

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

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

We have audited the consolidated financial statements of Khon Kaen Sugar Industry Public Company Limited and its subsidiaries and the separate financial statements of Khon Kaen Sugar Industry Public Company Limited, which comprise the consolidated and separate statements of financial position as at October 31, 2015, and the related consolidated and separate statements of income, comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

#### **Management's Responsibility for the Financial Statements**

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

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Thai Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## **Opinion**

In our opinion, the aforementioned consolidated and separate financial statements present fairly, in all material respects, the financial position of Khon Kaen Sugar Industry Public Company Limited and its subsidiaries and of Khon Kaen Sugar Industry Public Company Limited as at October 31, 2015, and financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

**BANGKOK**  
December 22, 2015

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 OCTOBER 31, 2015**

UNIT : BAHT

	Notes	Consolidated Financial Statements		Separate Financial Statements	
		As at October 31, 2015	As at October 31, 2014	As at October 31, 2015	As at October 31, 2014
<b>ASSETS</b>					
<b>CURRENT ASSETS</b>					
Cash and cash equivalents	4,2	287.479.320	255.984.692	42.206.281	11.219.884
Temporary investments		6.839.374	22.680	-	-
Trade and other receivables	6	2.365.663.484	2.182.174.636	2.395.815.409	2.437.846.553
Short-term loans	7	1.096.635.110	1.234.193.233	1.784.395.560	2.838.686.559
Inventories	8	4.108.923.188	4.348.341.274	2.192.591.140	1.722.952.795
Other current assets		237.438.060	217.335.370	46.749.922	37.298.913
Total Current Assets		<u>8.102.978.536</u>	<u>8.238.051.885</u>	<u>6.461.758.312</u>	<u>7.048.004.704</u>
<b>NON-CURRENT ASSETS</b>					
Investments in an associate	9	38.657.944	25.663.649	73.800.000	73.800.000
Investments in subsidiaries	9	-	-	6.180.727.996	6.156.310.816
Other long-term investments	10	375.716.414	373.379.338	370.324.775	356.535.873
Long-term loans	11	480.477.523	444.975.728	4.409.737.929	65.050.151
Deferred cane plantation costs	12	517.926.022	542.706.897	24.811.146	41.479.615
Investment property	13	3.026.196.733	2.897.976.288	505.414.010	409.756.348
Property, plant and equipment	14	26.975.972.324	27.087.550.423	7.450.027.054	7.642.641.174
Intangible assets		49.255.954	51.169.322	36.109.081	35.896.573
Deferred tax assets	20	17.502.290	5.748.635	-	-
Other non-current assets	15	591.463.583	466.481.661	6.193.878	41.600.152
Total Non-Current Assets		<u>32.073.168.787</u>	<u>31.895.651.941</u>	<u>19.057.145.869</u>	<u>14.823.070.702</u>
<b>TOTAL ASSETS</b>		<u><u>40.176.147.323</u></u>	<u><u>40.133.703.826</u></u>	<u><u>25.518.904.181</u></u>	<u><u>21.871.075.406</u></u>

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

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

**STATEMENTS OF FINANCIAL POSITION (CONTINUED)**

**AS AT OCTOBER 31, 2015**

UNIT : BAHT

	Notes	Consolidated Financial Statements		Separate Financial Statements	
		As at October 31, 2015	As at October 31, 2014	As at October 31, 2015	As at October 31, 2014
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>					
<b>CURRENT LIABILITIES</b>					
Short-term borrowings from financial institutions	16	4,789,742,555	8,043,272,906	935,001,787	2,671,776,975
Trade and other payables	17	1,472,785,810	2,380,251,062	695,977,401	971,302,109
Current portion of long-term debentures	18	999,908,704	1,499,889,247	999,908,704	1,499,889,247
Current portion of long-term borrowings	19	1,693,253,330	2,207,754,420	705,833,330	705,833,330
Short-term borrowings		6,100,000	3,200,000	1,265,100,000	680,200,000
Current income tax payable		68,276,217	50,360,157	-	-
Other current liabilities		125,849,038	137,527,667	22,642,763	4,619,512
Total Current Liabilities		<u>9,155,915,654</u>	<u>14,322,255,459</u>	<u>4,624,463,985</u>	<u>6,533,621,173</u>
<b>NON-CURRENT LIABILITIES</b>					
Long-term debentures	18	9,989,250,923	5,992,852,842	9,989,250,923	5,992,852,842
Long-term borrowings	19	4,946,390,195	4,277,013,706	2,859,666,660	1,765,499,990
Deferred tax liabilities	20	263,829,665	372,424,821	6,381,175	70,176,984
Employee benefit obligations	21	236,552,584	228,100,477	91,774,405	93,649,401
Other non-current liabilities		95,724,526	108,241,265	27,577,630	37,756,627
Total Non-Current Liabilities		<u>15,531,747,893</u>	<u>10,978,633,111</u>	<u>12,974,650,793</u>	<u>7,959,935,844</u>
<b>TOTAL LIABILITIES</b>		<u>24,687,663,547</u>	<u>25,300,888,570</u>	<u>17,599,114,778</u>	<u>14,493,557,017</u>

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

**STATEMENTS OF FINANCIAL POSITION (CONTINUED)**

**AS AT OCTOBER 31, 2015**

UNIT : BAHT

	Notes	Consolidated Financial Statements		Separate Financial Statements	
		As at October 31, 2015	As at October 31, 2014	As at October 31, 2015	As at October 31, 2014
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>					
(CONTINUED)					
<b>SHAREHOLDERS' EQUITY</b>					
SHARE CAPITAL	22,2				
Authorized share capital					
4,009,312,522 ordinary shares of Baht 0.50 each		2,004.656.261		2,004.656.261	
1,870,000,000 ordinary shares of Baht 1.00 each			1,870.000.000		1,870.000.000
Issued and paid-up share capital					
4,009,312,407 ordinary shares of Baht 0.50 each, fully paid		2,004.656.204		2,004.656.204	
1,704,646,884 ordinary shares of Baht 1.00 each, fully paid			1,704.646.884		1,704.646.884
SHARE PREMIUM ACCOUNT - ORDINARY SHARES		2,946.439.199	2,946.439.199	2,946.439.199	2,946.439.199
RETAINED EARNINGS					
Appropriated					
Legal reserve	23	200.466.000	187.000.000	200.466.000	187.000.000
Reserve for treasury stocks	22,1	-	433.153.677	-	433.153.677
Unappropriated		7,150.166.442	6,929.825.208	2,250.746.494	2,021.950.800
OTHER COMPONENTS OF EQUITY		1,107.633.335	1,044.121.924	517.481.506	517.481.506
		13,409.361.180	13,245.186.892	7,919.789.403	7,810.672.066
<u>Less</u> Treasury stocks (34,100,000 shares)	22,1	-	(433.153.677)	-	(433.153.677)
<b>TOTAL EQUITY ATTRIBUTABLE TO OWNERS</b>					
<b>OF THE PARENT</b>		13,409.361.180	12,812.033.215	7,919.789.403	7,377.518.389
NON-CONTROLLING INTERESTS		2,079.122.596	2,020.782.041	-	-
<b>TOTAL SHAREHOLDERS' EQUITY</b>		15,488.483.776	14,832.815.256	7,919.789.403	7,377.518.389
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		40,176.147.323	40,133.703.826	25,518.904.181	21,871.075.406

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

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

**STATEMENTS OF INCOME**

**FOR THE YEAR ENDED OCTOBER 31, 2015**

	Notes	Consolidated		Separ
		Financial Statements		Financial St
		2015	2014	2015
Revenues from sales and revenues from services				
Revenues from the sales of goods		18.377.537.467	18.728.150.518	8.196.284.839
Revenues from the rendering of services		488.301.336	456.692.603	173.982.938
Total Revenues		<u>18.865.838.803</u>	<u>19.184.843.121</u>	<u>8.370.267.777</u>
Costs of the sales of goods and the rendering of services				
Cost of the sales of goods		(14.581.843.077)	(14.114.852.542)	(7.451.612.033)
Cost of the rendering of services		(254.675.219)	(242.861.240)	(68.437.964)
Total Costs		<u>(14.836.518.296)</u>	<u>(14.357.713.782)</u>	<u>(7.520.049.997)</u>
Gross profit		4.029.320.507	4.827.129.339	850.217.780
Other incomes		661.151.162	446.580.236	1.580.883.567
Selling expenses		(1.752.041.960)	(1.614.404.570)	(689.158.910)
Administrative expenses		(722.879.250)	(692.773.059)	(295.449.505)
Management benefit expenses	24	(197.196.948)	(193.074.079)	(52.506.029)
Loss on exchange rate		(140.955.618)	(33.751.732)	(76.746.090)
Finance costs		(848.766.480)	(834.339.008)	(559.106.232)
Share of profit (loss) of investments in an associate		13.579.296	(10.749.457)	-
Profit before income tax (expenses) income		<u>1.042.210.709</u>	<u>1.894.617.670</u>	<u>758.134.581</u>
Income tax (expenses) income	20	(92.699.408)	(109.220.016)	62.063.907
<b>NET PROFIT FOR THE YEAR</b>		<u><u>949.511.301</u></u>	<u><u>1.785.397.654</u></u>	<u><u>820.198.488</u></u>
<b>PROFIT ATTRIBUTABLE TO:</b>				
Owners of the parent		815.387.647	1.626.216.499	820.198.488
Non-controlling interest		134.123.654	159.181.155	-
		<u>949.511.301</u>	<u>1.785.397.654</u>	<u>820.198.488</u>
<b>EARNINGS PER SHARE</b>	27			
Basic earnings per share		<b>BAHT</b> 0,203	0,487	0,205
Basic number of ordinary shares		<b>SHARES</b> 4.009.312.522	3.341.093.768	4.009.312.522

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

UNIT : BAHT

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2014

8.561.253.949

106.837.662

8.668.091.611

(7.535.903.928)

(62.203.214)

(7.598.107.142)

1.069.984.469

1.587.879.280

(699.280.940)

(243.264.956)

(48.704.320)

-

(494.639.266)

-

1.171.974.267

17.642.495

1.189.616.762

1.189.616.762

-

1.189.616.762

0,356

3.341.093.768

**KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**STATEMENTS OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED OCTOBER 31, 2015**

UNIT : BAHT

	Consolidated		Separate	
	Financial Statements		Financial Statements	
	2015	2014	2015	2014
<b>Net profit for the year</b>	949,511,301	1,785,397,654	820,198,488	1,189,616,762
<b>Other comprehensive income (expense):</b>				
Exchange differences on translating financial statements	79,343,439	50,322,557	-	-
Gain on remeasuring available-for-sale investments	2,762	709,152	-	-
Losses on revaluation of assets	-	(20,392,375)	-	(10,064,453)
Actuarial losses	(13,839,140)	(42,925,637)	(6,927,609)	(15,741,008)
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	<u>1,015,018,362</u>	<u>1,773,111,351</u>	<u>813,270,879</u>	<u>1,163,811,301</u>
<b>TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO</b>				
Owners of the parent	868,327,830	1,613,030,694	813,270,879	1,163,811,301
Non-controlling interests	146,690,532	160,080,657	-	-
	<u>1,015,018,362</u>	<u>1,773,111,351</u>	<u>813,270,879</u>	<u>1,163,811,301</u>

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



**KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY**  
**FOR THE YEAR ENDED OCTOBER 31, 2015**

UNIT : BAHT

Notes	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						Treasury stocks			Total owners of the parent	
			Appropriated	Unappropriated	Other comprehensive income (expense)			Losses on	Losses on	Total					
			Legal reserve	Reserve for treasury stocks	Exchange differences on translating financial statements	Gain (loss) on remeasuring available-for-sale investments	Gain (loss) on asset reevaluation	internal restructure of entities under common control	change in shareholding ratio in subsidiaries	other components of equity					
<b>For the year ended October 31, 2014</b>															
Beginning balance as at November 1, 2013	1,704,646,884	2,946,439,199	187,000,000	433,153,677	5,916,916,466	(44,608,146)	(343,054)	1,408,746,167	(264,043,132)	(83,641,192)	1,016,110,643	(433,153,677)	11,771,113,192	1,931,452,699	13,702,565,891
Changes in shareholders' equity during the year															
- Dividends paid	23	-	-	-	(584,691,237)	-	-	-	-	-	-	-	(584,691,237)	(70,751,315)	(655,442,552)
- Transfer of gain on asset revaluation		-	-	-	12,580,566	-	-	-	-	-	-	-	12,580,566	-	12,580,566
- Unrealized actuarial losses adjustment		-	-	-	(41,197,086)	-	-	-	-	-	-	-	(41,197,086)	(1,728,551)	(42,925,637)
- Total comprehensive income (expense) for the year		-	-	-	1,626,216,499	40,279,981	205,553	(12,474,253)	-	-	28,011,281	-	1,654,227,780	161,809,208	1,816,036,988
<b>Ending balance as at October 31, 2014</b>	<b>1,704,646,884</b>	<b>2,946,439,199</b>	<b>187,000,000</b>	<b>433,153,677</b>	<b>6,929,825,208</b>	<b>(4,328,165)</b>	<b>(137,501)</b>	<b>1,396,271,914</b>	<b>(264,043,132)</b>	<b>(83,641,192)</b>	<b>1,044,121,924</b>	<b>(433,153,677)</b>	<b>12,812,033,215</b>	<b>2,020,782,041</b>	<b>14,832,815,256</b>

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

**KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (CONTINUED)**  
**FOR THE YEAR ENDED OCTOBER 31, 2015**

UNIT : BAHT

Notes	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					Treasury stocks			Total owners of the parent	
			Appropriated		Unappropriated	Other comprehensive income (expense)			Losses on internal restructure of entities under common control	Losses on change in shareholding ratio in subsidiaries					Total other components of equity
			Legal reserve	Reserve for treasury stocks		Exchange differences on translating financial statements	Gain (loss) on remeasuring available-for-sale investments	Gain (loss) on asset revaluation							
<b>For the year ended October 31, 2015</b>															
Beginning balance as at November 1, 2014	1,704,646,884	2,946,439,199	187,000,000	433,153,677	6,929,825,208	(4,328,165)	(137,501)	1,396,271,914	(264,043,132)	(83,641,192)	1,044,121,924	(433,153,677)	12,812,033,215	2,020,782,041	14,832,815,256
Changes in shareholders' equity during the year															
- Reversal of treasury stock	22,1	(34,100,000)	-	(433,153,677)	34,100,000	-	-	-	-	-	-	433,153,677	-	-	-
- Dividends paid	23	-	-	-	(270,999,865)	-	-	-	-	-	-	-	(270,999,865)	(88,349,978)	(359,349,843)
- Dividends stock	23	334,109,320	-	-	(334,109,320)	-	-	-	-	-	-	-	-	-	-
- Legal reserve	23	-	-	13,466,000	(13,466,000)	-	-	-	-	-	-	-	-	-	-
- Unrealized actuarial losses adjustment		-	-	-	(10,571,228)	-	-	-	-	-	-	-	(10,571,228)	(3,267,912)	(13,839,140)
- Total comprehensive income for the year		-	-	-	815,387,647	63,510,753	658	-	-	-	63,511,411	-	878,899,058	149,958,445	1,028,857,503
<b>Ending balance as at October 31, 2015</b>		<b>2,004,656,204</b>	<b>2,946,439,199</b>	<b>200,466,000</b>	<b>-</b>	<b>7,150,166,442</b>	<b>59,182,588</b>	<b>1,396,271,914</b>	<b>(264,043,132)</b>	<b>(83,641,192)</b>	<b>1,107,633,335</b>	<b>-</b>	<b>13,409,361,180</b>	<b>2,079,122,596</b>	<b>15,488,483,776</b>

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

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

**SEPARATE STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY**

**FOR THE YEAR ENDED OCTOBER 31, 2015**

UNIT : 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			
<b>For the year ended October 31, 2014</b>										
Beginning balance as at November 1, 2013		1.704.646.884	2.946.439.199	187.000.000	433.153.677	1.420.185.716	527.545.960	527.545.960	(433.153.677)	6.785.817.759
Changes in shareholders' equity during the year										
- Dividends paid	23	-	-	-	-	(584.691.237)	-	-	-	(584.691.237)
- Transfer of gain on asset revaluation		-	-	-	-	12.580.566	-	-	-	12.580.566
- Unrealized actuarial loss adjustment		-	-	-	-	(15.741.007)	-	-	-	(15.741.007)
- Total comprehensive income (expense) for the year		-	-	-	-	1.189.616.762	(10.064.454)	(10.064.454)	-	1.179.552.308
<b>Ending balance as at October 31, 2014</b>		<u>1.704.646.884</u>	<u>2.946.439.199</u>	<u>187.000.000</u>	<u>433.153.677</u>	<u>2.021.950.800</u>	<u>517.481.506</u>	<u>517.481.506</u>	<u>(433.153.677)</u>	<u>7.377.518.389</u>

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

**KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**SEPARATE STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (CONTINUED)**  
**FOR THE YEAR ENDED OCTOBER 31, 2015**

UNIT : 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					
<b>For the year ended October 31, 2015</b>										
Beginning balance as at November 1, 2014		1.704.646.884	2.946.439.199	187.000.000	433.153.677	2.021.950.800	517.481.506	517.481.506	(433.153.677)	7.377.518.389
Changes in shareholders' equity during the year										
- Reversal of treasury stock	22,1	(34.100.000)	-	-	(433.153.677)	34.100.000	-	-	433.153.677	-
- Dividends paid	23	-	-	-	-	-270.999.865	-	-	-	(270.999.865)
- Dividends stock	23	334.109.320	-	-	-	-334.109.320	-	-	-	-
- Legal reserve	23	-	-	13.466.000	-	-13.466.000	-	-	-	-
- Unrealized actuarial loss adjustment		-	-	-	-	-6.927.609	-	-	-	(6.927.609)
- Total comprehensive income for the year		-	-	-	-	820.198.488	-	-	-	820.198.488
<b>Ending balance as at October 31, 2015</b>		<u>2.004.656.204</u>	<u>2.946.439.199</u>	<u>200.466.000</u>	<u>-</u>	<u>2.250.746.494</u>	<u>517.481.506</u>	<u>517.481.506</u>	<u>-</u>	<u>7.919.789.403</u>

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

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

**STATEMENTS OF CASH FLOWS**

**FOR THE YEAR ENDED OCTOBER 31, 2015**

UNIT : BAHT

	Consolidated		Separate	
	Financial Statements		Financial Statements	
	2015	2014	2015	2014
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Profit before income tax (expenses) income	1,042,210,709	1,894,617,670	758,134,581	1,171,974,267
Adjustments for:				
Dividend income	-	-	(1,083,235,870)	(1,309,815,469)
Doubtful accounts - trade and other receivables (reversal)	143,860	(59,773,036)	(2,053,186)	(993,112)
Share of (gain) loss on investments in an associate	(13,579,295)	10,749,457	-	-
Amortization of premium on bonds	248,891	164,370	11,098	19,437
Employee benefit expenses	20,853,466	2,093,575	7,972,877	2,623,067
Loss on damaged cane and adjustment to decrease the cane plantation costs	15,453,118	5,319,034	-	-
Loss from diminution in value of inventories (reversal)	(14,512,004)	93,852,075	24,897,931	3,977,154
Depreciation and amortization	1,251,715,253	1,131,346,992	395,266,147	313,404,059
Gain on disposal and write off of assets	(400,851)	(15,307,478)	(7,220,010)	(9,721,035)
Gain on sale of other long-term investments	(298,808)	-	-	-
Unrealized loss (gain) on exchange rate	1,326,938	3,059,540	3,445,684	(1,992,077)
Interest expenses	845,184,017	806,797,958	555,523,769	362,901,271
Finance costs	3,582,463	2,486,959	3,582,463	2,486,959
	<u>3,151,927,757</u>	<u>3,875,407,116</u>	<u>656,325,484</u>	<u>534,864,521</u>
Operating assets (increase) decrease				
Trade and other receivables	(206,558,197)	(883,744,667)	(187,958,459)	(657,131,295)
Inventories	253,930,090	(794,736,511)	(494,536,276)	(69,175,136)
Other current assets	(10,591,520)	2,128,443	(990,275)	23,196,464
Deferred cane plantation costs	72,693,475	(14,498,356)	16,816,918	1,225,683
Other non-current assets	2,894,062	26,131,931	6,695,410	1,881,068
Operating liabilities increase (decrease)				
Trade and other payables	(764,829,742)	407,781,887	(232,712,784)	36,105,981
Other current liabilities	(11,678,629)	2,011,380	18,023,251	(8,745,211)
Employee benefit obligations	(25,473,610)	(7,419,580)	(18,507,384)	(2,108,934)
Other non-current liabilities	(12,516,739)	(53,685,379)	(10,178,997)	(54,983,306)
Cash received from (paid for) operating activities	<u>2,449,796,947</u>	<u>2,559,376,264</u>	<u>(247,023,112)</u>	<u>(194,870,165)</u>
Interest paid	(835,493,826)	(784,358,454)	(542,646,831)	(333,546,339)
Income tax expense paid	(205,410,908)	(177,227,400)	(8,460,733)	(8,068,486)
Net cash provide by (used in) operating activities	<u>1,408,892,213</u>	<u>1,597,790,410</u>	<u>(798,130,676)</u>	<u>(536,484,990)</u>



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

**STATEMENTS OF CASH FLOWS (CONTINUED)**

**FOR THE YEAR ENDED OCTOBER 31, 2015**

UNIT : BAHT

	<b>Consolidated</b>		<b>Separate</b>	
	<b>Financial Statements</b>		<b>Financial Statements</b>	
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Cash payment from purchases of temporary investments	(400)	-	-	-
Cash received from sales of temporary investments	-	13,499,479	-	-
Decrease (Increase) in short-term and long-term loans	102,253,298	(183,184,780)	(3,290,396,779)	1,068,642,990
Cash payments for investments in subsidiaries	-	-	(24,417,181)	-
Cash payments for purchases of other long-term investments	(22,646,000)	(350,000,000)	(20,000,000)	(350,000,000)
Cash received from redemption and sales of other long-term investments	13,546,000	1,200,000	6,200,000	-
Cash received from dividends of subsidiaries, associate and other companies	585,000	390,000	1,125,750,858	490,047,827
Cash payments for purchases of property, plant and equipment	(964,929,947)	(2,650,105,216)	(216,588,984)	(1,163,117,654)
Cash received from sales of property, plant and equipment	8,554,453	12,425,893	13,989,229	51,724,675
Cash received from sales of investment property	618,278	640,000	-	-
Cash payments for purchases of investment property	(5,984,253)	(36,476,478)	-	-
Cash payments for purchases of assets not yet used in operation	(59,812,099)	-	-	-
Cash received from sales of assets not yet used in operation	1,195,615	12,289,270	-	-
Cash payments for purchases of intangible assets	(4,521,400)	(15,774,528)	(4,460,000)	(14,157,725)
Net cash (used in) provided by investing activities	<u>(931,141,455)</u>	<u>(3,195,096,360)</u>	<u>(2,409,922,857)</u>	<u>83,140,113</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Decrease in short-term borrowings from financial institutions	(3,256,755,163)	(1,354,672,400)	(1,740,000,000)	(2,969,792,000)
Increase in short-term borrowings from related parties	2,900,000	3,200,000	758,899,984	83,665,242
Cash payment for payables on purchases of assets	(332,833,459)	(640,964,188)	(99,444,397)	(242,336,353)
Cash received from long-term debentures	4,996,417,538	4,992,610,810	4,996,417,538	4,992,610,810
Cash payment for long-term debentures	(1,500,000,000)	-	(1,500,000,000)	-
Cash received from long-term borrowings	3,860,935,969	2,487,397,567	2,500,000,000	-
Cash payment for long-term borrowings	(3,724,864,530)	(3,123,853,330)	(1,405,833,330)	(855,833,330)
Cash received from increase in capital of subsidiary of non-controlling interests	(13,134,980)	-	-	-
Cash payment of dividends for the shareholders of the parent	(270,999,865)	(584,691,237)	(270,999,865)	(584,691,237)
Cash payment of dividends to non-controlling interests	(75,214,998)	(70,751,315)	-	-
Net cash provided by (used in) financing activities	<u>(313,549,488)</u>	<u>1,708,275,907</u>	<u>3,239,039,930</u>	<u>423,623,132</u>
Exchange differences on translation of cash of foreign subsidiaries	<u>(132,706,642)</u>	<u>(53,706,388)</u>	<u>-</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	31,494,628	57,263,569	30,986,397	(29,721,745)
Cash and cash equivalents at the beginning of the year	<u>255,984,692</u>	<u>198,721,123</u>	<u>11,219,884</u>	<u>40,941,629</u>
Cash and cash equivalents at the end of the year	<u><u>287,479,320</u></u>	<u><u>255,984,692</u></u>	<u><u>42,206,281</u></u>	<u><u>11,219,884</u></u>

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

**KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED OCTOBER 31, 2015**

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

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

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

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

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

Branch 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 2.2.

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 shares capital.

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

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

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

- 2.1 The Company's financial statements have been prepared in accordance with the Thai Accounting Standard (TAS) No. 1 (Revised 2009) "Presentation of Financial Statements", and the regulation of the Stock Exchange of Thailand (SET) dated January 22, 2001, regarding the preparation and submission of financial statements and reports for the financial position and results of operations of the listed companies B.E. 2544. The format of presentation of the financial statements is not significantly different from the Notification of the Department of Business Development regarding "The Brief Particulars in the Financial Statement B.E. 2554" dated September 28, 2011.

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

- 2.2 These consolidated financial statements included the accounts of the Company and its subsidiaries ("the Group"). Significant transactions and balances between the Company and its subsidiaries have been eliminated. The structure of the Group as at October 31, is as follows:

Company Name	Percentage of Shareholding		Country of Incorporation	Type of Business
	2015 %	2014 %		
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 Supplys Co., Ltd.	100.00	100.00	Thailand	Trading of bio-fertilizer and service provider for group companies
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 it is considered as subsidiary 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			
	2015	2014	2015	2014		
	%	%	%	%		
Subsidiaries which 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	Property purchase, sales, rental and development, and palm oil extracting operation
T S Flour Mill Public Company Limited*	16.52	16.52	16.59	16.59	Thailand	Produce and distribute wheat flour
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	Production of polypropylene bag, plastic fiber, plastic resin and plastic, including the purchase and distribution of the said products, security services and transfer good for cargo ship
Subsidiary which the Company holds 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 as 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 financial statements are prepared based on the same accounting policies for the same accounting items or similar accounting events.

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

## 2.3 New or revised Thai Financial Reporting Standards

### 2.3.1 Adoption of new and revised Thai Financial Reporting Standards

Since November 1, 2014, the Company and its subsidiaries have adopted the new and revised Thai Financial Reporting Standards (TFRSs) issued by The Federation of Accounting Professions, which are effective for the accounting period beginning on or after January 1, 2014 onwards, in the preparation and presentation of these financial statements 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 Payment
TFRS 3 (Revised 2012)	Business Combinations
TFRS 5 (Revised 2012)	Non-current Assets Held for Sale and Discontinued Operations

#### **Thai Accounting Standard Interpretations (TSIC)**

TSIC 15	Operating Leases-Incentives
TSIC 27	Evaluating the Substance of Transactions Involving the Legal Form of a Lease
TSIC 29	Disclosure : Service Concession Arrangement
TSIC 32	Intangible Assets - Website Costs

#### **Thai Financial Reporting Interpretations (TFRIC)**

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

#### **Accounting treatment guidance**

Accounting treatment guidance for stock dividends

The adoption of those TFRSs, relevant to the Group, has no material impact on these financial statements.

### 2.3.2 Thai Financial Reporting Standards announced 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, 2015, onwards as follows:

#### **Thai Accounting Standards (TAS)**

TAS 1 (Revised 2014)	Presentation of Financial Statements
TAS 2 (Revised 2014)	Inventories
TAS 7 (Revised 2014)	Statement of Cash Flows
TAS 8 (Revised 2014)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (Revised 2014)	Events after the Reporting Period
TAS 11 (Revised 2014)	Construction Contracts
TAS 12 (Revised 2014)	Income Taxes
TAS 16 (Revised 2014)	Property, Plant and Equipment
TAS 17 (Revised 2014)	Leases
TAS 18 (Revised 2014)	Revenue
TAS 19 (Revised 2014)	Employee Benefits
TAS 20 (Revised 2014)	Accounting for Government Grants and Disclosure of Government Assistance
TAS 21 (Revised 2014)	The Effects of Changes in Foreign Exchange Rates
TAS 23 (Revised 2014)	Borrowing Costs
TAS 24 (Revised 2014)	Related Party Disclosures
TAS 26 (Revised 2014)	Accounting and Reporting by Retirement Benefit Plans
TAS 27 (Revised 2014)	Separate Financial Statements
TAS 28 (Revised 2014)	Investments in Associates and Joint Ventures
TAS 29 (Revised 2014)	Financial Reporting in Hyperinflationary Economies
TAS 33 (Revised 2014)	Earnings per Share
TAS 34 (Revised 2014)	Interim Financial Reporting
TAS 36 (Revised 2014)	Impairment of Assets
TAS 37 (Revised 2014)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (Revised 2014)	Intangible Assets
TAS 40 (Revised 2014)	Investment Property

#### **Thai Financial Reporting Standards (TFRS)**

TFRS 2 (Revised 2014)	Share-based Payment
TFRS 3 (Revised 2014)	Business Combinations
TFRS 4 (Revised 2014)	Insurance Contracts
TFRS 5 (Revised 2014)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 6 (Revised 2014)	Exploration for and Evaluation of Mineral Resources
TFRS 8 (Revised 2014)	Operating Segments
TFRS 10	Consolidated Financial Statements
TFRS 11	Joint Arrangements
TFRS 12	Disclosure of Interests in Other Entities
TFRS 13	Fair Value Measurement

#### **Thai Accounting Standard Interpretations (TSIC)**

TSIC 10 (Revised 2014)	Government Assistance - No Specific Relation to Operating Activities
TSIC 15 (Revised 2014)	Operating Leases - Incentives
TSIC 25 (Revised 2014)	Income Taxes - Changes in the Tax Status of an Enterprise or its Shareholders
TSIC 27 (Revised 2014)	Evaluating the Substance of Transactions Involving the Legal Form of a Lease
TSIC 29 (Revised 2014)	Disclosures : Service Concession Arrangements
TSIC 31 (Revised 2014)	Revenue-Barter Transactions Involving Advertising Services
TSIC 32 (Revised 2014)	Intangible Assets - Web Site Costs

**Thai Financial Reporting interpretations (TFRIC)**

TFRIC 1 (Revised 2014)	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4 (Revised 2014)	Determining whether an Arrangement contains a Lease
TFRIC 5 (Revised 2014)	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
TFRIC 7 (Revised 2014)	Applying the Restatement Approach under TAS 29 (Revised 2014) Financial Reporting in Hyperinflationary Economies
TFRIC 10 (Revised 2014)	Interim Financial Reporting and Impairment
TFRIC 12 (Revised 2014)	Service Concession Arrangements
TFRIC 13 (Revised 2014)	Customer Loyalty Programmes
TFRIC 14	TAS 19 (Revised 2014) The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
TFRIC 15 (Revised 2014)	Agreements for the Construction of Real Estate
TFRIC 17 (Revised 2014)	Distributions of Non-cash Assets to Owners
TFRIC 18 (Revised 2014)	Transfers of Assets from Customers
TFRIC 20	Stripping Costs in the Production Phase of a Surface Mine

The Group's management will adopt the above TFRSs relevant to the Group in the preparation of the financial statements of the Group when they become effective. In addition, the Group's management has assessed the effects of these standards effective on January 1, 2015 and believes that they will not have any significant impact on the consolidated financial statements of the Company and its subsidiaries and the separate financial statements of the Company for the period in which they are initially applied.

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

**Thai Accounting Standards (TAS)**

TAS 1 (Revised 2015)	Presentation of Financial Statements
TAS 2 (Revised 2015)	Inventories
TAS 7 (Revised 2015)	Statement of Cash Flows
TAS 8 (Revised 2015)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (Revised 2015)	Events after the Reporting Period
TAS 11 (Revised 2015)	Construction Contracts
TAS 12 (Revised 2015)	Income Taxes
TAS 16 (Revised 2015)	Property, Plant and Equipment
TAS 17 (Revised 2015)	Leases
TAS 18 (Revised 2015)	Revenue
TAS 19 (Revised 2015)	Employee Benefits
TAS 20 (Revised 2015)	Accounting for Government Grants and Disclosure of Government Assistance
TAS 21 (Revised 2015)	The Effects of Changes in Foreign Exchange Rates
TAS 23 (Revised 2015)	Borrowing Costs
TAS 24 (Revised 2015)	Related Party Disclosures
TAS 26 (Revised 2015)	Accounting and Reporting by Retirement Benefit Plans
TAS 27 (Revised 2015)	Separate Financial Statements
TAS 28 (Revised 2015)	Investments in Associates and Joint Ventures
TAS 29 (Revised 2015)	Financial Reporting in Hyperinflationary Economies
TAS 33 (Revised 2015)	Earnings per Share

**Thai Accounting Standards (TAS) (Continued)**

TAS 34 (Revised 2015)	Interim Financial Reporting
TAS 36 (Revised 2015)	Impairment of Assets
TAS 37 (Revised 2015)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (Revised 2015)	Intangible Assets
TAS 40 (Revised 2015)	Investment Property
TAS 41 (Revised 2015)	Agriculture

**Thai Financial Reporting Standards (TFRS)**

TFRS 2 (Revised 2015)	Share-based Payment
TFRS 3 (Revised 2015)	Business Combinations
TFRS 4 (Revised 2015)	Insurance Contracts
TFRS 5 (Revised 2015)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 6 (Revised 2015)	Exploration for and Evaluation of Mineral Resources
TFRS 8 (Revised 2015)	Operating Segments
TFRS 10 (Revised 2015)	Consolidated Financial Statements
TFRS 11 (Revised 2015)	Joint Arrangements
TFRS 12 (Revised 2015)	Disclosure of Interests in Other Entities
TFRS 13 (Revised 2015)	Fair Value Measurement

**Thai Accounting Standard Interpretations (TSIC)**

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

**Thai Financial Reporting interpretations (TFRIC)**

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

The Group's management will adopt the above TFRSs relevant to the Group in the preparation of the financial statements of the Group when they become effective. The Group's management is in the process to assess the impact of these TFRSs on the consolidated financial statements of the Company and subsidiaries and separate financial statements of the Company for the period when they are initially applied.



### 3. SIGNIFICANT ACCOUNTING POLICIES

#### 3.1 Cash and cash equivalents

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

#### 3.2 Trade receivables, farmer receivables, and other receivables

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

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

#### 3.3 Inventories

Inventories are stated at the lower of cost or net realizable value, and adjusted by allowance for obsolete and slow-moving or out-of-date goods. Cost is calculated as follows:

- Direct raw materials and trading finished goods are calculated using the first-in, first-out method.
- Indirect raw materials and factory supplies are calculated using the moving average method.
- Goods in process and finished goods of sugar and molasses are calculated by the average production cost in each production year using the first-in, first-out method.
- Finished goods of organic fertilizer are calculated by actual cost using the first-in, first-out method.
- Goods in process of organic fertilizer are calculated by actual cost using the specific method.
- Goods in process and finished goods of alcohol, wheat flour and polypropylene bags are calculated by actual cost using the first-in, first-out method.
- Machine maintenance supplies are calculated using the moving average method.

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

### 3.4 Real estate development

Real estate development cost is stated at the lower of cost or net realizable value using the specific method which consist of land cost, filling cost, construction cost, utility-system development cost and direct cost to acquire the products and set them to be ready for sale.

### 3.5 Investments

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

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

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

3.5.4 Investments in debt instruments, which are held to maturity, will be classified as short-term or long-term investments according to the remaining maturity period. They are stated at amortized cost and deducted by the allowance for impairment (if any). Premium/discount over value of debt instruments is amortized by effective interest rates method and the amortization amount will be presented in the statement of income.

3.5.5 General investments are non-marketable equity instruments are stated at cost less allowance for impairment (if any). Change in value of general investments is recognized in the statement of income when they are sold or impaired.

### 3.6 Deferred cane plantation costs

Deferred cane plantation costs are the accumulated costs of cane plantation consisting of purchase costs of breed canes, costs of cane harvested for cane breeding, fertiliser costs, wages and other related direct expenses which are measured at cost deducted by accumulated amortization and the allowance for impairments. For harvested canes transferred as raw material cost in production and cost of goods sold as at the harvest date, they are valued at fair value deducted by estimated expense at point of sale. The fair value of cane is considered from price which the Group expects to purchase from cane farmers in each region.

### 3.7 Investment property

Investment property consist of land, land improvement and building and warehouse leased out. Land is presented at cost. Land improvement and building and warehouse are presented at cost less accumulated depreciation and the allowance for impairment (if any).

Depreciation of building and warehouse leased out is calculated by the straight-line method based on the estimated useful lives of the assets of 5 - 20 years.

Fair value is determined by an independent appraiser who has been approved by the Office of the Securities and Exchange Commission (Thailand) using replacement cost to property value residual value and the remaining useful life of investment property.

### 3.8 Property, plant and equipment

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

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

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

Land improvement	5 - 61	years
Buildings and construction	2 - 58	years
Machineries and equipment	3 - 43	years
Motor vehicles and labor saving tools	4 - 20	years
Furniture and office equipment	3 - 20	years

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

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

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

### 3.9 Intangible assets

Intangible assets are stated at cost less accumulated depreciation and the allowance for impairment (if any).

Amortization is calculated by the straight-line method over estimated useful life computer's software which is estimated between 5 - 10 years.

Amortization of intangible assets in foreign countries are based on the rate required in each country.

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

### 3.10 Assets not used in operation

Assets not used in operation are initially recorded by cost method less accumulated depreciation and allowance for impairment (if any).

### 3.11 Impairment of assets

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

### 3.12 Debentures

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

### 3.13 Provisions

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

### 3.14 Employee benefits

#### 3.14.1 Provident fund

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

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

#### 3.14.2 Post-employment benefits

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

### 3.15 Share premium account on ordinary shares

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

### 3.16 Other components of equity

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

### 3.17 Non-controlling interests

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

### 3.18 Revenue recognition

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

- 3.18.1 Revenues from sales are recognized when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognized if there is continuing management involvement with the goods or there are significant uncertainties regarding recovery of the economic benefit due from the sale of goods or render of services or the amount of the revenue and cost incurred could not be reasonably measured or the probable return of goods.
- 3.18.2 Revenues from services, which the lengths of the services are short-term, are recognized when services are rendered.
- 3.18.3 Revenues from rental are recognized over the term of the lease.
- 3.18.4 Revenues from sale of land are recognized when the land ownership has already been transferred to the purchaser.

3.18.5 Revenues from sales of houses together with land are recognized in accordance with installments due for payment under gross margin method. If the payment of installments due is more than the percentage of work completed, it would be restrictively recognized only that amount pursuant to the work already completed. Revenue will be ceased to recognize immediately if purchaser becomes overdue by more than three consecutive installments.

The amount of money received by installments which exceeding the percentage of the work completed will be recorded as advance received from purchaser and is presented as other liabilities in the statement of financial position.

3.18.6 Revenues from sale of electricity and steam are recognized when the products steam are delivered and the customers have accepted the deliveries.

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

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

3.18.9 Other incomes are recognized on an accrual basis.

### 3.19 Expense recognition

The policies relating to expenses are as follows:

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

3.19.2 Other expenses are recognized on an accrual basis.

### 3.20 Leases

#### Operating lease

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

#### Finance lease

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

### 3.21 Finance costs

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

### 3.22 Foreign currency transactions

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

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

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

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

### 3.23 Related parties

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



### 3.24 Income tax expense

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

#### 3.24.1 Current tax

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

#### 3.24.2 Deferred tax

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

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

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

### 3.25 Earnings per share

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

### 3.26 Sectorial business operations

Sectorial business operations are disclosed under the separate business sectors of the Group. By the business sector that source products or provide services which have different risks and return from the risks and return of the products or services provide by other business sectors.

### 3.27 Financial assets and liabilities

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

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

### 3.28 Use of accounting estimates

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

#### 4. ADDITIONAL CASH FLOW INFORMATION AND CASH EQUIVALENTS

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

Type of Transactions	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2015	2014	2015	2014
Unrealized gain from available-for-sale securities	3	886	-	-
Transfer of depreciation to deferred cane plantation costs	33,185	41,752	148	2,991
Purchases of property, plant and equipment which have not yet been paid	182,252	228,375	43,598	100,182
Interest expenses capitalized as asset costs	8,982	15,790	-	5,351
Transfer of trade and other receivables to other non-current assets	19,295	-	12,082	-
Transfer of other current assets to property, plant and equipment	-	122	-	-
Transfer of property, plant and equipment to investment property and assets not used in operations	210,280	2,302	-	-
Transfer of assets not used in operations as an investment property	43,391	-	99,885	-
Transfer of property, plant and equipment to intangible assets	-	15,040	-	-
Transfer of assets not used in operations to property, plant and equipment	236	-	-	-
Transfer of other non-current assets to property, plant and equipment	-	73,280	-	-
Transfer of investment property to property, plant and equipment and assets not used in operations	31,742	41,047	-	-
Decrease in short-term borrowings from subsidiaries by offsetting against dividend received	-	-	174,000	689,762
Transfer short-term and long-term loans to trade and other receivables	60,000	504	-	-

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

Type of Transactions	Consolidated		Unit : Thousand Baht	
	Financial Statements		Financial Statements	
	2015	2014	2015	2014
Cash	3,332	4,448	939	1,302
Current accounts deposits	35,512	30,381	7,907	9,550
Savings accounts deposits	238,632	211,150	33,360	368
Fixed deposits with 3 month maturity	10,000	10,000	-	-
Total	<u>287,476</u>	<u>255,989</u>	<u>42,206</u>	<u>11,220</u>

## 5. TRANSACTIONS WITH RELATED PARTIES

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

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

Type of Balances	Consolidated		Unit : Million Baht Separate	
	Financial Statements 2015	Financial Statements 2014	Financial Statements 2015	Financial Statements 2014
Trade and other receivables				
Subsidiaries	-	-	204.74	180.61
Related parties	2.89	12.80	0.21	0.01
Total	<u>2.89</u>	<u>12.80</u>	<u>204.95</u>	<u>180.62</u>
Accrued dividend receivable from subsidiaries (included in other receivables)				
Subsidiaries	-	-	1,083.24	1,299.75
Short-term loans				
Subsidiaries	-	-	1,588.02	2,538.86
Other current assets				
Subsidiaries	-	-	37.70	6.90
Related parties	1.24	0.18	0.38	-
Total	<u>1.24</u>	<u>0.18</u>	<u>38.08</u>	<u>6.90</u>
Long-term loans				
Subsidiaries	-	-	4,283.24	-
Trade and other payables				
Subsidiaries	-	-	67.35	34.80
Related parties	0.17	3.75	0.08	3.74
Total	<u>0.17</u>	<u>3.75</u>	<u>67.43</u>	<u>38.54</u>
Other accrued expenses (included in other payables)				
Subsidiaries	-	-	3.66	0.91
Related parties	0.12	0.08	0.07	0.04
Total	<u>0.12</u>	<u>0.08</u>	<u>3.73</u>	<u>0.95</u>
Short-term borrowings				
Subsidiaries	-	-	1,259.00	677.00
Related parties	6.10	3.20	6.10	3.20
Total	<u>6.10</u>	<u>3.20</u>	<u>1,265.10</u>	<u>680.20</u>
Other current liabilities				
Subsidiaries	-	-	-	0.03
Related parties	0.59	-	0.59	-
Total	<u>0.59</u>	<u>-</u>	<u>0.59</u>	<u>0.03</u>
Other non-current liabilities - others				
Subsidiaries	-	-	0.58	0.55
Related parties	1.39	1.22	1.34	1.22
Total	<u>1.39</u>	<u>1.22</u>	<u>1.92</u>	<u>1.77</u>

As at October 31, 2015 and 2014, short-term loans to subsidiaries represented promissory notes receivable on demand, carrying interest rates at 2.00% - 3.64% per annum and 2.63% - 3.88% per annum, respectively.

As at October 31, 2015, long-term loans to subsidiaries represented loans with maturity date within 2018 and 2020 carrying the interest rate at 2.03% - 3.73% per annum.

As at October 31, 2015 and 2014, short-term borrowings from related parties represented promissory notes payable on demand, carrying the interest rate at 2.00% - 3.64% per annum and 1.25% - 2.55% per annum, respectively.

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

Type of Transactions	Unit : Million Baht			
	Consolidated		Separate	
	Financial Statements	Financial Statements	Financial Statements	Financial Statements
	2015	2014	2015	2014
Revenues from sales and services				
Subsidiaries	-	-	3,093.21	3,117.28
Related parties	48.72	94.19	26.93	-
Total	48.72	94.19	3,120.14	3,117.28
Cost of sales and services				
Subsidiaries	-	-	2,127.87	2,298.86
Related parties	1.21	8.39	-	6.42
Total	1.21	8.39	2,127.87	2,305.28
Other income				
Subsidiaries	-	-	1,246.24	118.81
Related parties	6.13	6.40	5.01	3.96
Total	6.13	6.40	1,251.25	122.77
Selling expenses				
Subsidiaries	-	-	23.63	17.56
Administrative expenses				
Subsidiaries	-	-	1.65	1.77
Related parties	26.95	25.08	16.28	13.85
Total	26.95	25.08	17.93	15.62
Financial costs				
Subsidiaries	-	-	19.81	23.57
Related parties	0.17	-	0.17	-
Total	0.17	-	19.98	23.57

POLICIES OF INTER-PRICE SETTING

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

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

<b>Company Name</b>	<b>Relationship</b>	<b>Connection</b>
K.S.L. IT Center Co., Ltd.	Related party	Same group of shareholder and Mutual directors
Raja Ceramics Co., Ltd.	Related party	Same group of shareholder
On Nuj Construction Co., Ltd.	Related party	Same group of shareholder and Mutual directors
K.K. Wood Industry Co., Ltd.	Related party	Same group of shareholders
Amarco Co., Ltd.	Related party	Same group of shareholders
Thai Fermentation Industry Co., Ltd.	Related party	Same group of shareholders
Rajburi Sugar Co., Ltd.	Related party	Mutual directors in subsidiary
Mitr Kaset Industry Co., Ltd.	Related party	Mutual directors in subsidiary
Mitr Kaset Uthaitani Co., Ltd.	Related party	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 certain directors of Prachuap Industry Co., Ltd. are also directors of Thai Sugar Terminal Public Company Limited and K.S.L. Export Trading Co., Ltd., which are subsidiaries of Khon Kaen Sugar Industry Public Company Limited.

## 6. TRADE AND OTHER RECEIVABLES

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

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2015	2014	2015	2014
Trade receivables	1,225,	1,656,	652,4	840,2
Farmer receivables	332,7	322,๕	193,8	206,3
Receivables from the Office of the Cane and Sugar Fund	652,1	-	383,๕	-
Other receivables	34,๔	24,๕	19,9	46,7
Prepaid expenses	37,๐	45,๕	9,1	19,9
Advance payment	21,๔	54,๕	5,7	8,0
Accrued dividend receivable from subsidiaries	-	-	1,083,2	1,299,7
Accrued income	62,1	78,1	48,0	16,7
Total trade and other receivables	<u>2,365,</u>	<u>2,182,</u>	<u>2,395,8</u>	<u>2,437,8</u>

### 6.1 Trade receivables as at October 31, consisted of:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2015	2014	2015	2014
Related parties	21,2	10,1	196,4	136,8
Others	1,222,8	1,672,8	456,0	703,4
Total	1,244,0	1,683,0	652,4	840,2
<u>Less</u> Allowance for doubtful accounts	(18,4๐)	(26,17)	-	-
Total trade receivables	<u>1,225,6</u>	<u>1,656,8</u>	<u>652,4</u>	<u>840,2</u>

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

#### 6.1.1 Trade receivables - related parties

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2015	2014	2015	2014
Domestic trade receivables				
Not yet due	15,1	9,0	190,6	128,8
Overdue not over 3 months	6,0	1,1	5,7	8,0
Total	<u>21,2</u>	<u>10,1</u>	<u>196,4</u>	<u>136,8</u>

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

## 6.1.2 Trade receivables - others

	Consolidated		Unit : Thousand Baht	
	2015	2014	2015	2014
Business are to manufacture and distribute sugar and molasses				
Domestic trade receivables				
Not yet due	152,8	204,3	57,141	37,7
Overdue not over 3 months	64,4	93,8	31,913	22,9
Overdue over 3 months but not over 6 months	-	892	-	-
Overdue over 9 months but not over 12 months	80	-	-	-
Overdue over 12 months	1,3	93	-	-
Total	218,7	299,1	89,054	60,6
Foreign trade receivables				
Not yet due	550,4	844,9	358,562	642,7
Overdue not over 3 months	8,4	-	8,416	-
Total	558,8	844,9	366,978	642,7
Total of business are to manufacture and distribute sugar and molasses	777,5	1,144,0	456,032	703,4
Manufacture and distribution of alcohol and electricity				
Domestic trade receivables				
Not yet due	146,8	276,7	-	-
Overdue not over 3 months	54,2	24,3	-	-
Total of business of manufacturing and distributing of alcohol and electricity	201,1	301,0	-	-
Other business				
Domestic trade receivables				
Not yet due	145,0	125,8	-	-
Overdue not over 3 months	75,6	65,0	-	-
Overdue over 3 months but not over 6 months	6,8	200	-	-
Overdue over 9 months but not over 12 months	1	-	-	-
Overdue over 12 months	16,6	36,6	-	-
Total other business	244,1	227,6	-	-
Total	1,222,8	1,672,8	456,032	703,400
<u>Less</u> Allowance for doubtful accounts	(18,4)	(26,17)	-	-
Total trade receivables - others	1,204,4	1,646,7	456,032	703,400

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



6.2 Farmer receivables as at October 31, consisted of:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2015	2014	2015	2014
Cane receivables				
Before Season 2011/2012	19,9	21,9	3,5	4,4
Season 2011/2012	28,5	30,0	3,4	3,5
Season 2012/2013	28,5	32,8	6,7	7,5
Season 2013/2014	44,2	53,0	7,1	9,3
Season 2014/2015	66,2	-	15,5	-
Total cane receivables	<u>187,6</u>	<u>137,8</u>	<u>36,4</u>	<u>24,8</u>
Advance payment				
Season 2014/2015	-	183,2	-	182,9
Season 2015/2016	168,9	24,1	163,6	9,4
Total advance payment for purchases of cane	<u>168,9</u>	<u>207,3</u>	<u>163,6</u>	<u>192,3</u>
Receivables from fuel oil, fertilizer and other services	12,9	6,1	12,8	6,1
Total	369,5	351,3	212,5	223,4
Less Allowance for doubtful accounts	<u>(36,8)</u>	<u>(28,7)</u>	<u>(19,0)</u>	<u>(17,0)</u>
Total farmer receivables	<u><u>332,7</u></u>	<u><u>322,6</u></u>	<u><u>193,8</u></u>	<u><u>206,3</u></u>

6.3 Receivables from the Office of the Cane and Sugar Fund

For the harvest season 2014/2015, the estimated final cane price and final compensation for the production and distribution of sugar were less than the initial cane price. In accordance to the Cane and Sugar Act B.E.2527, Section 56 the Cane and Sugar Fund has to pay the compensation to the Company and its subsidiaries at the amount equal to the difference, but the cane farmers do not have to return the excess of the cane price received. As at October 31, 2015, Receivables from the Office of the Cane and Sugar Fund in the consolidated and separate financial statements consist of the excess of the initial cane prices, published in the Royal Gazette (see Note 17), which the Company and its subsidiaries paid to the farmers over the estimate made by the management by Baht 454.84 million and Baht 267.27 million, respectively, and the compensation for the Company and its subsidiaries calculated from the compensation for the production and distribution of sugar being less than the initial price by Baht 197.30 million and Baht 116.08 million, respectively.

## 7. SHORT-TERM LOANS

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

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2015	2014	2015	2014
Short-term loans to subsidiaries	-	-	1,588,016	2,538,855
Short-term loans to others	-	120,000	-	120,000
Short-term loans to farmers	808,869	888,687	85,736	134,682
Current portion of short-term loans to others	60,000	-	60,000	-
Current portion of loans for cane plantation development	227,766	225,506	50,643	45,150
Total short-term loans	<u>1,096,635</u>	<u>1,234,193</u>	<u>1,784,395</u>	<u>2,838,687</u>

Short-term loans to farmers included in the consolidated and separate financial statements are post-dated checks, where the farmers discounted to the Company and its subsidiaries with the interest rates based on the lending rates of commercial banks.

## 8. INVENTORIES

Inventories as at October 31, consisted of:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2015	2014	2015	2014
Sugar and molasses	2,522,031	2,882,323	1,670,640	1,150,595
Alcohol and bio-fertilizer	318,215	464,016	-	-
Wheat flour	689,741	343,002	-	-
Polypropylene bags	23,881	11,913	-	-
Bagasse	49,888	128,367	-	-
Factory supplies	207,880	234,025	159,027	176,282
Machine maintenance supplies	467,485	469,405	393,951	402,543
	<u>4,279,125</u>	<u>4,533,055</u>	<u>2,223,618</u>	<u>1,729,420</u>
<u>Less</u> Allowance for obsolete goods and factory supplies	(6,129)	(6,129)	(6,129)	(6,129)
Allowance for diminution in value of inventories	(164,073)	(178,585)	(24,898)	(338)
Total inventories	<u>4,108,923</u>	<u>4,348,341</u>	<u>2,192,591</u>	<u>1,722,953</u>

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

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2015	2014	2015	2014
Beginning balance	(178,585)	(84,733)	(338)	-
<u>Add</u> Increase during the years - recognized as cost of sales for the years	(112,013)	(178,585)	(24,898)	(338)
<u>Less</u> Reversal during the years	126,525	84,733	338	-
Ending balance	<u>(164,073)</u>	<u>(178,585)</u>	<u>(24,898)</u>	<u>(338)</u>

For the years ended October 31, 2015 and 2014, cost of inventories recognized as cost of sales in the consolidated financial statements were Baht 14,417.77 million and Baht 13,936.27 million, respectively, and in the separate financial statements were Baht 7,426.71 million and Baht 7,535.57 million, respectively.

## 9. INVESTMENTS IN AN ASSOCIATE AND SUBSIDIARIES

Investments in an associate and subsidiaries consisted of:

### Consolidated Financial Statements

Company Name	Paid-up		Percentage of		As at October 31, 2015		As at October 31, 2014		Unit : Thousand Baht	
	Share Capital		Shareholding		Investment		Investment		Dividend	
			%		Cost		Equity		For the year ended	
	2015	2014	2015	2014					October 31,	
<u>Associate</u>										
Champion Fermentation Co., Ltd.	200,000	200,000	32.50	32.50	73,800	38,658	73,800	25,664	585	390
Total					73,800	38,658	73,800	25,664	585	390

### Separate Financial Statements

Company Name	Paid-up		Percentage of		Investment Cost		Dividends		
	Share Capital		Shareholding		As at		For the year ended		
			%		October 31,		October 31,		
	2015	2014	2015	2014	2015	2014	2015	2014	
<u>Associate</u>									
Champion Fermentation Co., Ltd.		200,000	200,000	32.50	32.50	73,800	73,800	585	390
Total investment in an associate						73,800	73,800	585	390
<u>Subsidiaries</u>									
Thai Sugar Terminal Public Company Limited		145,200	145,200	23.82	23.82	81,967	81,967	17,292	8,300
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	108,257	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	678	1,355
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	-	-
Khon Kaen Alcohol Company Limited		610,000	610,000	100.00	100.00	609,986	609,986	914,978	914,978
KSL. Agro & Trading Company Limited		300,000	300,000	100.00	100.00	300,000	300,000	60,000	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		399,000	285,000	0.07	0.07	313	196	16	20
T S Warehouse Co., Ltd.		12,500	12,500	4.02	4.02	509	509	-	-
T S Transport and Logistic Co., Ltd.		320,000	80,000	10.12	10.12	32,408	8,108	-	-
Total						6,186,612	6,162,195	1,101,221	1,309,425
<u>Less</u> Allowance for impairment of investments						(5,884)	(5,884)	-	-
Total investments in subsidiaries						6,180,728	6,156,311	1,101,221	1,309,425
Total investments in an associate and subsidiaries						6,254,528	6,230,111	1,101,806	1,309,815

\* These are foreign subsidiaries including Koh Kong Plantation Company Limited which the Company holds its shares indirectly through Wynn. In Trading Co., Ltd. at 80% as at October 31, 2015 and 2014. Furthermore, Koh Kong Plantation Company Limited has the condition to dissolve the Company if its loss exceed 75% of the registered share capital and could not solve the said loss within 1 year.

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

	Unit : Thousand Baht Separate Financial Statements	
	2015	2014
	Beginning balance	6,230,111
Additional investments		
T S Flour Mill Public Company Limited	117	-
T S Transport and logistics Co., Ltd.	24,300	-
Ending balance	<u>6,254,528</u>	<u>6,230,111</u>

On August 27, 2015, the Extraordinary General Meeting of T S Flour Mill Public Company Limited, a subsidiary, passed a special resolution to increase its capital by Baht 114.00 million with the details as follows:

1. The newly issued ordinary shares not exceeding 57,000,000 shares at the par value of Baht 1, shall be allotted for the existing shareholders in proportion to their shareholding (the Right Offering), at an offering ratio of 5 existing ordinary shares to 1 new ordinary share, at the offering price of Baht 3 per share.
2. The newly issued ordinary shares not exceeding 57,000,000 shares, shall be allotted as shares reserved for the exercise of rights of the warrant TMILL-W1 at a ratio 1 new ordinary share to 1 unit of warrant. The rate for exercising the right is Baht 2 per share and the validity period of the warrant is 3 years from the date of issuance and offering such warrant.

In July 2015, T S Transport and Logistics Company Limited, a subsidiary, increased its authorized share capital to Baht 400.00 million and called for the first paid-up at Baht 75.00 per share.

## 10. OTHER LONG-TERM INVESTMENTS

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

	Parentage of Shareholding		Consolidated		Unit : Thousand Baht Separate	
	Direct and indirect		Financial Statements		Financial Statements	
	2015	2014	2015	2014	2015	2014
	%	%				
General Investments						
- Thai Cane and Sugar Co., Ltd.	3.93	3.93	787	787	323	323
- Thai Sugar Millers Co., Ltd.	7.36	7.36	8	8	2	2
- Mudman Co., Ltd.	9.46	9.46	350,0	350,0	350,0	350,0
- TISCO ESG Investment Fund for Society			20,0	-	20,0	-
Total			<u>370,7</u>	<u>350,7</u>	<u>370,3</u>	<u>350,3</u>
Marketable equity securities - Available-for-sale			2,0	4,4	-	-
<u>Less</u> Revaluation of fair value adjustment			<u>(718)</u>	<u>(721)</u>	<u>-</u>	<u>-</u>
Net			<u>1,3</u>	<u>3,7</u>	<u>-</u>	<u>-</u>
Held-to-maturity debt securities - government bonds			10,0	20,6	-	6,3
<u>Less</u> Amortization			<u>(308)</u>	<u>(1,7)</u>	<u>-</u>	<u>(156)</u>
Current portion			<u>(6,8)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net			<u>3,5</u>	<u>18,8</u>	<u>-</u>	<u>6,2</u>
Total other long-term investments			<u>375,7</u>	<u>373,3</u>	<u>370,3</u>	<u>356,5</u>

## 11. LONG-TERM LOANS

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

	Consolidated Financial Statements		Unit : Thousand Baht Separate Financial Statements	
	2015	2014	2015	2014
Long-term loans to subsidiaries	-	-	4,283,238	-
Long-term loans to others	120,000	-	120,000	-
Loans for cane plantation development	667,430	689,865	126,025	119,081
<u>Less</u> Current portion (included as part of short-term loans, see Note 7)	<u>(287,766)</u>	<u>(225,506)</u>	<u>(110,643)</u>	<u>(45,150)</u>
Total	499,664	464,359	4,418,620	73,931
<u>Less</u> Allowance for doubtful debts	<u>(19,186)</u>	<u>(19,383)</u>	<u>(8,882)</u>	<u>(8,881)</u>
Total long-term loans	<u>480,478</u>	<u>444,976</u>	<u>4,409,738</u>	<u>65,050</u>

As at October 31, 2015, long-term loans to others of Baht 120.00 million has a principal installment on every six months on the last working day of February and August of each year for 4 installments at Baht 30.00 million each. The first installment must be made in February 2016. The interest rate is 7.00% per annum. The interest is payable at the end of each month. Such loans are guaranteed by the shares and the land of two companies which the borrowers are the directors.

As at October 31, 2015 and 2014, loans for cane plantation development included in the consolidated and separate financial statements included loans to other personals and parties of Baht 28.24 million and Baht 32.00 million, respectively, for purchases of agricultural machineries for planting for one of the Company's overseas subsidiary for periods of 3 - 4 years and carrying interest rate at MLR+1.00% per annum. The principal and interest are payable annually. The Company has the ownership over the agricultural machineries purchased by the borrowers and, in the event of default of debt payments, the Company is able to sell such machineries back to the sellers.

As at October 31, 2015 and 2014, the remaining loans for cane plantation development were the subsidiaries' loans to farmers for the purpose to buy land for cane plantation, agricultural machineries and equipment of subsidiaries. The loan agreements were entered into for the periods of 1 - 8 years, or longer. Loans carry interest rates of 5.50 - 8.50% per annum, which the farmers mostly use land and vehicles as collateral.

## 12. DEFERRED CANE PLANTATION COSTS

Movements of deferred cane plantation costs for the years ended October 31, are as follows:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2015	2014	2015	2014
Beginning book value - net	542,706	479,509	41,480	39,714
Additional costs during the years				
- Costs of cane plantation	284,556	287,478	21,790	33,091
- Transfers of depreciation	33,189	41,753	148	2,991
Accumulated cost of cane planted	860,451	808,740	63,418	75,796
- Amortization of cane plantation costs during the year	(357,006)	(272,980)	(38,363)	(34,316)
Ending book value	503,445	535,760	25,055	41,480
Reversal (loss) from impairment	(3,658)	376	-	-
Loss from damaged cane	(12,039)	(5,695)	(244)	-
Exchange differences on translating financial statements	30,177	12,266	-	-
Ending book value - net	517,925	542,707	24,811	41,480

The Company and its subsidiaries recorded deferred cane plantation costs at cost less accumulated amortization and allowance for impairment because the cane plantation period is approximately 10 - 13 months and the fair value of cane fluctuates by the climate of plantation area which has an impact to the quantity and quality of cane products.

As at October 31, 2015 and 2014, certain deferred cane plantation costs of Baht 467.58 million and Baht 476.32 million, respectively, belong to two subsidiaries which grow cane plantation on lease land as follows:

- For the first subsidiary, amounting to Baht 157.85 million and Baht 158.72 million, respectively, represent costs of cane plantation on the land leased from the Government of the Lao People's Democratic Republic as referred to in Note 29.8.1.
- For the second subsidiary, amounting to Baht 309.72 million and Baht 317.60 million, respectively, represent costs of cane plantation on the land leased from the Government of the Kingdom of Cambodia as referred to in Note 29.8.2.

### 13. INVESTMENT PROPERTY

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

2015

	Consolidated Financial Statements				Separate Financial Statements			Unit : Thousand Baht
	Land	Land Improvement	Buildings and Warehouses	Construction in progress	Total	Land	Buildings and Warehouses	Total
<b>Cost :</b>								
As at November 1, 2014	1,307,4	6,8	1,913,3	248	3,227,9	250,2	397,5	647,8
Reclassification	127,5	(252)	34,4	-	161,7	101,0	-	101,0
Transfer in	-	248	-	-	248	-	-	-
Transfer out	-	-	-	(248)	(248)	-	-	-
Purchases	1,3	4	4,6	-	5,9	-	-	-
Disposal	-	-	(857)	-	(857)	-	-	-
As at October 31, 2015	1,436,3	6,8	1,951,6	-	3,394,7	351,3	397,5	748,8
<b>Accumulated depreciation :</b>								
As at November 1, 2014	-	(3,93)	(322,23)	-	(326,17)	-	(237,742)	(237,74)
Depreciation for the year	-	(110)	(37,55)	-	(37,66)	-	(4,231)	(4,23)
Disposal	-	-	124	-	124	-	-	-
As at October 31, 2015	-	(4,04)	(359,66)	-	(363,71)	-	(241,973)	(241,97)
<b>Allowance for impairment :</b>								
As at November 1, 2014	(3,03)	-	(720)	-	(3,75)	(316)	-	(316)
Reclassification	(1,13)	-	-	-	(1,13)	(1,13)	-	(1,13)
As at October 31, 2015	(4,16)	-	(720)	-	(4,88)	(1,45)	-	(1,45)
<b>Net book value :</b>								
As at October 31, 2015	1,432,1	2,7	1,591,2	-	3,026,1	349,8	155,5	505,4
<b>Fair value :</b>								
As at October 31, 2015	1,846,4	2,7	1,890,8	-	3,740,0	500,2	484,4	984,7

2014

	Consolidated Financial Statements					Separate Financial Statements		
	Land	Land Improvement	Buildings and Warehouses	Construction in progress	Total	Land	Buildings and Warehouses	Total
<b>Unit : Thousand Baht</b>								
<b>Cost :</b>								
As at November 1, 2013	1,304,763	6,890	1,931,460	12,648	3,255,761	250,292	397,522	647,8
Adjustment and reclassification	(31,910)	-	(33,711)	-	(65,621)	-	-	-
Transfer in	-	-	12,648	-	12,648	-	-	-
Transfer out	-	-	-	(12,648)	(12,648)	-	-	-
Purchases	34,659	-	3,533	248	38,440	-	-	-
Disposal	(92)	(48)	(536)	-	(676)	-	-	-
As at October 31, 2014	1,307,420	6,842	1,913,394	248	3,227,904	250,292	397,522	647,8
<b>Accumulated depreciation :</b>								
As at November 1, 2013	-	(3,816)	(310,635)	-	(314,451)	-	(233,510)	(233,51
Adjustment and reclassification	-	(13)	23,995	-	23,982	-	-	-
Depreciation for the year	-	(110)	(35,760)	-	(35,870)	-	(4,232)	(4,23
Disposal	-	-	166	-	166	-	-	-
As at October 31, 2014	-	(3,939)	(322,234)	-	(326,173)	-	(237,742)	(237,74
<b>Allowance for impairment :</b>								
As at November 1, 2013	(1,855)	-	(720)	-	(2,575)	-	-	-
Reclassification	(1,180)	-	-	-	(1,180)	(316)	-	(316)
As at October 31, 2014	(3,035)	-	(720)	-	(3,755)	(316)	-	(316)
<b>Net book value :</b>								
As at October 31, 2014	1,304,385	2,903	1,590,440	248	2,897,976	249,976	159,780	409,7
<b>Fair value :</b>								
As at October 31, 2014	1,617,837	3,074	1,840,264	-	3,461,175	382,794	484,470	867,2

For the years ended October 31, 2015 and 2014, the Company and its subsidiaries recognized rental income from investment property of Baht 196.00 million and Baht 106.72 million, respectively, in the consolidated statements of income, and of Baht 43.42 million and Baht 41.72 million, respectively, in the separate statements of income.

As at October 31, 2015 and 2014, a subsidiary has the assets for rent with the book value stated in the consolidated financial statements of Baht 293.20 million and Baht 300.49 million, respectively, pledged as collateral against credit facilities given by two commercial banks (see Note 19).



## 14. PROPERTY, PLANT AND EQUIPMENT

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

2015

Unit : Thousand Baht

	Consolidated Financial Statements							Total
	Land	Land Improvement	Buildings and Construction	Machinery and Equipment	Motor Vehicle and Labor Saving Tools	Furniture and Office Equipment	Construction in progress	
<b>Cost :</b>								
As at November 1, 2014	900,631	1,307,050	6,032,457	19,089,027	1,858,67	278,070	4,955,41	34,421,327
Adjustment and reclassification	(109,995)	3,64	(520,628)	503,781	405	12,547	(42,04	(152,289)
Purchases	40,53	735	4,943	100,544	13,01	14,159	980,65	1,154,581
Disposals/written off	(4,786)	(680)	(2,100)	(1,952)	(4,92	(8,354)	-	(22,795)
Transfer in (out)	-	133,50	1,392,235	3,135,395	17,76	3,886	(4,682,787	-
Translation of financial statements differences	-	49,191	51,363	129,545	22,20	1,421	1,10	254,827
As at October 31, 2015	826,38	1,493,44	6,958,270	22,956,340	1,907,1	301,729	1,212,34	35,655,651
<b>Accumulated depreciation :</b>								
As at November 1, 2014	-	(346,284)	(1,292,078)	(6,565,830)	(972,60	(201,790)	-	(9,378,589)
Adjustment and reclassification	-	728	152	7,842	-	(7,993)	-	729
Depreciation for the year	-	(36,015)	(173,710)	(902,172)	(98,18	(31,094)	-	(1,241,176)
Disposals/written off	-	680	131	1,881	4,05	8,27	-	15,021
Translation of financial statements differences	-	(15,367)	(7,713)	(17,315)	(12,43	(1,302)	-	(54,135)
As at October 31, 2015	-	(396,258)	(1,473,218)	(7,475,594)	(1,079,17	(233,904)	-	(10,658,150)
<b>Differences on revaluation of assets :</b>								
As at November 1, 2014	2,064,041	-	-	-	-	-	-	2,064,041
Adjustment and reclassification	(66,105)	-	-	-	-	-	-	(66,105)
As at October 31, 2015	1,997,936	-	-	-	-	-	-	1,997,936
<b>Allowance for impairment of assets :</b>								
As at November 1, 2014	(12,164)	-	(6,865)	(200)	-	-	-	(19,229)
Adjustment and reclassification	(236)	-	-	-	-	-	-	(236)
As at October 31, 2015	(12,400)	-	(6,865)	(200)	-	-	-	(19,465)
<b>Net book value :</b>								
As at October 31, 2015	2,811,921	1,097,190	5,478,187	15,480,546	827,96	67,825	1,212,34	26,975,972

2014

Unit : Thousand Baht

Consolidated Financial Statements								
	Land	Land	Buildings	Machinery	Motor Vehicle	Furniture	Construction	Total
		Improvement	and	and	and Labor	and Office	in progress	
			Construction	Equipment	Saving Tools	Equipment		
<b>Cost :</b>								
As at November 1, 2013	815,03	1,093,75	5,124,33	14,608,52	1,742,51	264,846	7,716,964	31,366,014
Adjustment and reclassification	4,48	3,13	23,05	5,82	(1,51)	(4,596)	73,208	103,591
Purchases	81,93	2,64	22,04	89,55	109,84	15,829	2,569,630	2,891,529
Disposals/written off	(820)	(455)	(12,99)	(29,60)	(8,62)	(2,171)	-	(54,671)
Transfer in (out)	-	185,36	853,24	4,356,11	6,11	3,515	(5,404,347)	-
Translation of financial statements differences	-	22,56	22,77	58,57	10,34	647	(41)	114,864
As at October 31, 2014	900,63	1,307,05	6,032,45	19,089,02	1,858,67	278,070	4,955,414	34,421,327
<b>Accumulated depreciation :</b>								
As at November 1, 2013	-	(303,02)	(1,132,47)	(5,766,14)	(872,34)	(174,185)	-	(8,248,176)
Adjustment and reclassification	-	(120)	(23,79)	(1,56)	193	646	-	(24,646)
Depreciation for the year	-	(37,16)	(145,12)	(817,71)	(102,68)	(29,790)	-	(1,132,478)
Disposals/written off	-	441	12,43	26,44	7,72	2,084	-	49,127
Translation of financial statements differences	-	(6,41)	(3,11)	(6,85)	(5,49)	(545)	-	(22,416)
As at October 31, 2014	-	(346,28)	(1,292,07)	(6,565,83)	(972,60)	(201,790)	-	(9,378,589)
<b>Differences on revaluation of assets :</b>								
As at November 1, 2013	2,042,15	-	-	-	-	-	-	2,042,199
Adjustment and reclassification	21,84	-	-	-	-	-	-	21,842
As at October 31, 2014	2,064,04	-	-	-	-	-	-	2,064,041
<b>Allowance for impairment of assets :</b>								
As at November 1, 2013	(5,94)	-	(15,63)	(942)	-	-	-	(22,521)
Adjustment and reclassification	(6,21)	-	8,76	742	-	-	-	3,292
As at October 31, 2014	(12,16)	-	(6,86)	(200)	-	-	-	(19,229)
<b>Net book value :</b>								
As at October 31, 2014	2,952,50	960,76	4,733,51	12,522,95	886,07	76,280	4,955,414	27,087,550

**Accumulated depreciation as at October 31,**

2015

Thousand Baht 1,241,176

2014

Thousand Baht 1,132,478

2015

Unit : Thousand Baht

	Separate Financial Statements							Total
	Land	Land Improvement	Building and Construction	Machinery and Equipment	Motor Vehicle and Labor Saving Tools	Furniture and Office Equipment	Construction in progress	
<b>Cost :</b>								
As at November 1, 2014	378,58	198,57	1,281,55	5,138,30	608,83	112,11	2,425,67	10,143,60
Adjustment and reclassification	(1,96)	-	1,15	(825)	-	(370)	-	(1,96)
Purchases	25,33	-	-	44,95	1,24	4,01	184,57	260,10
Disposals/written off	(4,78)	-	(2,10)	-	(4,27)	(4,31)	-	(15,47)
Transfer in (out)	-	101,83	378,72	1,815,51	-	1,01	(2,297,09)	-
As at October 31, 2015	397,16	300,40	1,659,37	6,997,94	605,81	112,50	313,14	10,386,41
<b>Accumulated depreciation :</b>								
As at November 1, 2014	-	(20,70)	(308,56)	(2,293,55)	(315,34)	(75,97)	-	(3,014,15)
Adjustment and reclassification	-	-	(1,19)	403	-	792	-	-
Depreciation for the year	-	(9,68)	(44,87)	(295,58)	(24,20)	(12,58)	-	(386,93)
Disposals/written off	-	-	131	-	4,27	4,21	-	8,76
As at October 31, 2015	-	(30,39)	(354,50)	(2,588,73)	(335,28)	(83,46)	-	(3,392,38)
<b>Differences on revaluation of assets :</b>								
As at November 1, 2014	520,20	-	-	-	-	-	-	520,20
Adjustment and reclassification	(56,89)	-	-	-	-	-	-	(56,89)
As at October 31, 2015	463,31	-	-	-	-	-	-	463,31
<b>Allowance for impairment of assets :</b>								
As at November 1, 2014	(7,08)	-	-	-	-	-	-	(7,08)
Adjustment and reclassification	(237)	-	-	-	-	-	-	(237)
As at October 31, 2015	(7,31)	-	-	-	-	-	-	(7,31)
<b>Net book value :</b>								
As at October 31, 2015	853,15	270,01	1,304,87	4,409,20	270,53	29,01	313,14	7,450,00

2014

Unit : Thousand Baht

	Separate Financial Statements							Total
	Land	Land Improvement	Building and Construction	Machinery and Equipment	Motor Vehicle and Labor Saving Tools	Furniture and Office Equipment	Construction in progress	
<b>Cost :</b>								
As at November 1, 2013	378,505	36,038	710,756	2,950,41	602,60	103,61	4,139,11	8,921,21
Adjustment and reclassification	-	-	-	-	-	-	(16,00)	(16,00)
Purchases	29,503	834	16,258	28,01	6,21	7,91	1,179,81	1,268,61
Disposals/written off	(29,422)	-	(763)	-	-	(17)	-	(30,20)
Transfer in (out)	-	161,700	555,304	2,159,81	-	570	(2,877,37)	-
As at October 31, 2014	378,586	198,572	1,281,555	5,138,31	608,81	112,11	2,425,61	10,143,61
<b>Accumulated depreciation :</b>								
As at November 1, 2013	-	(14,099)	(277,956)	(2,058,51)	(290,98)	(63,95)	-	(2,705,51)
Depreciation for the year	-	(6,609)	(31,375)	(235,03)	(24,35)	(12,03)	-	(309,41)
Disposals/written off	-	-	763	-	-	16	-	779
As at October 31, 2014	-	(20,708)	(308,568)	(2,293,55)	(315,34)	(75,97)	-	(3,014,15)
<b>Differences on revaluation of assets :</b>								
As at November 1, 2013	532,786	-	-	-	-	-	-	532,71
Increase (decrease)	(12,581)	-	-	-	-	-	-	(12,58)
As at October 31, 2014	520,205	-	-	-	-	-	-	520,21
<b>Allowance for impairment of assets :</b>								
As at November 1, 2013	-	-	(8,769)	-	-	-	-	(8,76)
Adjustment and reclassification	(7,082)	-	8,769	-	-	-	-	1,61
As at October 31, 2014	(7,082)	-	-	-	-	-	-	(7,08)
<b>Net book value :</b>								
As at October 31, 2014	891,709	177,864	972,987	2,844,71	293,41	36,11	2,425,61	7,642,61

**Accumulated depreciation as at October 31,**

2015	<b>Thousand Baht</b>	<u>386.9</u>
2014	<b>Thousand Baht</b>	<u>309.4</u>

For the years ended October 31, 2015 and 2014, the borrowing costs of Baht 8.98 million and Baht 15.79 million, respectively, in the consolidated financial statements, incurred from borrowings for the construction projects of the Company and its local subsidiaries are recorded as costs of construction in progress which are included in addition of assets.

As at October 31, 2015 and 2014, land together with structure and machineries at the book values of Baht 695.93 million and Baht 391.30 million, respectively, in the consolidated financial statements, were used as collateral for the short-term and long-term credit facilities with commercial banks (see Notes 16 and 29.6).

As at October 31, 2015 and 2014, buildings and structure, and building under construction of two oversea subsidiaries at book values of Baht 501.12 million and Baht 714.12 million, respectively, in the consolidated financial statements, are located on the concession land which the ownership will be transferred to the lessors when the agreements are expired (see Note 29.8.2).

As at October 31, 2015 and 2014, assets at cost amounts of Baht 3,833.36 million and Baht 3,075.70 million, respectively, in the consolidated financial statements, and of Baht 2,046.86 million and Baht 1,665.32 million, respectively, in the separate financial statements, were fully depreciated but still in use.

## 15. OTHER NON-CURRENT ASSETS

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

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2015	2014	2015	2014
Assets not yet used in operation	381,581	273,011	-	40,791
Other non-current assets	209,871	193,471	6,191	807
	<u>591,461</u>	<u>466,481</u>	<u>6,191</u>	<u>41,601</u>

As at October 31, 2015 and 2014, assets not yet used in operation of Baht 340.80 million and Baht 119.55 million, respectively, in the consolidated financial statements, and of Baht 40.79 million, in the separate financial statements are land held for business expansion in the future.

As at October 31, 2015 and 2014, a subsidiary had assets not yet used in operation of Baht 13.20 million, which are spare parts of machineries bidding from a non-related party which are outstanding from usage and sales. They are currently considered to be held for business expansion in the future.

## 16. SHORT-TERM BORROWINGS FROM FINANCIAL INSTITUTIONS

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

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2015	2014	2015	2014
Promissory notes	3,744,891	6,499,001	38,001	1,278,001
Trust receipts	147,841	150,491	-	-
Bills of exchange	897,001	1,393,771	897,001	1,393,771
Total	<u>4,789,741</u>	<u>8,043,271</u>	<u>935,001</u>	<u>2,671,771</u>

As at October 31, 2015 and 2014, borrowings from financial institutions include borrowings in the form of promissory notes with the maturity period ranging from 1 - 6 months. Part of the borrowing of Baht 1,765.00 million and Baht 1,765.00 million, respectively, are the borrowings denominated in US dollar from three commercial banks, by three subsidiaries, respectively, carrying interest rates between LIBOR+1.50% to 2% per annum and LIBOR+1.50% to 1.68% per annum, respectively. The remaining are borrowings denominated in Baht, carrying interest rates at 2.00 - 3.30% per annum and 1.63 - 3.58% per annum, respectively.

As at October 31, 2015 and 2014, trust receipts in the consolidated financial statements represent the borrowings denominated in Baht, carrying interest rates at 2.85 - 3.00% per annum and 2.85 - 3.00% per annum, respectively.

As at October 31, 2015 and 2014, bills of exchange in the consolidated and the separate financial statements represent the borrowings denominated in Baht, carrying interest rates at 1.82% per annum and 2.65 - 2.75% per annum, respectively.

Borrowings from financial institutions are secured by land with structure, machineries, leasehold right of leased land where the plant is located, and guarantees by the Company and its subsidiaries. Long-term borrowings utilized the joint collaterals with the credit lines of long-term borrowings as mentioned in Note 19.

## 17. TRADE AND OTHER PAYABLES

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

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2015	2014	2015	2014
Trade payables - related parties	-	-	10,394	23,576
Trade payable - others				
- Payables for cane purchases	132,146	752,972	27,977	223,109
- Other trade payables	302,377	263,917	30,181	30,485
Advances received for sales of goods	45,061	98,892	58,746	62,709
Accrued fees payable to the Office of the Cane and Sugar Fund	53,410	101,198	11,746	24,518
Accrued stabilization function payment to the Office of the Cane and Sugar Fund	53,363	62,868	28,175	27,458
Other accrued expenses	269,262	374,345	156,991	171,671
Payables on purchases of assets	239,331	389,912	51,351	107,198
Other payables	377,836	336,147	320,416	300,578
Total trade and other payables	<u>1,472,786</u>	<u>2,380,251</u>	<u>695,977</u>	<u>971,302</u>

As at October 31, 2015, the Company and its three subsidiaries purchased canes for the production season 2014/2015 using the initial cane price for production season 2014/2015 announced by the Cane and Sugar Board's in the Royal Gazette dated January 9, 2015. 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 Board of Directors approved the issuance of these financial statements, the Office of Cane and Sugar Board has not yet announced a final cane price for the production season 2014/2015. Therefore, the Company and its subsidiaries recorded accounts payable - cane purchases and calculated cost of goods sold and inventories for the year ended October 31, 2015 from the estimate made by the management of the Company and its subsidiaries at cane price of Baht 847.31 - 860.64 per ton with average sweetness level at 10.89 - 12.70 c.c.s.

## 18. LONG-TERM DEBENTURES

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

	Unit : Thousand Baht	
	Consolidated Financial Statements/ Separate Financial Statements	
	2015	2014
Unsecured senior debt debentures	10,989,160	7,492,742
<u>Less</u> Current portion	<u>(999,909)</u>	<u>(1,499,889)</u>
Net	<u>9,989,251</u>	<u>5,992,853</u>

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

								Unit : Thousand Baht	
Consolidated Financial Statements/Separate Financial Statements as at October 31, 2015									
Bond Set No.	Symbol	Term	Maturity Date	Interest Rate per annum	Number of Units Issued	Total Value	Deferred debenture issuance cost	Net	Fair Value
1	KSL15DA	3 years	December 4, 2015	3.87	1,000,000	1,000,000	91	999,909	1,001,978
2	KSL172A	3 years	February 27, 2017	3.84	1,000,000	1,000,000	566	999,434	1,025,344
3	KSL174A	3 years	April 30, 2017	3.63	1,000,000	1,000,000	780	999,220	1,025,262
4	KSL175A	3 years	May 16, 2017	3.60	1,000,000	1,000,000	651	999,349	1,024,570
5	KSL185A	3 years	June 5, 2018	2.88	2,000,000	2,000,000	2,318	1,997,682	2,024,829
6	KSL189A	3 years	September 25, 2018	2.50	1,000,000	1,000,000	1,477	998,523	1,003,138
7	KSL198A	5 years	August 5, 2019	4.25	1,000,000	1,000,000	1,246	998,754	1,052,950
8	KSL199A	5 years	August 5, 2019	4.07	1,000,000	1,000,000	1,250	998,750	1,047,394
9	KSL203A	5 years	March 13, 2020	3.48	2,000,000	2,000,000	2,461	1,997,539	2,041,477
Total long-term debentures						<u>11,000,000</u>	<u>10,840</u>	<u>10,989,160</u>	<u>11,246,942</u>

								Unit : Thousand Baht	
Consolidated Financial Statements/Separate Financial Statements as at October 31, 2014									
Bond Set No.	Symbol	Term	Maturity Date	Interest Rate per annum	Number of Units Issued	Total Value	Deferred debenture issuance cost	Net	Fair Value
1	KSL14DA	3 years	December 16, 2014	4.05	1,500,000	1,500,000	111	1,499,889	1,503,137
2	KSL15DA	3 years	December 4, 2015	3.87	1,000,000	1,000,000	703	999,297	1,012,417
3	KSL172A	3 years	February 27, 2017	3.84	1,000,000	1,000,000	992	999,008	1,015,818
4	KSL174A	3 years	April 30, 2017	3.63	1,000,000	1,000,000	1,194	998,806	1,011,711
5	KSL175A	3 years	May 16, 2017	3.60	1,000,000	1,000,000	1,172	998,828	1,008,299
6	KSL198A	5 years	August 5, 2019	4.25	1,000,000	1,000,000	1,537	998,463	1,021,016
7	KSL199A	5 years	August 5, 2019	4.07	1,000,000	1,000,000	1,549	998,451	1,014,096
Total long-term debentures						<u>7,500,000</u>	<u>7,258</u>	<u>7,492,742</u>	<u>7,586,494</u>

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

	Unit : Thousand Baht	
	2015	2014
Beginning book value	7,492,74	2,497,64
Debentures issuance during the years	5,000,00	4,992,61
Redemptions during the years	(1,500,000)	-
Amortized debenture issuance cost	(3,582)	2,48
Ending book value	<u>10,989,16</u>	<u>7,492,74</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 of October 31 every year ratio not exceed 2 : 1 the entire term.

As at October 31, 2015 and 2014, the debts with interest to equity ratio is 1.45 : 1.00 and 1.48 : 1.00, respectively.

- 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.

## 19. LONG-TERM BORROWINGS

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

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2015	2014	2015	2014
Borrowings - Baht currency	6,639,643	6,286,861	3,565,500	2,471,333
Borrowings - Foreign currency	-	197,907	-	-
Total	6,639,643	6,484,768	3,565,500	2,471,333
<u>Less</u> Current portion	(1,693,253)	(2,207,754)	(705,833)	(705,833)
Long-term borrowings	<u>4,946,390</u>	<u>4,277,014</u>	<u>2,859,667</u>	<u>1,765,500</u>

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

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2015	2014	2015	2014
Beginning book value	6,484,768	7,112,548	2,471,333	3,327,166
Additional borrowings during the years	3,860,936	2,487,398	2,500,000	-
Repayment during the years	(3,724,865)	(3,123,853)	(1,405,833)	(855,833)
Exchange differences on translating financial statements	18,804	8,675	-	-
Ending book value	<u>6,639,643</u>	<u>6,484,768</u>	<u>3,565,500</u>	<u>2,471,333</u>



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

	Consolidated		Separate	
	Financial Statements		Financial Statements	
	2015	2014	2015	2014
	%	%	%	%
Borrowings - Baht currency	2.00 - 5.13	2.00 - 5.25	2.00 - 4.50	2.00 - 4.50
Borrowings - Foreign currency	2.03 - 2.93	2.32 - 2.33	-	-

Maturity of long-term borrowings were as follows:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2015	2014	2015	2014
Within 1 year	1,693,253	2,207,754	705,831	705,831
Over 1 year and within 5 years	4,946,390	4,277,014	2,859,661	1,765,500

Credit Limit	Balances		Interest rate	Principal repayment	Interest payment	Commencing repayment	Maturity
	At as October 31,						
	2015	2014					
	Thousand Baht	Thousand Baht	%				
The company							
1. Baht 1,000 million	400,000	600,000	AMLR - Fixed rate	Semi-annual	Monthly	January 2013	July 2018
2. Baht 2,500 million	1,650,000	1,850,000	AMLR - Fixed rate	Semi-annual	Monthly	May 2013	March 2019
3. Baht 1,500 million	700,000	-	AMLR - Fixed rate	Semi-annual	Quarterly	May 2015	November 2019
4. Baht 1,000 million	800,000	-	AMLR - Fixed rate	Semi-annual	Monthly	April 2015	October 2019
5. Baht 11.30 million	4,000	6,000	Fixed rate	Annual	Monthly	June 2012	June 2017
6. Baht 23 million	11,500	15,330	Fixed rate	Annual	Annual	June 2013	June 2019
Total	3,565,500	2,471,330					
The subsidiaries							
7. Baht 800 million	400,000	600,000	AMLR - Fixed rate	Semi-annual	Monthly	February 2014	February 2019
8. Baht 2,000 million	-	700,000	AMLR - Fixed rate	Semi-annual	Monthly	December 2011	June 2016
9. Baht 1,000 million	800,000	-	Fixed rate	Semi-annual	Monthly	April 2015	October 2019
10. Baht 1,000 million	600,000	800,000	AMLR - Fixed rate	Semi-annual	Monthly	March 2012	June 2018
11. Baht 1,000 million	-	400,000	AMLR - Fixed rate	Semi-annual	Monthly	December 2013	September 2016
12. Baht 1,000 million	652,000	852,000	AMLR - Fixed rate	Semi-annual	Monthly	August 2014	February 2019
13. Baht 175 million	32,500	80,000	AMLR - Fixed rate	Semi-annual	Monthly	December 2012	December 2016
14. Baht 200 million	160,000	79,800	AMLR - Fixed rate	Semi-annual	Monthly	December 2014	December 2019
15. Baht 50 million	20,950	30,910	AMLR - Fixed rate	Monthly	Monthly	November 2012	November 2017
16. Baht 550 million	347,133	255,598	AMLR - Fixed rate	Quarterly	Monthly	December 2014	March 2020
17. Baht 380 million	50,000	-	AMLR - Fixed rate	Semi-annual	Monthly	September 2017	March 2022
18. USD 5 million	-	14,631	LIBOR+2	Semi-annual	Quarterly	March 2011	March 2016
19. USD 5 million	-	14,631	LIBOR+2	Semi-annual	Quarterly	March 2011	March 2016
20. USD 30 million	-	168,645	LIBOR+2	Semi-annual	Quarterly	June 2011	March 2016
21. Baht 33.90 million	11,560	17,220	Fixed rate	Annual	Annual	June 2012	June 2017
Total	3,074,143	4,013,435					
Grand Total	6,639,643	6,484,768					

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

In the consolidated and separate financial statements as at October 31, 2015 and 2014, most of the borrowings are guaranteed by the Company and its subsidiaries. The subsidiaries insured certain structure and machines with transferring beneficial right to lenders, the commercial banks. The thirteenth to the seventeenth credit lines are secured by land with structure included in investment property of the subsidiaries (see Notes 13 and 14). The fifth, sixth and twentieth credit lines are purchases of agricultural equipment with secured by the executive directors of the Company and 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, the 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, etc.

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

### 20.1 Income tax expense (income)

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

	Consolidated		Unit :Thousand Baht Separate	
	Financial Statements		Financial Statements	
	2015	2014	2015	2014
<u>Current income tax</u>				
Current income tax expense	211,854	188,297	-	545
<u>Deferred income tax</u>				
Deferred income tax income and temporary differences	(119,155)	(79,077)	(62,024)	(18,187)
Total	<u>92,699</u>	<u>109,220</u>	<u>(62,024)</u>	<u>(17,642)</u>

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

	Consolidated		Unit :Thousand Baht Separate	
	Financial Statements		Financial Statements	
	2015	2014	2015	2014
Profit before income tax expense (income)				
- Promoted sector-exempted from income tax	488,328	1,224,383	-	-
- Non-promoted sector	553,883	670,235	758,134	1,171,974
Total profit before income tax expense (income)	<u>1,042,211</u>	<u>1,894,618</u>	<u>758,134</u>	<u>1,171,974</u>
Statutory tax rates (%)	20	20	20	20
Income tax expense				
- Non-promoted sector	110,776	134,047	151,627	234,395
Total income tax	<u>110,776</u>	<u>134,047</u>	<u>151,627</u>	<u>234,395</u>
Effect on income tax from non-deductible taxable expense and exempted taxable income	102,738	46,551	(151,788)	(233,850)
	213,514	180,598	(161)	545
Prior year income tax expense (income)	(1,660)	7,699	161	-
Deferred income tax income	(119,155)	(79,077)	(62,064)	(18,187)
Income tax expense (income)	<u>92,699</u>	<u>109,220</u>	<u>(62,064)</u>	<u>(17,642)</u>

According to the Royal Decree No. 555 B.E. 2555 issued under the Revenue Code regarding the corporate income tax rate reduction effective on December 27, 2012, the corporate income tax was reduced from 30% to 20% of net profit for accounting periods beginning on or after January 1, 2013 but not later than December 31, 2014, and according to the Royal Decree No. 577 B.E. 2557 issued under the Revenue Code regarding the corporate income tax rate reduction effective on November 11, 2014, to extend the reduced corporate income tax at 20% of net profit for accounting period beginning on or after January 1, 2015 but not later than December 31, 2015.

Deferred tax assets and liabilities of the Company and its subsidiaries in Thailand as at October 31, 2015 and 2014, are determined using corporate income tax rate that has been changed in accordance with the above Royal Decrees.

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

	Consolidated		Unit :Thousand Baht	
	Financial Statements		Separate	
	2015	2014	2015	2014
<b>Deferred tax assets - net</b>				
Employee benefit obligations	8,619	1,257	-	-
Loss carried forward	50,160	76	-	-
Depreciation	4,803	(228)	-	-
Allowance for diminution in value of inventories	14,080	14,915	-	-
Gain on asset revaluation	(65,228)	(10,707)	-	-
Allowance for doubtful accounts	3,726	-	-	-
Others	1,342	436	-	-
Deferred tax assets - net	<u>17,502</u>	<u>5,749</u>	<u>-</u>	<u>-</u>

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

2015

	Unit :Thousand Baht				
	As at November 1, 2014	Consolidated Financial Statements Items as recognized in profit loss	Items as recognized in other comprehensive income	Items as recognized in shareholders' equity directly	As at October 31, 2015
<b>Deferred tax assets - net</b>					
Employee benefit obligations	1,257	6,74	613	-	8,61
Loss carried forward	76	50,08	-	-	50,16
Depreciation	(228)	5,03	-	-	4,80
Allowance for diminution in value of inventories	14,91	(835)	-	-	14,08
Gain on asset revaluation	(10,707)	(54,521)	-	-	(65,228)
Allowance for doubtful accounts	-	3,72	-	-	3,72
Others	436	906	-	-	1,34
Deferred tax assets - net	<u>5,74</u>	<u>11,14</u>	<u>613</u>	<u>-</u>	<u>17,50</u>

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 October 31, 2014
<b>Deferred tax assets - net</b>					
Employee benefit obligations	354	499	404	-	1,257
Loss carried forward	-	76	-	-	76
Depreciation	-	(228)	-	-	(228)
Allowance for diminution in value of inventories	-	14,911	-	-	14,911
Gain on asset revaluation	-	-	(10,707)	-	(10,707)
Others	-	436	-	-	436
Deferred tax assets - net	<u>354</u>	<u>15,691</u>	<u>(10,303)</u>	<u>-</u>	<u>5,784</u>

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

	Unit :Thousand Baht	
	Consolidated Financial Statements	
	2015	2014
The following deferred tax assets have not been recognized		
Temporary differences	(27,480)	(15,877)
Loss carried forward	133,019	89,212
	<u>105,539</u>	<u>73,335</u>

As at October 31, 2015, loss carried forward of Baht 133.02 million consisted of taxable loss of Baht 61.09 million expiring in the year 2017 and Baht 71.93 million expiring in the year 2020. As at October 31, 2014, loss carried forward of Baht 89.21 million consisted of taxable loss of Baht 61.09 million expiring in the year 2017 and Baht 28.12 million expiring in the year 2020.

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

	Consolidated		Unit :Thousand Baht	
	Financial Statements		Separate Financial Statements	
	2015	2014	2015	2014
<b>Deferred tax liabilities - net</b>				
Allowance for doubtful accounts	(11,244)	(21,895)	(5,591)	(5,180)
Allowance for diminution in value of inventories	(18,073)	(13,128)	(4,980)	-
Allowance for impairment in other long-term investments	(1,177)	(1,180)	(1,177)	(1,177)
Employee benefit obligations	(39,154)	(44,838)	(18,355)	(18,730)
Gain on asset revaluation	382,266	436,787	129,370	129,370
Loss carried forward	(185,458)	(62,888)	(89,775)	(19,237)
Depreciation	141,223	87,925	(3,525)	(13,276)
Others	(4,553)	(8,358)	414	(1,593)
Deferred tax liabilities - net	<u>263,830</u>	<u>372,425</u>	<u>6,381</u>	<u>70,177</u>

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

**2015**

	Unit : Thousand Baht			
	Consolidated Financial Statements			
	As at November 1, 2014	Items as recognized in profit or loss	Items as recognized in other comprehensive income	As at October 31, 2015
<b>Deferred tax liabilities - net</b>				
Allowance for doubtful accounts	(21,895)	10,651	-	(11,244)
Allowance for diminution in value of inventories	(13,128)	(4,003)	(942)	(18,073)
Allowance for impairment in other long-term investments	(1,180)	3	-	(1,177)
Employee benefit obligations	(44,838)	8,374	(2,690)	(39,154)
Gain on asset revaluation	436,787	(54,521)	-	382,266
Loss carried forward	(62,888)	(116,759)	(5,811)	(185,458)
Depreciation	87,925	44,425	8,865	141,223
Others	(8,358)	3,805	-	(4,553)
Deferred tax liabilities - net	<u>372,425</u>	<u>(108,021)</u>	<u>(574)</u>	<u>263,830</u>

**2014**

	Unit : Thousand Baht			
	Consolidated Financial Statements			
	As at November 1, 2013	Items as recognized in profit or loss	Items as recognized in other comprehensive income	As at October 31, 2014
<b>Deferred tax liabilities - net</b>				
Allowance for doubtful accounts	(30,933)	9,076	(38)	(21,895)
Allowance for diminution in value of inventories	(6,292)	(6,836)	-	(13,128)
Allowance for impairment in other long-term investments	(1,609)	429	-	(1,180)
Employee benefit obligations	(35,559)	556	(9,835)	(44,838)
Gain on asset revaluation	441,705	-	(4,918)	436,787
Loss carried forward	(4,147)	(58,410)	(331)	(62,888)
Depreciation	95,548	(10,955)	3,332	87,925
Others	(10,975)	2,761	(144)	(8,358)
Deferred tax liabilities - net	<u>447,738</u>	<u>(63,379)</u>	<u>(11,934)</u>	<u>372,425</u>

**2015**

	Unit : Thousand Baht			
	As at November 1, 2014	Separate Financial Statements Items as recognized in profit or loss		As at October 31, 2015
			Items as recognized in other comprehensive income	
<b>Deferred tax liabilities - net</b>				
Allowance for doubtful accounts	(5,180)	(411)	-	(5,591)
Allowance for diminution in value of inventories	-	(4,980)	-	(4,980)
Allowance for impairment in other long-term investments	(1,177)	-	-	(1,177)
Employee benefit obligations	(18,730)	2,107	(1,732)	(18,355)
Gain on asset revaluation	129,370	-	-	129,370
Loss carried forward	(19,237)	(70,538)	-	(89,775)
Depreciation	(13,276)	9,751	-	(3,525)
Others	(1,593)	2,007	-	414
Deferred tax liabilities - net	<u>70,177</u>	<u>(62,064)</u>	<u>(1,732)</u>	<u>6,381</u>

**2014**

	Unit : Thousand Baht			
	As at November 1, 2013	Separate Financial Statements Items as recognized in profit or loss		As at October 31, 2014
			Items as recognized in other comprehensive income	
<b>Deferred tax liabilities - net</b>				
Allowance for doubtful accounts	(4,982)	(198)	-	(5,180)
Allowance for impairment in other long-term investments	(1,177)	-	-	(1,177)
Employee benefit obligations	(14,692)	(648)	(3,390)	(18,730)
Gain on asset revaluation	131,887	-	(2,517)	129,370
Loss carried forward	-	(19,237)	-	(19,237)
Depreciation	(14,990)	1,712	-	(13,276)
Others	(1,775)	182	-	(1,593)
Deferred tax liabilities - net	<u>94,271</u>	<u>(18,187)</u>	<u>(5,907)</u>	<u>70,177</u>

**21. EMPLOYEE BENEFIT OBLIGATIONS**

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

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

	Unit : Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2015	2014	2015	2014
Current service cost	11,39	4,09	4,0	1,36
Interest cost	9,45	3,10	3,9	1,28
Total	<u>20,85</u>	<u>7,19</u>	<u>7,9</u>	<u>2,62</u>

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

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2015	2014	2015	2014
Employee benefit obligations brought forward	228,10	179,82	93,64	73,45
Current service cost	11,39	4,09	4,03	1,36
Interest cost	9,45	3,10	3,94	1,25
Actuarial loss on the estimation of the obligations	13,07	53,59	8,66	19,67
Benefit paid during the year	(25,473)	(12,517)	(18,508)	(2,110)
Employee benefit obligations carried forward	<u>236,55</u>	<u>228,10</u>	<u>91,77</u>	<u>93,64</u>

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

	Consolidated		Separate	
	Financial Statements		Financial Statements	
	2015	2014	2015	2014
	%	%	%	%
Discount rate	3.12 - 4.12	3.49 - 4.23	3.79 - 3.82	4.07 - 4.08
Expected rate of salary increase	6.00	6.00	6.00	6.00
Voluntary resignation rate (Depended on employee's age)				
- Monthly employees	10.00 - 100.00	9.00 - 100.00	10.00 - 100.00	9.00 - 100.00
- Daily employees	2.00 - 100.00	4.00 - 60.00	12.00 - 54.00	16.00 - 60.00

## 22. SHARE CAPITAL

22.1 The Board of Directors' meeting No. 4/2014 dated September 26, 2014, passed the resolution to reduce its issued and paid-up shares with the treasury stocks of 34,100,000 shares at par value of Baht 1 per share, a totaling Baht 34.10 million. The Company registered the decrease in capital with the Ministry of Commerce on November 10, 2014. Therefore, the Company reversed reserve for treasury stocks of Baht 433.15 million accordingly.

22.2 The meeting of annual general shareholders for 2014 No. 1/2015 of the Company held on February 27, 2015, passed the following resolutions:

22.2.1 The reduction of registered capital from Baht 1,835,900,000 (1,835,900,000 ordinary shares at par value of Baht 1 each) to Baht 1,670,546,884 (1,670,546,884 ordinary shares par value of Baht 1 each). The Company registered the reduction in capital with the Ministry of Commerce on March 2, 2015.

22.2.2 The change of the registered par value from Baht 1.00 to Baht 0.50 provided that the registered ordinary shares changed from 1,670,546,884 shares to 3,341,093,768 shares. The Company registered such change with the Ministry of Commerce on March 3, 2015.

22.2.3 The appropriation of profit for dividend payment of year 2014 in form of cash at Baht 0.08 per share to 3,341 million shares, at the amount not over Baht 271 million, and in form of share at the ratio of 5 existing shares to 1 new dividend share at par value of Baht 0.50, totaling 668 million stock dividend at the value not over Baht 334.11 million, totaling dividend valuing Baht 0.10 per share including the payment of a cash dividend and a stock dividend of Baht 0.18 per share. The total dividend payment shall be at the value not over Baht 605.11 million, to the shareholders whose names are included in the shareholder register on March 17, 2015. The dividend payment shall be made on March 27, 2015. In addition, the profit in the amount of Baht 13.47 million is appropriated as legal reserve. The Company already paid dividends and appropriated legal reserve according to the resolution of the meeting.

22.2.4 The increases of registered capital and allocation such shares to support the stock dividends of 668,218,754 shares at par value of Baht 0.50 resulting in the change in the share capital of Baht 1,670,546,884 (3,341,093,768 ordinary shares at par value of Baht 0.50 each) to Baht 2,004,656,261 (4,009,312,522 ordinary shares at par value of Baht 0.50). The Company registered such change with the Ministry of Commerce on March 5, 2015.

### 23. DIVIDENDS PAID AND LEGAL RESERVE

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

<b>Dividends</b>	<b>Approved by</b>	<b>Number of shares</b> <b>Billion shares</b>	<b>Dividends Paid</b> <b>per share</b>	<b>Stock dividend</b> <b>per share</b>	<b>Dividends Paid</b> <b>Million Baht</b>	<b>Dividends Paid</b> <b>Date</b>
- Dividends paid from the Company's result of operations from November 1, 2013 to October 31, 2014	No. 1/2015 held on February 27, 2015 (see Note 22.2.3)	3.34	0.08	0.10	605.11	March 27, 2015
- Dividends paid from the Company's result of operations from November 1, 2012 to October 31, 2013	No. 1/2014 held on February 26, 2014	1.67	0.35	-	584.69	March 26, 2014



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

In the second quarter of 2015, the Company appropriated the legal reserve of Baht 13.47 million (see Note 22.2.3).

As at October 31, 2015 and 2014, the Company's legal reserve reaches 10% of the Company's authorized share capital.

#### 24. 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 for the years ended October 31, are as follows:

	Consolidated		Unit : Million Baht Separate	
	Financial Statements 2015	2014	Financial Statements 2015	2014
For the years ended October 31,	19.96	20.50	8.92	9.38

#### 25. CAPITAL MANAGEMENT

The primary objectives of the Company and its subsidiaries' capital management are to maintain their ability to continue as a going concern, to maintain an appropriate capital structure and to maintain the debt with interest-to-equity ratio not to exceed the covenants of the loan agreements (see Note 19).

As at October 31, debt with interest-to-equity and debt-to-equity ratios are as follows:

	Consolidated		Separate	
	Financial Statements 2015	2014	Financial Statements 2015	2014
Debt with interest-to-equity	1.45 : 1.00	1.48 : 1.00	2.12 : 1.00	1.80 : 1.00
Debt-to-equity	1.59 : 1.00	1.71 : 1.00	2.22 : 1.00	1.96 : 1.00

## 26. EXPENSES BY NATURE

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

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2015	2014	2015	2014
Salaries, wages and other employee benefits	1,411,656	1,315,395	505,839	473,523
Depreciation	1,279,223	1,127,167	395,485	312,949
Fuel costs	156,703	232,857	852,444	362,039
Fees paid to the Office of the Cane and Sugar Fund	1,157,118	991,773	377,624	408,706
Maintenance expenses	698,809	577,723	230,683	185,884
Transportation expenses	661,038	768,270	359,241	337,987
Raw material and supply used	10,545,085	11,673,862	4,256,650	4,281,580
Purchase finished goods	39,238	103,002	1,645,174	2,060,899
Changes in finished goods and goods in process	519,902	(950,410)	(517,115)	(151,780)
Loss from bagasse damage	12,386	3,210	-	-
Loss for diminution on value of inventories (reversal)	(3,024)	93,664	24,560	338
Management benefit expenses	197,197	193,074	52,506	48,704
Finance costs	848,766	834,339	559,106	494,639
Other operating expenses	974,262	762,130	450,820	268,529
Total	<u>18,498,359</u>	<u>17,726,056</u>	<u>9,193,017</u>	<u>9,083,997</u>

## 27. BASIC EARNINGS PER SHARE

The changes in the par value of the Company's shares, as disclosed in Note 22, resulted in the changes in weighted average number of ordinary shares and earnings per share of the consolidated and separate financial statements for the years ended October 31, 2014. The Company retrospectively adjusted the number of shares used in calculation of earnings per share of prior period presented as comparison as if the change in the par value of the shares had taken place since the beginning of the earliest period presented.

The weighted average number of ordinary shares for the year ended October 31, 2014 from the change in par value of the shares is as follows:

	Previously Reported	"Restated"
Weighted average number of ordinary shares (shares)	1,670,546,884	3,341,093,768

Basic earnings per share is as follows:

	Consolidated		Unit : Baht per share	
	Financial Statements		Separate	
	Previously Reported	"Restated"	Previously Reported	"Restated"
For the year ended October 31, 2014	0.973	0.487	0.712	0.356

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

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

The Group comprises the following main business segments:

### Manufacture and Distribution of Sugar and Molasses

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

### Manufacture and Distribution of Alcohol

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

### Manufacture and Sale of Electricity

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

### Real Estate Rental

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

### 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 years ended October 31, 2015 and 2014, the Group has revenue with a single external customer in electricity sector in the amount of Baht 1,011.26 million and Baht 1,140.84 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 years ended October 31, 2015 and 2014**

	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			
	2015 Thai	2014 Overseas	2015 Thai	2014 Overseas	2015 Thai	2014 Thai	2015 Thai	2014 Thai	2015 Thai	2014 Thai	2015 Thai	2014 Thai	2015 Thai	2014 Thai	2015 Thai	2014 Thai		
Net revenue from operation - external	13,0	353	13,2	282	2,4	2,3	1,0	1,14	478	436	1,0	1,0	416	685	-	-	18,866	19,185
Net revenue from operation - internal	6,0	117	5,7	143	-	-	1,9	1,35	51	65	16	17	1,3	1,3	(9,533)	(8,689)	-	-
<b>Total</b>	<b>19,0</b>	<b>470</b>	<b>18,9</b>	<b>425</b>	<b>2,4</b>	<b>2,3</b>	<b>2,9</b>	<b>2,49</b>	<b>529</b>	<b>501</b>	<b>1,0</b>	<b>1,0</b>	<b>1,7</b>	<b>2,0</b>	<b>(9,533)</b>	<b>(8,689)</b>	<b>18,866</b>	<b>19,185</b>
Profit (loss) from operations	3,8	(78)	4,2	41	633	721	943	1,19	375	333	185	180	138	88	(1,3)	(1,584)	4,691	5,273
Selling, administrative expenses and others																	(2,813)	(2,534)
Finance costs	(725)	(78)	(686)	(74)	(27)	(1)	(103)	(134)	(33)	(37)	(20)	(9)	(21)	(13)	158	120	(849)	(834)
Share of loss of investment in an associate																	13	(11)
Income tax expenses																	(93)	(109)
Net profit																	949	1,785
Add (less) (Profit) loss for the years of non-controlling interests																	(134)	(159)
<b>Profit for the years attributable to the parent</b>																	<b>815</b>	<b>1,626</b>
Interest income	231	8	180	8	12	4	-	-	-	-	-	-	10	1	(157)	(120)	104	73
Depreciation	701	86	632	95	53	59	316	256	33	38	81	66	31	38	(16)	(11)	1,285	1,173

**Consolidated Statements of Financial Position**

**As at October 31, 2015 and 2014**

Trade and other receivables	3,0	148	3,1	50	229	179	100	207	54	51	199	160	124	136	(1,579)	(1,721)	2,366	2,182
Inventories	2,1	388	2,2	287	201	353	43	128	-	-	715	356	667	705	(24)	(15)	4,109	4,348
Property, plant and equipment	13,6	3,368	14,0	3,232	1,0	939	6,6	6,85	1,0	864	893	731	821	961	(485)	(531)	26,976	27,088
Central assets	16,1	621	12,6	623	699	212	190	206	2,7	2,6	88	62	1,3	1,4	(15,179)	(11,329)	6,725	6,516
<b>Total Assets</b>	<b>34,9</b>	<b>4,525</b>	<b>32,2</b>	<b>4,192</b>	<b>2,1</b>	<b>1,6</b>	<b>7,0</b>	<b>7,35</b>	<b>3,8</b>	<b>3,5</b>	<b>1,8</b>	<b>1,3</b>	<b>2,9</b>	<b>3,2</b>	<b>(17,267)</b>	<b>(13,596)</b>	<b>40,176</b>	<b>40,134</b>
Total Liabilities	22,7	3,218	20,4	2,735	1,821	1,008	2,4	3,56	1,0	1,0	1,1	633	1,1	1,0	(8,924)	(5,262)	24,688	25,301

## 29. COMMITMENTS AND CONTINGENT LIABILITIES

As at October 31, 2015 and 2014, apart from liabilities presented in the statements of financial position, the Company and its subsidiaries have commitments and contingent liabilities as follows:

29.1 The Company and its subsidiaries have commitments relating to the sales agreements but not yet delivered in the consolidated financial statements amounting to Baht 3,316.88 million and Baht 3,516.85 million, respectively, and in the separate financial statements amounting to Baht 2,650.94 million and Baht 1,058.62 million, respectively.

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

	Consolidated		Unit : Million Baht	
	Financial Statements		Separate	
	2015	2014	2015	2014
For the production season 2014/2015	-	1,142.68	-	241.92
For the production season 2015/2016	1,011.55	-	218.84	-

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

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

- 29.4 A subsidiary entered into an electricity sale-purchase agreement with the Electricity Generating Authority of Thailand (EGAT) on September 18, 2012, EGAT agrees to buy electricity at the volume of 2.12 Megawatt at the voltage of 22,000 volts at Wangsaphung District, Loei Province, at the mutually-agreed price as stipulated in the agreement for the period of 5 years commencing from November 20, 2012. And the postpone for sale electricity to December 27, 2014. Prior to the expiration of the contractual term, the subsidiary shall inform 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.
- 29.5 A subsidiary was granted the electricity generating business concession from the Ministry of Energy on October 1, 2005 in the area of 43 Moo 10, Tambol Namphong, Amphur Namphong, Khonkaen Province, for the period of 21 years. However, such subsidiary obtained a license for energy industry operation from the Energy Regulatory Commission (ERC) as a replacement when the Energy Industry Act B.E. 2550 was effective, for the period of 19 years ending in December 2028. The subsidiary has to comply with the Energy Industry Act B.E. 2550 and the conditions of the license.
- 29.6 The consolidated and separate financial statements have commitments, contingent liabilities and credit facilities as follows:

Unit : Million

	Currency	Consolidated Financial Statements					
		As at October 31, 2015			As at October 31, 2014		
		Total	Utilized	Remaining	Total	Utilized	Remaining
<b>Commitments</b>							
Contract to guarantee of debt repayment of subsidiary for all contingent liabilities	THB	-	5,199.77	-	-	7,140.55	-
Contract to guarantee of debt repayment of subsidiary for all contingent liabilities	USD	-	27.15	-	-	48.25	-
<b>Contingent Liabilities</b>							
Letters of guarantees (unspecified credit limit)	THB	-	86.75	-	-	96.48	-
Notes acceptance	THB	30.00	-	30.00	30.00	-	30.00
Letters of credit and trust receipts	THB	2,432.15	472.12	1,960.03	2,281.51	222.97	2,058.54
Letters of credit	USD	16.85	-	16.85	23.35	3.02	20.33
<b>Credit Facilities</b>							
Overdraft and short-term borrowings	THB	21,426.20	2,436.45	18,989.75	21,657.13	5,017.60	16,639.53
Trust receipts payable	THB	147.85	147.85	-	150.49	150.49	-
Short-term borrowings	USD	56.00	26.14	29.86	50.50	30.53	19.97
Joint credit line in short-term borrowings	THB	1,490.00	160.00	1,330.00	2,860.87	1,563.55	1,297.32
Joint credit line in short-term borrowings	USD	20.00	6.00	14.00	20.00	10.00	10.00
Long-term borrowings	THB	7,073.31	6,639.64	433.67	6,701.46	6,286.86	414.60
Long-term borrowings	USD	-	-	-	6.09	6.09	-

Unit : Million

	Currency	Separate Financial Statements					
		As at October 31, 2015			As at October 31, 2014		
		Total	Utilized	Remaining	Total	Utilized	Remaining
<b>Commitments</b>							
Contract to guarantee of debt repayment of subsidiary for all contingent liabilities	THB	-	2,508.97	-	-	3,788.55	-
Contract to guarantee of debt repayment of subsidiary for all contingent liabilities	USD	-	26.51	-	-	31.63	-
<b>Contingent Liabilities</b>							
Letters of guarantees (unspecified credit limit)	THB	-	4.13	-	-	1.33	-
Letters of credit and trust receipts	THB	30.00	-	30.00	30.00	-	30.00
<b>Credit Facilities</b>							
Overdraft and short-term borrowings	THB	9,120.20	38.00	9,082.20	7,752.13	1,278.00	6,474.13
Short-term borrowings	USD	10.50	-	10.50	10.50	-	10.50
Joint credit line in short-term borrowings	THB	1,490.00	160.00	1,330.00	2,860.87	1,563.55	1,297.32
Joint credit line in short-term borrowings	USD	20.00	6.00	14.00	20.00	10.00	10.00
Long-term borrowings	THB	3,565.50	3,565.50	-	2,471.33	2,471.33	-

As at October 31, 2015 and 2014, short-term borrowings from financial institutions carried interest rate at 1.83 - 3.30% per annum and 1.68 - 3.58% per annum, respectively.

The above credit facilities are partially secured by land with structure and machineries (see Note 14) and subsidiary's leasehold right for the land where the factory is located, the inter-guarantee between the Company and its subsidiaries, and transfer of benefits arisen from insurance policy for structure and machineries to the lenders. For certain credit facilities, if the facility is utilized, certain inventories of the Company and its subsidiaries will be used as collateral. As at October 31, 2015 and 2014, the Company and its subsidiaries did not use such credit facilities.

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.

29.7 As at October 31, the commitments under the various contracts are as follows:

Unit : Million

	Currency	Consolidated Financial Statements			
		2015		2014	
		Contractual Amount	Outstanding Contractual Commitments	Contractual Amount	Outstanding Contractual Commitments
Construction and subcontract agreements	THB	1,011.65	231.41	829.95	179.32
	USD	0.05	0.03	0.11	0.10
Machine and equipment purchase agreement:	THB	415.24	56.76	664.16	156.40
	USD	19.81	14.42	33.77	18.89
Rental agreements	THB	34.66	18.25	28.48	7.82
Materials purchase agreements	USD	7.36	7.36	2.74	2.74

		Unit : Million			
		Separate Financial Statements			
		2015		2014	
	Currency	Contractual Amount	Outstanding Contractual Commitments	Contractual Amount	Outstanding Contractual Commitments
Construction and subcontract agreements	THB	665.24	107.15	666.72	118.19
Machine and equipment purchase agreement:	THB	304.59	40.46	456.13	53.17
Rental agreements	THB	34.66	18.25	25.18	6.44

As at October 31, the commitments under rental agreements to be paid in the following years are as follows:

		Unit : Million Baht Consolidated	
		Financial Statements	
		2015	2014
Within one year		6.40	3.55
Over one year but less than 5 years		11.85	2.89
Total		<u>18.25</u>	<u>6.44</u>

## 29.8 Other significant agreements

- 29.8.1 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 40 years which can be extended for another 20 years if approved by the counter party. As at October 31, 2015 and 2014, the subsidiary has already utilized the area of 5,053.61 hectares at the rental rate of the signing of the agreement.
- 29.8.2 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 (lessor) on August 2, 2006 in order to build a sugar mill factory and receive concession land for cane plantation in Koh Kong Province, Kingdom of Cambodia with total area of 19,100 hectares covering period of 90 years and the rental price has a grace period of the first 4 years, afterwards, the rate of rental price of USD 1 - 4 per hectare per annum. As at October 31, 2015 and 2014, the subsidiaries have already utilized the area of 10,481.76 hectares. Buildings and structure and building under construction of subsidiaries, are located on the concession land which the ownership will be transferred to the lessor when the agreements are expired (see Note 14).
- 29.8.3 A subsidiary in the Kingdom of Cambodia entered into two long-term land lease agreements with a third party to build port and land awaiting development dated June 1, 2007 and May 21, 2007, respectively. The contractual term is 90 years for both agreements. The subsidiary has already paid the entire advance lease fee at USD 476,953. As at October 31, 2015 and 2014, the balances of the advance lease fee paid are USD 0.44 million.



### 30. FINANCIAL INSTRUMENTS

#### Risk management policies

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

#### Risk on interest rate

Risk on interest rates is derived from the fluctuation of the market interest rate in the future, which will affect upon the Company and its subsidiaries' operating results and cash flows. However, the Group manage risk on interest rate by using various methods including loans allocation to gain appropriate balance between fixed and floating interest rate loans and compatible to different activities of the Group as at October 31, with the details mainly as follows:

2015

	Unit : Thousand Baht				Total
	Consolidated Financial Statements				
	Fixed Interest Rate			Floating	
	Within 1 year	More than 1 year	More than 5 years	Interest Rate	
<b>Financial Assets</b>					
Saving accounts deposits	-	-	-	231,91	231,91
Fixed account deposits	10,02	-	-	-	10,02
Loans for cane plantation development	227,45	401,27	18,64	829	648,24
Short-term loans to farmers	742,56	13,75	-	52,55	808,86
Short-term loans to others	60,00	60,00	-	-	120,00
Other long-term investments	6,81	3,57	-	-	10,38
Total	<u>1,046,85</u>	<u>478,55</u>	<u>18,64</u>	<u>285,25</u>	<u>1,829,42</u>
<b>Financial Liabilities</b>					
Short-term borrowings from financial institutions	3,699,44	-	-	193,25	3,892,74
Other short-term borrowings	897,00	-	-	-	897,00
Long-term debentures	999,90	9,989,25	-	-	10,989,15
Long-term borrowings	1,111,55	3,665,46	-	1,862,58	6,639,64
Liabilities from long-term lease agreements	6,90	2,05	-	-	9,05
Total	<u>6,714,91</u>	<u>13,656,81</u>	<u>-</u>	<u>2,055,87</u>	<u>22,427,60</u>

2014

Unit : Thousand Baht

	Consolidated Financial Statements				Total
	Fixed Interest Rate			Floating	
	Within	More than	More than	Interest Rate	
	1 year	1 year	5 years		
	to 5 years				
<b>Financial Assets</b>					
Saving accounts deposits	-	-	368	210,61	210,98
Fixed account deposits	10,02	-	-	-	10,02
Loans for cane plantation development	223,35	427,41	17,16	2,54	670,48
Short-term loans to farmers and others	950,33	-	-	58,35	1,008,68
Other long-term investments	-	18,83	-	-	18,83
Total	<u>1,183,71</u>	<u>446,24</u>	<u>17,53</u>	<u>271,51</u>	<u>1,919,01</u>
<b>Financial Liabilities</b>					
Short-term borrowings from financial institutions	6,051,85	-	-	597,64	6,649,49
Other short-term borrowings	1,393,77	-	-	-	1,393,77
Long-term debentures	1,499,88	5,992,85	-	-	7,492,74
Long-term borrowings	911,35	2,177,16	-	3,396,21	6,484,76
Liabilities from long-term lease agreements	3,55	8,00	-	-	11,55
Total	<u>9,860,46</u>	<u>8,178,01</u>	<u>-</u>	<u>3,993,85</u>	<u>22,032,34</u>

#### Risk on exchange rates

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

Currency	Consolidated Financial Statements				Separate Financial Statements			
	2015		2014		2015		2014	
	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
USD	24.44	60.22	38.75	755.54	10.31	-	19.69	-
YEN	-	2.50	-	6.51	-	-	-	-
RIEL	634.81	137.43	677.74	178.82	-	-	-	-
LAK	131.33	384.19	181.58	-	-	-	-	-

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

The open forward contracts and cross currency swap, which are due between 1 - 3 years, are as follows:

Currency	Amount fixed in contract				Currency	Amount earned in contract			
	Consolidated		Separate			Consolidated		Separate	
	Financial Statements		Financial Statements			Financial Statements		Financial Statements	
	2015	2014	2015	2014		2015	2014	2015	2014
USD	37.47	68.05	27.74	-	THB	1,343.52	2,246.26	1,000.00	-
EURO	0.07	-	-	-	THB	2.35	-	-	-

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

	Unit : Million Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2015	2014	2015	2014
Net Gain (loss) on fair values of contracts	19.94	(1.88)	(16.76)	-

#### Risk on fluctuation of sugar and cane prices

The cane and sugar industry in Thailand is under the benefit sharing system between the cane farmers and the sugar mill factories, the selling price of sugar under Quota B and the exchange rate of the actual sales made by Thailand Cane and Sugar Corporation (TCSC) have significant effect on cane price which is major cost of sugar production. To manage risk on the fluctuation of gross profit, the Company and its subsidiaries have hedged the risk by entering into commodity swap contracts for the periods not over 2 years. Gain or loss is recognized in the statement of income when the contracts are settled or expired.

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

	Unit : Million Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2015	2014	2015	2014
Gain on investments in derivative instruments	170.67	57.06	100.27	36.74

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

	Currency	Unit : Million Baht	
		Consolidated/Separate Financial Statements	
		2015	2014
Net fair values for commodity swap contracts	USD	(0.18)	2.63
	THB	(1.33)	5.31

The fair values of the commodity swap contracts calculated using raw sugar price and white sugar price from The Exchange and Bloomberg at the statements of financial position dates as though the Company and its subsidiaries have settled those contracts on the statement of financial position 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 other receivables. However, the Company and its subsidiaries have many receivables and have conservative credit policy including allowance for doubtful accounts. In addition, the Company and its subsidiaries request farmers to pledge land or other assets as collateral or guarantee by individual. It believes that the risk of default by receivables is low.

### 31. PROVIDENT FUND

The Company and twelve subsidiaries and their employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. For the years ended October 31, 2015 and 2014, the group companies and their employees monthly contribute to the fund at the rate of 3% - 5% of basic salary and rate 2% of basic salary respectively. The fund, which is managed by Ayudhya Fund Management Co., Ltd. and Siam Commercial Fund Management Co., Ltd., will pay the employees upon their termination in accordance with the fund rules. For the years ended October 31, 2015 and 2014, the Company and its subsidiaries contributed in amounts of Baht 26.20 million and Baht 13.22 million, respectively, in the consolidated financial statements and the Company contributed in amounts of Baht 10.65 million and Baht 5.22 million, respectively, in the separate financial statements.

### 32. PRIVILEGES OF BENEFITS FROM PROMOTED INVESTMENT

Four domestic subsidiaries received 9 investment promotion certificates from the Board of Investment of Thailand (BOI) under the Investment Promotion Act B.E. 2520. The benefits includes the exemption from income tax for profit for the year derived from operations of promoted businesses for the period of 8 years for 8 certificates and for the period of 5 years for 1 certificate, commencing from the date of first receiving operation revenue of promoted businesses. The details are as follows:

<u>Certificate No.</u>	<u>Sections Privilege</u>	<u>Date</u>	<u>Promoted activity types</u>	<u>Commenced date of revenues generated</u>	<u>Expire date</u>
1929(2)/2547	25, 26, 28, 31, 34, 35(3), 36(1), and 36(2)	November 2, 2004	- Production of pure alcohol or fuel from agricultural products, including scraps, garbage or waste - Production of biological fertilizers or organic fertilizers	January 8, 2006 March 30, 2006	January 7, 2014 January 7, 2014
1062(2)/2552	25, 26, 28, 31, 34, 35(3), 36(1), and 36(2)	January 30, 2009	- Production of pure alcohol or fuel from agricultural products, including scraps, garbage or waste - Production of biological fertilizers or organic fertilizers	Income not yet derived Income not yet derived	
1063(2)/2552	25, 26, 28, 31, 34, 35(3), 36(1), and 36(2)	January 30, 2009	- Production of pure alcohol or fuel from agricultural products, including scraps, garbage or waste - Production of biological fertilizers or organic fertilizers	December 6, 2011 December 30, 2011	December 31, 2019 December 31, 2019
2364(1)/2554	25, 26, 28, 31, 34, 35(1), 35(2), and 35(3)	September 20, 2011	- Production of biological - Production of biological	February 29, 2012 February 28, 2013	December 31, 2019 February 28, 2021
1258(2)/2548	25, 26, 28, 31(3), 31(4), 34, and 35(3)	March 29, 2005	- Production of electricity power and steams	December 22, 2006	December 21, 2014
1432(2)/2552	25, 26, 28, 31(1), 31(2), 31(3), 31(4), 34, 35(1), 35(2) and 35(3)	June 24, 2009	- Production of electricity, power steams and water for manufacture	November 30, 2010	November 29, 2018
1349(2)/2556	25 26 28 31(1) 31(2) 31(3) 31(4) 34 35(1) 35(2) and 35(3)	Mach 15, 2013	- Production of electricity, power steams and water for manufacture	January 21, 2014	January 20, 2022
1657(2)/2552	25, 26, 28, 31(1), 31(3), 31(4) and 34	August 25, 2009	- Production of pure vegetable oil and /or semi-pure vegetable oil	June 5, 2010	June 4, 2018
58-2293-1-001-0	25, 26, 28, 31(1), 31(4) and 34	August 31, 2015	- Transfer of goods for cargo ship	Income not yet derived	

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

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

- 1) Foreign Investment Certificate No. 017-06/ Khor Lor Tor includes tax privilege for exemption from income tax for 5 years from the date of first receiving revenue from sales of sugar, thereafter, the subsidiary shall pay income tax at the rate of 20%. The revenue is first derived on July 21, 2010 and will expire on July 20, 2015.
- 2) Foreign Investment Certificate No. 4420/06 Ghor. Wor. Ghor. dated December 15, 2006 issued by the Council for the Development of Cambodia, the subsidiary is granted by tax privilege for exemption from import the duties for machinery for manufacturing and construction materials.
- 3) Foreign Investment Certificate No. 1641/09 Ghor. Wor. Ghor. and No. 1642/09 Ghor. Wor. Ghor. dated July 28, 2009 issued by the Council for the Development of Cambodia, the subsidiary is granted tax privilege for exemption from income tax for the period of 8 years and 9 years, respectively, including priority period commencing from the period when subsidiary is operated (year 2006).
- 4) Tax Exemption Certificate for agriculture-industrial (sugar cane) No. 2299 dated April 12, 2012 issued by the Ministry of Economy and Finance, Cambodia, grants the privilege to charge value-added tax at 0% for sales of sugar cane to manufacture sugar for export. This certificate is valid for the period of 1 year from July 29, 2010 to July 31, 2011. The subsidiary is currently waiting for the renewed certificate covering the period from last expiration date to current fiscal year which it has submitted for.

### 33. RECLASSIFICATIONS

Certain reclassifications have been made to the consolidated and separate statements of income for the year ended October 31, 2014 have been reclassified to conform to the classifications used in the consolidated and separate statements of income for the year ended October 31, 2015, as follows:

Previous presentation	Current presentation	Consolidated Financial Statements	Unit : Thousand Baht Separated Financial Statements
Cost of the sales of goods	Administrative expenses	82,640	33,367
Administrative expenses	Loss on exchange rate	33,752	-

Dividends received from a subsidiary in the separate statement of cash flows for the year ended October 31, 2014 has been reclassified to conform to the classification used in the separate statement of cash flows for the year ended October 31, 2015, as follows:

#### Separate statement of cash flow

Previous presentation	Current presentation	Unit : Thousand Baht Amount
Increase in trade and other receivables	Cash received from dividends of subsidiaries and other companies	8,320
Increase in short-term borrowings	Cash received from dividends of subsidiaries and other companies	479,983

**34. APPROVAL OF FINANCIAL STATEMENTS**

These financial statements have been approved for issuance by the Company's Board of Directors on December 22, 2015.