,905	1,549	1,575
Sugarcane payables	112,907,607	-	-	-
Other payables - third parties	258,362,069	381,231,236	933,970	3,937,475
Other payables - related parties	121,273	5,179,208	3,237,317	177,352
Advance received for goods and services - third parties	180,833,224	114,096,615	-	-
Accrued interest expenses - third parties	4,285,430	5,613,260	-	-
Accrued interest expenses - related parties	61,562,150	57,807,262	161,957,238	175,025,628
Accrued expenses - third parties	137,298,639	111,391,844	1,141,767	1,347,260
Accrued expenses - related parties	309,999	7,082,804	-	2,710
	839,193,344	817,893,134	167,271,841	180,492,000

22 Borrowings

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Current				
Bank overdrafts	-	343,161	-	-
Short-term borrowings from financial institutions	2,265,768,300	2,457,300,000	-	-
Short-term borrowings from a related party (Note no. 32 (e))	-	37,367,370	-	-
Short-term borrowing from others	346,111,430	123,244,682	-	748,000
Current portion of long-term borrowings:				
- Financial institutions	293,499,649	381,700,455	-	-
- An associate (Note no. 32 (f))	211,241,564	202,512,995	-	-
- A Subsidiary (Note no. 32 (g))	-	-	50,000,000	376,000,000
- Other	2,488,538	2,435,461	-	-
- Hire-purchase liabilities	7,178,183	10,893,729	2,899,368	2,313,356
Total current borrowings	3,126,287,664	3,215,797,853	52,899,368	379,061,356
Non-current				
Long-term borrowings from financial institutions, net	485,930,938	482,760,264	-	-
Long-term borrowings from an associate, net (Note no. 32 (f))	3,024,413,138	3,177,323,563	-	-
Long-term borrowings from a subsidiary, net (Note no. 32 (g))	-	-	2,696,119,162	2,370,119,162
Long-term borrowings from other, net	2,543,825	5,032,362	-	-
Hire-purchase liabilities, net	8,666,293	10,497,447	4,709,512	5,842,066
Total non-current borrowings	3,521,554,194	3,675,613,636	2,700,828,674	2,375,961,228
Total borrowings	6,647,841,858	6,891,411,489	2,753,728,042	2,755,022,584

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As at 31 December 2019 and 2018, all borrowings are in Thai Baht currency.

As at 31 December 2019, long-term borrowings from financial institutions were secured by pledge of property, plant and equipment at net book value of Baht 1,971.13 million (2018: Baht 1,715.67 million) (Note no. 18).

Under the long-term borrowing agreements, the Group has to comply with terms and conditions as specified in the agreements, for examples, to maintain shareholding structure ratio, to maintain debt to equity ratio, to maintain debt service coverage ratio, to be listed entity in the Stock Exchange of Thailand by the ultimate parent company, etc.

According to the long-term borrowing agreement between a subsidiary and a financial institution, the Company has to maintain interest-bearing debt to equity ratio not over 2.5:1 in order to comply with terms and conditions as specified in the agreement. However, long term borrowings from Buriram Sugar Group Power Plant Infrastructure Fund are excluded from the interest-bearing debt for ratio calculation.

Short-term borrowings

As at 31 December 2019, short-term borrowings from financial institutions represent promissory notes amounting to Baht 2,265.77 million in the consolidated financial statements. These promissory notes bear interest at the rates between 2.45% and 5.00% per annum (2018: Baht 2,457.30 million in the consolidated, bear interest at the rates between 2.52% and 4.53% per annum).

As at 31 December 2019, short-term borrowings from Office of the Cane and Sugar Fund at Baht 345.47 million (2018: Baht 121.25 million) the loan bear interest at the rate 0.10% and other with no interest is from a Government Sector and guaranteed by the Company's director at Baht 0.64 million (2018: Baht 1.99 million).

Long-term borrowings

Long-term borrowings from an associate

On 2 August 2017, Buriram Energy Co., Ltd. and Buriram Power Co., Ltd., which are subsidiaries, entered into the Net Revenue of Power Plant Business Transfer Agreement ("the Net Revenue Transfer Agreement") and the Undertaking Agreement with Buriram Sugar Group Power Plant Infrastructure Fund ("the Fund"), which cover the period from 2 August 2017 to 6 April 2035 and also transferred right in the net revenue to the Fund on the same date. These agreements will be terminated on 6 April 2035.

Under the condition of the Net Revenue Transfer Agreement, the repayment shall be made within 2 months starting from the month that revenue from power plant business is generated. When the agreement is terminated, any outstanding liabilities with the Fund will be written-off.

Long-term borrowings from other

As at 31 December 2019, long-term borrowings from other are long-term borrowings from Office of the Cane and Sugar Fund at Baht 5.03 million (2018: Baht 7.47 million). The loan bear interest at the rate 2% per annum (2018: 2% per annum) which the principal is repaid annually within 4 years.

The movements of long-term borrowings (excluded hire-purchase liabilities) for the years ended 31 December are as follows:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Opening balance	4,251,765,100	4,785,042,220	2,746,119,162	2,746,119,162
Additions	299,625,000	-	-	-
Repayments	(531,272,448)	(533,277,120)	-	-
Closing balance	4,020,117,652	4,251,765,100	2,746,119,162	2,746,119,162

The interest rates risks on the long-term borrowings (excluded hire-purchase liabilities) are as follows:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Long-term borrowings				
- At fixed rates	301,233,863	139,935,790	2,746,119,162	2,746,119,162
- At floating rates	3,718,883,789	4,111,829,310	-	-
Total	4,020,117,652	4,251,765,100	2,746,119,162	2,746,119,162

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The weighted average effective interest rates at the statements of financial position date are as follows:

	Consolidated financial statements		Separate financial statements	
	2019 %	2018 %	2019 %	2018 %
Short-term borrowings from financial institutions	3.44	3.02	-	-
Short-term borrowings from other	0.10	0.10	-	-
Short-term borrowings from a related party	-	2.57	-	-
Long-term borrowings from financial institutions	4.59	4.83	-	-
Long-term borrowings from an associate	7.52	7.76	-	-
Long-term borrowings from a subsidiary	-	-	6.55	6.55
Long-term borrowings from other	2.00	2.00	-	-

Maturity of long-term borrowings (excluded hire-purchase liabilities) are as follows:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Within 1 year	507,229,750	586,648,911	50,000,000	376,000,000
Later than 1 year but not later than 5 years	1,375,041,668	1,380,197,579	250,000,000	712,000,000
Later than 5 years	2,137,846,234	2,284,918,610	2,446,119,162	1,658,119,162
	4,020,117,652	4,251,765,100	2,746,119,162	2,746,119,162

Credit facilities

As at 31 December 2019, the Group had financial credit limit of long-term borrowings from local financial institutions totaling Baht 1,760.00 million (2018: Baht 1,860.20 million) with money market interest rate, which have not been drawn down amounting to Baht 979.97 million (2018: Baht 994.89 million).

Hire-purchase liabilities, net

The minimum lease payments of hire-purchase liabilities as at 31 December are as follows:

	Consolidated financial statements			Separate financial statements		
	2018			2018		
	Within 1 year Baht	2 - 5 years Baht	Total Baht	Within 1 year Baht	2 - 5 years Baht	Total Baht
Hire-purchase liabilities - minimum payments	11,633,402	11,008,662	22,642,064	2,673,861	6,212,881	8,886,742
<u>Less</u> Deferred interest on hire-purchase	(739,673)	(511,215)	(1,250,888)	(360,505)	(370,815)	(731,320)
	10,893,729	10,497,447	21,391,176	2,313,356	5,842,066	8,155,422

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	Consolidated financial statements			Separate financial statements		
	2019			2019		
	Within 1 year Baht	2 - 5 years Baht	Total Baht	Within 1 year Baht	2 - 5 years Baht	Total Baht
Hire-purchase liabilities						
- minimum payments	7,729,036	9,032,492	16,761,528	3,159,231	4,882,192	8,041,423
<u>Less</u> Deferred interest on hire-purchase	(550,853)	(366,199)	(917,052)	(259,863)	(172,680)	(432,543)
	7,178,183	8,666,293	15,844,476	2,899,368	4,709,512	7,608,880

The carrying amounts of short-term borrowings with fixed interest rate approximate their fair values due to the short-term maturity period. The long-term borrowings from financial institutions with floating interest rates, the fair values approximate their carrying amounts. The fair values of the long-term borrowings from financial institutions and others with fixed interest rates approximate their carrying amounts because the current interest rates of the similar terms of borrowings as the Group's approximate the interest rates per the agreement. The fair value is within level 2 of the fair value hierarchy.

23 Other current liabilities

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
VAT payable	-	-	-	203,418
Undued output VAT	5,312,384	6,376,831	3,878,042	846,188
Withholding tax payables	3,365,581	5,889,805	1,082,420	2,157,049
Others	1,153,470	2,149,143	-	75,423
	9,831,435	14,415,779	4,960,462	3,282,078

24 Employee benefit obligations

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Statements of financial position				
Current portion				
Current portion of employee benefit obligations	8,042,319	7,495,294	3,662,990	2,605,538
Non-current portion				
Employee benefit obligations, net	56,742,223	38,040,201	20,145,078	13,331,406
	64,784,542	45,535,495	23,808,068	15,936,944
Statements of comprehensive income				
Employee benefit expenses	18,629,754	5,132,990	6,814,031	1,649,550
Statements of other comprehensive income				
Actuarial loss	4,539,661	-	1,475,843	-

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The movements in the defined benefit obligations over the period are as follows:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Beginning balance	45,535,495	42,007,042	15,936,944	14,395,964
Current service costs	3,271,094	3,724,460	1,145,412	1,170,115
Interest costs	1,290,009	1,408,530	451,440	479,435
Benefits paid during the year	(3,920,368)	(1,604,537)	(418,750)	(108,570)
Past service costs	14,068,651	-	5,217,179	-
Actuarial loss	4,539,661	-	1,475,843	-
Ending balance	64,784,542	45,535,495	23,808,068	15,936,944

The principal actuarial assumptions used were as follows:

	Consolidated financial statements		Separate financial statements	
	2019 %	2018 %	2019 %	2018 %
Discount rate	1.80%	3.08%	1.80%	3.08%
Future salary increases	4.51%	4.43%	4.51%	4.43%
Resignation rate by range of age	0% - 12%	0% - 12%	0% - 12%	0% - 12%

	Consolidated financial statements					
	Impact on defined benefit obligation					
	Change in assumption		Increase in assumption		Decrease in assumption	
	2019	2018	2019	2018	2019	2018
Discount rate	0.5%	0.5%	Decrease by 4.5%	Decrease by 4.4%	Increase by 4.9%	Increase by 4.7%
Salary growth rate	0.5%	0.5%	Increase by 4.7%	Increase by 4.6%	Decrease by 4.4%	Decrease by 4.3%
Turnover rate	0.5%	0.5%	Decrease by 4.8%	Decrease by 4.6%	Increase by 6.0%	Increase by 4.9%

	Separate financial statements					
	Impact on defined benefit obligation					
	Change in assumption		Increase in assumption		Decrease in assumption	
	2019	2018	2019	2018	2019	2018
Discount rate	0.5%	0.5%	Decrease by 4.1%	Decrease by 4.3%	Increase by 4.4%	Increase by 4.6%
Salary growth rate	0.5%	0.5%	Increase by 4.2%	Increase by 4.5%	Decrease by 4.0%	Decrease by 4.3%
Turnover rate	0.5%	0.5%	Decrease by 4.3%	Decrease by 4.5%	Increase by 4.6%	Increase by 4.8%

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the pension liability recognised within the statement of financial position.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous year.

Through its defined retirement benefit plans, the Group is exposed to a number of risks, the most significant of which are detailed below:

Changes in bond yields

A decrease in Government bond yields will increase plan liabilities.

The weighted average duration of the defined benefit obligation is 16 years. (2018: 17 years).

The Group use the cash flows from operating activities to pay the retirement benefits.

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Expected maturity analysis of retirement benefits:

	Consolidated financial statements			
	Less than a year Baht million	Between 1-5 years Baht million	More than 5 years Baht million	Total Baht million
Retirement benefits - 2018	0.71	10.98	48.70	60.39
Retirement benefits - 2019	8.83	20.83	62.88	92.54
	Separate financial statements			
	Less than a year Baht million	Between 1-5 years Baht million	More than 5 years Baht million	Total Baht million
Retirement benefits - 2018	0.20	4.08	17.01	21.29
Retirement benefits - 2019	3.82	9.14	22.47	35.43

On 5 April 2019, an amendment bill to the Labour Protection Law was published in the Government Gazette. The amended law will become effective 30 days after its publication. The main amendment is that the compensation for employees who have retired and have more than or equal to 20 years of service has changed from 300 day's pay to 400 day's pay. The effects of the amendment were recognised as past service cost during the year.

25 Share capital

	Authorised share capital	Issued and paid-up		
	Number of ordinary shares	Number of ordinary shares	Ordinary share Baht	Premium on share capital Baht
As at 31 December 2018	812,100,000	812,099,845	812,099,845	954,665,813
Decrease in authorised share capital	(155)	-	-	-
As at 31 December 2018	812,099,845	812,099,845	812,099,845	954,665,813
As at 31 December 2019	812,099,845	812,099,845	812,099,845	954,665,813
Decrease in authorised share capital	-	-	-	-
As at 31 December 2019	812,099,845	812,099,845	812,099,845	954,665,813

At the Annual General Meeting of Shareholders for 2018 held on 25 April 2018, shareholders passed a resolution to approve decrease in the authorised share capital from amount of Baht 812,100,000 to Baht 812,099,845 by decreasing the remaining 155 ordinary shares at par value of Baht 1 per share totalling Baht 155 from the allocation of the additional common stock to facilitate the stock dividends payment on 24 May 2017. The Company had registered its change in share capital with the Ministry of Commerce on 4 May 2018.

26 Dividends paid

At the Annual General Meeting of Shareholders for 2018 held on 25 April 2018, shareholders approved the dividends payment for the operation of 2017 at Baht 0.30 per share for 812,099,845 ordinary shares, totalling Baht 243,629,954. The dividends were paid to the shareholders on 24 May 2018.

At the Annual General Meeting of Shareholders for 2019 held on 25 April 2019, shareholders approved the dividends payment for the operation of 2018 at Baht 0.15 per share for 812,099,845 ordinary shares, totalling Baht 121,814,977. The dividends were paid to the shareholders on 24 May 2019.

27 Legal reserve

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
At 1 January	56,601,140	51,760,392	56,601,140	51,760,392
Appropriation during the year	-	4,840,748	-	4,840,748
At 31 December	56,601,140	56,601,140	56,601,140	56,601,140

Under the Public Limited Company Act., B.E. 2535, the Company is required to set aside as a legal reserve at least 5% of its net profit after accumulated deficit brought forward (if any) until the reserve is not less than 10% of the registered capital. The legal reserve is not available for dividend distribution.

28 Other income

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Interest income	59,301,016	82,887,779	147,086,517	147,516,523
Other services income	-	-	110,450,000	73,200,000
Reversal of allowance for doubtful accounts	323,132	1,098,740	64,152	205,800
Dividends received	204,680	204,680	126,720,354	203,790,892
Gain on disposals of property, plant and equipment	-	1,581,442	-	469,293
Compensation income from customers for breach of sale contract	905,981	7,989,039	-	-
Compensation on sugar production and distribution	54,747,797	148,080,796	-	-
Others	7,789,628	11,206,684	555,403	657,635
	123,272,234	253,049,160	384,876,426	425,840,143

29 Expenses by nature

The following expenditure items, classified by nature, have been charged in arriving at the operating profit:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Raw materials and supplies used	3,053,942,819	3,338,649,518	1,587,864	1,770,954
Depreciation and amortisation (Note no.18, 19)	344,217,169	289,555,157	6,368,649	3,191,159
Repair and maintenance expenses	299,015,583	248,596,246	541,763	472,647
Transportation expenses	223,401,017	258,330,976	-	-
Staff costs	424,277,428	452,790,916	110,483,941	108,170,247
Fees paid to the Office of the Cane and Sugar Fund	346,100,859	235,125,778	-	-

30 Income tax

Income tax expense for the year comprises the followings :

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Current tax:				
Current tax on profits for the year	9,101,442	15,793,112	-	-
Total current tax	9,101,442	15,793,112	-	-
Deferred tax:				
Origination and reversal of temporary differences	24,389,678	24,420,472	12,341,771	7,699,024
Total deferred tax	24,389,678	24,420,472	12,341,771	7,699,024
Income tax	33,491,120	40,213,584	12,341,771	7,699,024

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the basic tax rate of the home country of the company as follows:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Profit (loss) before income tax	(478,279,709)	311,882,230	73,930,196	104,513,992
Tax calculated at a tax rate of 20% (2018: 20%)	(95,655,942)	62,376,446	(14,786,039)	20,902,798
Tax effect of:				
Income not subject to tax	(26,100,333)	(49,048,325)	(24,805,071)	(13,851,619)
Expenses not deductible for tax purpose	25,867,890	9,744,755	34,678,488	647,845
Tax loss for which no deferred income tax Asset was recognised	129,379,505	17,140,708	17,254,393	-
Total income tax	33,491,120	40,213,584	12,341,771	7,699,024

31 Basic earnings (loss) per share

Basic earnings (loss) per share is calculated by dividing the net profit attributable to shareholders of the Company by the weighted average number of ordinary shares in issue during the year.

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Share of profit (loss) for the year attributable to shareholders of the parent company (Baht)	(511,711,461)	271,621,488	(86,271,967)	96,814,968
Weighted average of issued ordinary shares during the year (Shares)	812,099,845	812,099,845	812,099,845	812,099,845
Basic earnings (loss) per share (Baht per share)	(0.63)	0.33	(0.11)	0.12

There are no dilutive potential ordinary shares in issue during the year presented.

32 Related party transactions

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the Company, including holding companies, subsidiaries and fellow subsidiaries are related parties of the Company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the enterprise, key management personnel, including directors and officers of the Company and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

As at 31 December 2019, the Company is controlled by Buriram Capital Co., Ltd., which owns 50% of the Company's issued shares (2018: 50%).

The following material transactions were carried out with related parties :

a) Business transactions with related parties

During the year ended 31 December	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Transactions with : Associate				
Dividends income	-	-	65,700,669	90,872,102
Interest expenses	247,346,286	266,938,451	-	-
Transactions with : Subsidiaries				
Dividends income	-	-	61,019,685	112,918,790
Interest income	-	-	146,477,920	146,630,172
Other income	-	-	110,450,000	73,200,000
Interest expenses	-	-	179,870,805	179,870,805
Administrative expenses	-	-	1,982,920	2,382,678
Transactions with : Other related parties				
Revenues from sales and services	3,089,544,673	3,211,259,220	-	-
Other income	742,676	8,566,052	-	-
Cost of sales and services	12,946,815	7,238,034	-	-
Selling expenses	7,790,610	60,365,811	-	-

b) Outstanding balances arising from sales/purchases of goods/services

As at 31 December	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Trade accounts receivables :				
Related parties	197,874,924	61,086,147	-	-
Other receivables, accrued interest income and accrued income :				
Subsidiaries	-	-	116,568,672	93,219,580
Related parties	462,900	34,930,309	-	-
	462,900	34,930,309	116,568,672	93,219,580
Farmer receivables :				
Related parties	3,561,157	5,313,980	-	-
Accrued dividend income :				
Subsidiaries	-	-	-	118,418,370
Other payables, accrued interest expenses and accrued expenses :				
Subsidiaries	-	-	165,168,221	175,196,818
Associate	61,562,150	57,807,262	-	-
Related parties	431,272	12,262,012	26,334	8,872
	61,993,422	70,069,274	165,194,555	175,205,690

c) Long-term borrowings to subsidiaries

The movements of long-term borrowings to subsidiaries are as follows:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Opening balance	-	-	2,365,786,767	2,379,654,765
Additions	-	-	1,279,607,700	242,000,000
Repayments received	-	-	(1,222,124,798)	(255,867,998)
			2,423,269,669	2,365,786,767
<u>Less</u> Allowance for decrease in value of borrowings	-	-	(122,545,905)	-
Closing balance	-	-	2,300,723,764	2,365,786,767

As at 31 December 2019, long-term borrowings to subsidiaries bear interest at the rate 5.78% - 6.55% per annum (2018: 6.55% per annum).

During the year ended 31 December 2019, the Group's management has assessed the recoverable amount of long-term borrowings to subsidiaries by using the fair value less costs to sell of the underlying assets of subsidiaries. The recoverable amount of the long-term borrowings to subsidiaries is less than the carrying amount; therefore, the Group recognised allowance for decrease in value of long-term borrowings to subsidiaries in the separate financial statements at amount of Baht 122.55 million.

d) Long-term borrowings to farmer receivables

The movements of long-term borrowings to farmer receivables are as follows:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Opening balance	22,881,820	22,393,196	-	-
Additions	-	12,434,000	-	-
Repayment received	(10,434,000)	(11,945,376)	-	-
Closing balance	12,447,820	22,881,820	-	-

As at 31 December 2019 and 2018, long-term borrowings to farmer receivables bear interest at the rate 7.02% per annum.

e) Short-term borrowings from a related party

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Short-term borrowings from a related party	-	37,367,370	-	-

As at 31 December 2019, short-term borrowings from a related party bear interest at the rates between 2.52% - 2.55% per annum. (2018: 2.30% - 2.70% per annum)

f) Long-term borrowings from an associate

The movements of long-term borrowings from an associate are as follows:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Opening balance	3,379,836,558	3,529,389,429	-	-
Additions	-	-	-	-
Repayments	(144,181,856)	(149,552,871)	-	-
Closing balance	3,235,654,702	3,379,836,558	-	-

As at 31 December 2019, long-term borrowings from an associate bear interest at the rates between 7.10% - 7.70% per annum. (2018: 7.73% - 7.80% per annum).

g) Long-term borrowings from a subsidiary

The movements of long-term borrowings from a subsidiary are as follows:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Opening balance	-	-	2,746,119,162	2,746,119,162
Additions	-	-	-	-
Repayments	-	-	-	-
Closing balance	-	-	2,746,119,162	2,746,119,162

As at 31 December 2019 and 2018, long-term borrowings from a subsidiary bear interest at the rate 6.55% per annum.

h) Directors' and management's remuneration

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Short-term benefits	44,240,041	48,185,057	21,050,805	22,969,046
Post-retirement benefits	1,395,244	1,032,020	667,084	476,980
	45,635,285	49,217,077	21,717,889	23,446,026

Director's and management's remuneration represent salaries, meeting fees and other benefits.

i) Foreign currency forward contracts

As at 31 December 2019, a subsidiary has entered into foreign currency forward contracts through The Thai Sugar Trading Corporation Limited which is a related party, contract value amounting to USD 6.94 million (2018: USD 1.96 million).

As at 31 December, the net fair values of foreign currency forward contracts were as follows:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Financial assets				
Contracts with negative fair values:				
Foreign currency forward contracts	207,803,654	63,290,709	-	-

33 Promotion privileges

By virtue of provisions of the Industrial Investment Promotion act of B.E 2520, the subsidiaries were granted privileges by the Board of Investment which included exemption from payment of income tax for certain operations for a period of eight years from the date on which the income is first derived from such operation. The details of each privilege are as follows:

Certificate	Privilege section	Date	Nature of privilege business	First derived income date	Expiry date
2003(1) / 2554	25,26,28,31,34,35	17 August 2011	Generating electricity from biomass type 7.1	11 May 2012	11 May 2020
1006(1) / 2558	25,26,28,31,34,35	5 January 2015	Generating electricity from biomass type 7.1	7 April 2015	7 April 2023
59-0604-1-00-1-0	25,26,28,31,34,35	4 May 2016	Generating electricity from biomass type 7.1	31 December 2016	31 December 2024

In addition, BOI certificate No.2003(1)/2554, 1006(1)/2558 and 59-0604-1-00-1-0 the subsidiaries receive a 50% reduction in the normal income tax rate on the net profit derived from promoted business for a period of 5 years, from the expiry date.

34 Commitments and contingent liabilities

(a) Capital commitments

Capital expenditure contracted for at the statements of financial position date but not recognised in the financial statements are as follows:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Property, plant and equipment	18,589,322	329,362,799	-	7,106,476
Intangible assets	-	2,905,533	-	2,905,533
	18,589,322	332,268,332	-	10,012,009

(b) Operating commitments

The non-cancellable services agreements with external parties. The future minimum payments are as follows:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Within 1 year	10,805,308	18,024,069	1,597,200	1,602,000
Later than 1 year but not later than 5 years	8,526,400	69,412,971	176,400	1,303,200
	19,331,708	87,437,040	1,773,600	2,905,200

(c) Sale commitments

As at 31 December 2019, a subsidiary had commitments relating to the sales agreements, but not yet delivered quality unit of metric tons 194,400 (2018: metric tons 90,213) with price range between at rate of Baht 8,554 and Baht 13,190 per metric ton (2018: price range between at rate of Baht 8,375 and Baht 17,628 per metric ton) and still has no pricing for quality unit of metric tons 160,750 (2018: metric tons 46,000) which the price will be referred on raw sugar price of New York Market No. 11 or white sugar price of London Market No. 5 in the period in which it was delivered.

(d) Commitments in post-dated cheques

As at 31 December, the Group had commitments in post-dated cheques which were issued to farmers for purchasing sugar cane as follows:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Post-dated cheques				
- Within 1 year	519,607,045	33,980,149	-	-
- Later than 1 year but not later than 5 years	74,831,268	58,975,308	-	-
	594,438,313	92,955,457	-	-

(e) Commitments under Electricity sale/purchase agreements

On 20 September 2016, Buriram Energy Co., Ltd., a subsidiary, amended its PEA electricity sales and purchase agreement to the FiT sales calculation method. The agreement was first signed on 11 May 2012 for a five-year term, renewable for another five years. For the amended agreement, the term is the remaining 12 years and five months, and the FiT calculation was retroactively applied to 11 March 2016.

Buriram Power Co., Ltd, a subsidiary company has entered into electricity sale/purchase agreement with the Provincial Electricity Authority (PEA) with a term of 20 years from 7 April 2015. Under the terms of the agreements, the subsidiary and PEA must comply with specified conditions.

(f) Bank guarantees

As at 31 December 2019 and 2018, the Group had outstanding letters of guarantee of Baht 6.20 million issued by local financial institutions as collaterals of Provincial Electricity Authority for electrical usage.