

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

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

We have reviewed the consolidated statement of financial position of Khon Kaen Sugar Industry Public Company Limited and its subsidiaries and the separate statement of financial position of Khon Kaen Sugar Industry Public Company Limited as at April 30, 2014, and the related consolidated and separate statements of income and statements of comprehensive income for the three-month and six-month periods then ended, and consolidated and separate statements of changes in shareholders' equity and statements of cash flows for the six-month period then ended, and the condensed notes to interim financial statements. The Company's management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard No. 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

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

Conclusion

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

Emphasis of Matter

Without modifying our conclusion, as discussed in Note 3 to the interim financial statements, Khon Kaen Sugar Industry Public Company Limited and its subsidiaries have adopted Thai Accounting Standard No. 12 “Income Taxes” for the first time and adopted Thai Financial Reporting Standard No. 8 (Revised 2013) “Operating Segment” before its effective date. The corresponding figures thus have been retrospectively restated to be in accordance with the new accounting policies.

BANGKOK
June 13, 2014

Wimolporn Boonyusthian
Certified Public Accountant (Thailand)
Registration No. 4067
DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT CO., LTD.

KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION
AS AT APRIL 30, 2014

UNIT : THOUSAND BAHT

	Notes	Consolidated			Separate		
		Financial Statements			Financial Statements		
		"Unaudited"	"Restated"	"Restated"	"Unaudited"	"Restated"	"Restated"
		As at	As at	As at	As at	As at	As at
		April 30,	October 31,	November 1,	April 30,	October 31,	November 1,
		2014	2013	2012	2014	2013	2012
ASSETS							
CURRENT ASSETS							
Cash and cash equivalents	5.2	255,663	198,721	289,455	50,882	40,942	21,506
Temporary investments		4,022	13,522	274	-	-	-
Trade and other receivables	7	1,459,486	1,266,031	1,197,959	513,790	1,647,728	736,340
Short-term loans	8	1,283,623	1,026,575	909,373	3,043,099	3,959,771	1,485,604
Inventories		11,666,033	3,647,457	3,492,966	5,349,095	1,657,755	807,855
Other current assets		223,329	211,377	144,167	57,527	52,426	24,463
Total Current Assets		14,892,156	6,363,683	6,034,194	9,014,393	7,358,622	3,075,768
NON-CURRENT ASSETS							
Investments in an associate	9	35,918	36,803	37,299	73,800	73,800	73,800
Investments in subsidiaries	9	-	-	-	6,156,311	6,156,311	5,695,234
Other long-term investments		24,080	23,857	16,825	6,546	6,555	6,574
Long-term loans		339,051	439,689	398,950	22,279	12,609	14,736
Deferred cane plantation costs		432,792	479,509	569,984	27,671	39,714	59,431
Investment property	10	2,881,544	2,938,735	625,710	411,890	414,304	285,163
Property, plant and equipment	11	26,417,907	25,137,516	21,424,187	7,447,756	6,739,722	4,277,150
Intangible assets		37,206	25,103	17,405	21,351	8,485	4,291
Deferred tax assets	20	1,384	354	560	-	-	-
Other non-current assets		504,878	572,006	492,536	41,260	44,853	42,684
Total Non-Current Assets		30,674,760	29,653,572	23,583,456	14,208,864	13,496,353	10,459,063
TOTAL ASSETS		45,566,916	36,017,255	29,617,650	23,223,257	20,854,975	13,534,831

See the condensed notes to the interim financial statements

KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION (CONTINUED)
AS AT APRIL 30, 2014

UNIT : THOUSAND BAHT

	Notes	Consolidated			Separate		
		Financial Statements			Financial Statements		
		"Unaudited"	"Restated"	"Restated"	"Unaudited"	"Restated"	"Restated"
		As at	As at	As at	As at	As at	As at
		April 30,	October 31,	November 1,	April 30,	October 31,	November 1,
		2014	2013	2012	2014	2013	2012
LIABILITIES AND SHAREHOLDERS' EQUITY							
CURRENT LIABILITIES							
Short-term borrowings from							
financial institutions		15,865,609	9,392,451	5,896,935	7,755,001	5,637,888	595,172
Trade and other payables	12	1,467,225	2,284,425	2,798,532	828,980	1,046,323	953,618
Current portion of long-term debentures	14	1,499,363	-	1,999,491	1,499,363	-	1,999,491
Current portion of long-term borrowings	15	2,123,653	1,613,853	1,125,418	734,633	735,833	201,800
Short-term borrowings		-	-	-	268,000	1,286,300	1,441,500
Current income tax payable		131,306	40,124	349,066	-	-	199,548
Provision for production costs	13	1,089,291	-	-	622,002	-	-
Other current liabilities		154,701	135,517	153,415	14,376	13,365	12,564
Total Current Liabilities		<u>22,331,148</u>	<u>13,466,370</u>	<u>12,322,857</u>	<u>11,722,355</u>	<u>8,719,709</u>	<u>5,403,693</u>
NON-CURRENT LIABILITIES							
Long-term debentures	14	2,997,743	2,497,644	1,498,093	2,997,743	2,497,644	1,498,093
Long-term borrowings	15	5,313,653	5,498,695	3,502,481	2,227,533	2,591,333	909,000
Deferred tax liabilities	20	378,371	447,738	435,051	60,994	94,271	80,093
Employee benefit obligations		182,155	179,828	175,547	74,771	73,459	69,674
Other non-current liabilities		135,535	224,414	85,981	66,473	92,741	75,050
Total Non-Current Liabilities		<u>9,007,457</u>	<u>8,848,319</u>	<u>5,697,153</u>	<u>5,427,514</u>	<u>5,349,448</u>	<u>2,631,910</u>
TOTAL LIABILITIES		<u>31,338,605</u>	<u>22,314,689</u>	<u>18,020,010</u>	<u>17,149,869</u>	<u>14,069,157</u>	<u>8,035,603</u>

KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION (CONTINUED)
AS AT APRIL 30, 2014

UNIT : THOUSAND BAHT

	Notes	Consolidated			Separate		
		Financial Statements			Financial Statements		
		"Unaudited"	"Restated"	"Restated"	"Unaudited"	"Restated"	"Restated"
		As at	As at	As at	As at	As at	As at
		April 30,	October 31,	November 1,	April 30,	October 31,	November 1,
		2014	2013	2012	2014	2013	2012
LIABILITIES AND SHAREHOLDERS' EQUITY							
(CONTINUED)							
SHAREHOLDERS' EQUITY							
SHARE CAPITAL	16						
Authorized share capital							
1,870,000,000 ordinary shares							
of Baht 1.00 each		1,870,000	1,870,000	1,870,000	1,870,000	1,870,000	1,870,000
Issued and paid-up share capital							
1,704,646,884 ordinary shares							
of Baht 1.00 each, fully paid		1,704,647	1,704,647		1,704,647	1,704,647	
1,575,768,083 ordinary shares							
of Baht 1.00 each, fully paid				1,575,768			1,575,768
SHARE PREMIUM ACCOUNT - ORDINARY SHARES		2,946,439	2,946,439	1,786,530	2,946,439	2,946,439	1,786,530
RETAINED EARNINGS							
Appropriated							
Legal reserve		187,000	187,000	187,000	187,000	187,000	187,000
Reserve for treasury stocks		433,154	433,154	-	433,154	433,154	-
Unappropriated		6,386,817	5,916,916	5,485,690	707,756	1,420,186	1,526,428
OTHER COMPONENTS OF EQUITY		1,050,860	1,016,111	920,419	527,546	527,546	423,502
		12,708,917	12,204,267	9,955,407	6,506,542	7,218,972	5,499,228
<u>Less</u> Treasury stocks (34,100,000 shares)		(433,154)	(433,154)	-	(433,154)	(433,154)	-
TOTAL EQUITY ATTRIBUTABLE TO OWNERS							
OF THE PARENT		12,275,763	11,771,113	9,955,407	6,073,388	6,785,818	5,499,228
NON-CONTROLLING INTERESTS		1,952,548	1,931,453	1,642,233	-	-	-
TOTAL SHAREHOLDERS' EQUITY		14,228,311	13,702,566	11,597,640	6,073,388	6,785,818	5,499,228
TOTAL LIABILITIES AND							
SHAREHOLDERS' EQUITY		45,566,916	36,017,255	29,617,650	23,223,257	20,854,975	13,534,831

See the condensed notes to the interim financial statements

KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF INCOME
FOR THE THREE-MONTH PERIOD ENDED APRIL 30, 2014
"UNAUDITED"

UNIT : THOUSAND BAHT

	Notes	Consolidated		Separate		
		Financial Statements		Financial Statements		
		"Restated"		"Restated"		
		2014	2013	2014	2013	
Revenues from sales and revenues from services						
Revenues from sales		3,689,341	4,675,341	1,506,817	1,510,171	
Revenues from services		101,148	106,093	21,924	2,034	
		<u>3,790,489</u>	<u>4,781,434</u>	<u>1,528,741</u>	<u>1,512,205</u>	
Costs of the sales of goods and the rendering of services						
Costs of the sales of goods		(2,390,808)	(3,741,994)	(1,330,298)	(1,334,528)	
Costs of the rendering of services		(57,427)	(48,731)	(5,164)	(922)	
		<u>(2,448,235)</u>	<u>(3,790,725)</u>	<u>(1,335,462)</u>	<u>(1,335,450)</u>	
Gross profit		1,342,254	990,709	193,279	176,755	
Other incomes		105,305	382,876	98,829	144,428	
Selling expenses		(373,748)	(407,518)	(139,541)	(166,134)	
Administrative expenses		(139,524)	(134,585)	(53,259)	(50,572)	
Management benefit expenses	18	(39,510)	(36,785)	(9,011)	(7,919)	
Finance costs		(210,736)	(172,997)	(119,761)	(89,178)	
Share of profit of an associate		697	2,597	-	-	
Profit (loss) before income tax income (expense)		<u>684,738</u>	<u>624,297</u>	<u>(29,464)</u>	<u>7,380</u>	
Income tax income (expense)		(16,854)	(7,343)	7,472	5,961	
NET PROFIT (LOSS) FOR THE PERIOD		<u><u>667,884</u></u>	<u><u>616,954</u></u>	<u><u>(21,992)</u></u>	<u><u>13,341</u></u>	
PROFIT (LOSS) ATTRIBUTABLE TO:						
Owners of the parent		627,256	584,325	(21,992)	13,341	
Non-controlling interests		40,628	32,629	-	-	
		<u>667,884</u>	<u>616,954</u>	<u>(21,992)</u>	<u>13,341</u>	
EARNINGS (LOSS) PER SHARE	21					
Basic earnings (loss) per share		BAHT	0.375	0.350	(0.013)	0.008
Diluted earnings (loss) per share		BAHT	0.375	0.350	(0.013)	0.008
Basic number of ordinary shares		THOUSAND SHARES	1,670,547	1,668,566	1,670,547	1,668,566
Diluted number of ordinary shares		THOUSAND SHARES	1,670,547	1,668,566	1,670,547	1,668,566

See the condensed notes to the interim financial statements

KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE THREE-MONTH PERIOD ENDED APRIL 30, 2014
“UNAUDITED”

UNIT : THOUSAND BAHT

	Consolidated		Separate	
	Financial Statements		Financial Statements	
	"Restated"		"Restated"	
	2014	2013	2014	2013
Net profit (loss) for the period	667,884	616,954	(21,992)	13,341
Other comprehensive income (expense) :				
Exchange differences on translation financial statements	(30,288)	(13,292)	-	-
Gain on remeasuring available-for-sale investments	277	584	-	-
(Loss) gain on asset revaluation	(4,308)	17,237	-	2,727
Loss on change in shareholding ratio in subsidiaries	-	(4,011)	-	-
TOTAL COMPREHENSIVE INCOME (EXPENSE) FOR THE PERIOD	<u>633,565</u>	<u>617,472</u>	<u>(21,992)</u>	<u>16,068</u>
TOTAL COMPREHENSIVE INCOME (EXPENSE) ATTRIBUTABLE TO				
Owners of the parent	599,254	555,497	(21,992)	16,068
Non-controlling interests	34,311	61,975	-	-
	<u>633,565</u>	<u>617,472</u>	<u>(21,992)</u>	<u>16,068</u>

See the condensed notes to the interim financial statements

KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF INCOME
FOR THE SIX-MONTH PERIOD ENDED APRIL 30, 2014
“UNAUDITED”

UNIT : THOUSAND BAHT

	Notes	Consolidated		Separate	
		Financial Statements		Financial Statements	
		"Restated"		"Restated"	
		2014	2013	2014	2013
Revenues from sales and revenues from services					
Revenues from sales		7,246,550	9,070,289	3,077,935	2,941,326
Revenues from services		182,249	128,289	28,157	5,157
		<u>7,428,799</u>	<u>9,198,578</u>	<u>3,106,092</u>	<u>2,946,483</u>
Costs of the sales of goods and the rendering of services					
Costs of the sales of goods		(4,825,926)	(7,156,018)	(2,749,185)	(2,488,904)
Costs of the rendering of services		(111,390)	(72,123)	(9,575)	(3,077)
		<u>(4,937,316)</u>	<u>(7,228,141)</u>	<u>(2,758,760)</u>	<u>(2,491,981)</u>
Gross profit		2,491,483	1,970,437	347,332	454,502
Other incomes		183,853	536,708	154,810	235,144
Selling expenses		(701,092)	(824,151)	(279,716)	(315,359)
Administrative expenses		(341,733)	(305,003)	(125,305)	(114,030)
Management benefit expenses	18	(105,618)	(100,168)	(26,695)	(23,282)
Finance costs		(392,087)	(309,458)	(231,442)	(158,367)
Share of profit (loss) of an associate		(495)	5,041	-	-
Profit (loss) before income tax income (expense)		<u>1,134,311</u>	<u>973,406</u>	<u>(161,016)</u>	<u>78,608</u>
Income tax income (expense)		(24,563)	(36,708)	33,277	(10,114)
NET PROFIT (LOSS) FOR THE PERIOD		<u><u>1,109,748</u></u>	<u><u>936,698</u></u>	<u><u>(127,739)</u></u>	<u><u>68,494</u></u>
PROFIT (LOSS) ATTRIBUTABLE TO:					
Owners of the parent		1,054,591	974,292	(127,739)	68,494
Non-controlling interests		55,157	(37,594)	-	-
		<u><u>1,109,748</u></u>	<u><u>936,698</u></u>	<u><u>(127,739)</u></u>	<u><u>68,494</u></u>
EARNINGS (LOSS) PER SHARE	21				
Basic earnings (loss) per share		BAHT 0.631	0.596	(0.076)	0.042
Diluted earnings (loss) per share		BAHT 0.631	0.596	(0.076)	0.042
Basic number of ordinary shares		THOUSAND SHARES 1,670,547	1,634,292	1,670,547	1,634,292
Diluted number of ordinary shares		THOUSAND SHARES 1,670,547	1,634,292	1,670,547	1,634,292

See the condensed notes to the interim financial statements

KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE SIX-MONTH PERIOD ENDED APRIL 30, 2014
“UNAUDITED”

UNIT : THOUSAND BAHT

	Consolidated		Separate	
	Financial Statements		Financial Statements	
	"Restated"		"Restated"	
	2014	2013	2014	2013
Net profit (loss) for the period	1,109,748	936,698	(127,739)	68,494
Other comprehensive income (expense) :				
Exchange differences on translation financial statements	46,310	(45,902)	-	-
Gain on remeasuring available-for-sale investments	232	598	-	-
(Loss) gain on asset revaluation	(9,892)	558	-	2,727
Gain on change in shareholding ratio in subsidiaries	-	14,598	-	-
TOTAL COMPREHENSIVE INCOME (EXPENSE) FOR THE PERIOD	<u>1,146,398</u>	<u>906,550</u>	<u>(127,739)</u>	<u>71,221</u>
TOTAL COMPREHENSIVE INCOME (EXPENSE) ATTRIBUTABLE TO				
Owners of the parent	1,089,341	942,850	(127,739)	71,221
Non-controlling interests	57,057	(36,300)	-	-
	<u>1,146,398</u>	<u>906,550</u>	<u>(127,739)</u>	<u>71,221</u>

See the condensed notes to the interim financial statements

KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE SIX-MONTH PERIOD ENDED APRIL 30, 2014
"UNAUDITED"

UNIT : THOUSAND BAHT

Notes	Owners of the parent											Treasury stocks	Non-controlling interests	Total shareholders' equity	
	Issued and paid-up share capital	Share premium account Ordinary shares	Retained Earnings		Other components of equity						Total owners of the parent				
			Appropriated Legal reserve	Unappropriated Reserve for treasury stocks	Other comprehensive income (expense)			Losses on restructure of entities under common control	Losses on change in shareholding ratio in subsidiaries	Total other components of equity					
					Exchange differences on translating financial statements	Gain (loss) on remeasuring available-for-sale investments	Gain (loss) on asset revaluation								
"Restated"															
For six-month period ended April 30, 2013															
	1,575,768	1,786,530	187,000	-	5,492,937	(62,844)	(383)	1,589,283	(264,043)	(25,205)	1,236,808	10,279,043	-	1,753,089	12,032,132
Effects of the adoption of new Thai Accounting Standard															
- Income tax	3	-	-	-	(7,248)	-	88	(316,476)	-	-	(316,388)	(323,636)	-	(110,855)	(434,491)
Beginning balance as at November 1, 2012 after adjustment	1,575,768	1,786,530	187,000	-	5,485,689	(62,844)	(295)	1,272,807	(264,043)	(25,205)	920,420	9,955,407	-	1,642,234	11,597,641
Changes in shareholders' equity during the period															
- Increase in ordinary shares	16	128,879	1,159,909	-	-	-	-	-	-	-	-	1,288,788	-	-	1,288,788
- Treasury stocks	16	-	-	-	-	-	-	-	-	-	-	-	(40,648)	-	(40,648)
- Reserve for treasury stocks	16	-	-	40,648	(40,648)	-	-	-	-	-	-	-	-	-	-
- Increase in non-controlling interests		-	-	-	-	-	-	-	-	-	-	-	-	238,858	238,858
- Dividends paid	17	-	-	-	(811,698)	-	-	-	-	-	-	(811,698)	-	(38,254)	(849,952)
- Total comprehensive income (expense) for the period		-	-	-	973,369	(35,071)	143	(10,189)	-	14,598	(30,519)	942,850	-	(36,300)	906,550
Ending balance as at April 30, 2013		1,704,647	2,946,439	187,000	40,648	5,606,712	(97,915)	(152)	1,262,618	(264,043)	(10,607)	889,901	11,375,347	(40,648)	13,141,237

KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (CONTINUED)
FOR THE SIX-MONTH PERIOD ENDED APRIL 30, 2014
"UNAUDITED"

UNIT : THOUSAND BAHT

Notes	Owners of the parent										Treasury stocks	Total owners of the parent	Non-controlling interests	Total shareholders' equity	
	Issued and paid-up share capital	Share premium account Ordinary shares	Retained Earnings		Other components of equity										
			Appropriated Legal reserve	Unappropriated Reserve for treasury stocks	Other comprehensive income (expense)			Losses on internal restructure of entities under common control	Losses on change in shareholding ratio in subsidiaries	Total other components of equity					
					Exchange differences on translating financial statements	Gain (loss) on remeasuring available-for-sale investments	Gain (loss) on asset revaluation								
For six-month period ended April 30, 2014															
	1,704,647	2,946,439	187,000	433,154	5,909,478	(44,558)	(383)	1,750,369	(264,043)	(86,811)	1,354,574	(433,154)	12,102,138	2,047,812	14,149,950
Effects of the adoption of new Thai Accounting Standard															
- Income tax	3	-	-	-	7,438	-	40	(341,673)	-	3,170	(338,463)	-	(331,025)	(116,359)	(447,384)
Beginning balance as at November 1, 2013 after adjustment	1,704,647	2,946,439	187,000	433,154	5,916,916	(44,558)	(343)	1,408,696	(264,043)	(83,641)	1,016,111	(433,154)	11,771,113	1,931,453	13,702,566
Changes in shareholders' equity during the year															
- Dividends paid	17	-	-	-	(584,691)	-	-	-	-	-	-	-	(584,691)	(35,962)	(620,653)
- Total comprehensive income (expense) for the period		-	-	-	1,054,592	37,017	92	(2,360)	-	-	34,749	-	1,089,341	57,057	1,146,398
Ending balance as at April 30, 2014	<u>1,704,647</u>	<u>2,946,439</u>	<u>187,000</u>	<u>433,154</u>	<u>6,386,817</u>	<u>(7,541)</u>	<u>(251)</u>	<u>1,406,336</u>	<u>(264,043)</u>	<u>(83,641)</u>	<u>1,050,860</u>	<u>(433,154)</u>	<u>12,275,763</u>	<u>1,952,548</u>	<u>14,228,311</u>

See the condensed notes to the interim financial statements

KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES
SEPARATE STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE SIX-MONTH PERIOD ENDED APRIL 30, 2014
"UNAUDITED"

UNIT : THOUSAND BAHT

	Notes	Issued and paid-up share capital	Share premium account Ordinary shares	Retained Earnings		Other components of equity		Treasury stocks	Total Shareholders' equity	
				Appropriated Legal reserve	Unappropriated Reserve for treasury stocks	Other comprehensive income (expense) Gain on asset revaluation	Total other components of equity			
"Restated"										
For six-month period ended April 30, 2013										
Beginning balance as at November 1, 2012		1,575,768	1,786,530	187,000	-	1,500,645	529,378	529,378	-	5,579,321
Effects of the adoption of new Thai Accounting Standard										
- Income tax	3.1	-	-	-	-	25,783	(105,876)	(105,876)	-	(80,093)
Beginning balance as at November 1, 2012 after adjustment		1,575,768	1,786,530	187,000	-	1,526,428	423,502	423,502	-	5,499,228
Changes in shareholders' equity during the period										
- Increase in ordinary shares	16	128,879	1,159,909	-	-	-	-	-	-	1,288,788
- Treasury stocks	16	-	-	-	-	-	-	-	(40,648)	(40,648)
- Reserve for treasury stocks	16	-	-	-	40,648	(40,648)	-	-	-	-
- Dividends paid	17	-	-	-	-	(811,698)	-	-	-	(811,698)
- Total comprehensive income for the period		-	-	-	-	68,494	2,727	2,727	-	71,221
Ending balance as at April 30, 2013		1,704,647	2,946,439	187,000	40,648	742,576	426,229	426,229	(40,648)	6,006,891

See the condensed notes to the interim financial statements

KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES
SEPARATE STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (CONTINUED)
FOR THE SIX-MONTH PERIOD ENDED APRIL 30, 2014
"UNAUDITED"

UNIT : THOUSAND BAHT

	Notes	Issued and paid-up share capital	Share premium account Ordinary shares	Retained Earnings		Other components of equity		Treasury stocks	Total shareholders' equity	
				Appropriated		Unappropriated	Other comprehensive income (expense) Gain (loss) on asset revaluation			Total other components of equity
				Legal reserve	Reserve for treasury stocks					
For six-month period ended April 30, 2014										
Beginning balance as at November 1, 2013		1,704,647	2,946,439	187,000	433,154	1,382,570	659,433	659,433	(433,154)	6,880,089
Effects of the adoption of new Thai Accounting Standard										
- Income tax	3	-	-	-	-	37,616	(131,887)	(131,887)	-	(94,271)
Beginning balance as at November 1, 2013 after adjustment		1,704,647	2,946,439	187,000	433,154	1,420,186	527,546	527,546	(433,154)	6,785,818
Changes in shareholders' equity during the period										
- Dividends paid	17	-	-	-	-	(584,691)	-	-	-	(584,691)
- Total comprehensive income for the period		-	-	-	-	(127,739)	-	-	-	(127,739)
Ending balance as at April 30, 2014		1,704,647	2,946,439	187,000	433,154	707,756	527,546	527,546	(433,154)	6,073,388

See the condensed notes to the interim financial statements

KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CASH FLOWS
FOR THE SIX-MONTH PERIOD ENDED APRIL 30, 2014
“UNAUDITED”

UNIT : THOUSAND BAHT

	Consolidated		Separate	
	Financial Statements		Financial Statements	
	"Restated"		"Restated"	
	2014	2013	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit (loss) before income tax income (expense)	1,134,311	973,406	(161,016)	78,608
Adjustments for:				
Dividend income	-	-	(8,320)	(2,357)
Doubtful accounts - trade and other receivables (reversal)	2,073	(1,862)	(568)	(263)
Share of (profit) loss of investment in an associate	495	(5,041)	-	-
Amortization (increase) of premium on bonds	66	(11)	9	9
Employee benefit expenses	2,327	4,864	1,312	2,785
Loss on damaged cane and adjustment to decrease the cane plantation costs	1,434	17,120	-	-
Loss from diminution in value and obsolescence of inventories (reversal)	(14,229)	74,267	4,257	(21,597)
Depreciation and amortization	716,102	624,342	212,651	207,173
Gain on sales of assets	(13,160)	(2,796)	-	(372)
Gain on sales of investments in subsidiaries	-	(21,138)	-	(21,138)
Gain on sales of other long-term investments	-	(291)	-	-
Unrealized (gain) loss on exchange rate	(659)	(13,062)	44,274	(1,697)
Finance costs	392,928	303,615	231,305	158,299
	<u>2,221,688</u>	<u>1,953,413</u>	<u>323,904</u>	<u>399,450</u>
Operating assets (increase) decrease				
Trade and other receivables	(197,707)	(601,538)	(26,885)	(141,125)
Inventories	(8,004,346)	(6,400,190)	(3,695,597)	(2,201,453)
Other current assets	(4,269)	20,542	2,375	7,185
Deferred cane plantation costs	78,713	204,812	13,329	41,638
Other non-current assets	(4,250)	(81,628)	2,221	(35,751)
Operating liabilities increase (decrease)				
Trade and other payables	(405,586)	(751,004)	(80,721)	(116,292)
Provision for production costs	1,089,291	1,385,628	622,002	454,654
Other current liabilities	16,437	(6,973)	1,011	4,925
Employee benefit obligations	-	(224)	-	(195)
Other non-current liabilities	(88,878)	47,961	(26,267)	33,093
Cash paid from operating activities	(5,298,907)	(4,229,201)	(2,864,628)	(1,553,871)
Interest paid	(416,454)	(310,514)	(240,502)	(161,672)
Income tax expense paid	(7,686)	(201,700)	(7,475)	(193,220)
Net cash used in operating activities	<u>(5,723,047)</u>	<u>(4,741,415)</u>	<u>(3,112,605)</u>	<u>(1,908,763)</u>

KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS (CONTINUED)

FOR THE SIX-MONTH PERIOD ENDED APRIL 30, 2014

“UNAUDITED”

UNIT : THOUSAND BAHT

	Consolidated		Separate	
	Financial Statements		Financial Statements	
		"Restated"		"Restated"
	2014	2013	2014	2013
CASH FLOWS FROM INVESTING ACTIVITIES				
(Increase) decrease in short-term and long-term loans	(247,619)	97,194	907,002	(2,476,155)
Cash payments for investments in subsidiaries	-	(18,718)	-	(459,795)
Cash received from sales of investment in subsidiaries	-	39,856	-	39,856
Cash received from sales of other long-term investments	9,500	2,454	-	-
Cash payments for purchases of other long-term investments	-	(6,780)	-	-
Cash received from dividends of subsidiaries and other companies	390	325	-	2,357
Cash payments for purchases of property, plant and equipment	(1,618,804)	(2,160,707)	(809,737)	(1,398,326)
Cash received from sales of property, plant and equipment	11,897	3,893	-	374
Cash received from sales of investment properties	-	714	-	-
Cash payments for purchases of investment properties	(2,722)	(1,841,632)	-	-
Cash received from sales of assets not yet used in operation	5,993	1,468	-	-
Cash payments for purchases of assets not yet used in operation	-	(3,684)	-	-
Cash payments for purchases of intangible assets	(14,347)	(8,340)	(13,445)	(3,386)
Net cash (used in) provided by investing activities	<u>(1,855,712)</u>	<u>(3,893,957)</u>	<u>83,820</u>	<u>(4,295,075)</u>
CASH FLOWS FROM FINANCING ACTIVITIES				
Increase in short-term borrowings from financial institutions	6,523,764	6,714,736	2,080,587	5,541,334
Increase (decrease) in short-term borrowings from related parties	-	-	151,448	(910,228)
Cash payment for accounts payable on purchases of assets	(539,255)	(625,896)	(242,239)	(323,820)
Cash received from long-term debentures	1,998,620	998,089	1,998,620	998,089
Cash payment for long-term debentures	-	(1,000,000)	-	(1,000,000)
Cash received from long-term borrowings	1,726,089	2,367,000	-	1,572,000
Cash payment for long-term borrowings	(1,408,730)	(545,175)	(365,000)	(100,000)
Cash received from issuance of ordinary shares	-	1,288,788	-	1,288,788
Cash payment for treasury stocks	-	(40,648)	-	(40,648)
Cash payment of dividends for the parent	(584,691)	(811,698)	(584,691)	(811,698)
Cash payment of non-controlling interests	(35,961)	(1,042)	-	-
Cash received from increase in capital of subsidiary of non-controlling interests	-	253,457	-	-
Net cash provided by financing activities	<u>7,679,836</u>	<u>8,597,611</u>	<u>3,038,725</u>	<u>6,213,817</u>
Exchange differences on translation of cash of foreign subsidiaries	(44,135)	23,129	-	-
Net increase (decrease) in cash and cash equivalents	56,942	(14,632)	9,940	9,979
Cash and cash equivalents at the beginning of the period	198,721	289,455	40,942	21,506
Cash and cash equivalents at the end of the period	<u>255,663</u>	<u>274,823</u>	<u>50,882</u>	<u>31,485</u>

See the condensed notes to the interim financial statements

**KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES
CONDENSED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED APRIL 30, 2014
“UNAUDITED”**

1. GENERAL INFORMATION AND THE COMPANY’S OPERATIONS

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

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

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

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

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

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

The Company’s main businesses are to manufacture and distribute sugar and molasses and trading of spare parts and supplies to its subsidiaries, subcontractors and farmers who have business with the Company and/or its subsidiaries. The subsidiaries’ main business operations are listed in Note 2.4.

The Company’s major shareholder is K.S.L. Sugar Holding Co., Ltd., a company incorporated in Thailand, which holds 32.26% of issued and paid-up share capital.

2. BASIS FOR PREPARATION AND PRESENTATION OF INTERIM FINANCIAL INFORMATION

2.1 The interim financial information is prepared in accordance with Thai Accounting Standard No. 34 (Revised 2009) “Interim Financial Reporting” and in accordance with accounting practices generally accepted in Thailand and the additional disclosures in accordance with the Notification of the Office of the Securities and Exchange Commission and the Regulation of The Stock Exchange of Thailand (SET) dated January 22, 2001, regarding the preparation and submission of financial statements and reports for the financial position and results of operations of the listed companies B.E. 2544.

The Company elects to present the condensed interim financial information. Therefore, certain financial information which is normally included in the annual financial statements prepared in accordance with Thai Financial Reporting Standards, but is not required for interim reporting purposes, has been omitted. Therefore, the interim financial information should be read in conjunction with the audited financial statements for the year ended October 31, 2013.

- 2.2 The unaudited results of operations for the six-month period ended April 30, 2014 are not necessarily indicative of the operating results anticipated for the full year.
- 2.3 The consolidated and separate statements of financial position as at October 31, 2013, presented herein for comparison, have been derived from the financial statements for the year then ended which have been audited and retroactively adjusted for the adoption of new and revised Thai Financial Reporting Standards (see Note 3).
- 2.4 The interim consolidated financial information has been prepared by including the financial information of the Company and its subsidiaries (the “Group”) and has been prepared under the same basis as the consolidated financial statements for the year ended October 31, 2013. The structure of the Group is as follows:

Company Name	Percentage of Shareholding		Country of Incorporation	Type of Business
	As at April 30, 2014	As at October 31, 2013		
	%	%		
Subsidiaries in which the Company holds shares directly and indirectly				
Thai Sugar Terminal Public Company Limited *	23.82	23.82	Thailand	Transfer and transportation services for certain agriculture products, warehouse rental, land trading operation, land lots appropriation and construction of building on land for sales and rental
New Krung Thai Sugar Factory Company Limited	95.78	95.78	Thailand	Manufacture and distribution of sugar and molasses
Tamaka Sugar Industry Company Limited	90.21	90.21	Thailand	Manufacture and distribution of sugar and molasses
New Kwang Soon Lee Sugar Factory Company Limited	98.61	98.61	Thailand	Manufacture and distribution of sugar and molasses
KSL Real Estate Company Limited	91.02	91.02	Thailand	Housing and land for agriculture estate including holiday resort for training and seminar center and office building for rental
K.S.L. Export Trading Co., Ltd.	79.55	79.55	Thailand	Export sugar as exporting agent
KSL Material Supplies Co., Ltd.	100.00	100.00	Thailand	Trading chemical fertilizer and insurance broker agency
Khon Kaen Sugar Power Plant Company Limited	100.00	100.00	Thailand	Production and distribution of electricity
Khon Kaen Alcohol Company Limited	100.00	100.00	Thailand	Manufacture and distribution of alcohol or fuel from agricultural produce and bio-fertilizer
KSL. Agro & Trading Company Limited	100.00	100.00	Thailand	Domestic sugar trading and agricultural business operation
Savannakhet Sugar Corporation	98.49	98.49	Laos	Agricultural operation, manufacture and distribution of sugar and molasses
Koh Kong Sugar Industry Co., Ltd.	80.00	80.00	Cambodia	Manufacture and distribution of sugar and molasses
Wynn In Trading Co., Ltd.	100.00	100.00	Mauritius	Trading and consultancy services

* The Company participates in controlling power, thus they are considered subsidiaries under the definition specified in Thai Financial Reporting Standards.

Company Name	Percentage of Shareholding		Percentage of Shareholding		Country of Incorporation	Type of Business
	Indirect		Direct and indirect			
	As at	As at	As at	As at		
	April 30, 2014	October 31, 2013	April 30, 2014	October 31, 2013		
	%	%	%	%		
Subsidiaries (The Company holds shares directly and indirectly through Thai Sugar Terminal Public Company Limited)						
T S G Asset Co., Ltd.*	19.00	19.00	23.11	23.11	Thailand	Property rental
T S Oil Industry Co., Ltd.*	27.86	27.86	28.48	28.48	Thailand	Trading, rental and development of real estate and palm oil refinery operation
T S Flour Mill Public Company Limited*	16.52	16.52	16.59	16.59	Thailand	Produce and distribute wheat flour and property rental
T S Warehouse Co., Ltd.*	15.28	15.28	19.30	19.30	Thailand	Warehousing and loading of goods
T S Transport and Logistic Co., Ltd.*	20.46	20.46	30.58	30.58	Thailand	Manufacture and distribute polypropylene bag, and plastic fiber, trade in plastic resin and transportation and security services
Subsidiary (The Company holds the shares indirectly through Wynn In Trading Co., Ltd.)						
Koh Kong Plantation Company Limited	80.00	80.00	80.00	80.00	Cambodia	Agricultural operation

* The Company participates in controlling power, thus they are considered subsidiaries under the definition specified in Thai Financial Reporting Standards.

The accounting periods of subsidiaries ended the same date as the Company (accounting period ended on October 31) except for 10 subsidiaries whose accounting periods ended December 31, as follows:

- Tamaka Sugar Industry Company Limited
- New Krung Thai Sugar Factory Company Limited
- New Kwang Soon Lee Sugar Factory Company Limited
- KSL. Agro & Trading Company Limited
- Thai Sugar Terminal Public Company Limited
- T S G Asset Co., Ltd.
- T S Oil Industry Co., Ltd.
- T S Flour Mill Public Company Limited
- T S Warehouse Co., Ltd.
- T S Transport and Logistics Co., Ltd.

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

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

2.5 New or revised Thai Financial Reporting Standards

2.5.1 The Federation of Accounting Professions issued the Notifications regarding the Thai Financial Reporting Standards which are effective for the financial statements of periods beginning on or after January 1, 2013 onwards as follows:

Thai Accounting Standards (TAS)

TAS 12	Income Taxes
TAS 20	Accounting for Government Grants and Disclosure of Government Assistance
TAS 21 (Revised 2009)	The Effects of Changes in Foreign Exchange Rates

Thai Financial Reporting Standards (TFRS)

TFRS 8	Operating Segments
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Thai Standard Interpretations (TSI)

TSI 10	Government Assistance - No Specific Relation to Operating Activities
TSI 21	Income Taxes - Recovery of Revalued Non-Depreciable Assets
TSI 25	Income Taxes - Changes in the Tax Status of an Entity or its Shareholders

The adoption of those Thai Financial Reporting Standards which are relevant to the Group has no significant impact on this interim financial information, except for the adoption of Thai Accounting Standard No. 12, "Income Taxes" as disclosed in Note 3.

2.5.2 Thai Financial Reporting Standards which have been issued in the Royal Gazette but not yet effective

The Federation of Accounting Professions issued the Notifications regarding Thai Financial Reporting Standards (TFRS), which are effective for the accounting period beginning on or after January 1, 2014 onwards as follows:

Thai Accounting Standards ("TAS")

TAS 1 (Revised 2012)	Presentation of Financial Statements
TAS 7 (Revised 2012)	Statement of Cash Flows
TAS 12 (Revised 2012)	Income Taxes
TAS 17 (Revised 2012)	Leases
TAS 18 (Revised 2012)	Revenue
TAS 19 (Revised 2012)	Employee Benefits
TAS 21 (Revised 2012)	The Effects of Changes in Foreign Exchange Rates
TAS 24 (Revised 2012)	Related Party Disclosures
TAS 28 (Revised 2012)	Investments in Associates
TAS 31 (Revised 2012)	Interests in Joint Venture
TAS 34 (Revised 2012)	Interim Financial Reporting
TAS 36 (Revised 2012)	Impairment of Assets
TAS 38 (Revised 2012)	Intangible assets

Thai Financial Reporting Standards (“TFRS”)

TFRS 2 (Revised 2012)	Share-Based Payments
TFRS 3 (Revised 2012)	Business Combinations
TFRS 5 (Revised 2012)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 8 (Revised 2012)	Operating Segments

Thai Accounting Standards Interpretations (“TSI”)

TSI 15	Operating Leases - Incentives
TSI 27	Evaluating the Substance of Transactions Involving the Legal Form of a Lease
TSI 29	Disclosure - Service Concession Arrangements
TSI 32	Intangible Assets - Web Site Costs

Thai Financial Reporting Standard Interpretations (“TFRI”)

TFRI 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRI 4	Determining Whether an Arrangement Contains a Lease
TFRI 5	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
TFRI 7	Applying the Restatement Approach under TAS 29 Financial Reporting in Hyperinflationary Economies
TFRI 10	Interim Financial Reporting and Impairment
TFRI 12	Service Concession Arrangements
TFRI 13	Customer Loyalty Programmes
TFRI 17	Distributions of Non-cash Assets to Owners
TFRI 18	Transfers of Assets Form Customers

The Federation of Accounting Professions issued the Notifications regarding Thai Financial Reporting Standards (TFRS), which are effective for the accounting period beginning on or after January 1, 2016 onwards as follows:

Thai Financial Reporting Standards (“TFRS”)

TFRS 4	Insurance Contracts
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The Group’s management will adopt the above TFRSs relevant to the Group’s financial statements when they become effective, except for the adoption of Thai Financial Reporting Standard No. 8 (Revised 2012), “Operating Segment” which is early adopted before its effective date as disclosed in Note 3. The management is in the process to assess the impact of these TFRSs on the financial statements of the Group in the period of initial application.

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

3. ADOPTION OF NEW AND REVISED ACCOUNTING STANDARDS

The Company and subsidiaries have adopted new and revised Thai Financial Reporting Standards issued by the Federation Accounting Professions in the preparation and presentation of these interim financial information as follows:

3.1 TAS No. 12, "Income Taxes" which is effective for the financial statements of periods beginning on or after January 1, 2013 onwards

Since November 1, 2013, the Company and its subsidiaries have firstly adopted TAS 12, "Income Taxes" by changing its accounting policy relating to income tax from accrual basis based on the taxable profit for the year to deferred income tax which income tax expense (income) represents the sum of the tax currently payable and deferred tax.

Current tax

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

Deferred tax

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

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

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

Cumulative effects of the change in the accounting policy to the corresponding figures are summarized as follows:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	As at	As at	As at	As at
	October 31,	November 1,	October 31,	November 1,
	2013	2012	2013	2012
Statements of financial position				
Deferred tax assets increased	354	560	-	-
Deferred tax liabilities increased	447,738	435,051	94,271	80,093
Retained earnings-unappropriated increased (decreased)	7,439	(7,248)	37,616	25,783
Other components of equity decreased	(338,463)	(316,388)	(131,887)	(105,876)
Non-controlling interests decreased	(116,360)	(110,855)	-	-

	Unit : Thousand Baht	
	Consolidated	Separate
	Financial Statement	Financial Statement
	For the three-month period ended	
	April 30, 2013	
Statements of comprehensive income		
Income tax expenses decreased	(29,185)	(5,346)
Net profit increased	29,185	5,346
Loss attributable to owners of the parent increased	29,489	5,346
Profit attributable to non-controlling interests increased	(304)	-
Basic earnings attributable to owners of the parent per share increased (Baht per share)	0.018	0.003

	Unit : Thousand Baht	
	Consolidated	Separate
	Financial Statement	Financial Statement
	For the six-month period ended	
	April 30, 2013	
Statements of comprehensive income		
Income tax expenses decreased	(44,417)	(11,914)
Net profit increased	44,417	11,914
Profit attributable to owners of the parent increased	44,879	11,914
Loss attributable to non-controlling interests increased	(462)	-
Basic earnings attributable to owners of the parent per share increased (Baht per share)	0.027	0.007

- 3.2 TFRS No. 8 (Revised 2012), “Operating Segments” which is effective for the financial statements of periods beginning on or after January 1, 2014 onwards. The Company and its subsidiaries have early adopted before the effective date.

The Company and its subsidiaries’ main businesses are to manufacture and distribute sugar, molasses and downstream industries. The main products are sugar, molasses, alcohol and electricity which is sold in the country and overseas. The Company considers the operating segment based on domestic and overseas sales.

The Company and its subsidiaries have intersegment and external customers revenue, profit or loss of all operating segments and reconciliations of the totals of segment profit or loss with profit and loss before tax expense for the six-month period ended April 30, 2014 as disclosed in Note 22.

For the three-month and the six-month periods ended April 30, 2014, the Company has adopted those two standards for the first time and retroactively adjusted and presented the consolidated and separate financial statements as at October 31, 2013 and for the three-month and six-month periods ended April 30, 2013, which are presented as corresponding figures, in accordance with the new accounting policies.

4. SIGNIFICANT ACCOUNTING POLICIES

The interim financial information is prepared using the same accounting policies and calculation method as those used in the financial statements for the year ended October 31, 2013, except for the adoption of new and revised Thai Financial Reporting Standards as discussed in Note 3.

5. ADDITIONAL CASH FLOW INFORMATION AND CASH EQUIVALENTS

5.1 Significant non-cash items in the consolidated and separate financial statements for the six-month period ended April 30, are as follows:

Type of transactions	Consolidated		Unit : Thousand Baht Separate	
	Financial Statements		Financial Statements	
	2014	2013	2014	2013
Unrealized gain on available-for-sale securities	232	597	-	-
Transfer of depreciation to deferred cane plantation costs	22,970	22,031	1,285	1,105
Purchases of fixed assets which has not yet been paid	91,707	348,093	103,660	153,136
Interest expenses capitalized as asset costs	9,820	21,298	4,209	4,409
Dividend income offset against short-term borrowings from subsidiaries	-	-	1,169,748	392,272
Transfer other long-term investments to temporary investments	-	248	-	-
Transfer other current assets to other non-current assets	-	22,357	-	-
Transfer other current liabilities to other non-current liabilities	-	36,545	-	-
Transfer investment property to property, plant and equipment	41,133	31	-	-
Transfer investment property to other current assets	-	66,000	-	-
Transfer property, plant and equipment to investment property	1,180	-	-	-
Transfer other non-current assets to property, plant and equipment	66,640	-	-	-
Transfer unappropriated retained earnings to reserve for treasury stocks	-	40,648	-	40,648
Dividend payable to non-controlling interests	35,962	37,212	-	-

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

Type of transaction	Consolidated		Unit : Thousand Baht Separate	
	Financial Statements		Financial Statements	
	2014	2013	2014	2013
Cash	6,265	9,494	3,187	4,602
Savings accounts deposits	218,311	223,055	39,203	19,341
Current accounts deposits	25,087	29,274	8,492	7,542
3 month fixed deposits	6,000	13,000	-	-
Total	<u>255,663</u>	<u>274,823</u>	<u>50,882</u>	<u>31,485</u>

6. TRANSACTIONS WITH RELATED PARTIES

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

6.1 Significant balances with the related parties are as follows:

Type of Balances	Consolidated Financial Statements		Unit : Million Baht Separate Financial Statements	
	As at April 30, 2014	As at October 31, 2013	As at April 30, 2014	As at October 31, 2013
Trade and other receivables				
Subsidiaries	-	-	214.99	183.66
Related companies	27.05	4.99	0.03	0.04
Total	<u>27.05</u>	<u>4.99</u>	<u>215.02</u>	<u>183.70</u>
Accrued dividend receivable from subsidiaries (included in other receivables)				
Subsidiaries	-	-	8.32	1,169.75
Short-term loans				
Subsidiaries	-	-	3,007.30	3,798.98
Related companies	556.16	-	-	-
Total	<u>556.16</u>	<u>-</u>	<u>3,007.30</u>	<u>3,798.98</u>
Other current assets				
Subsidiaries	-	-	6.25	12.08
Related companies	0.19	0.49	0.14	0.21
Total	<u>0.19</u>	<u>0.49</u>	<u>6.39</u>	<u>12.29</u>
Trade and other payables				
Subsidiaries	-	-	78.67	55.52
Related companies	2.07	1.60	1.81	0.16
Total	<u>2.07</u>	<u>1.60</u>	<u>80.48</u>	<u>55.68</u>
Other accrued expenses (included in other payables)				
Subsidiaries	-	-	5.01	3.34
Related companies	0.08	0.05	0.05	0.04
Total	<u>0.08</u>	<u>0.05</u>	<u>5.06</u>	<u>3.38</u>
Short-term borrowings				
Subsidiaries	-	-	286.00	1,286.30
Other current liabilities				
Subsidiaries	-	-	0.81	0.16
Related companies	-	2.29	-	2.29
Total	<u>-</u>	<u>2.29</u>	<u>0.81</u>	<u>2.45</u>
Other non-current liabilities - others				
Subsidiaries	-	-	0.50	0.55
Related companies	1.00	-	1.00	-
Total	<u>1.00</u>	<u>-</u>	<u>1.50</u>	<u>0.55</u>

As at April 30, 2014 and October 31, 2013, short-term loans to subsidiaries represented unsecured promissory notes receivable on demand, carrying interest rates at 1.75% - 4.45% per annum and 1.75% - 3.17% per annum, respectively.

As at April 30, 2014 and October 31, 2013, short-term borrowings from subsidiaries represented unsecured promissory notes payable on demand, carrying the interest rate at 1.63% - 4.13% per annum and 3.00% - 4.65% per annum, respectively.

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

Type of transactions	Consolidated		Unit : Million Baht	
	Financial Statement for the three-month periods ended April 30,		Separate Financial Statement for the three-month periods ended April 30,	
	2014	2013	2014	2013
Revenue from sales and services				
Subsidiaries	-	-	783.30	474.14
Related companies	49.15	9.77	21.11	-
Total	<u>49.15</u>	<u>9.77</u>	<u>804.41</u>	<u>474.14</u>
Cost of sales and services				
Subsidiaries	-	-	510.93	374.82
Related companies	0.89	3.92	0.60	1.06
Total	<u>0.89</u>	<u>3.92</u>	<u>511.53</u>	<u>375.88</u>
Other income				
Subsidiaries	-	-	36.01	23.87
Related companies	1.19	-	1.19	-
Total	<u>1.19</u>	<u>-</u>	<u>37.20</u>	<u>23.87</u>
Selling expenses				
Subsidiaries	-	-	8.41	8.20
Total	<u>-</u>	<u>-</u>	<u>8.41</u>	<u>8.20</u>
Administrative expenses				
Subsidiaries	-	-	0.69	0.59
Related companies	3.56	2.52	1.24	0.91
Related juristic person	2.38	2.46	2.17	2.14
Total	<u>5.94</u>	<u>4.98</u>	<u>4.10</u>	<u>3.64</u>
Financial costs				
Subsidiaries	-	-	7.15	2.71
	<u>-</u>	<u>-</u>	<u>7.15</u>	<u>2.71</u>
Type of transactions	Consolidated		Unit : Million Baht	
	Financial Statement for the six-month periods ended April 30,		Separate Financial Statement for the six-month periods ended April 30,	
	2014	2013	2014	2013
Revenue from sales and services				
Subsidiaries	-	-	1,573.22	979.93
Related companies	59.81	10.77	28.40	-
Total	<u>59.81</u>	<u>10.77</u>	<u>1,601.62</u>	<u>979.93</u>
Cost of sales and services				
Subsidiaries	-	-	1,182.55	608.58
Related companies	3.29	11.53	2.75	6.20
Total	<u>3.29</u>	<u>11.53</u>	<u>1,185.30</u>	<u>614.78</u>
Other income				
Subsidiaries	-	-	62.62	45.79
Related companies	1.96	0.70	1.96	0.70
Total	<u>1.96</u>	<u>0.70</u>	<u>64.58</u>	<u>46.49</u>
Selling expenses				
Subsidiaries	-	-	23.48	22.22
Total	<u>-</u>	<u>-</u>	<u>23.48</u>	<u>22.22</u>
Administrative expenses				
Subsidiaries	-	-	0.98	1.05
Related companies	6.91	6.18	2.27	1.94
Related juristic person	4.84	4.99	4.36	4.36
Total	<u>11.75</u>	<u>11.17</u>	<u>7.61</u>	<u>7.35</u>
Financial costs				
Subsidiaries	-	-	18.81	12.22
	<u>-</u>	<u>-</u>	<u>18.81</u>	<u>12.22</u>

POLICIES OF INTER-PRICE SETTING

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

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

Company Name	Relationship	Connection
K.S.L. IT Center Co., Ltd.	Related company	Same group of shareholder/Mutual directors
Raja Ceramics Co., Ltd.	Related company	Same group of shareholder/Mutual directors
On Nuj Construction Co., Ltd.	Related company	Same group of shareholder/Mutual directors
Sahamit Machinery Public Co., Ltd.	Related company	Same group of shareholder/Mutual directors
Parahitac Co., Ltd.	Related company	Same group of shareholder/Mutual directors
K.K. Wood Industry Co., Ltd.	Related company	Same group of shareholders
Amarco Co., Ltd.	Related company	Same group of shareholders
Thai Fermentation Industry Co., Ltd.	Related company	Same group of shareholders
Rajburi Sugar Co., Ltd.	Related company	Mutual directors in subsidiary
Mitr Kaset Industry Co., Ltd.	Related company	Mutual directors in subsidiary
KSL Tower Juristic Person Office	Related Juristic Person	Shared owner of office building

All of the aforementioned related entities are incorporated in Thailand.

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

7. TRADE AND OTHER RECEIVABLES

Trade and other receivables consisted of:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	As at April 30, 2014	As at October 31, 2013	As at April 30, 2014	As at October 31, 2013
Trade receivables	908,087	880,909	286,496	248,528
Farmer receivables	281,277	256,083	159,624	169,854
Other receivables	20,611	13,397	8,248	27,304
Prepaid expenses	60,813	22,990	14,625	6,476
Advance payment	45,910	53,402	6,600	8,048
Accrued dividend receivable from subsidiaries	-	-	8,321	1,169,748
Accrued income	142,788	39,250	29,876	17,770
Total trade and other receivables	<u>1,459,486</u>	<u>1,266,031</u>	<u>513,790</u>	<u>1,647,728</u>

7.1 Trade receivables consisted of:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	As at April 30, 2014	As at October 31, 2013	As at April 30, 2014	As at October 31, 2013
Related parties	27,034	4,711	194,195	158,607
Others	905,764	898,652	92,301	89,921
Total trade receivables	932,798	903,363	286,496	248,528
<u>Less</u> Allowance for doubtful accounts	<u>(24,711)</u>	<u>(22,454)</u>	<u>-</u>	<u>-</u>
Total trade receivables	<u>908,087</u>	<u>880,909</u>	<u>286,496</u>	<u>248,528</u>

Aging analyzes for trade accounts receivable were as follows:

7.1.1 Trade receivables - related parties

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	As at April 30, 2014	As at October 31, 2013	As at April 30, 2014	As at October 31, 2013
Domestic trade receivables				
Not yet due	20,372	3,394	177,966	158,607
Overdue not over 3 months	6,662	1,317	5,669	-
Overdue over 3 months but not over 6 months	-	-	10,560	-
Total trade receivables - related parties	<u>27,034</u>	<u>4,711</u>	<u>194,195</u>	<u>158,607</u>

The normal credit terms granted by the related parties of the Company and subsidiaries range from 7 days to 365 days.

7.1.2 Trade receivables - others

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	As at April 30, 2014	As at October 31, 2013	As at April 30, 2014	As at October 31, 2013
Business of manufacturing and distributing sugar and molasses				
Domestic trade receivables				
Not yet due	237,294	215,147	90,676	73,382
Overdue not over 3 months	42,377	3,585	1,035	638
Overdue over 3 months but not over 6 months	-	-	-	-
Overdue over 6 months but not over 12 months	-	-	-	-
Over 12 months	92	395	-	-
Total	279,763	219,127	91,711	74,020
Foreign trade receivables				
Not yet due	100,326	61,452	590	15,901
Total	100,326	61,452	590	15,901
Total of business of manufacturing and distributing sugar and molasses	380,089	280,579	92,301	89,921
Business of manufacturing and distributing of alcohol and electricity				
Domestic trade receivables				
Not yet due	299,969	295,165	-	-
Total of business of manufacturing and distributing of alcohol and electricity	299,969	295,165	-	-
Other business				
Domestic trade receivables				
Not yet due	107,125	157,352	-	-
Overdue not over 3 months	68,691	114,272	-	-
Overdue over 3 months but not over 6 months	3,943	31,509	-	-
Overdue over 6 months but not over 12 months	32,217	12,025	-	-
Over 12 months	13,730	7,750	-	-
Total	225,706	322,908	-	-
Total of other business	225,706	322,908	-	-
Total	905,764	898,652	92,301	89,921
<u>Less</u> Allowance for doubtful accounts	(24,711)	(22,454)	-	-
Total trade receivables - others	881,053	876,198	92,301	89,921

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

7.2 Farmer receivables consisted of:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	As at	As at	As at	As at
	April 30, 2014	October 31, 2013	April 30, 2014	October 31, 2013
Cane receivables				
Before Season 2009/2010	35,435	41,733	77	77
Season 2009/2010	4,251	4,253	3,116	3,116
Season 2010/2011	11,093	11,230	2,242	2,278
Season 2011/2012	30,146	41,386	3,599	4,169
Season 2012/2013	34,129	46,952	8,218	12,295
Season 2013/2014	68,504	-	16,277	-
Total cane receivables	<u>183,558</u>	<u>145,554</u>	<u>33,529</u>	<u>21,935</u>
Advance payment				
Season 2013/2014	-	152,781	-	145,375
Season 2014/2015	129,200	12,651	121,690	12,652
Total advance payment for purchases of cane	<u>129,200</u>	<u>165,432</u>	<u>121,690</u>	<u>158,027</u>
Receivables from fuel oil, fertilizer and other services	23,288	7,077	19,865	5,920
Total	336,046	318,063	175,084	185,882
<u>Less</u> Allowance for doubtful accounts	<u>(54,769)</u>	<u>(61,980)</u>	<u>(15,460)</u>	<u>(16,028)</u>
Total farmer receivables	<u>281,277</u>	<u>256,083</u>	<u>159,624</u>	<u>169,854</u>

8. SHORT-TERM LOANS

Short-term loans consisted of:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	As at	As at	As at	As at
	April 30, 2014	October 31, 2013	April 30, 2014	October 31, 2013
Short-term loans to related parties	556,157	-	3,007,298	3,798,976
Short-term loans to farmers	518,897	827,434	3,976	123,324
Current portion of loans for cane plantation development	208,569	199,141	31,825	37,471
Total short-term loans	<u>1,283,623</u>	<u>1,026,575</u>	<u>3,043,099</u>	<u>3,959,771</u>

Short-term loans to farmers as at April 30, 2014 and October 31, 2013 included in the consolidated and separate financial statements are post-dated checks, which the farmers discounted with the Company and its subsidiaries with the interest rates based on the lending rates of commercial banks.

9. INVESTMENTS IN SUBSIDIARIES AND AN ASSOCIATE

Investments in subsidiaries and an associate consisted of:

Consolidated Financial Statements

Company Name	Paid-up Share Capital		Percentage of Shareholding % %		As at April 30, 2014			Unit : Thousand Baht As at October 31, 2013		
					Investment		Dividend	Investment		Dividend
	2014	2013	2014	2013	Cost	Equity		Cost	Equity	
					Cost	Equity	Cost	Equity		
<u>Associate</u>										
Champion Fermentation Co., Ltd.	200,000	200,000	32.50	32.50	73,800	35,918	390	73,800	36,803	325
Total					<u>73,800</u>	<u>35,918</u>	<u>390</u>	<u>73,800</u>	<u>36,803</u>	<u>325</u>

Separate Financial Statements

Company Name	Paid-up Share Capital		Percentage of Shareholding % %		Investment Cost		Dividends	
					As at	As at	For the period ended	For the year ended
	2014	2013	2014	2013	April 30,	October 31,	April 30,	October 31,
					2014	2013	2014	2013
<u>Associate</u>								
Champion Fermentation Co., Ltd.	200,000	200,000	32.50	32.50	73,800	73,800	390	325
Total investment in an associate					<u>73,800</u>	<u>73,800</u>	<u>390</u>	<u>325</u>
<u>Subsidiaries</u>								
Thai Sugar Terminal Public Company Limited	145,200	145,200	23.82	23.82	81,967	81,967	8,300	7,545
New Krung Thai Sugar Factory Company Limited	1,000,000	1,000,000	95.78	95.78	834,394	834,394	-	-
Tamaka Sugar Industry Company Limited	600,000	600,000	90.21	90.21	523,337	523,337	-	324,772
New Kwang Soon Lee Sugar Factory Company Limited	500,000	500,000	98.61	98.61	569,284	569,284	-	-
K.S.L. Real Estate Company Limited	840,000	840,000	40.77	40.77	319,134	319,134	-	-
K.S.L. Export Trading Co., Ltd.	20,000	20,000	33.88	33.88	6,775	6,775	1,355	2,033
KSL Material Supplys Co., Ltd.	10,000	10,000	100.00	100.00	9,119	9,119	-	-
Khon Kaen Sugar Power Plant Company Limited	800,000	800,000	100.00	100.00	799,972	799,972	-	479,983
Khon Kaen Alcohol Company Limited	610,000	610,000	100.00	100.00	609,986	609,986	-	304,993
KSL. Agro & Trading Company Limited	300,000	300,000	100.00	100.00	300,000	300,000	-	60,000
Savannahet Sugar Corporation	684,757	684,757	98.49	98.49	674,178	674,178	-	-
Koh Kong Sugar Industry Co., Ltd.	1,167,660	1,167,660	80.00	80.00	932,589	932,589	-	-
Wynn In Trading Co., Ltd.*	487,497	487,497	100.00	100.00	487,497	487,497	-	-
T S G Assets Co., Ltd.	50,000	50,000	4.11	4.11	2,061	2,061	-	-
T S Oil Industry Co., Ltd.	500,000	500,000	0.62	0.62	3,089	3,089	-	-
T S Flour Mill Public Company Limited	285,000	285,000	0.07	0.07	196	196	20	29
T S Warehouse Co., Ltd.	12,500	12,500	4.02	4.02	509	509	-	-
T S Transport and Logistic Co., Ltd.	80,000	80,000	10.12	10.12	8,108	8,108	-	-
Total					6,162,195	6,162,195	9,675	1,179,355
<u>Less</u> Allowance for impairment of investments					(5,884)	(5,884)	-	-
Total investments in subsidiaries					<u>6,156,311</u>	<u>6,156,311</u>	<u>9,675</u>	<u>1,179,355</u>
Total investments in subsidiaries and associate					<u>6,230,111</u>	<u>6,230,111</u>	<u>10,065</u>	<u>1,179,680</u>

* The Company holds the shares of Koh Kong Plantation Company Limited indirectly through Wynn In Trading Co., Ltd. at 80%. Furthermore, Koh Kong Plantation Company Limited has the condition to dissolve the Company if its loss exceed 75% of the registered share capital and could not solve the said loss within 1 year.

10. INVESTMENT PROPERTY

Movement of investment property for the six-month period ended April 30, 2014 are as follows:

	Consolidated Financial Statements	Unit : Thousand Baht Separate Financial Statements
Beginning book value	2,938,735	414,304
Reclassification/Adjustments	(42,313)	(316)
Purchases	2,722	-
Depreciation for the period	<u>(17,600)</u>	<u>(2,098)</u>
Ending book value	<u>2,881,544</u>	<u>411,890</u>

For the six-month periods ended April 30, 2014 and 2013, the Company and its subsidiaries recognized rental income from investment property of Baht 80.71 million and Baht 39.60 million, respectively, in the consolidated statements of income and of Baht 20.36 million and Baht 22.22 million, respectively, in the separate statements of income.

As at April 30, 2014 and October 31, 2013, the Company and its subsidiaries have the assets for rent with the book value stated in the consolidated financial statements of Baht 297.53 million and Baht 296.92 million, respectively, which were pledged as collateral against credit facilities given by two commercial banks as stated in Notes 15 and 23.5.

11. PROPERTY, PLANT AND EQUIPMENT

Movements for the six-month period ended April 30, 2014 are as follows:

	Consolidated Financial Statements	Unit : Thousand Baht Separate Financial Statements
Beginning book value	25,137,516	6,739,722
Reclassifications/adjustments	68,875	1,687
Purchases of assets (including construction in progress)	1,806,275	913,397
Capitalized interest expenses as costs of assets	9,820	4,209
Transfer in - cost	5,247,253	2,819,589
Transfer out - cost	(5,247,253)	(2,819,589)
Transfer from investment property	40,350	-
Cost of disposal/written off of assets	(43,663)	-
Accumulated depreciation - disposal/written off	38,814	-
Depreciation	(719,225)	(211,259)
Exchange differences on translation of financial statements	<u>79,145</u>	<u>-</u>
Ending book value	<u>26,417,907</u>	<u>7,447,756</u>

As at April 30, 2014 and October 31, 2013, land together with structure and machinery at the book value of Baht 393.83 million and Baht 671.25 million, respectively, in the consolidated financial statements, were used as collateral for the short-term and long-term credit facilities with commercial banks as stated in Notes 15 and 23.5.

As at April 30, 2014 and October 31, 2013, buildings and structure and building under construction of three foreign subsidiaries at book value of Baht 698.60 million and Baht 688.67 million, respectively, in the consolidated financial statements, are located on the concession land which the ownership will be transferred to the lessor when the agreements (see Note 23.7) are expired.

As at April 30, 2014 and October 31, 2013, assets at cost amount of Baht 2,987.49 million and Baht 2,338.60 million, respectively, in the consolidated financial statements, and of Baht 1,659.09 million and Baht 1,205.23 million, respectively, in the separate financial statements, were fully depreciated but still in use.

12. TRADE AND OTHER PAYABLES

Trade and other payables consisted of:

	Consolidated		Unit : Thousand Baht Separate	
	Financial Statements		Financial Statements	
	As at April 30, 2014	As at October 31, 2013	As at April 30, 2014	As at October 31, 2013
Trade payables - related parties	1,789	-	80,092	43,235
Trade payable - others				
- Payables for cane purchases	178,973	530,691	45,172	183,112
- Other trade payables	269,445	215,264	189,686	101,518
Advances received for sales of goods	40,749	70,299	12,267	21,608
Accrued fees payable to the Office of the Cane and Sugar Fund	73,826	70,345	21,783	21,770
Accrued stabilization function payment to the Office of the Cane and Sugar Fund	84,951	56,224	34,233	21,276
Other accrued expenses	206,598	210,886	91,716	92,282
Payables on purchases of assets	320,829	734,603	111,627	249,349
Other payables	290,065	396,113	242,404	312,173
Total trade and other payables	<u>1,467,225</u>	<u>2,284,425</u>	<u>828,980</u>	<u>1,046,323</u>

As at April 30, 2014, the Company and its three subsidiaries purchased canes for the production season 2013/2014 using the initial cane price for production season 2013/2014 announced by the Cane and Sugar Board's in the Royal Gazette dated December 6, 2013. The price is Baht 900.00 per cane ton with sweetness level at 10 c.c.s. and fluctuating cane price per one c.c.s. is fixed at Baht 57.00 per cane ton. Until the date the Company's Audit Committee approved the issuance of these financial statements, the Office of Cane and Sugar Board has not yet announced a final cane price for the production season 2013/2014. Therefore, the Company and its subsidiaries recorded the provision for production expenses as mentioned in Note 13 and calculated cost of goods sold and inventories for the six-month period ended April 30, 2014, from estimation made by the management of the Company and its subsidiaries at cane price of Baht 1,069.96 - 1,132.58 per ton with average sweetness level at 11.64 - 12.59 c.c.s.

13. PROVISION FOR PRODUCTION COSTS

The Company and its three subsidiaries recorded provision for production cost based on average rate of production costs for the entire production season to determine the cost of production per unit, which was calculated from the estimated cost of cane, direct labor and production costs expected to occur divided by the estimated volume of production expected to produce in each production season. The cost of cane is estimated as mentioned in Note 12 and the quantities of cane to be crushed in each production season will be estimated. Direct labor and production costs are estimated by the management of the Company and its subsidiaries by considering from past information relating to the nature of each recurring expense and capacity in each production season. The differences between the estimated production cost of the produced units and the actual production cost is shown under the "Provision for Production Costs", which will reduce over time according to the increase in actual production costs and will be completely depleted at the end of the production season.

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

14. LONG-TERM DEBENTURES

Long-term debentures consisted of:

	Unit : Thousand Baht	
	Consolidated Financial Statements/ Separate Financial Statements	
	As at April 30, 2014	As at October 31, 2013
Unsecured senior debt debentures	4,497,106	2,497,644
<u>Less</u> Current portion	<u>(1,499,363)</u>	<u>-</u>
	<u>2,997,743</u>	<u>2,497,644</u>

Movements of long-term debentures for the six-month period ended April 30, 2014 are as follows:

	Unit : Thousand Baht
	Consolidated Financial Statements/ Separate Financial Statements
Beginning book value	2,497,644
Increase during the period	1,998,620
Amortized debenture issuance expenses during the period	<u>842</u>
Ending book value	<u>4,497,106</u>

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

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

As at October 31, 2013, the debts with interest to equity ratio is 1.34 : 1.00.

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

15. LONG-TERM BORROWINGS

Movements of long-term borrowings for the six-month period ended April 30, 2014, are as follows:

	Consolidated Financial Statements	Unit : Thousand Baht Separate Financial Statements
Beginning balance at book value	7,112,548	3,327,166
Proceeds in the period	1,726,089	-
Repayment in the period	(1,408,730)	(365,000)
Currency translation differences	7,399	-
Ending balance at book value	7,437,306	2,962,166
<u>Less</u> Current portion	<u>(2,123,653)</u>	<u>(734,633)</u>
Long-term borrowings	<u>5,313,653</u>	<u>2,227,533</u>

In the consolidated and separate financial statements as at April 30, 2014, the Company and its subsidiaries obtained borrowings from the commercial banks, which the first to eleventh credit lines and the fifteenth credit line are long-term borrowings denominated in Baht with interest rates at AMLR-2.875% (AMLR is an average MLR of 4 financial institutions) to 5.00% per annum. The twelfth to fourteenth credit lines are long-term borrowings denominated in U.S. dollar with interest rate at LIBOR+2.0% per annum and the sixteenth to seventeenth credit lines are long-term borrowings for the purchases of agricultural equipment with the interest rate of 2.00% per annum, with important conditions as follows:

No.	Limit	Term of Payment	Guarantee/Collateral
1	Baht 1,000 million	Repayment of principal at every six-month period for the total of 10 installments at Baht 100.00 million each, commencing the first installment in January 2013	None
2	Baht 500 million	Repayment of principal at every six-month period for the total of 10 installments at Baht 50.00 million each, commencing the first installment in May 2013	None
	Baht 500 million	Repayment of principal at every six-month period for the total of 10 installments at Baht 50.00 million each, commencing the first installment in September 2013	None
	Baht 500 million	Repayment of principal at every six-month period for the total of 10 installments at Baht 50.00 million each, commencing the first installment in September 2013	None
	Baht 1,000 million	Repayment of principal at every six-month period for the total of 10 installments at Baht 100.00 million each, commencing the first installment in March 2014	None
3	Baht 800 million	Repayment of principal at every six-month period for the total of 8 installments at Baht 100.00 million each, commencing the first installment in February 2014	- Secured by Khon Kean Sugar Industry Public Company Limited
4	Baht 2,000 million	Repayment of principal at every six-month period for the total of 10 installments at Baht 200.00 million each with the grace period of two years, commencing the first installment in December 2011	- Secured by Khon Kean Sugar Industry Public Company Limited - Insurance coverage for structure and machineries at maximum sum insured by insurance company with transferring beneficial right of the said insurance coverage to the commercial bank lender
5	Baht 1,000 million	Repayment of principal at every six-month period for the total of 10 installments at Baht 100.00 million each with the grace period of two years, commencing the first installment in March 2012	
6	Baht 1,000 million	Repayment of principal at every six-month period for the total of 10 installments at Baht 100.00 million each, commencing the first installment in December 2013	- Secured by Khon Kean Sugar Industry Public Company Limited
7	Baht 1,000 million	Repayment of principal at every six-month period for the total of 10 installments at Baht 100.00 million each, commencing the first installment in August 2014	

No.	Limit	Term of Payment	Guarantee/Collateral
8	Baht 190 million	Repayment of principal at every six-month period for the total of 8 installments at Baht 23.75 million each, commencing the first installment in December 2012	- Mortgaged land with structure included in investment property and property, plant and equipment of subsidiary who obtained and used these credit lines
9	Baht 50 million	Repayment of principal at every month for the total of 60 installments, the 1st-59th installments at Baht 0.83 million each and the last installment repayment of the remaining principal, commencing the first installment in November 2012	
10	Baht 550 million	Repayment of the first amount, total of Baht 400.00 million, every quarter, at Baht 18.00 million each. The second amount, Baht 150.00 million, every quarter, at Baht 6.80 million each. The first installment, commencing December 2014 and the last installment in March 2020.	
11	Baht 800 million	Repayment of principal at every six-month period for the total of 10 installments at Baht 37.50 - 92.50 million each, commencing the first installment in April 2010	- Secured by Khon Kean Sugar Industry Public Company Limited
12	USD 5 million	Repayment of principal at every six-month period for the total of 10 installments at USD 0.50 million each with the grace period of two years, commencing the first installment in March 2011	- Secured by Khon Kean Sugar Industry Public Company Limited based on percentage of shareholding - Secured by two subsidiaries
13	USD 5 million	Repayment of principal at every six-month period for the total of 10 installments at USD 0.50 million each with the grace period of two years, commencing the first installment in March 2011	- Share certificate of a related company holding by shareholders of subsidiary
14	USD 30 million	Repayment of principal at every six-month period for the total of 10 installments at USD 3.00 million each with the grace period of two years, commencing the first installment in June 2011	
15	Baht 2,150 million	Repayment of principal at every six-month period, commencing the first installment in 25th month after the first withdraw and must repayment the total of principal and interest within 84 months from the first draw down date (March 2012)	- The Company and a subsidiary shall not pledge their core assets as collateral (Negative Pledge) - Insurance coverage for structure and machineries and equipment at maximum sum insured by insurance company transferring beneficial right of the said insurance coverage to the lender, commercial bank
16	Baht 45.20 million	Repayment of principal at annual for the total of 6 installments, commencing the first installment in June 2012	- Secured by executive directors of Khon Kean Sugar Industry Public Company Limited
17	Baht 23 million	Repayment of principal at annual for the total of 6 installments at Baht 3.83 million each, commencing the first installment in June 2013	- 6 guaranteed cheques

In addition, the Company and its subsidiaries have to abide to certain financial conditions, such as maintaining of debt with interest-to-equity ratio, shareholding ratio in subsidiaries, debt service coverage ratio, restriction on additional long-term debt creation, increase of the registered share capital and restriction on dividend payment of subsidiaries.

16. SHARE CAPITAL

For the six-month period ended April 30, 2014, there is no movement in the number of ordinary shares of the Company from the existing number of ordinary shares as at October 31, 2013.

For the six-month period ended April 30, 2013, the Company issued 128.88 million new ordinary shares with a par value of Baht 1 each, totaling Baht 128.88 million to support the conversion of warrants at the exercise price of Baht 10 per ordinary share.

There were outstanding warrants in 352,510 units on March 15, 2013 which was the last warrant exercised date. Thus, such warrants were expired immediately.

Movement of share capital for the six-month period ended April 30, 2013, was as follows:

	Par Value Baht	Number Million Shares	Amount Million Baht
Issued and paid-up share capital			
As at beginning of the period	1	1,575.77	1,575.77
Ordinary shares issued during the period	1	128.88	128.88
<u>Less</u> Treasury shares	12.703	<u>(3.20)</u>	<u>(40.65)</u>
As at the end of the period	1	<u>1,701.45</u>	<u>1,664.00</u>

17. DIVIDENDS PAID

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

Dividends	Approved by	Number of shares Billion shares	Dividends paid Per share	Dividends paid Million Baht	Dividends paid date
- Dividends paid from the Company's resu No. 1/2557 held on of operations from November 1, 2012 to February 26, 2014 October 31, 2013		1.67	0.35	584.69	March 26, 2014
- Dividends paid from the Company's resu No. 1/2556 held on of operations from November 1, 2011 to February 28, 2013 October 31, 2012		1.62	0.50	811.70	March 28, 2013

18. MANAGEMENT BENEFIT EXPENSES

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

	Consolidated Financial Statements		Unit : Million Baht Separate Financial Statements	
	2014	2013	2014	2013
For the three-month periods ended April 30,	4.29	4.17	1.67	1.64
For the six-month periods ended April 30,	11.89	11.32	5.99	5.48

19. EXPENSES BY NATURE

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

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	for the three-month		Financial Statements	
	periods ended April 30,		for the three-month	
	2014	2013	2014	2013
Salaries, wages and other employee benefits	520,109	458,682	209,959	122,806
Depreciation	450,658	381,634	149,399	129,456
Fuel costs	133,295	177,633	211,069	121,126
Fee payable to the Office of the Cane and Sugar Fund	254,027	249,388	91,310	115,575
Maintenance expenses	270,867	239,315	119,409	77,587
Transportation expenses	128,651	159,153	50,417	51,984
Raw material and supplies used	3,878,631	5,820,009	2,189,182	1,642,230
Purchased finished goods	901,435	68,384	477,744	323,199
Changes in finished goods and work in process	(3,839,164)	(3,469,581)	(2,058,949)	(1,104,319)
Management benefit expenses	39,510	36,785	9,011	7,919
Interest expenses	208,141	168,751	119,171	88,606
Other financial expenses	2,594	4,246	590	572
Other operating expenses	262,999	248,211	88,722	72,512
Total	3,211,753	4,542,610	1,657,034	1,649,253

	Consolidated		Separate	
	Financial Statements		Financial Statements	
	for the six-month		for the six-month	
	periods ended April 30,		periods ended April 30,	
	2014	2013	2014	2013
Salaries, wages and other employee benefits	1,044,200	895,788	384,157	245,883
Depreciation	837,203	733,661	269,855	225,100
Fuel costs	360,343	307,756	434,273	189,202
Fee payable to the Office of the Cane and Sugar Fund	494,516	545,400	208,132	230,802
Maintenance expenses	475,773	426,648	201,693	149,183
Transportation expenses	225,739	280,853	76,007	87,088
Raw material and supplies used	8,951,653	10,461,197	4,061,514	3,106,621
Purchased finished goods	1,151,040	199,522	1,077,350	553,923
Changes in finished goods and work in process	(8,089,304)	(5,965,552)	(3,711,411)	(2,036,948)
Management benefit expenses	105,618	100,168	26,695	23,282
Interest expenses	386,631	302,579	230,463	157,262
Other financial expenses	5,455	6,879	979	1,105
Other operating expenses	528,979	472,022	162,211	170,516
Total	6,477,846	8,766,921	3,421,918	3,103,019

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

20.1 Income tax expense (income)

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

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2014	2013	2014	2013
<u>Current income tax</u>				
Current income tax expense	105,401	81,126	-	22,027
<u>Deferred income tax</u>				
Deferred income tax (income) expense and temporary differences	(80,838)	(44,418)	(33,277)	(11,913)
Total	<u>24,563</u>	<u>36,708</u>	<u>(33,277)</u>	<u>10,114</u>

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

	Unit : Thousand Baht	
	Consolidated	
	Financial Statements	
	2014	2013
Profit before income tax expense		
- Promoted sector, exempted from income tax	989,065	939,786
- Non-promoted sector	145,246	33,620
Total profit before income tax expense	<u>1,134,311</u>	<u>973,406</u>
Statutory tax rates (%)	20	23 and 20
Income tax expense		
- Non-promoted sector	29,049	31,710
Total income tax	29,049	31,710
Effect on income tax from non-deductible taxable expense	68,328	51,813
	<u>97,377</u>	<u>83,523</u>
Prior year income tax expense (income)	8,024	(2,397)
Deferred income tax income	(80,83)	(44,418)
Income tax expense	<u>24,563</u>	<u>36,708</u>

	Unit : Thousand Baht	
	Separate	
	Financial Statements	
	2014	2013
Profit (loss) before income tax (income) expense	(161,016)	78,608
Statutory tax rates (%)	20	23
Income tax expense	-	18,080
Effect on income tax from non-deductible taxable expense	-	3,947
	-	22,027
Deferred income tax income	(33,277)	(11,913)
Income tax (income) expense	<u>(33,277)</u>	<u>10,114</u>

According to the Royal Decree No. 555 B.E. 2556 issued under the Revenue Code regarding the corporate income tax rate reduction effective on December 27, 2013, the corporate income tax was reduced from 23% to 20% of net profit for two consecutive accounting periods beginning on or after January 1, 2013 but not later than December 31, 2014.

Deferred tax assets and liabilities as at April 30, 2014 and October 31, 2013 are determined using corporate income tax rate that has been changed in accordance with the Royal Decree No. 555 dated December 27, 2012.

20.2 Deferred tax assets as at April 30, 2014 and October 31, 2013 are as follows:

	Unit : Thousand Baht			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	As at April 30, 2014	As at October 31, 2013	As at April 30, 2014	As at October 31, 2013
Deferred tax assets				
Employee benefit obligations	836	354	-	-
Loss carried forward	343	-	-	-
Depreciation	(1,320)	-	-	-
Allowance for diminution in value of inventories	11,801	-	-	-
Gain on asset revaluation	(10,707)	-	-	-
Others	431	-	-	-
Deferred tax assets - net	<u>1,384</u>	<u>354</u>	<u>-</u>	<u>-</u>

The movements of deferred tax assets during six-month periods ended April 30, are as follows:

2014

	Unit : Thousand Baht				
	Consolidated Financial Statements				
	As at November 1, 2013	Items as recognized in profit loss	Items as recognized in other comprehensive income	Items as recognized in shareholders' equity directly	As at April 30, 2014
Deferred tax assets					
Employee benefit obligations	354	482	-	-	836
Loss carried forward	-	343	-	-	343
Depreciation	-	(1,320)	-	-	(1,320)
Allowance for diminution in value of inventories	-	11,801	-	-	11,801
Gain on asset revaluation	-	-	(10,707)	-	(10,707)
Others	-	431	-	-	431
Deferred tax assets - net	<u>354</u>	<u>11,737</u>	<u>(10,707)</u>	<u>-</u>	<u>1,384</u>

2013

	Consolidated Financial Statements				Unit : Thousand Baht
	As at November 1, 2012	Items as recognized in profit loss	Items as recognized in other comprehensive income	Items as recognized in shareholders' equity directly	As at April 30, 2013
Deferred tax assets					
Allowance for doubtful accounts	-	2,679	-	-	2,679
Employee benefit obligations	405	3,323	-	-	3,728
Loss carried forward	994	-	-	-	994
Depreciation	(152)	(4,078)	-	-	(4,230)
Allowance for diminution in value of inventories	-	11,411	-	-	11,411
Allowance for diminution in value of available-for-sales investment	-	-	(45)	-	(45)
Gain on asset revaluation	(694)	-	(13,935)	-	(14,629)
Others	7	1,046	-	-	1,053
Deferred tax assets - net	<u>560</u>	<u>14,381</u>	<u>(13,980)</u>	<u>-</u>	<u>961</u>

20.3 Deferred tax liabilities as at April 30, 2014 and October 31, 2013 are as follows:

	Consolidated Financial Statements		Unit : Thousand Baht Separate Financial Statements	
	As at April 30, 2014	As at October 31, 2013	As at April 30, 2014	As at October 31, 2013
Deferred tax liabilities				
Allowance for doubtful accounts	(21,167)	(30,933)	(4,868)	(4,982)
Allowance for diminution in value of inventories	(140)	(6,292)	-	-
Allowance for impairment in other long-term investments	(1,177)	(1,609)	(1,177)	(1,177)
Employee benefit obligations	(35,538)	(35,559)	(14,954)	(14,692)
Gain on asset revaluation	439,303	441,705	131,887	131,887
Loss carried forward	(46,427)	(4,147)	(20,792)	-
Depreciation	47,035	95,548	(27,432)	(14,991)
Others	(3,518)	(10,975)	(1,670)	(1,774)
Deferred tax liabilities - net	<u>378,371</u>	<u>447,738</u>	<u>60,994</u>	<u>94,271</u>

The movements of deferred tax liabilities during the six-month periods ended April 30, are as follows:

2014

	Unit : Thousand Baht			
	Consolidated Financial Statements			
	As at November 1, 2013	Items as recognized in profit loss	Items as recognized in other comprehensive income	As at April 30, 2014
Deferred tax liabilities				
Allowance for doubtful accounts	(30,933)	9,763	3	(21,167)
Allowance for diminution in value of inventories	(6,292)	6,152	-	(140)
Allowance for impairment in other long-term investments	(1,609)	432	-	(1,177)
Employee benefit obligations	(35,559)	24	(3)	(35,538)
Gain on asset revaluation	441,705	-	(2,402)	439,303
Loss carried forward	(4,147)	(42,136)	(144)	(46,427)
Depreciation	95,548	(51,136)	2,623	47,035
Others	(10,975)	7,720	(263)	(3,518)
Deferred tax liabilities - net	<u>447,738</u>	<u>(69,181)</u>	<u>(186)</u>	<u>378,371</u>

2013

	Unit : Thousand Baht			
	Consolidated Financial Statements			
	As at November 1, 2012	Items as recognized in profit loss	Items as recognized in other comprehensive income	As at April 30, 2013
Deferred tax liabilities				
Allowance for doubtful accounts	(20,841)	7,126	-	(13,715)
Allowance for diminution in value of inventories	(5,656)	736	-	(4,920)
Allowance for impairment in other long-term investments	(1,609)	-	-	(1,609)
Employee benefit obligations	(34,278)	2,251	-	(32,027)
Gain on asset revaluation	416,269	-	(6,968)	409,301
Loss carried forward	(3,059)	3,059	-	-
Depreciation	96,944	(55,132)	-	41,812
Others	(12,719)	12,535	-	(184)
Deferred tax liabilities - net	<u>435,051</u>	<u>(29,425)</u>	<u>(6,968)</u>	<u>398,658</u>

2014

	Unit : Thousand Baht			
	Separate Financial Statements			
	As at November 1, 2013	Items as recognized in profit loss	Items as recognized in other comprehensive income	As at April 30, 2014
Deferred tax liabilities				
Allowance for doubtful accounts	(4,982)	114	-	(4,868)
Allowance for impairment in other long-term investments	(1,177)	-	-	(1,177)
Employee benefit obligations	(14,692)	(262)	-	(14,954)
Gain on asset revaluation	131,887	-	-	131,887
Loss carried forward	-	(20,792)	-	(20,792)
Depreciation	(14,990)	(12,442)	-	(27,432)
Others	(1,775)	105	-	(1,670)
Deferred tax liabilities - net	<u>94,271</u>	<u>(33,277)</u>	<u>-</u>	<u>60,994</u>

2013

	Unit : Thousand Baht			
	Separate Financial Statements			
	As at November 1, 2012	Items as recognized in profit loss	Items as recognized in other comprehensive income	As at April 30, 2013
Deferred tax liabilities				
Allowance for doubtful accounts	(3,389)	52	-	(3,337)
Allowance for impairment in other long-term investments	(1,177)	-	-	(1,177)
Employee benefit obligations	(13,935)	(518)	-	(14,453)
Gain on asset revaluation	105,876	-	682	106,558
Depreciation	472	(16,343)	-	(15,871)
Others	(7,754)	4,895	-	(2,859)
Deferred tax liabilities - net	<u>80,093</u>	<u>(11,914)</u>	<u>682</u>	<u>68,861</u>

Unrecognized deferred tax assets as at April 30, 2014 and October 31, 2013 are as follows:

	Unit : Thousand Baht	
	Consolidated Financial Statements	
	2014	2013
The following deferred tax assets have not been recognized		
Temporary differences	(10,181)	4,460
Loss carried forward	79,347	41,769
	<u>69,166</u>	<u>46,229</u>

Loss carried forward of Baht 79.35 million consisted of taxable loss of Baht 56.05 million expiring in the year 2017 and Baht 23.30 million expiring in the year 2019.

21. EARNINGS (LOSS) PER SHARE

The calculations of basic earnings (loss) per share were based on dividing the profit (loss) for the period attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares held by the outsiders outstanding during the period. Basic earnings (loss) per share for the three-month and six-month periods ended April 30, 2014 are as follows:

For the three-month period ended April 30, 2014

	Consolidated Financial Statements			Separate Financial Statements		
	Net profit for the period Thousand Baht	Number of shares Thousand Shares	Earnings per share Baht	Net loss for the period Thousand Baht	Number of shares Thousand Shares	Loss per share Baht
<u>Basic earnings (loss) per share</u>						
Profit (loss) for the period to ordinary equity holders	627,256	1,670,547	<u>0.375</u>	(21,992)	1,670,547	<u>(0.013)</u>

For the six-month period ended April 30, 2014

	Consolidated Financial Statements			Separate Financial Statements		
	Net profit for the period Thousand Baht	Number of shares Thousand Shares	Earnings per share Baht	Net loss for the period Thousand Baht	Number of shares Thousand Shares	Loss per share Baht
<u>Basic earnings (loss) per share</u>						
Profit (loss) for the period to ordinary equity holders	1,054,591	1,670,547	<u>0.631</u>	(127,739)	1,670,547	<u>(0.076)</u>

As at April 30, 2014, the number of shares being used in the calculation of basic earnings (loss) per share is the number of ordinary shares adjusted with the number of treasury stock of 34.10 million shares and the Company has no dilutive potential ordinary shares.

22. DISCLOSURE OF OPERATING SEGMENTS

The Group presented the segment information in respect of the Group's business segments. The primary format in segment information report is based on the Group's management and internal reporting structure.

The Group comprises the following main business segments:

Manufacture and Distribution of Sugar and Molasses

Produce and distribute sugar and molasses to industrial enterprises, re-export manufacturing enterprises and international sugar traders.

Manufacture and Distribution of Alcohol

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

Manufacture and Sale of Electricity

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

Real Estate Rental

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

Manufacture and Distribution of Wheat Flour

Produce and distribute wheat flour to industrial enterprises.

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

Major Customer Information

For the six-month periods ended April 30, 2014 and 2013, the Group has revenue with a single external customer in electricity sector in the amount of Baht 548.84 million and Baht 548.93 million, respectively, of the Group's total revenue.

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

Consolidated Statements of Income

For the six-month periods ended April 30, 2014 and 2013

	Unit : Million Baht																		
	Manufacture and Distribution of Sugar and Molasses				Manufacture and Distribution of Alcohol		Manufacture and Distribution of Electricity		Real Estate Rental		Wheat Flour		Others Business		Inter-Transaction		Total		
	2014		2013		2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	
			"Restated"		"Restated"		"Restated"		"Restated"		"Restated"		"Restated"		"Restated"		"Restated"		
	Thai	Overseas	Thai	Overseas	Thai	Thai	Thai	Thai	Thai	Thai	Thai	Thai	Thai	Thai	Thai	Thai	Thai	Thai	
Net revenue from operation - external	4,510	12	5,830	11	1,129	1,229	550	550	176	105	525	496	527	977	-	-	7,429	9,198	
Net revenue from operation - internal	2,932	129	2,920	163	-	-	1,037	806	27	-	17	13	629	127	(4,771)	(4,029)	-	-	
Total	7,442	141	8,750	174	1,129	1,229	1,587	1,356	203	105	542	509	1,156	1,104	(4,771)	(4,029)	7,429	9,198	
Profit (loss) from operations	1,345	10	1,429	(44)	382	314	846	776	128	68	84	106	44	(30)	(164)	(112)	2,675	2,507	
Selling, administrative expenses and others																	(1,148)	(1,229)	
Finance costs	(326)	(34)	(234)	(45)	-	(3)	(67)	(43)	(19)	-	(4)	(8)	(7)	(23)	65	47	(392)	(309)	
Share of profit (loss) of investment in an associate																	-	5	
Income tax expenses																	(25)	(37)	
Net profit																		1,110	937
Add (less) Loss (profit) for the six-month period of non-controlling interests																		(55)	37
Profit for the period																		1,055	974
Interest income	100	4	84	4	3	-	-	-	-	-	-	-	-	1	(65)	(47)	42	42	
Depreciation	(451)	(59)	(407)	(59)	(29)	(28)	(127)	(88)	(23)	(15)	(32)	(34)	(19)	(15)	-	-	(740)	(646)	

Consolidated Statements of Financial Position

As at April 30, 2014 and 2013

Trade and other receivables	1,160	162	1,350	180	164	141	311	308	46	57	157	127	139	457	(680)	(819)	1,459	1,801
Inventories	9,429	536	7,451	780	484	246	285	223	-	-	194	385	754	747	(16)	(12)	11,666	9,820
Property, plant and equipment	13,669	3,217	11,889	3,012	1,382	915	6,767	5,625	830	792	598	401	523	1,133	(568)	(604)	26,418	23,163
Central assets	11,874	727	12,229	460	30	27	208	230	2,624	576	59	83	1,700	2,860	(11,198)	(11,306)	6,024	5,159
Total Assets	36,132	4,642	32,919	4,432	2,060	1,329	7,571	6,386	3,500	1,425	1,008	996	3,116	5,197	(12,462)	(12,741)	45,567	39,943
Total Liabilities	25,268	3,103	21,585	3,659	281	338	3,984	3,323	1,099	3	344	367	1,402	2,698	(4,142)	(5,170)	31,339	26,803

23. COMMITMENTS, CONTINGENT LIABILITIES AND SIGNIFICANT AGREEMENTS

As at April 30, 2014 and October 31, 2013, apart from liabilities reflected in the interim financial statements, the Company and its subsidiaries have commitments and contingent liabilities as follows:

23.1 The Company and its subsidiaries have commitments relating to the sales agreements but not yet delivered in the consolidated financial statements amounting to Baht 10,024.13 million and Baht 2,686.83 million, respectively, and in the separate financial statements amounting to Baht 5,020.47 million and Baht 847.45 million, respectively.

23.2 The Company and three subsidiaries had issued post-dated checks to farmers to purchase cane. The Company and subsidiaries did not record the said liabilities as the checks are not yet due and the cane of the production season has not been received from the farmers as follows:

	Consolidated		Unit : Million Baht Separate	
	Financial Statements As at April 30, 2014	Financial Statements As at October 31, 2013	Financial Statements As at April 30, 2014	Financial Statements As at October 31, 2013
For the production season 2013/2014	-	831.67	-	132.15
For the production season 2014/2015	743.87	-	147.90	-

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

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

23.4 A subsidiary was granted the electricity generating business concession from the Ministry of Energy on October 1, 2005 in the area of 43 Moo 10, Tambol Namphong, Amphur Namphong, Khonkaen Province, for the period of 21 years. However, such subsidiary obtained a license for energy industry operation from the Energy Regulatory Commission (ERC) when the Energy Industry Act B.E. 2550 was effective, for 19 years ending in December 2028. The subsidiary has to comply with the Energy Industry Act B.E. 2550 and the conditions of the license.

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

							Unit : Million
Consolidated Financial Statements							
As at April 30, 2014							
As at October 31, 2013							
Currency	Total	Utilized	Remaining	Total	Utilized	Remaining	
Commitments							
Contract to guarantee of debt repayment of subsidiaries for all contingent liabilities	THB	-	9,074.95	-	-	4,395.51	-
Contract to guarantee of debt repayment of subsidiaries for all contingent liabilities	USD	-	41.54	-	-	12.98	-
Contingent Liabilities							
Letters of guarantees (unspecified credit limit)	THB	-	83.77	-	-	86.87	-
Notes acceptance	THB	30.00	-	30.00	30.00	-	30.00
Letters of credit and trust receipts	THB	1,522.00	559.95	962.05	1,453.56	153.67	1,299.89
Letters of credit	USD	23.35	0.44	22.91	17.11	1.02	16.09
Credit Facilities							
Overdrafts and short-term borrowings	THB	23,427.94	12,320.91	11,107.03	19,140.05	6,614.21	12,525.84
Trust receipts payable	THB	251.94	251.94	-	168.44	168.44	-
Short-term borrowings	USD	50.50	38.35	12.15	50.50	31.55	18.95
Joint credit line in short-term borrowings	THB	3,416.22	2,068.00	1,348.22	3,089.95	1,603.00	1,486.95
Long-term borrowings	THB	7,746.59	7,240.68	505.91	6,923.32	6,923.32	-
Joint credit line in long-term borrowings	THB	500.00	500.00	-	1,000.00	1,000.00	-
Long-term borrowings	USD	6.09	6.09	-	6.09	6.09	-
							Unit : Million
Separate Financial Statements							
As at April 30, 2014							
As at October 31, 2013							
Currency	Total	Utilized	Remaining	Total	Utilized	Remaining	
Commitments							
Contract to guarantee of debt repayment of subsidiaries for all contingent liabilities	THB	-	9,074.95	-	-	4,395.51	-
Contract to guarantee of debt repayment of subsidiaries for all contingent liabilities	USD	-	17.11	-	-	5.34	-
Contingent Liabilities							
Letters of guarantees (unspecified credit limit)	THB	-	1.33	-	-	1.33	-
Letters of credit and trust receipts	THB	30.00	-	30.00	30.00	-	30.00
Credit Facilities							
Overdrafts and short-term borrowings	THB	10,403.78	7,123.00	3,280.78	7,130.05	4,711.00	2,419.05
Short-term borrowings	USD	30.50	20.00	10.50	30.50	30.00	0.50
Joint credit line in short-term borrowings	THB	3,416.22	2,068.00	1,348.22	3,089.95	1,603.00	1,486.95
Long-term borrowings	THB	2,962.17	2,962.17	-	3,327.17	3,327.17	-
Joint credit line in long-term borrowings	THB	500.00	500.00	-	1,000.00	1,000.00	-

Overdrafts and short-term borrowings from financial institutions as at April 30, 2014 and October 31, 2013, carried interest rates at 1.63% - 4.45% per annum and 1.75% - 4.55% per annum, respectively.

The above credit facilities are partially secured by land with structure, machineries, subsidiary's leasehold right for the land where the factory is located, and share certificates of a related company held by the shareholders of subsidiary. The inter-guarantee was also offered between the Company and its subsidiaries, and benefits arisen from insurance policy for structure and machineries were transferred to the lenders. For certain credit facilities, if the facility is utilized, certain inventories of the Company and its subsidiaries will be used as collateral. As at April 30, 2014 and October 31, 2013, such facilities have not been used by the Company and its subsidiaries.

In addition, for joint commitments and long-term borrowings, the Company and its subsidiaries are required to be complied with certain financial conditions including maintaining the debt with interest-to-equity ratio, maintaining the shareholding ratio in subsidiary, maintaining the debt service coverage ratio, restriction on additional long-term debt creation, increase of the registered share capital, and restriction on dividend payment of subsidiaries, etc.

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

Unit : Million					
Consolidated Financial Statements					
As at April 30, 2014					
Currency	Contractual Amount	Outstanding Contractual Commitments	As at October 31, 2013		
			Contractual Amount	Outstanding Contractual Commitments	Outstanding Contractual Commitments
Construction and subcontract agreements	THB	1,102.66	413.38	428.56	81.33
	USD	-	-	5.00	4.00
Machine and equipment purchase agreements	THB	1,120.46	219.53	1,476.69	364.07
	USD	37.22	20.89	29.43	10.43
Rental agreements	THB	21.73	8.98	27.96	14.36
Materials purchase agreements	THB	48.34	17.14	121.93	34.58
	USD	8.71	8.71	7.63	7.63

Unit : Million					
Separate Financial Statements					
As at April 30, 2014					
Currency	Contractual Amount	Outstanding Contractual Commitments	As at October 31, 2013		
			Contractual Amount	Outstanding Contractual Commitments	Outstanding Contractual Commitments
Construction and subcontract agreements	THB	512.33	278.55	278.49	47.79
Machine and equipment purchase agreements	THB	1,118.71	218.56	1,302.04	336.95
Rental agreements	THB	21.73	8.98	27.96	14.36

23.7 Other significant agreements

- 23.7.1 On February 16, 2006, Savannakhet Sugar Corporation (subsidiary) made a contract to develop area in the Laos People's Democratic Republic with the Government of that country to be used for the subsidiary's office, factory unit, road and area for cane plantation with the total area of 10,000 hectares covering the period of 30 years which can be extended for another 20 years if approved by the counter party. As at April 30, 2014 and October 31, 2013, the subsidiary has already utilized the area of 5,053.61 hectares at the rental rate of USD 6 per hectare per annum.
- 23.7.2 Koh Kong Plantation Company Limited and Koh Kong Sugar Industry Co., Ltd. (subsidiaries) entered into the Memorandum of Understanding (MOU) with the Government of Kingdom of Cambodia on August 2, 2006 in order to build a sugar mill factory and receive concession land for cane plantation in Koh Kong Province, Kingdom of Cambodia with total area of 19,100 hectares covering period of 90 years and the rental price has a grace period of the first 4 years, afterwards, the rate of rental price of USD 1 - 4 per hectare per annum. As at April 30, 2014 and October 31, 2013, the subsidiaries have already utilized the area of 10,481 hectares.
- 23.7.3 A subsidiary in the Kingdom of Cambodia entered into two long-term land lease agreements with an outside person to build port and land awaiting development dated May 31, 2007 and June 1, 2007, respectively. The contractual term is 90 years for both agreements. The subsidiary has already paid the entire advance lease fee at USD 476,953. As at April 30, 2014 and October 31, 2013, the balances of the advance lease fee paid are USD 443,390 and USD 446,039, respectively.

24. FINANCIAL INSTRUMENTS

Policy to manage financial risk

As at April 30, 2014, the policy to manage financial risks, credit risks and fair values is the same as that disclosed in the financial statements as at October 31, 2013.

Risk on interest rate

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

Unit : Thousand Baht

Consolidated Financial Statements

As at April 30, 2014

	Fixed Interest Rate			Floating Interest Rate	Total
	Within 1 year	More than 1 year to 5 years	More than 5 years		
Financial Assets					
Saving account deposits	-	-	-	218,311	218,311
Fixed account deposits	10,022	-	-	-	10,022
Short-term loans to related company	556,157	-	-	-	556,157
Loans for cane plantation development	207,848	326,455	9,745	3,573	547,621
Short-term loans to farmers	452,231	7,908	-	58,757	518,896
Other long-term investments	-	20,134	-	-	20,134
Total	<u>1,226,258</u>	<u>354,497</u>	<u>9,745</u>	<u>280,641</u>	<u>1,871,141</u>
Financial Liabilities					
Short-term borrowings from financial institutions	11,620,757	-	-	861,686	12,482,443
Other short-term borrowings	3,383,167	-	-	-	3,383,167
Long-term debentures	1,499,363	2,997,743	-	-	4,497,106
Long-term borrowings	940,193	2,644,753	-	3,852,359	7,437,305
Liabilities from long-term lease agreements	1,739	5,696	-	-	7,435
Total	<u>17,445,219</u>	<u>5,648,192</u>	<u>-</u>	<u>4,714,045</u>	<u>27,807,456</u>

Unit : Thousand Baht

Consolidated Financial Statements

As at October 31, 2013

	Fixed Interest Rate			Floating Interest Rate	Total
	Within 1 year	More than 1 year to 5 years	More than 5 years		
Financial Assets					
Saving accounts deposits	-	-	-	142,056	142,056
Fixed account deposits	13,022	-	-	-	13,022
Loans for cane plantation development	189,144	414,148	33,117	2,118	638,527
Short-term loans to farmers and others	780,097	1,011	-	46,326	827,434
Other long-term investments	500	20,201	-	-	20,701
Total	<u>982,763</u>	<u>435,360</u>	<u>33,117</u>	<u>190,500</u>	<u>1,641,740</u>
Financial Liabilities					
Short-term borrowings from financial institutions	6,951,145	-	-	451,210	7,402,355
Other short-term borrowings	1,990,096	-	-	-	1,990,096
Long-term debentures	-	2,497,644	-	-	2,497,644
Long-term borrowings	941,393	3,008,553	-	3,162,601	7,112,547
Liabilities from long-term lease agreements	1,696	6,575	-	-	8,271
Total	<u>9,884,330</u>	<u>5,512,772</u>	<u>-</u>	<u>3,613,811</u>	<u>19,010,913</u>

Risk on exchange rate

Risks on exchange rates for the Company and its subsidiaries are mainly involved with sales of goods and import of machines as transactions are made in foreign currencies. As at April 30, 2014 and October 31, 2013, the Company and its subsidiaries possessed assets and liabilities in foreign currencies over which the contract to hedge against risk of exchange rates has not been made as follows:

Currencies	Consolidated Financial Statements				Separate Financial Statements				Unit : Million
	As at		As at		As at		As at		
	April 30, 2014		October 31, 2013		April 30, 2014		October 31, 2013		
	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities	
USD	15.34	61.02	3.07	50.30	0.02	0.56	0.02	0.74	
YEN	-	-	-	2.52	-	-	-	-	
RIEL	721.70	170.77	698.55	163.14	-	-	-	-	
LAK	142.22	382.19	-	572.67	-	-	-	-	

As at April 30, 2014 and October 31, 2013 the Company and its subsidiaries made forward contracts with commercial banks to hedge against exchange rate risk from receipt and debt repayments denominated in foreign currencies. The Company and its subsidiaries have not recorded such financial liability in the consolidated and separate financial statements. The forward contracts that have repayment due dates not over 12 months are as follows:

Currency	Amount fixed in contract				Amount earned in contract				Unit : Million
	Consolidated		Separate		Consolidated		Separate		
	Financial Statements		Financial Statements		Financial Statements		Financial Statements		
	As at	As at	As at	As at	As at	As at	As at	As at	
	April 30,	October 31,	April 30,	October 31,	April 30,	October 31,	April 30,	October 31,	
	2014	2013	2014	2013	2014	2013	2014	2013	
USD	63.69	49.29	-	-	THB	2,069.72	1,517.99	-	-

Net fair values of financial derivatives at the end of the reporting periods of the Company and its subsidiaries are as follows:

	Consolidated		Separate		Unit : Million Baht
	Financial Statements		Financial Statements		
	As at	As at	As at	As at	
	April 30,	October 31,	April 30,	October 31,	
	2014	2013	2014	2013	
Net fair values of forward contracts gain (loss)	(5.46)	25.50	-	-	

Risk on the fluctuation of sugar and cane prices

The cane and sugar industry in Thailand is under the benefit sharing system between the cane farmers and the sugar mill factories, the selling price of sugar under Quota B and the exchange rate of the actual sales made by Thailand Cane and Sugar Corporation (TCSC) have significant effect on cane price which is major cost of sugar production. To manage

risk on the fluctuation of gross profit, the Company and its subsidiaries have hedged the risk by entering into commodity swap contracts for the periods not over 2 years. Gain or loss is recognized in the statement of income when the contracts are settled or expired.

For the three-month and six-month periods ended April 30, 2014 and 2013, the Company has accounted for transactions in the financial statements as follows:

	Consolidated		Unit : Million Baht	
	Financial Statements		Separate	
	2014	2013	2014	2013
Profit from investments in derivative instruments				
- for three-month periods ended April 30,	10.42	202.48	4.46	73.16
- for six-month periods ended April 30,	10.42	202.48	4.46	73.16

Net fair values of financial derivatives as at April 30, 2014 and October 31, 2013 of the Company and its subsidiaries are as follows:

	Currency	Unit : Million	
		Consolidated/ Separate	
		As at	As at
		April 30,	October 31,
		2014	2013
Net fair values for commodity swap contracts	USD	0.38	(0.10)

The fair values of the commodity swap are calculated by using the raw sugar price and white sugar price from The Exchange and Bloomberg at the end of the reporting periods as though the Company and its subsidiaries have settled the said contracts at the end of the reporting periods dates.

Credit risk

The Company and its subsidiaries have risk on credit regarding trade accounts receivable, farmer accounts receivable, loans to farmers, loans to related parties and others receivable. However, as the Company and its subsidiaries have many receivables and always have conservative policy in granting sound credit provision and carefully considered the appropriated allowance for doubtful debts; thus, it believes that the risk which the debtors will not repay is minimal.

25. FINANCIAL INFORMATION FOR THE YEARS ENDED APRIL 30, 2014 AND 2013

The nature of the operations of the Company and its subsidiaries with the main business activities in manufacture and distribute sugar depending on seasons, which can be classified as production season, from November to April of each year, and outside production season, from May to October. To facilitate the users of these interim financial statements in comparing the information for the business with definite seasonal fluctuation, the Company presents the financial information for the years ended April 30, 2014 and 2013 as corresponding figures as follows:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	April 30,		Financial Statements	
	2014	“Restated” 2013	2014	“Restated” 2013
ASSETS				
CURRENT ASSETS				
Cash and cash equivalent	255,663	274,823	50,882	31,485
Trade and other receivables	1,459,486	1,801,062	513,790	484,944
Short-term loans	1,283,623	863,222	3,043,099	3,961,655
Inventories	11,666,033	9,819,564	5,349,095	3,030,904
Other current assets	227,351	168,388	57,527	17,279
Total Current Assets	14,892,156	12,927,059	9,014,395	7,526,267
NON-CURRENT ASSETS				
Deferred cane plantation costs	432,792	355,315	27,671	18,898
Long-term loans	339,051	347,907	22,279	14,840
Investment property	2,881,544	2,461,701	411,890	283,243
Property, plant and equipment	26,417,907	23,162,889	7,447,756	5,630,139
Other non-current assets	603,466	688,878	6,299,268	6,302,719
Total Non-Current Assets	30,674,760	27,016,690	14,208,864	12,249,839
TOTAL ASSETS	45,566,916	39,943,749	23,223,259	19,776,106
LIABILITIES AND SHAREHOLDERS' EQUITY				
CURRENT LIABILITIES				
Short-term borrowings from financial institutions	15,865,609	12,604,100	7,755,001	6,135,800
Trade and other payables	1,467,225	1,777,967	828,980	665,095
Current portion of long-term debentures	1,499,363	999,842	1,499,363	999,842
Current portion of long-term borrowings	2,123,653	1,158,203	734,633	520,633
Short-term borrowings	-	-	268,000	139,000
Current income tax payable	131,306	229,090	-	28,355
Provision for production costs	1,089,291	1,385,628	622,002	454,654
Other current liabilities	154,700	147,109	14,376	17,488
Total Current Liabilities	22,331,147	18,301,947	11,722,355	8,960,912
Total Non-Current Liabilities	9,007,457	8,500,565	5,427,514	4,808,302
TOTAL LIABILITIES	31,338,604	26,802,512	17,149,869	13,769,214
TOTAL SHAREHOLDERS' EQUITY	14,228,312	13,141,237	6,073,390	6,006,892
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	45,566,916	39,943,749	23,223,259	19,776,106

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	For the years ended		Financial Statements	
	April 30,	“Restated”	April 30,	“Restated”
2014	2013	2014	2013	
Revenue from sales	16,762,599	19,934,405	6,128,000	7,385,624
Revenues from services	408,785	321,272	53,739	6,786
Total of revenues	17,171,384	20,255,677	6,181,739	7,392,410
Costs of the sales of goods	(12,435,396)	(15,152,045)	(5,525,939)	(5,744,221)
Cost of the rendering of services	(235,073)	(157,962)	(26,863)	(5,107)
Total of costs	(12,670,469)	(15,310,007)	(5,552,802)	(5,749,328)
Gross profit	4,500,915	4,945,670	628,937	1,643,082
Other incomes	423,663	707,335	1,482,300	706,383
Profit before expenses	4,924,578	5,653,005	2,111,237	2,349,465
Selling expenses	(1,383,767)	(1,588,230)	(505,931)	(656,708)
Administrative expenses	(640,033)	(584,077)	(219,437)	(219,620)
Management benefit expenses	(187,360)	(171,366)	(46,360)	(39,038)
Finance costs	(754,575)	(586,548)	(445,223)	(286,204)
Share of profit (loss) of an associate	(5,707)	419	-	-
Profit before income tax expense	1,953,136	2,723,203	894,306	1,147,895
Income tax income (expenses)	(129,588)	(416,800)	48,029	(236,940)
Net profit for the year	1,823,548	2,306,403	942,335	910,955

EFFECT OF THE ADOPTION OF NEW THAI ACCOUNTING STANDARD

Effects of the change in accounting policy (see Note 3) to the consolidated and separate statements of financial position as at April 30, 2013 are as follows:

The effects to the statements of financial position as at April 30, 2013

	Consolidated Financial Statements	Unit : Thousand Baht Separate Financial Statements
Increase in deferred tax assets	961	-
Increase in deferred tax liabilities	398,658	68,861
Increase in unappropriated retained earnings	36,708	37,696
Decrease in other components of shareholders' equity	(331,139)	(106,557)
Decrease in non-controlling interests	(103,266)	-

The effects to the statements of income for the year ended April 30, 2013

	Consolidated Financial Statements	Unit : Thousand Baht Separate Financial Statements
(Decrease) increase in income tax expense	(51,298)	13,869
Increase (decrease) in net profit	51,298	(13,869)
Increase (decrease) in profit contribute to the parent	51,760	(13,869)
Decrease in profit attributable to non-controlling interests	(462)	-
Increase (decrease) in basis earnings per share (Baht per share)	0.031	(0.008)

26. EVENTS AFTER THE REPORTING PERIOD

On May 7, 2014, the Company issued debentures by private placement of 1,000,000 units at par value of Baht 1,000 each, totaling Baht 1,000 million. The term is for 3 years and with redemption date on May 16, 2017, carrying interest at 3.60% per annum. The Company shall maintain the interest bearing debt to shareholders' equity ratio in the consolidated financial statements as at October 31, of each year, at not more than 2:1 for the entire debentures terms.

27. APPLICATION FOR LICENSES OF FACTORY OPERATION PERMIT AT LOEI PROVINCE

According to the Cabinet Resolution dated May 11, 2010, the Company was permitted to move its factory to Loei Province and to expand production capacity from 12,000 tons per days to 24,000 tons per day. Then, the Company submitted the application of factory operation permit (Ror Ngor 4) to the Ministry of Industry according to the Factory Act, provided that the Company proceeded according to the procedures of such application and now the duration of consideration for the issuance of such factory operation permit has been passed. However, the Ministry of Industry did not issue such factory operation permit (Ror Ngor 4) to the Company.

The Company and Khon Kaen Sugar Power Plant Company Limited, a subsidiary, had filed a lawsuit in the Central Administrative Court on December 27, 2012 and asked such court to enforce the Ministry of Industry to issue the factory operation permit (Ror Ngor 4) to the Company and its subsidiary. In addition, the Company and its subsidiary filed the petition to such court for an interim measure of protection and then, such court issued its order for interim measures on January 17, 2013, providing that the factory of the Company at Loei Province was allowed by the court to crush sugar cane from the contracting farmers until April 15, 2013 and the Company's subsidiary was also allowed to generate the electricity to the Company in such period.

Later, the Company received the written order to notify that the Department of Industrial Works rejected to issue the factory operation permit (Ror Ngor 4) to the Company for the sugar factory located at Loei Province. On March 8, 2013, the Company filed an appeal regarding the rejected order to the Minister of Industry. On May 3, 2013, the Company filed a letter to follow up the result of such appeal. However, the Company has not received an outcome yet.

On September 2, 2013, the Company filed a lawsuit with the Central Administrative Court to request the revocation or exemption of the guidelines relating to the distance of factory location, the revocation of the order of the Ministry of Industry not issuing the Factory Operation Permit (Ror Ngor 4) and to order the Ministry of Industry to issue such Permit to the Company.

Subsequently, on January 27, 2014, the Central Administrative Court accepted certain issues and rejected certain issues in the charges. At the moment, the Company is preparing to file an appeal against the order not accepting such issues.

28. APPROVAL OF INTERIM FINANCIAL STATEMENTS

These interim financial statements have been approved for issuance by the Company's audit committee on June 13, 2014.