



Annual Report 2013

Thai Sugar Terminal Public Company Limited



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Message from the Board

Sugar industry is the industry of agricultural sector exports revenues into the country in a single year are numerous. For the production year 2012/2013 amount of sugar cane across the country has reached 100.003 billion tons increase 1.023 million tons, with the output quantity as sugar amount 6.272 million tons, raw sugar of 3.673 million tons, another type of sugar 0.79 million tons. There is also a by-product from manufacturing include molasses number 4.554 million tons. In recent years, the company and its subsidiaries have 2013 income

from total operations 2,516.926 million baht. Decrease from the year before, the number of 554.186 million baht or 18.05% with the total turnover net profit 37.653 million baht compared with last year's operating profit, 2012 from 104.145 million baht 66.492 million baht reduced or decreased 63.86 percent, as TS Oil Industry Co., Ltd. (subsidiary) with annual losses total 2013 is 93.85 million baht. Owing to high product from palm trees caused by higher crude palm oil prices, market sales revenue decrease. Therefore the month of May, the Board approved resolution 2013 at Palm Oil plant hire to OPG Tech Co., Ltd. for a period of 3 years, another reason is the realization of profits in TS Flour Mill Public Co., Ltd. (TMILL) (subsidiary) is reduced because of the proportions in shareholding, down from 69.34 to 98.82 percent left after its capital increase shares, bonds of 85 million shares to the general public and is listed on the Market for Alternative Investment (MAI) since November, 2012.

The specific performance acts for the year 2013 company. Net profit after income from dividends from subsidiaries and a number of 68.187 million baht, down from a year ago, profit 93.678 million baht. By decreasing the number of 25.491 million baht or 27.22 percent decline due to the quantity of sugar that come less than the same period of last year, due to a number of 310,441.43 tons because godown's area decreased from affiliated companies, such as companies engaged in the business of leasing TMILL rent some warehouses to store wheat, which is the main raw material in manufacturing and over rent increases to keep the wheat flour and wheat bran for the sale and delivery to customers. Operating income from services decreased cargo 35.967 million baht or down 14.56 percent. So, the Board approved to acquire additional land for the construction of a warehouse put-away after 2 more, including updates to the original stock condition by replace rubber asphalt warehouse floors are reinforced concrete. In order to be able to accommodate all types of sugar sacks packed and bulk. Sheet metal prices after the change for the bulk warehouse. Improve the drainage system and rails to accommodate the rain water in order to prevent danger from storms and floods.

Throughout the year the Board's duties 2013 has considered carefully the policy on business conduct, regardless of whether it is investment in all business operations of the company and its subsidiaries. The purchase of raw materials, the Executive-financial operations and risk management personnel, as well as the consideration of funding sources that support the business operations of its affiliates to achieve maximum benefits. As well as recognize the importance of good corporate governance, maintain adequate internal control system. This is the most important to focus on the benefit to the company and shareholders.

Finally, on behalf of the Board of Directors of the company. **Thai sugar Terminal (PCL)** and its subsidiaries. Thank you to all the shareholders who have given the trust and good support of the company's business. The Board is ready to take care of affairs of the company and subsidiaries provide stability and further progress in the future.



Pricha Attavipach

Chairman




Prapas Chutimavoraphand

Chief Executive Officer

Name : Mr. Pricha Attavipach

Age : 76 Years Old

Nationality : Thai



Education Background : Bachelor Degree of Industrial engineering, Chulalongkorn University.
Master of Industrial Engineering and Management,
Oklahoma State University U.S.A.

Director's Training : Certificate of Finance for Non - Finance Directors (FND 8/2004)
Certificate of Director Certification Program (DCP 39/2004)
Certificate of Audit Committee Program (ACP 11/2006)
Thailand Institute of Director (IOD)

Current Position : Chairman / Independent Director
Thai Sugar Terminal Public Company Limited and its subsidiaries

Date of Appointment : April 30, 2008

Shareholding : None

Relationship with executives or shareholder : None

Director's / Executive's Position in other business

(a) Name of other registered company

Vice Chairman Thai Rung Union Car Public Company Limited

Chairman of the Nominating and Remuneration Committee

Chairman of the Audit Committee

Chairman T S Flour Mill Public Company Limited

Chairman Kasest Thai International Sugar Corporation Public Company Limited

Chairman Tongkah Harbour Public Company Limited

Independent directors Thai Siam Cement Public Company Limited

Audit Committee


(b) The company is not listed and institutions detailed on page 109

(c) Name of business that may lead to conflict of interest : None

Name : Mr. Chadej Insawang

Age : 67 Years Old

Nationality : Thai



Education Background : Master of Political Science ,Thammasat University
Bachelor of Law ,Thammasat University

Director's Training : Certificate of Director Accreditation Program (DAP 76/2008)
Thailand Institute of Director (IOD)

Current Position : Chairman of Audit Committee / Independent Director
Thai Sugar Terminal Public Company Limited and its subsidiaries

Date of Appointment : April 30, 2008

Shareholding : None

Relationship with executives or shareholder : None

Director's / Executive's Position in other business

(a) Name of other registered company : None


(b) The company is not listed and institutions detailed on page 114

(c) Name of business that may lead to conflict of interest : None

Name : Mr. Prapas Chutimavoraphand

Age : 76 Years Old

Nationality : Thai



Education Background : Matayom 6, Banbung School

Director's Training : Certificate of Director Accreditation Program (DAP 17/2004)
Thailand Institute of Director (IOD)

Current Position : Managing Director / Chairman of Executive Board
(Authorized Director)
Thai Sugar Terminal Public Company Limited and its subsidiaries

Date of Appointment : December 15, 1999

Shareholding : 4,977,732 shares (3.43%)

Relationship with executives or shareholder : Farther of Mr. Chanachai Chutimavoraphand
Director and Executive Director

Director's / Executive's Position in other company

(a) Name of other registered company

Chairman of Executive Board T S Flour Mill Public Company Limited

Director and Senior Vice President Khon Kaen Sugar Industry Public Company Limited


(b) The company is not listed and institutions detailed on page 110

(c) Name of business that may lead to conflict of interest : None

Name : Mr. Pong Chinthammit

Age : 57 Years Old

Nationality : Thai



Education Background : Bachelor Degree of Science, Industrial Technology
Roger Williams University

Director's Training : Certificate of Director Accreditation Program (DAP 10/2004)
Thailand Institute of Director (IOD)

Current Position : Senior Executive Vice President / Vice Chairman of Executive Board
(Authorized Director)
Thai Sugar Terminal Public Company Limited and its subsidiaries

Date of Appointment : December 15, 1999

Shareholding : None


Relationship with executive or shareholder : Uncle of Mr. Win Chinthammit, Non-executive Director

Director's / Executive's Position in other company

(a) Name of other registered company : None

(b) The company is not listed and institutions detailed on page 110

(c) Name of business that may lead to conflict of interest : None



Name : **Mr. Chanachai Chutimavoraphand**

Age : 42 Years Old

Nationality : Thai

Education Background : Bachelor Degree of Engineering, Chulalongkorn University.
Bachelor of Law, Chulalongkorn University.
Master Degree of Engineering, Industrial Engineering, U.S.A.
Master Degree of Business Administration, Tennessee University,U.S.A.

Director's Training : Certificate of Director Accreditation Program (DAP 37/2005)
Thailand Institute of Director (IOD)

Current Position : Executive Director / Member of Nominating and Remuneration Committee
(Authorized Director)
Thai Sugar Terminal Public Company Limited and its subsidiaries

Date of Appointment : June 28, 2000

Shareholding : 24,173,680 shares (16.65%)


Relationship with executives or shareholders : Son of Mr. Prapas Chutimavoraphand
Managing Director and Chairman of Executive Board

Director's / Executive's Position in other company

(a) Name of other registered company
Executive Director T S Flour Mill Public Company Limited
Vice President Accounting and Finance Khon Kaen Sugar Industry Public Company Limited

(b) The company is not listed and institutions detailed on page 111

(c) Name of business that may lead to conflict of interest : None



Name : **Mr. Narong Chenlarpwanakul**

Age : 48 Years Old

Nationality : Thai

Education Background : Bachelor Degree of Economics, Thammasat University.

Director's Training : Certificate of Director Accreditation Program (DAP 62/2007)
Thailand Institute of Director (IOD)

Current Position : Executive Director (Authorized Director)
Thai Sugar Terminal Public Company Limited and its subsidiaries

Date of Appointment : November 28, 2006

Shareholding : None


Relationship with executives or shareholder : None

Director's / Executive's Position in other company

(a) Name of other registered company
Executive Director T S Flour Mill Public Company Limited
Member of Nominating and Remuneration Committee

(b) The company is not listed and institutions detailed on page 111

(c) Name of business that may lead to conflict of interest : None



Name : **Mr. Suang Ruangsook**

Age : 80 Years Old

Nationality : Thai

Education Background : Advanced Accounting Certificate, Bangkok Business College

Director Training : Certificate of Director Accreditation Program (DAP 37/2005)
Thailand Institute of Director (IOD)

Current Position : Independent Director / Audit Committee
Thai Sugar Terminal Public Company Limited and its subsidiaries

Date of Appointment : May 20, 1998

Shareholding : 299,112 Shares (0.21%)


Relationship with executives or shareholder : None

Director's / Executive's Position in other company

(a) Name of other registered company : None

(b) The company is not listed and institutions detailed on page 115

(c) Name of business that may lead to conflict of interest : None



Name : **Mr. Nisakorn Parkpean**

Age : 66 Years Old

Nationality : Thai

Education Background : Bachelor Degree of Accounting, Chulalongkorn University.

Director Training : Certificate of Director Accreditation Program (DAP 30/2004)
Thailand Institute of Director (IOD)

Current Position : Chairman of Nominating and Remuneration Committee
Independent directors / Audit Committee
Thai Sugar Terminal Public Company Limited and its subsidiaries

Date of Appointment : April, 2002

Shareholding : 196,020 shares (0.14%)


Relationship with executives or shareholder : None

Director's / Executive's Position in other company

(a) Name of other registered company : None

(b) The company is not listed and institutions detailed on page 114

(c) Name of business that may lead to conflict of interest : None



Name : **Mr. Chalush Chinthammit**

Age : 45 Years Old

Nationality : Thai

Education Background : BBA, Finance and Banking, Assumption University
MBA, Finance & Banking, Mercer University, U.S.A.

Director Training : Certificate of Director Accreditation Program (DAP 17/2004)
Thailand Institute of Director (IOD)
Capital Market Academy Program 10

Current Position : Non-Executive Director
Thai Sugar Terminal Public Company Limited and its subsidiaries

Date of Appointment : July 25, 2007

Shareholding : 72,600 shares (0.05%)

Relationship with executives or shareholder : Grandchildren of Mr. Somchai Chinthammit
Non-Executive Director


Director's / Executive's Position in other company

(a) Name of other registered company

Director	T S Flour Mill Public Company Limited
Executive Director	
Director and Assistant Vice President	Khon Kaen Sugar Industry Public Company Limited

(b) The company is not listed and institutions detailed on page 112

(c) Name of business that may lead to conflict of interest : None



Name : **Mr. Somchai Chinthammit**

Age : 62 Years Old

Nationality : Thai

Education Background : Diploma, Computer
Computer College Germany

Director Training : Certificate of Director Accreditation Program (DAP 17/2004)
Thailand Institute of Director (IOD)

Current Position : Non-Executive Director
Thai Sugar Terminal Public Company Limited and its subsidiaries

Date of Appointment : April 30, 2008

Shareholding : 237,039 shares (0.16%)

Relationship with executives or shareholder : Uncle of Mr. Chalush Chinthammit
Non-Executive Director


Director's / Executive's Position in other company

(a) Name of other registered company

Director	T S Flour Mill Public Company Limited
Member of Nominating and Remuneration Committee	
Director and Assistant Vice President	Khon Kaen Sugar Industry Public Company Limited

(b) The company is not listed and institutions detailed on page 113

(c) Name of business that may lead to conflict of interest : None



Name : **Mr. Win Chinthammit**

Age : 39 Years Old

Nationality : Thai

Education Background : Bachelor of Electrical Engineering, Kasetsart University
Master of Information System University of Colorado U.S.A.

Director Training : Certificate of Director Accreditation Program (DAP 62/2007)
Thailand Institute of Director (IOD)

Current Position : Non-Executive Director (Authorized Director)
Thai Sugar Terminal Public Company Limited and its subsidiaries

Date of Appointment : November 28, 2006

Shareholding : 1,071,141 shares (0.74%)


Relationship with executives or shareholder : Grandchildren of Mr. Pong Chinthammit
Senior Executive Vice President and Vice Chairman of Executive Board

Director's / Executive's Position in other company

(a) Name of other registered company : None

(b) The company is not listed and institutions detailed on page 113

(c) Name of business that may lead to conflict of interest : None



Name : **Mr. Dhanadol Sujiphinyo**

Age : 47 Years Old

Nationality : Thai

Education Background : Bachelor Degree of Marketing, California State University at San Bernardino (BA).
Master Degree of Marketing & Management, Mercer University Atlanta, U.S.A.

Director Training : Certificate of Director Accreditation Program (DAP 76/2008)
Thailand Institute of Director (IOD)

Current Position : Non-Executive Director
Thai Sugar Terminal Public Company Limited and its subsidiaries

Date of Appointment : April 30, 2008

Shareholding : 1,452,407 shares (1.00%)

Relationship with executives or shareholder : None

Director's / Executive's Position in other company


(a) Name of other registered company


Director	T S Flour Mill Public Company Limited
Executive Director	
Member of Nominating and Remuneration Committee	

(b) The company is not listed and institutions detailed on page 115

(c) Name of business that may lead to conflict of interest : None

<p>Name : Ms. Jutatip Arunanondchai</p> <p>Age : 43 Years Old</p> <p>Nationality : Thai</p> <p>Education Background : BSC. in Mathematics with Management, Imperial College, University of London, UK.</p> <p>MBA in International Management University of Exeter, UK.</p> <p>MBA in Architectural Interior Design, University of Wales, UK</p> <p>MBA in MA Business Law, Chulalongkorn University.</p> <p>Director Training : Certificate of Monitoring the Internal Audit Function (MIA 5/2009)</p> <p>Certificate of Monitoring the System of Internal Control and Risk Management (MIR 6/2009)</p> <p>Certificate of Monitoring Quality of Financial Reporting (MFR 9/2009)</p> <p>Certificate of Audit Committee Program (ACP 26/2009)</p> <p>Certificate of Director Accreditation Program (DAP 78/2009)</p> <p>Certificate of Monitoring Fraud Risk Management (MFM 6/2011)</p> <p>Thailand Institute of Director (IOD)</p> <p>Current Position : Independent Director / Member of Nomination and Remuneration Committee</p> <p>Thai Sugar Terminal Public Company Limited and its subsidiaried</p> <p>Date of Appointment : December 24, 2008</p> <p>Shareholding : 58,080 shares (0.04%)</p> <p>Relationship with executives or shareholder : None</p> <p>Director's / Executive's Position in other company</p> <p>(a) Name of other registered company</p> <p style="padding-left: 40px;">Independent Director Union Plastic Public Company Limited</p> <p style="padding-left: 40px;">Audit Committee</p> <p>(b) The company is not listed and institutions detailed on page 115</p> <p>(c) Name of business that may lead to conflict of interest : None</p>	
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<p>Name : Mr. Suphsorn Chayovan</p> <p>Age : 77 Years Old</p> <p>Nationality : Thai</p> <p>Education Background : Bachelor of Animal Science, Kasetsart University.</p> <p>Master Degree of Food Science & Nutrition, Brigham Young University.</p> <p>Philosophy Doctor Degree of Technology and Food Science, University of Louisiana U.S.A.</p> <p>Director Training : Certificate of Director Accreditation Program (DAP 77/2009)</p> <p>Certificate of Director Certificate Program (DCP 112/2009)</p> <p>Thailand Institute of Director (IOD)</p> <p>Current Position : Non-Executive Director</p> <p>Thai Sugar Terminal Public Company Limited and its subsidiaried</p> <p>Date of Appointment : April 30, 2009</p> <p>Shareholding : None</p> <p>Relationship with executives or shareholder : None</p> <p>Director's / Executive's Position in other company</p> <p>(a) Name of other registered company</p> <p style="padding-left: 40px;">Director T S Flour Mill Public Company Limited</p> <p>(b) The company is not listed and institutions detailed on page 115</p> <p>(c) Name of business that may lead to conflict of interest : None</p>	
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<p>Name : Mr. Charnkrij Dejvitak</p> <p>Age : 40 Years Old</p> <p>Nationality : Thai</p> <p>Education Background : Master Degree of Business Administration, West Texas A&M University U.S.A.</p> <p>Master Degree of Field of Leadership Ethics and Good Organization, Saint Edward's University U.S.A.</p> <p>Philosophy Doctor Degree of Business Administration, Touro University International U.S.A.</p> <p>Director Training : Certificate of Director Accreditation Program (DAP 79/2009)</p> <p>Thailand Institute of Director (IOD)</p> <p>Current Position : Executive Director</p> <p>Thai Sugar Terminal Public Company Limited and its subsidiaried</p> <p>Date of Appointment : April 30, 2009</p> <p>Shareholding : None</p> <p>Relationship with executives or shareholder : None</p> <p>Director's / Executive's Position in other company</p> <p>(a) Name of other registered company</p> <p style="padding-left: 40px;">Vice Chairman of Executive Board T S Flour Mill Public Company Limited</p> <p style="padding-left: 40px;">Managing Director</p> <p>(b) The company is not listed and institutions detailed on page 116</p> <p>(c) Name of business that may lead to conflict of interest : None</p>	
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1. Policy and overall business operations**The goal of the business of its subsidiaries**

Management planning, business development, cargo handling services to provide convenient services to customers importing a wide range of services to be not only a major product raw sugar and white sugar only providing better service to the other. It is the need to improve to achieve customer satisfaction for our products access to the services of the Company for more by using the business development policy are as follows:

- Improving services to meet the needs of our customers with quality, and enhance its ability to compete with operators in the same business.
- Track information as well as marketing news promptly to reduce the risk of operating alongside. Environmental management appropriately.
- Seek opportunities to expand the business, to create profits to the company and the shareholders.

Service and Marketing Policy

1. Good service are fast, convenience, and effectiveness.
2. Enough space and facilities for customer.
3. Look after and store the goods under the customer condition strictly and guard for customer goods.
4. Inform about goods and service to the customer.
5. Prepare customer service system for customer ; effectively respond to the customer complaint.
6. Maintain the machine and space for service at all time.

In addition to the above mentioned company a business development subsidiaries that has progressed and diversified its business to include.

- T S Flourmill Co., Ltd. , wheat flour factory, operated in 2nd quarter of 2007 with capacity starting at 35 percent and increased production until the year 2014 is 96 percent.
- T S G Asset Co., Ltd. The room occupancy rate of the second after total 307 room at least 95 percent.
- T S Transport and Logistics Co., Ltd. : In order to increase sales capacity Polypropylene packaging. Sales to major customers such as sugar and flour mills and agricultural customers include rice, fertilizer, feed sacks of sand. And other medical transport services to the customers using the company's long history.
- T S Oil Industry Co., Ltd., was constructed in 2009 to be the palm oil distilled factory and due to begin in late as May 2010. And started make a profit in 4Q 2011 and promote the market for palm oil products, "RAJA" to be recognized and Accepted customer markets, wholesalers, retailers and food industry customers.



2. Business Characteristic

History and development of the company and its subsidiary

Thai Sugar Terminal Public Company Limited had been founded in 1976 by sugar industrialists which is consisted of 9 sugar factory. The previous name was The Thai Sugar Terminal Corporation Co., Ltd., with 93 rai of later purchased additional land and expand the current space into a 154 rai 3 ngan 20 square wah for sugar preservation. At that time the warehouse nearby the Chao Praya River, 32 warehouses and 3 port, was planned to be the hub for sugar factory members then in year 1977, Thai Sugar Warehouse Co., Ltd and Thai Sugar Transportation had been founded; in year 1978, Thai Sugar Silo Warehouse Corporation Co., Ltd. had been founded. Therefore; when there were more new non-member factory; Sugar Silo Warehouse Co., Ltd and T. S. Warehouse Co., Ltd had been founded in year 1983 and 1887 in consecutive. They were sugar warehouse for pile raw sugar. The Thai Sugar Terminal Corporation Co., Ltd. registered in The Stock Exchange of Thailand on dated 13 July 1990 and became public company in year 1994 in the name of “ Thai Sugar Terminal Public Co., Ltd. “ registered no. 0107537001692 until present.

In 2001, 3 subsidiaries : Thai Sugar Warehouse Co., Ltd., Thai Sugar Silo Warehouse Co., Ltd., and Sugar Silo Warehouse Co., Ltd. had returned warehouse license to the Office of Warehouse Business Promotion and Cool Storage, Ministry of Commerce. To reduce the redundant documents in warehouse business, there was then only T S Warehouse Co., Ltd. to operate warehouse service business. The subsidiaries had been changed their names and core business for more variety.

In 2005, Thai Sugar Silo Warehouse Corporation Co., Ltd. to T. S. G. Asset Co., Ltd. with 50 million baht authorized capital (paid-up authorized capital and Thai Sugar Terminal Public Co., Ltd. hold 79.78 percent share) operates the apartment service ,9-storeyed and 262 rooms, which is located at Soi Erawan Singthor, Pu Chao Saming Phai Rd., Amphur Prapadaeng, Samudprakarn; now 95 percent are rent out all of the rooms. In 2009, a new apartment with 45 rooms was built in the company property at Soi Siam Silo Pu Chao Saming Phai Rd., Amphur Prapadaeng, Samudprakarn, and rent out in 3rd quarter of year 2009. There are currently 100 percent full tenant occupancy.

In 2006, Thai Sugar Warehouse Company Limited increased authorized capital from THB 10 million to THB 200 million to operate wheat flour production factory, and changed its name to TS Flour Mill Company Limited. The operation started in June 2007. The company increased authorized capital by another THB 200 million to THB 400 million, which Thai Sugar Terminal Public Company Limited holds 98.82 percent of the shares. Later, in February 2010, the authorized capital was reduced to THB 200 million in order to apply to be registered in MAI market, which Thai Sugar Terminal Public Company Limited holds 98.82 percent of the shares. Later in June 2010, the company had been privatized to public company limited under the name “TS Flour Mill Public Company Limited (TMILL), and an approval was given to change share value from originally THB 100 per share (ONE HUNDRED BAHT) to THB 1 per share (ONE BAHT). In 2012, to increase authorized capital by another THB 85 million from originally THB 200 million to make up the new authorized capital of THB 285 million by issuing 85 million new common stocks worth THB 1 each to support new common stocks offering to general investors for the registration in Market for Alternative Investment and approved as a listed company on the Market for Alternative Investment in November 2012 when the Thai Sugar Terminal Public Co., Ltd. currently holds 69.35 percent.



In 2007, Thai Sugar Transportation Co., Ltd. had changed its name to T. S. Transportation and Logistics Co., Ltd. In 2007 and with 50 million baht authorized capital (former only 5 million baht) and Thai Sugar Terminal Public Co., Ltd. hold 77.44 percent share. The company business is wheat flour transportation for its service's subsidiary, T S Flourmill Co., Ltd. In year 2008 , the company rent Thai Sugar Terminal Public Co., Ltd. 's warehouse and it was built to be the plastic sack factory, the packaging for sugar factory, wheat flour factory, also agricultural product , fertilize, and etc. for outside customer. The production and distribution were started in October 2008, then in 2009 the authorized capital was up to 30 million baht to install additional equipment. The current capital of 80 million Baht and Thai Sugar Terminal Public Company Limited hold 85.90 percent share.

In 2009, Sugar Silo Warehouse Co., Ltd. to T S G Property Co., Ltd. with 30 million baht authorized capital paid-up authorized capital and Thai Sugar Terminal Public Co., Ltd. hold 62.07 percent share operates in property development business. It is located at Amphur Sampan, Nakornpathom. Townhouse and commercial building construction for sale. In December 2009 had changed to T S Oil Industry Co., Ltd., And to increase the registered capital of 170 million baht to 200 million baht, Thai Sugar Terminal Public Co., Ltd. holds 94.31 percent, to be a palm oil factory to consumer. Later in the year 2012 registered capital to 600 million baht, which owns 97.48 percent.

T S Warehouse Company Limited incorporated in 1987 with a registered capital of 50 million Baht by Divided into 500,000 ordinary shares of 100.- Paid Baht 25 per share.- Amount to Baht 12,500,000 Baht. The Thai Sugar Terminal Public Co., Ltd. hold 62.60 percent of the share capital, warehouse business deposit products and raw sugar bulk and white sugar bag waiting for the transport fleet.

Major Events in 2013

Thai Sugar Terminal Public Company Limited holds more than 90 percent of each subsidiaries' shares, except for TS Warehouse Company Limited (62.60 percent) since the Company must comply with the condition of Silo, Warehouse, and Cold Storage Business Promotion Group, Market Promotion and Development Division, Department of Internal Trade, Ministry of Commerce regarding directors' shareholding which determine the Board of Directors to hold the total shares at least 1/5 of the registered capital. In November the company 2012 T S Flour mill Public Company Limited TMILL (subsidiary) has received approval from the office of the Board of Directors of the Securities and Exchange Commission (SEC) to make buying and selling stock in the market investment by issuing additional ordinary shares share capital of 85 million shares selling to the general public make the proportion of the company's shares in its subsidiary, down from 98.82 percent decrease in rate or 69.35 (Dilution-Effect) 29.82 percent. As a result, the report of major events in 2013 also includes the following important events of both the company and its subsidiaries.

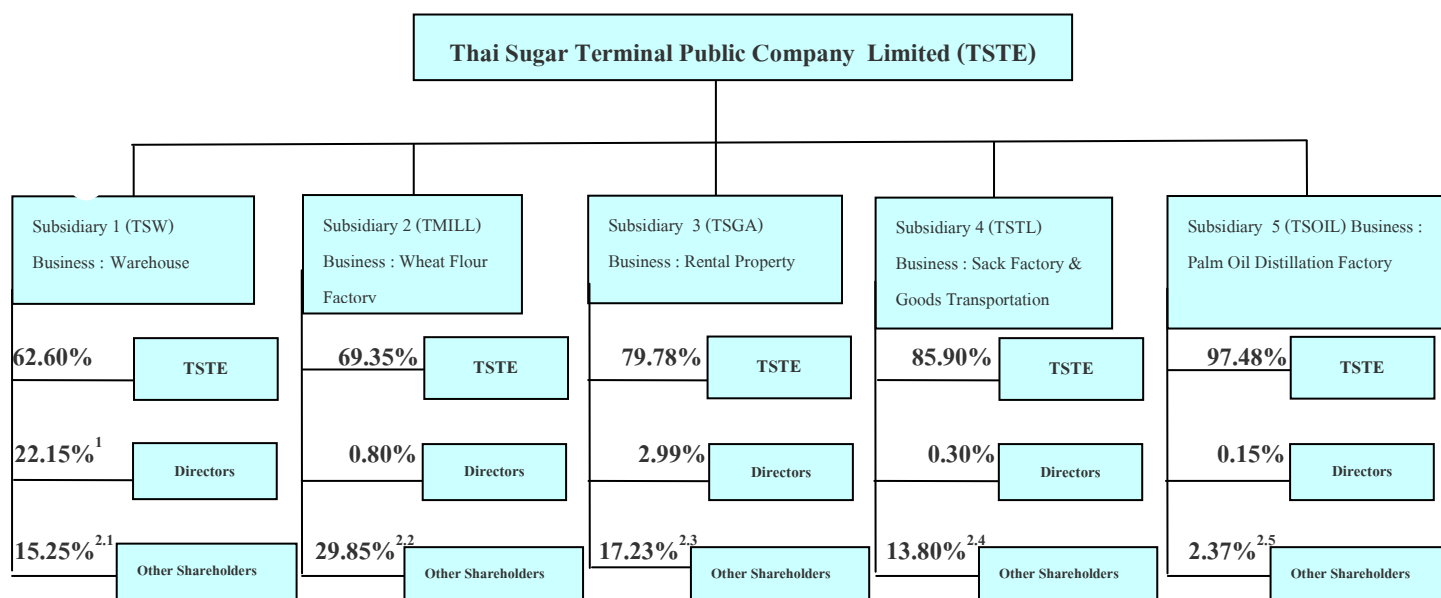
- April, 2013 The Annual General Shareholders' Meeting No. 1/2013 which was held on April 25, 2013, had an unanimous resolution to pay dividend to shareholders of operations for the year 2013 as follows.
- Payment of dividend in cash at a rate of 0.24 baht per share, total amount not exceeding 31.68 million.
 - Dividend as ordinary shares from the company's entire stock of 131,999,970 shares at a rate of 10 existing ordinary shares

per stock dividend 1 Par value of baht 1 per share dividend to all 13,199,997 shares as money 13,199,997 baht net dividend per share 0.10 baht in cases concerning shares . The company paid to shareholders in a ratio of 0.10 baht per share

Total dividend in cash and shares in a stock dividend rate of 0.34 baht all dividends will be with holding tax based on the rate law.

- May, 2013 T S Oil Industry Co., Ltd. (Subsidiary) to affected by the price of crude palm oil in the market slump because Palm productivity throughout the country market, the cost of crude palm oil in stock market price is higher than many, faced with the loss of personnel, lack of experience, both in the raw material procurement management and marketing. At the Board meeting has approved the company's OPG tech Co., Ltd. Palm oil refinery joint venture leases for a period of 3 years from the month of May, 2013 to 2015.
- June, 2013 The company made 2013 construction warehouse put-away after the total space added two new 12,237 square meters, which can keep the sugar business into services has increased roughly 40,000 tons, according to the quantity of sugar cane output in the country is increasing.

Share Holding in Subsidiaries as on 31 December 2013



Note : 1. T S Warehouse Co., Ltd. held 22.15 percent of the stock company under the Ministry of Commerce.

The condition of the company's warehouse, 1992, stated that the director of operations. Warehouse must hold not less than one-fifth of the shares listed.

2. Other Shareholders of subsidiary are:

2.1 T. S. Warehouse Co., Ltd. (TSW)

Other Shareholders	% of Stock	Committee/ Executive Concernment
Mitr Kaset Industry Co., Ltd	14.15	There is Mr. Narong Jenlarpwattanukul as Co-Committee
Mun Kong Siam Business Co., Ltd.	1.05	There is Mr. Chanachai Chutimaworaphan as Co-Committee
Kumphawapi Sugar Co., Ltd.	0.05	None
Total other shareholders	15.25	

2.2 T. S. Flourmill Co., Ltd. (TMILL)

List and trading on the Market for Alternative Investment (MAI) by Thai Sugar Terminal Public Co., Ltd. Currently holds 69.345 percent, remaining 30.655 percent of the director and shareholders whose names appear in The Thailand Securities Depository Co., Ltd.

2.3 T S G Asset Co., Ltd. (TSGA)

Other Shareholders	% of Stock	Committee/ Executive Concernment
Prachuap Industrial Co., Ltd.	5.11	There are Mr.Pong Chinthammit ,Mr. Win Chinthammit as Co- Committee
Mitr Kaset Industry Co., Ltd.	5.04	There is Mr.Narong Chenlarpwatanakul as Co-Committee
Khon Kaen Sugar Industry Public Company Limited	4.10	There are Mr. Prapas Chutimaworaphan, Mr. Charat Chinthammitr, and Mr. Somchai Chinthammitr as Co-Committee
Munkong Siam Business Co., Ltd.	1.07	There is Mr. Chanachai Chutimaworaphan as Co-Committee
Mrs. Araya Arunanonchai	1.04	None
Mr. Chai Arunanonchai	0.52	None
Mr. Surajak Ruangsuk	0.17	None
Mrs. Punlap Ruangsuk	0.17	None
Kumphawapi Sugar Co., Ltd.	0.01	None
Total other shareholders	17.23	

2.4 T S Transport and Logistics Co., Ltd. (TSTL)

Other Shareholders	% of Stock	Committee/ Executive Concernment
Khon Kaen Sugar Industry Public Company Limited	10.13	There are Mr. Prapas Chutimaworaphan, Mr. Charat Chinthammitr, and Mr. Somchai Chinthammitr as Co-Committee
Man Khong Siam Business Co., Ltd.	2.63	There is Mr. Chanachai Chutimaworaphan as Co-Committee
Mitr Kaset Industry Co., Ltd.	0.54	There is Mr. Narong Jenlapwattanakul as Co-Committee
Prachuap Industry Co., Ltd.	0.25	There are Mr. Phong Chinthammitr and Mr. Win Chinthammitr as Co-Committee
Total stock of 16 Shareholders	0.25	None
Total other shareholders	13.80	

2.5 T S Oil Industry Co., Ltd. (TS OIL)

Other Shareholders	% of Stock	Committee/ Executive Concernment
Mitr Kaset Industry Co., Ltd.	1.00	There is Mr. Narong Jenlapwattanakul as Co Committee
Prachuap Industry Co., Ltd.	0.26	There are Mr. Phong Chinthammitr and Mr. Win Chinthammitr as Co-Committee
Khon Kaen Sugar Industry Public Company Limited	0.62	There are Mr. Prapas Chutimaworaphan, Mr. Charat Chinthammitr, and Mr. Somchai Chinthammitr as Co-Committee
Mr. Chai Arunanonchai	0.10	None
Mr. Surajak Ruangsuk	0.03	None
Mrs. Punlap Ruangsuk	0.03	None
Man Khong Siam Business Co., Ltd.	0.16	There is Mr. Chanachai Chutimaworaphan as Co Committee
Mrs. Araya Arunanonchai	0.16	None

3. Risk Factors

The company services on warehouse rent, Including more cargo fleet, product loading and port and which has to look after the goods since it was transported in, sent to preserved warehouse then delivered into the marine. For the customer and other relevant party benefits, the company are strictly to giving out the best service for customers which will return on more customers are impressed in our services and resulted in more dividend for the shareholders. The risk factors that can be effected to the performance, and turnover of the company in the ordinary situation are :

1 Warehouse Management Risk

As the company's business has warehouses for sugar depository as it waits to be loaded onto the vessel, and to be leased out to subsidiary such as (TS Flour Mill Public Company Limited) for rent storing raw materials such as wheat for distribution. TS Oil Industry Company Limited leases the warehouse for loading various types of oil reducing the area for sugar depository service, and T S Transport and logistics Company Limited rent to improve the production of sacks ,plastic packaging. Make the services available to reduce the sugar a chance to do luggage and cargo businesses. So in the year 2013, The company's construction of large warehouses rose another 2 after which an additional capacity of 40,000 tones was also conducted. It also the company had upgraded and repaired all the damaged part of the warehouse and improve the storage of the original rubber asphalt is poured concrete to be ready for more product depository both the bag and bulk and to compensate for the part of the warehouse that was upgraded for subsidiary to rent for business operation. and to compensate for the part of the warehouse that was upgraded for subsidiary to rent for business operation and to compensate for the part of the warehouse that was upgraded for subsidiary to rent for business operation.

2 Consumers' confidence regarding product's safety

As the trend of consumers' behavior is focused on hygiene, safety, and zero contamination of the product because sugar is more frequently used as cooking ingredient, the company's operation may be affected if consumers' confidence in terms of the company's product safety is reduce due to the risk that the product may be contaminated or product storage is not up to standard, as well as product transfer system onto the vessel or loading of product into containers to be delivery to buyers.

Therefore, to reduce the risk in terms of the impact on consumers' confidence regarding food safety, the company pays great attention to standard procedure by controlling the quality of every step in the production to deposit and deliver to the client ensure safety of the company's products that are suitable for making the products for consumption, coordinating, monitoring, and controlling transportation which sampling error for quality is inspected both in and out in order to be accepted by customers who are the product owners, and buyers.

3 Liquidity management

The company is managing the liquidity risks effectively. To ensure that companies are able to supply a sufficient income to support the various obligations when due at a reasonable cost. Which is under the responsibility of the Board of Directors determines the liquidity management strategies, including to consider the supply of funding sources, both short term and long term, to provide funding to support the company and its subsidiaries.

4 Operational risk

The operational risk is the risk that may arise from errors or insufficient pressure of work processes. Employees work and/or information technology systems as well as external factors, which cause damage to the company, both direct and indirect, with the establishment of the operational risk management work (Operational Risk), the Sub-Committee to the Executive check box in accordance with the guidelines defined in connection with monitoring the progress of risk management.

The most important operations closely and reporting through the Audit Committee, meetings between those involved. Which consists of the complete risk management, which consists of the head of the Agency, internal auditor and the Audit Committee, which results in a process of risk management and internal audit processes of the company effectively.

4. Property used in the business

4.1 Freight services and services for rent warehouse wharf

In the year of production 2012/2013 sugar cane into the chest through a number of 100,003 million tons, an increase of the production year 2011/2012 of 2.023 million tons or increase 2.07 percent The total output of 10.21 million tons of sugar each with a yield as white sugar, the amount of 3.673 million tons. 6.272 million tons of raw sugar and sugar to 0.790 million tons is also a by-product of such. Molasses and another 4.554 million tons of Thai Sugar Terminal Public Company Limited to provide the service of unloading the vessel. Rent a boat dock. The products available for rent. Services sack waiting to transport goods to other countries or for delivery to the domestic distribution, the company has facilities to provide the following services.

A. Warehouse

Warehouse No.	Space (square meters)	Total space (square meters)
1 – 2	1,650	3,300
3	825	825
4 – 9	1,650	9,900
10 – 12	1,650	4,950
13	2,063	2,063
14	4,500	4,500
15	2,194	2,194
16	2,082	2,082
17	1,969	1,969
18	1,857	1,857
19 - 20	1,688	3,376
21 - 22	1,575	3,150
23	2,250	2,250
24	2,250	2,250
25 – 26	1,513	3,026
27 – 29	1,800	5,400
30	2,800	2,800
31 – 32	1,500	3,000
33	1,312	1,312
34	1,188	1,188
35 – 36	2,250	4,500
37	1,940	1,940
38	2,000	2,000
39	4,000	4,000
Total : 39 warehouses	Total space	73,832 square meters

NOTE : 1. Warehouse No.10 – 13 (4 units) has been rent out to T. S. Flourmill Co., Ltd. (subsidiaries) for wheat flour factory.
2. Warehouse No.14 has been rent out to T. S. Transport and Logistics Co., Ltd. (subsidiaries) rent and install equipment to use operating business manufacturing plastic packaging bags.
3. Warehouse No.17 – No.23 (7 units) has been rent out to T. S. Oil Industry Co., Ltd (subsidiary) for operating business palm oil distilled and fill-up factory building.

B. Molasses Tank ; The current wait for delivery there are 2 buckets with 24,000 metric ton capacity, and molasses transfer station with quality analysis lab. The total area is 2,470 square meters and 4 tanks of liquid storage with total capacity 40,000 ton to T S Oil Industry rent crude palm oil in the store room.

C. Pier ; 3 Wharfs (No.16A, 16B, 16C), total length is 357 meters, space 5,655 square meters (can serve 2 ocean liner with 12,000 ton each at the same time)

D. Barge (pontoon boat) ; total 3 ships, capacity 3,700 tons, The service transports sugar and other to transport goods from Samutprakan to the fleet berths in deep water Gulf of Thailand and Koh Si Chang.

E. Free space for goods rental ; 8,504 square meters

F. Weighhouse and 2 weight transmission belts ; weigh up to 80 ton in the area of 474 square meters.

G. Truck parking ; Area of 9,000 square meters parking for truck 100 cars.

Volume turnover in freight service in 2013 and 2012

Warehouse service	2013	2012
Warehouse rental space (square metres)	49,717	49,717
Service area (%)	75.04	72.69

NOTE : The company gradually shut down the warehouses of 6 units during July to November 2013

Pile goods warehouse rental space	2013	2012
Storage capacity: service space	165,000	165,000
Product use current average (%)	51.72	45.42

NOTE : In 2013, the amount of sugar bulk into a decline from last year's percentage of 48.98 with buyers delaying delivery of sugar to slow down because the price of sugar on the world market decreased circulation in warehouses not as much as should be reserved for a customer for a long time.

Type and Quantity of Goods

Unit : metric ton

Goods	2013	Percentage	2012	Percentage
Raw Sugar	507,169	47.92	749,343	63.53
White Sugar	421,209	39.80	239,153	20.28
Molasses	89,329	8.44	130,717	11.08
Rice	-	-	8,138	0.69
Wheat	4,009	0.38	-	-
Timber	11,463	1.08	14,382	1.22
Oil palm	-	-	842	0.07
Refined palm oil	15,246	1.44	21,171	1.80
Acid palm oil.	9,999	0.94	10,349	0.88
Other	-	-	5,350	0.45
Total	1,058,424	100.00	1,179,445	100.00

Target Customer

The Company is the primary customer is the sugar factory, which is a member of the Executive Committee and the shareholders of the company. Other lead parts are the sugar factories, which is independent of traders, suitable factory cargo come such factories in the North, North-East, Central. The company's exports as the station, the property is close to the province of Samut prekan, located near deep sea Pier in Laem Chabang, SI Racha, Chonburi province, and Ko sichang.

For sugar factory in middle part, Rachaburi, Kanchanaburi, will came to the ring road freight industry. The transportation is convenient, fast and cost savings for our customers even more. The quantity of sugar to use a specific product only. Other agricultural crops will benefit from the convenience of transportation as well, and to support the product. To enter into a service company. To improve both the service and cargo handling to be much faster. The convenience and benefits to customers and to encourage the use of our products better.

Quotation Policy

Due to the price of wharf business has been controlled by the Office of the Maritime Promotion Commission, Ministry of Transport and Communications. Which control the rate and type of service. Compared to the same standards as the port. Port the product. The rental equipment. Freight rates for the main raw sugar and white sugar. And warehouse. Serving of sugar transport. The service at the same rate as agreed between the warehouse and factory output in the company and under supervision of Office of the cane and Sugar Board. I try to keep the cost of services while maintaining the quality of services and seek improved services ways to maximize the benefits to our customers continuously.

If you fail to comply with any agreement with the Company will notify the customer to jointly find solutions and to prevent damage that may occur.

Industry Competition

The current business warehouse is likely to grow even more due in part to the government's policies. The various operators accelerate development both in agriculture and industry sectors to export more and in 2015 to the AEC fully expect a growth rate of businesses in the future will lead to higher given sequence factors exports will be more demand in the spool and unloading station will rise accordingly. The current route is still a major freight transport water services business cargo handling and port growth as well.

Trends in the supply of marine products to be large in order to be able to get more in each trip to save time and money as well. However, although the number of vessels which entered products to current and future fleet size is not all. However, the need to transport large quantities of medium and small size, it also has a high rate as well. In 2012, the Company purchased a barge of 3,700 ton capacity 3 ships to transport goods from the warehouse to the Fleet at Ko Si Chang and / or the Gulf of Thailand to the Company can increase the amount of product that is used a lot at the same time the sugar transportation has been changed (previously the sugar from factory will be preserved in the warehouse for then loading to the marine); the container van will fetch the goods from factory and directly send to the port in eastern part. Therefore, there is highly competition for the warehouse in Samutprakan and nearby province, Ang Thong. Nevertheless, the company try to subsidize by other products.

The factor that help the company in this competitive area is good location. The company warehouses are adjacent to Chao Praya River with the effective service and facility management without the cost of moving multiple chips. Maintenance and storage facility to maintain quality of the customer is in good condition from the time until delivery. The use of mechanical devices that can effectively work with the fast pace and schedule.

Warehouse for preservation and loading to the ocean liner :

Samudprakan (located on Chao Praya River bank)

1. Thai Sugar Terminal Public Co., Ltd.
2. Mitr Phol Warehouse Co., Ltd.
3. Thai Ruam Thun Warehouse Co., Ltd.

Ang Thong (located on Chao Praya River bank)

1. Ruam Kij Ang Thong Warehouse Co., Ltd.
2. Ang Thong Sugar Terminal Co., Ltd.
3. Ang Thong Warehouse Co., Ltd.

Sugar factory in lower north-eastern and eastern who send goods to warehouse in Sri Racha, Chonburi are:

1. Kerry Siam Seaport Co., Ltd.
2. Ao Thai Warehouse Co., Ltd.

In moving up the fleet stayed in a warehouse that stores the sugar Angtong will be transported by barge to come to Samutprakan due to the depth of the raceway is not available to the fleet to pass through a large fleet of more than 20,000 tons compared to the deep water port at the warehouse receipt Chonburi.

License, patent, and condition

1. Wharf License (16A, 16B, 16C) from Ministry of Transport and Communications registered no. 005/2013 006/2013 and 007/2013 which is valid for 1 year from 30 March 2013 – 29 March 2014, the operation must be performed under the conditions :

1. It is prohibited to throw the leftover, trash, waste, filth, contaminated water, oil-contaminated water, bilge water, and chemical to the water and place waste container sporadically in the premises.
2. The company has to prevent the product drop, or dispersion and clean the wharf and ditch consistently in order to prevent blocked trash. “Do not throw the litter “ signboard should be pinned for all employee acknowledgements.
3. Carefully sweep of the waste; not sweep the litter into the river.
4. Clean the fat filter pond and contaminated water pond at least twice a month.
5. Make a water quality check at all water ditch point on pH, BOD, Suspended Solid and Grease Oil and Ammonia- Nitrogen (Nh-N) in every 3 months then report to the Office of Marine Transport, Ministry of Transport and Communications.
6. Follow –up the environment criteria according to the environment effect study report.
7. Abide by other relevant law.

2. Factory License from the Office of Industrial Factory , Ministry of Industry ; registered no. 3-2(5)-1/39 SorPor which is valid for 5 years from 1 January 2011 – 31 December 2015 for Transfer to the deposit and molasses into the fleet. This requires installation of manholes and pump molasses storage tank and pump from the tank when I unload the delivery pipe to the ocean. The dam is surrounded by cars of molasses storage tanks, all with a solid material to accommodate the volume of sugar that may overflow or leak from the tank. Not less than one-fourth of the total volume of the tank (6 tanks total capacity of 64,000 metric tons).

3. Ocean Wharf License from the Office of Marine Transport, Ministry of Transport and Communications ; registered no. 15/2010 which is valid for 5 years from 18 October 2010 - 17 October 2015 for ocean wharf business with space and facility. The operation must be performed in concerning to the environment with monthly report specify the statics of the marine, goods type, goods quantity. Annual report to specify the warehouse, wharf, tool, and facility condition.

4. License as a health hazard. From the Municipality Poochaosamingprai. Registration number 660/2013 at age 1 year from the date of 12 July 2013 – 11 July 2014 warehouse space exceeds 1,000 square meters.

BOI

- None –

Undelivered Task

- None -

**The nature of business of the subsidiaries**

T S Warehouse Co., Ltd. (TSW) Company Registered No. 0105530047784

Nature of Business: Warehousing and Storage

Registered in 1987 with 50 million baht authorized capital : there are 5000,000 common stock at par value 100 baht; 25 baht per par had been paid up 12.50 million baht Thai Sugar Terminal Public Co., Ltd. hold 62.60 percent of authorized capital.

The committee hold 20.61 percent of T S Warehouse Co. Ltd. stock due to the Ministry of Commerce Proclaim in Warehouse Business Control Term & Condition 1992 that the committee of the warehouse business must hold 1 / 5 of authorized capital.

There is a warehouse for 65,000 ton of pile sugar and 50 kgs. white sugar sack in the area of 8,767 square meters which rent from Thai Sugar Terminal Public Co., Ltd., for both companies have the lists for warehouse rent, property rent, loading, and service ; the service fee is calculated in fair price and same as general customer.

T S Warehouse Co., Ltd posses the certificates according to Ministry of Commerce Proclaim in Warehouse Business Control Term & Condition 1992 ;

1. Goods deposit service for compensation or others.
2. Issue loan to the depositor (consider goods as a warrantee) for interest or other.
3. Cold storage for goods preservation for compensation or other.
4. Plant dehydration, peel cracking, selection, mix or other process for compensation or other.
5. Purchase, sell, exchange, rent, rent-out, hire-purchase, loan, mortgage, pawning for warehouse business benefit.
6. Import, export, transportation and other customs processes may arrange the insurance for the goods according to the goods storage contract.
7. The benefit must be used in buying the Security of Thai Government, or Government Organization, or State Enterprises at least 15 percent of paid-up capital and company reserved fund; and invested (less than 15 percent of paid-up capital and company reserved fund) in other company stock by the committee approval. However, total investment must not be over 30 percent of paid-up capital and company reserved fund.

There are various licenses.

1. Warehouse License was issued by the Office of Warehouse Business Promotion , Department of Internal Trade, Ministry of Commerce No. 1/1987, indefinite license, but the company has to follow by the Warehouse Business Control Term & Condition 1992 :

- Make a monthly report on goods category & quantity in-out .
- Do a goods check list twice a year (in June and December)
- Make an annual report of business operation and financial sheet to Director-General of Department of Internal Trade, Ministry of Commerce.
- Prepare in-out goods check book at the office for inspection at all time.



2. Factory License from Department of Industrial Works, Ministry of Industry registered no. 3-2(5)-3/36

SorPor which is valid for 5 years from 1 January 2013 – 31 December 2017. This for sugar preservation and transportation with machine and transmission belt system for export.

3. Factory License from Department of Industrial Works, Ministry of Industry registered no. 3-2(5)-4/36 SorPor which is valid for 5 years from 1 January 2013 – 31 December 2017. This for sugar preservation and transportation with machine and transmission belt system for export.

4. License as a health hazard from the Municipality Poochao samingprai. Registration number at age 1 year 741/2013 from the date of August 24, 2013 until August 23, 2014 warehouse space exceeds 1,000 square meters.

BOI

- None –

T S Flourmill Co., Ltd. (TMILL) : company registered no. 0105520001455

Nature of Business : Flour mill

The company was registered in 1977, previous name is Thai Sugar WarehouseC., Ltd., with 10 million baht authorized capital : there are 1000,000 common stock at par value 100 baht. There was 2,880 square meters warehouse for 30,000 ton of pile goods. Warehouse and sold them to the Thai Sugar Terminal Public Company Limited in May 2010.

In 2005, TMILL increased authorized capital to THB 200 million which is divided into 2,000,000 common stocks worth THB 100 each to build wheat flour production factory, and changed its name to TS Flour Mill Company Limited. In August, 2007, TS Flour Mill Company Limited increase authorized capital to THB 400 million which is divided into 4,000,000 common stocks worth THB 100 each to be used as working capital in wheat flour business operation, and in February 2010, the authorized capital was reduced to THB 200 million in order to apply to be registered in MAI market, which Thai Sugar Terminal Public Company Limited holds 98.82 percent of the shares. Later in June 2010, the company had been privatized to public company limited under the name “TS Flour Mill Public Company Limited (TMILL), and changed share value from originally THB 100 per share (ONE HUNDRED BAHT) to THB 1 per share (ONE BAHT), and increased authorized capital by another THB 85 million from originally THB 200 million to make up the new authorized capital of THB 285 million by issuing 85 million new common stocks worth THB 1 each to support new common stocks offering to general investors for the registration in Market for Alternative Investment (MAI), Thai Sugar Terminal Public Co., Ltd. currently holds 69.345 percent.

From June 2007 to the present TS Flour Mill Public Company Limited produces and sells wheat to wheat flour , which is the raw material from abroad to bring a flour mill and sold to households fresh bread, noodles, instant noodles manufacturing and retail operations including bakery, candy, cookies , snacks and pastries. There is also a byproduct of the wheat is sold to the animal feed industry entrepreneurs.

Type of products sold

1. Wheat flour for bread making with high protein content of 13-14% and a higher amount of gluten bread made with good quality.
2. Wheat flour for baking low protein 7-9% made buns, cakes, cookies, cotton candy, wheat Eclair mochi, Jam Roll Cake
3. Flour for making noodles, Chinese and Japanese
4. All-purpose flour has a protein content of about 10-11% is used to bake the medium such as noodles inseparable, Cake, cookies, donuts, cakes, candy, meat, eggs, waffles, pancakes, buns and dessert dessert trolley fried variety.
5. Wheat flour for animal food such as shrimp, fish, etc.

Distribution channels

The company is divided into three distribution channels.

- 1) distribution to large industrial plants.
- 2) supplier to major wholesalers or Ext.
- 3) distribution to the small wheat

There are various licenses.

1. Factory License from Department of Industrial Works, Ministry of Industry : registered no. 3-9(2)-4/50 SorPor which is valid for 5 years from 31 January 2011 – 31 January 2016 for wheat flour reform business.

2. Transport or Import Food into the Kingdom License from the Office of Public Health, Samudprakan : registered no. 11-4-01150 which is valid for 3 years from 1 January 2013 - 31 December 2015 according to the article 15 in the Act of Food 1979 for imported food distribution.

3. Food Production License From the Office of Public Health, Samudprakan : registered no. 11-2-00151 which is valid for 3 years from 26 December 2013 -31 December 2016 according to the article 14 in the Act of Food 2009 for food production.

4. Armament Possession License from Armament Office, Ministry of Defence : registered no. 4757/2013 This license is valid until 24 July 2014 to ensure that a user is allowed to have a lethal liquid chlorine Arms Control Act 1987.

5. Halal Mark Permission Certificate from Islamic Chairman Office, Samudprakan (HALAL) : The central Islamic Council of Thailand registered no. KorAorTor, HorLor, B131/2008 which is valid for 1 year from 5 June 2013 – 4 June 2014 for guarantee the products of T S Flourmill Public Co., Ltd., manufacturing process was carried out correctly in accordance with Shariah principles.

6. GMP and HACCP Certificate No. TH08/1704 and TH08/1703 in a row : from SGS (Thailand) Co., Ltd. which is valid for 3 years from 24 June 2011 – 24 June 2014 with quality check in every 6 months. This will guarantee the quality of T S Flourmill Public Co., Ltd. 's wheat flour.



7. ISO 22000:2005 Certificate from SGS (Thailand) Co., Ltd. : certificate no. GB08/75218 which is valid for 3 years from 16 July 2011– 16 July 2014 with quality check in every 6 months. This will guarantee the Food Safety Management System of T S Flourmill Public Co., Ltd.

8. Health Hazard Business License From the Municipality Poochao samingprai : Registration number at age 1 year 616/2013 from 28 June 2013 - 27 June 2014 for ensure that the operation must not cause nuisance.

9. License for personal transportation with goods or items transporting vehicle : from Department of Land Transport, registration number SorPor.Bor.114/2012 which is valid for 5 years from 16 March 2012 to 15 March 2017 for the company's transportation (bulk truck).

10. THS24000 : Certificate from Thailand Halal Standard from Halal Development and Product Testing Center : Development and validation of a Halal product of Thailand. To ensure that TS Flour Mill Public Company Limited was conducted according to the principles of Islam correctly.

BOI

- None -

TS oil industry Co., Ltd. (TS OIL) company registered no. 0105526040126

Nature of Business : Palm oil refining

The company was registered in 1983, previous name was Sugar Silo Warehouse Co., Ltd. with 30 million baht authorized capital (paid-up authorized capital and Thai Sugar Terminal Public Co., Ltd. hold 62.07 percent share) operates in property development business. It is located at Amphur Sampan, Nakornpathom. Townhouse and commercial building construction for sale. In December 2009 had changed to T S Oil Industry Co., Ltd. with 200 million baht authorized capital and renamed TS Oil Industry Co., Ltd by Thai Sugar Terminal Public Co., Ltd. hold 94.31 percent share to do the palm oil distillation for consumption. It is expected to start its operation in 2nd quarter of year 2009 and In May 2012 the registered share capital of Baht 400 million baht today to 600 million baht by has the Thai Sugar Terminal Public Co., Ltd. holds 97.48 percent.

TS Oil Industrial Co., Ltd. began producing oil and palm oil sales types. Under "RACHA" from May 2010 onwards by the main raw material used in the production of crude palm oil is in the whole country from the south and east of Thailand. The import is done in case of shortage of local raw materials only. And must be imported through the PWO The Association of refining the allocation of quotas to members in proportion to the amount of product purchased in the country.

Production processes and products are ;

Process	Raw material	Capacity	products are ;
Bleaching and refining	Crude Palm Oil : CPO	400 Ton / Date	RBD Palm Oil : RPO Acid and palm stearin (PFAD) derivative.
Separate eggs	RBD Palm Oil : RPO	300 Ton / Date	Palm oil in processed olefins. And palm stearin stearic Prince (Stearin: RS) is a byproduct

Distribution channels

1. Sector (Industry), such as plant food, animal feed and chemicals, soap, oil, etc..
2. The department store (Modern Trade), such as Big C, Makro etc.
3. Wholesalers (Wholesale) such as Sa Yi Pua Pua etc.
4. The end user (End User) such as restaurants, bakery and hotel etc.

Model packaging distributors

1. liter bottles packing carton (12 bottles per carton).
2. 1 liter bag packing carton (12 bags per carton).
3. bucket with 18 liters and 13.75 liters size.
4. bag in box (Bag in Box) with 18 liters and 13.75 liters size.
5. plastic (Drum) 200 liters.
6. Car size 12-13 ton single tank car and tank trailers Size 26-30 tons.

Standards that have been certified

1. mark certification ISO 22000: 2005 No. GB10/81733.
2. marker GMP Certification No. TH10/5399.
3. mark HACCP Accreditation No. 10/5340.
4. Halal Certification Mark No.KorAorTor.HorLor. B536/2553 (Muslim standard).
5. Kosher certification mark. (Jewish food standards).

There are various licenses.

1. Control Business License 3rd type ; Department of Energy Energy of Smutprakan; registered no SorPor 057/2014 which is valid for 1 year from 20 January 2014 – 31 December 2014 to perform a fuel storage facility (fuel A).

2. License for personal transportation with goods or items transporting vehicle from Department of Land Transport : registration number SorPor.Bor. 153/2010 which is valid for 5 years from 29 March 2010 to 28 March 2015 for the company's transportation bulk truck.

Notes The end of the year to year 2012 - 2013, the company are affected by the cost of raw materials prices, including crude palm oil prices are falling continuously caused by output palm throughout the country there are a lot of unprecedented, T S Oil Industry co., Ltd. (subsidiary) experiencing a loss due to the cost price of crude palm oil in stock market prices are much higher than the price with a business into a subsidiary plant was recently palm oil still lacks personnel with experience in all aspects of procurement and raw materials and marketing. The Board therefore approved the company's lease contracts to OPG Tech Co., Ltd., factory with machinery equipment all about palm oil for a period of 3 years from the month of May to the month of May by 2013 to 2015 management takes the rental business and education personnel preparation plant that has the ability and experience to conduct business here in the future.

T S G Asset Co., Ltd. (TSGA) ; company registered no. 0105521016901

Nature of Business : Real estate, rent and living room

The company was registered in 1978 ,previous name was Thai Sugar Silo Warehouse Corporation Co., Ltd. In 2001 later after return the warehouse license and the name had been changed to T S G Asset Co., Ltd. with 50 million baht authorized capital in February 2007 paid-up authorized capital and Thai Sugar Terminal Public Co., Ltd. hold 79.78 percent share there was 500,000 stock at par value 100 baht.

T S G Asset Co., Ltd. operates the apartment service with original asset : the sugar pile warehouse space 6,250 square meters capacity 55,000 ton for T. S. Warehouse Co., Ltd. rental . In 2005 the company had bought the 262 rooms apartment, which is located in Soi Erawan Singthor, Pu Chao Saming Phai Rd., Amphur Prapadaeng, Samudprakarn; now 90 percent are rent out. The later In 2009, a new apartment with 45 rooms was built in the company property at Soi Siam Silo Pu Chao Saming Phai Rd., Amphur Prapadaeng, Samudprakarn, and rent out in October 2009. The present two current residential tenants have 95 percent of all rooms.

There are various licenses.

1. Factory Certificate from Ministry of Industry registered no. 3-2(5)-1/36 SorPor which is valid for 5 years from 1 January 2012 - 31 December 2017 as there is the sugar transportation system connect to the company warehouse.

2. Operator License ; registered no. 040651000100 and 0406510000999 from National Broadcasting and Telecommunication Commission which is indefinite license since 5 September 1997 for sugar dispersion control.

3. Health Hazard Business License (TSGA 1) From the Municipality Poochao samingprai registration number at age 1 year 626/2013 from 21 June 2013 - 20 June 2014 for operate the 262 room hotel.

4. Health Hazard Business License (TSGA 2) From the Municipality Poochao samingprai registration number at age 1 year 11/2013 from 8 October 2013 - 7 October 2014 for the apartment of 45 rooms business.

BOI

- None -

T S Transport and Logistics Co., Ltd. TSTL company registered no. 0105520002486

Nature of Business : Contractor factory woven sacks and Security

The company was registered in 1977, previous name was Thai Sugar Transportation Co., Ltd. with 5 million baht authorized capital, 50,000 shares at par value 100 baht, only 1.25 million baht paid-up capital. All 5 million baht paid-up capital was completed in year 2007 with 2 percent of authorized capital was hold by Thai Sugar Terminal Public Co., Ltd. In 2008, the Shareholder Extraordinary Meeting 1/ 2008 on dated 11 January 2008 had the consensus to increase the capital to 50 million baht . and transfer the right in the increased shares reservation of the original shareholder to Thai Sugar Terminal Public Co., Ltd. in order to invest more in plastic sack and sack weaving factory. At present Thai Sugar Terminal Public Co., Ltd. hold 77.44 percent of authorized capital and plastic sack production start its performance in October 2008 onwards. In the year 2009 capital increase amounting to 30 million baht registered capital of 80 million baht, the Thai Sugar Terminal Public Company Limited holds 85.90 percent.

There are various licenses.

1. Factory License from Ministry of Industry : registered no. Jor 3-53(4)-36/51 SorPor which is valid for 5 years from 1 January 2013 – 31 December 2017 for plastic sack production.

2. Health Hazard Business License From the Municipality Poochao samingprai registration number 661/2013 at age 1 year from 12 July 2013 - 11 July 2014 for the woven bag machines.

BOI

- None -

Relationships between customer and the company & its subsidiary (T S Warehouse Co., Ltd.)

Thai Sugar Terminal Public Company Limited has warehouse service for the goods before loading up to the ocean liner or for internal distribution. With the total space of 154 rai 3 ngan 20 square wah there are 3 ports , 27 warehouses, space for 170,000 ton of sack and 2 molasses buckets with 24,000 ton of capacity. The main products that request these services are sugar, molasses, rice, oil, and other agricultural product. It is considered as the biggest warehouse in Samudprakan area.

According to the company core business, the major clients are sugar exporter and sugar factory (sugar pile and sugar pack). Other customer is the warehouse rental customer; they are both importer and exporter of rice, wheat, tapioca flour, lumber, and oil (for consumption and for other purposes). T S Warehouse Co., Ltd. 's major customer is sugar factory that preserve the sugar for export: Thai Sugar Terminal Public Co., Ltd. will load the goods while the T S Warehouse Co., Ltd. is the goods preservation.

Each business in the company and its subsidiary is mutually support each other in strategy for the flexible operation and expansion. The management will plan the strategy for each business connection and benefit to gain the most effective outcome.

Warehouse business have to concern many limitations, for example the major income must come from goods storage then the subsidiary has to rent the warehouse for goods sack from the mother company because its warehouse was for pile goods. The main revenue of the mother company are goods loading, warehouse rental, port, goods weighing, goods carrier, and others. The network group of companies are operated under mutual benefit , and the law has termed that the committee must hold at least 1/5 of all shares, therefore; the committee in the mother company and its subsidiary almost the same. The subsidiary is automatically controlled by the mother company.

**Capital Investment of Subsidiary**

As on 31 December 2013

Company	Business	Authorize d Capital (million baht)	Paid-up capital (million baht)	Share (%)	Cost of Capital	Capital Value	Other Shareholder with more than 10% of of stock
TS Warehouse Co., Ltd.	Warehouse & goods storage	50	12.50	62.60	10.073 million baht	91.708 million baht	Mitr Kaset Industry Co., Ltd. ¹
T S Flourmill Co., Ltd.	Wheat flour factory and property rental	285	285	69.35	197.794 million baht	423,962 million baht	-
T S G Asset Co., Ltd.	Property rental and service apartment	50	50	79.78	40.611 million baht	78.975 million baht	-
T S Transport and Logistics Co., Ltd.	Plastic sack package, goods transportation ,and security service	80	80	85.90	68.718 million baht	67.139 million baht	Khon Khen Sugar Co., Ltd. ²
T S Oil Industry Co., Ltd.	Palm oil distillation	600	500	97.48	488.544 million baht	288.248 million baht	-

Subsidiary's Shareholder more than 10 percent share

1. Mitr Kaset Industry Co., Ltd, The company holds a warehouse Co., Ltd. 14.15 percent sugar factory, is located on 93/1 Moo. 9, Saeng Chu Toh Rd., Don Kamin District, Amphur Tha Maka, Kanchanaburi. There is Mr. Narong Jenlapwattanakul as an director in Mitr Kaset Industry Co., Ltd. and an Executive Director in Thai Sugar Terminal Public Co., Ltd. and its subsidiary.

2. Khon Kaen Sugar Industry Public Company Limited The company holds Transport and Logistics Limited 10.13 percent is located on 9th floor, K.S.L Tower building, no. 503 Sri Ayutthaya Rd., Kwang Praya Thai, Khet Racha Thaevi, Bangkok 10400 and the factory on 43 Moo 19 Numphong-Kanuan Rd., Amphur Numphong, Khon Kaen 40140; the sugar factory for export and internal consumption by Mr. Prapas Chutimavoraphand Mr. Chalush Chinthammit Mr. Somchai Chinthammit The committee in Khon Kaen Sugar Industry Public Company Limited and Thai Sugar Terminal Public Company Limited and its subsidiaries.



Revenue from Profit & Loss Statement

(Unit : Thousand Baht)

Revenue Structure by Business Type	Year 2011		Year 2012		Year 2013	
	Value	%	Value	%	Value	%
Service business						
Loading and service	146,655	6.21	195,607	6.27	162,003	6.41
Preservation & store	53,952	2.28	67,909	2.18	77,397	3.06
Warehouse rent	15,202	0.64	12,589	0.40	49,963	1.98
Service apartment	8,248	0.35	9,101	0.29	9,328	0.37
Total of service business	224,057	9.48	285,206	9.14	298,691	11.82
Business sales						
Business wheat plants	897,788	38.00	1,034,244	33.15	1,106,881	43.79
Palm oil mill business	1,158,206	49.02	1,690,836	54.20	1,058,910	41.89
Plastic bag factory business	39,486	1.67	51,964	1.67	49,843	1.97
Total sale revenue	2,095,480	88.70	2,777,044	89.20	2,215,634	87.65
Real estate sales	23,000	0.97	8,860	0.28	2,150	0.09
Other income						
Money exchange profit	2,998	0.13	2,484	0.08	1,725	0.07
Other income	16,966	0.72	45,974	1.47	9,706	0.38
Total other income	19,964	0.85	48,458	1.55	11,431	0.45
Total revenue	2,362,501	100.00	3,119,568	100.00	2,527,906	100.00

NOTE : Item between Organization unit were deducted.



4.2 Properties Used in the Business Operations

No.	Asset (Type / Location)	Area	Type of Ownership	Book Value	Contingent Liability
1	Land and Improvements of the Company and its subsidiaries consist of :				
	Land of Thai Sugar Terminal Public Company Limited, Poo Jao Saming Prai road, Sam Rong Klang, Phra Pra Daeng, Samut Prakarn	124-0-98 (Rai – Ngan – Square Wah)	Owner	686,135,434.16	Guarantee the credit received from financial institutions. ^{1/}
		13-1-63	Owner	70,962,791.00	Guarantee the credit received from financial institutions. ^{1/}
	Land of TSG Asset Company Limited, Poo Jao Saming Prai road, Sam Rong Tai, Phra Pra Daeng, Samut Prakarn	8,676 (Square Meters)	Owner	19,230,000.00	Guarantee the credit received from financial institutions. ^{2/}
	Land of T S oil industry Company Limited, Bang Chang, Sam Pran, Nakhon Pathom	24.90 (Square Wah)	Owner	190,593.68	No obligations
	Total			778,518,818.84	
2	Building, Construction, and Renovation, namely, commercial building for rent, apartment for rent, port and others				
	Thai Sugar Terminal Public Company Limited		Owner	88,885,747.86	Guarantee the credit received from financial institutions. ^{1/}
	T S Warehouse Company Limited		Owner	8,254,750.85	No obligations
	T S G Asset Company Limited		Owner	51,671,066.64	Guarantee the credit received from financial institutions. ^{2/}
	T S Oil Industry Company Limited		Owner	124,365,277.87	Guarantee the credit received from financial institutions. ^{4/}
	T S Flour Mill Public Company Limited		Owner	119,128,712.96	No obligations
	T S Transport and Logistics Company Limited		Owner	6,869,172.60	Guarantee the credit received from financial institutions. ^{3/}
	Total			399,174,728.78	



No.	Asset (Type / Location)	Area	Type of Ownership	Book Value	Contingent Liability
3	Machinery, Tools and Equipment Thai Sugar Terminal Public Company Limited T S Warehouse Company Limited T S G Asset Company Limited T S Oil Industry Company Limited T S Flour Mill Public Company Limited T S Transport and Logistics Company Limited		Owner Owner Owner Owner Owner Owner	1,056,773.11 6,428,448.77 183,622.96 324,551,954.10 217,643,829.17 65,043,449.99	No obligations No obligations No obligations Guarantee the credit received from financial institutions. ^{4/} No obligations Guarantee the credit received from financial institutions. ^{3/}
	Total			614,908,078.10	
4	Furniture and Office Equipment Thai Sugar Terminal Public Company Limited T S Warehouse Company Limited T S G Asset Company Limited T S Oil industry Company Limited T S Flour Mill Public Company Limited T S Transport and Logistics Company Limited		Owner Owner Owner Owner Owner	700,165.84 8,766.65 19,079.71 2,983,420.42 3,297,681.55 149,772.48	- - - - - -
	Total			7,158,886.65	
5	Automobiles Thai Sugar Terminal Public Company Limited T S Warehouse Company Limited T S Flour Mill Public Company Limited T S Transport and Logistics Company Limited T S Oil industry Company Limited T S G Asset Company Limited		Owner Owner Owner Owner Owner Owner	20,100,318.17 2,214,722.83 7,233,296.45 1.00 4,124,158.30 1.00	- - - - - -
	Total			33,672,497.75	
	Total			1,833,433,010.12	

Remarks:

^{1/} Land, Title Deed No. 319, 321, 324, 326-7, 329, 358, 360-1, 391, 812, 820, 5568, 6502, 8051, 9081, 21847, 24100, 24811, 26948, 28881-91, 28893-5 and 64261 with warehouse of Thai Sugar Terminal Public Company Limited for guarantee of the credit received from financial institutions of 750 Million Baht and Land Act No. 806, 22186, 22188, 22189, 46218, 112862, 178109, 178487, 249104, 249148 secured credit facilities from financial institutions of Baht 50 million.

^{2/} Land, Title Deed No. 236400, 236401, 236402 with apartment for rent of TSG Asset Company Limited for guarantee of the credit received from financial institutions of 50 Million Baht

^{3/} Factory Building in the plastic sack factory and machinery of TS Transport and Logistics Company Limited for guarantee of the credit received from financial institutions of 85 Million Baht

^{4/} The 46 million baht credit limit and 327 million baht for palm oil machines from a financial institute had been guaranteed by T S Oil Industry Co., Ltd.'s building.

**4.3 Assets that are not used for Business Operations**

As of December 31, 2013, the company have assets not used in operations, including land area of 2 rai 48 square wah, worth 19.08 million baht

5. Legal Dispute

In 2013 Thai Sugar Terminal Public Company Limited and its subsidiaries have had no legal disputes that may impact the properties or performance of business operations.

6. General information and other important information**1. Basis Data**

Name	Thai Sugar Terminal Public Company Limited
Initials	TSTE (Stock Exchange of Thailand)
ACN.	0107537001692
Business Type	Freight services to the fleet, rent a warehouse and wharf
Website	www.tstegroup.com
Year of Establishment	1976
The first day of trading	13 July 1990
Stock Exchange of Thailand	
Office and warehouse	90 Moo 1, Poochaosamingphrai Rd., Samrongklang, Phrapradaeng, Samutprakarn
Capital	145,199,967 บาท (one hundred forty-five million, one hundred ninety nine thousand nine hundred and sixty-seven baht)
Paid	145,199,929 บาท (one hundred forty-five million, one hundred ninety nine thousand nine hundred twenty-nine baht) Consisting of 145,199,929 ordinary shares
Par value	ordinary shares at 1 Baht
Preference share	- None - Shares
Period	1 January - 31 December
Headquarters	
Location	90 Moo 1, Poochaosamingphrai Rd., Samrongklang, Phrapradaeng, Samutprakarn
Phone	0-2183-4567 (10 Automatic)
Fax	0-2183-4561 and 0-2183-4562
E-mail	Thaisugarterminal@gmail.com
Website	www.tstegroup.com

**Office of the Corporate Secretary**

Telephone 0-2183-4567 etc. 1031
Fax 0-2183-4562
E-mail arunee@tstgroup.com

2. References

Share registrar **Thailand Securities Depository Co.,Ltd..**
Location No.62, The Stock Exchange Building
Ratchadapisek Road, *Klongtoey, Bangkok 10110*
Telephone 0 2229-2800
Fax 0 2359-1259
TSD Call center 0 2229-2888
E-mail TSDCallCenter@set.or.th
Website <http://www.tsd.co.th>

Auditor **Sam Nak Ngan A.M.C. Co., Ltd. By**
Mr.Aumpol jumnongwat Certified Public Accountant No. 4663 and / or
Ms. Prapasri Leelasupha, Certified Public Accountant No. 4664
Address 191 Silom Complex, Class 19, Unit 4
Silom Road, Silom,Bangrak ,Bangkok. 10500
Telephone 0-2231-3980-7
Fax 0-2231-3988
E-mail amc@amc-mri.com

Internal auditor **Dharmniti Auditing Co.,Ltd By**
Miss Korakot Wanasawat
Address 267/1, Pracharat Road 1, Bangsua, Bangkok 10800
Telephone 0-2587-8080
Fax 0-2585-2018
E-mail internalaudit@dharmniti.co.th
Website <http://www.dharmniti.co.th>

**Financial Institutions**

Bank	Office / Branch	Overdraft Limit	Interest Rate (% per year)	Balance as of 28 February 2014
Bank of Ayudhya Public Company Limited	Rama III	-	-	71,677.59
Bangkok Bank Public Company Limited	Silom office	10 Million Baht	7.375%	23,315.26
Kasikorn Bank Public Company Limited	Silom	10 Million Baht	7.48%	8,267.36
CIMB Thai Bank Public Company Limited (Current A/C)	Poo Jao Saming Prai	10 Million Baht	8%	(1,352.13)
CIMB Thai Bank Public Company Limited (Savings)	Poo Jao Saming Prai	-	0.50%	152,060.33
Siam Commercial Bank Public Company Limited (Current A/C)	Poo Jao Saming Prai	20 Million Baht	7.42%	(2,508,090.69)
Siam Commercial Bank Public Company Limited (Savings)	Poo Jao Saming Prai	-	.625%	12,192,166.56



Executive Summary

Thai Sugar Terminal Public Co., Ltd performs the transportation and logistics business : goods loading, harbour, and warehouse rental. The company and its subsidiary are in the adjacent area; there are wheat flour factory, sack weave factory and Palm Oil Refinery Plant some area under construction for palm-oil distillation. The area is located in Sum-Rong Klang district, Amphur Prapadaeng, Samudprakarn with 154 rai 3 ngan and 20 square wah. The company core business are consisted of product loading (such as raw sugar, white sugar, and molasses for main product), warehouse for product preservation before loading up to the ocean liner, moreover; it has been used to rent out for product storage (such as rice , oil, and other agricultural products before loading up to the marine, or transfer for internal distribution.

The company has five subsidiaries of the company by the subsidiary companies operate in a different. The performance ended December, 31 2013. The total income of the business 2,638.40 million baht¹ net profit 62.79 million baht. The summary profit from each company are as below :

Thai Sugar Terminal Public Co., Ltd. :	good loading and wharf service business ;	214.74 million baht or 8.14% of gross income.
T. S. Warehouse Co., Ltd.	: warehouse business service ;	96.76 million baht or 3.67% of gross income.
T. S. Flourmill Public Co., Ltd.	: wheat flour factory business ;	1,110.01 million baht or 42.07% of gross income.
T. S. G. Asset Co., Ltd.	: real estate rental business ;	17.04 million baht or 0.65% of gross income.
T. S. Transportation and Logistics Co., Ltd.:	sack weave factory, product transportation, and security service business ;	71.33 million baht or 2.70% of gross income.
T. S. Oil Industry Co., Ltd.	: palm oil distilled factory business	1,128.52 million baht or 42.77% of gross income.
Total income :		<u>2,638.40</u> million baht Total <u>100%</u> of gross income.

Note: 1. Total revenue from business transactions is not broke

At present the authorized capital is 145,199,967 baht (one hundred forty-five million, one hundred ninety nine thousand nine hundred and sixty-seven baht) : common stocks is 145,199,967 shares (one hundred forty-five million, one hundred ninety nine thousand nine hundred and sixty-seven shares) par value is 1 baht, paid up share capital 145,199,929 shares (One hundred forty-five million, one hundred ninety nine thousand nine hundred and twenty-nine shares) amount 145,199,929 Baht (one hundred forty-five million, one hundred ninety nine thousand nine hundred and twenty-nine) had total assets of Baht 2,657.79 million and total liabilities of Baht 876.51 million baht equity shares, 1,781.28 million baht.

The company turnover is always in positive rank , and bear dividend for shareholder . The company has been performed under good governance, effective internal control , and giving out the business information to the shareholder and general investor.



7. Securities and Shareholder Information

Registered Capital

Consists of common shares of 145,199,967 shares with the value of 1 Baht per share and the total amount of 145,199,967 Baht.

Paid up Capital

Consists of common shares of 145,199,929 shares with the value of 1 Baht per share and the total amount of 145,199,929 Baht. *

Note * according to the consensus of the Annual General Meeting of Shareholder 1/2013 on dated 25 April 2013; Resolve the members had approved to yield dividend stock at the ratio 10 :1 (stock fraction will be excided). The company has a paid up capital. 131,999,970 baht is divided into 131,999,970 ordinary shares with par value of 1 baht and approved the capital increase of 13,199,997 baht by issuing 13,199,997 new ordinary shares for the stock dividend on allocation to the remaining shares of 38 stocks. The company has not granted to any one shareholder to protect the rights of all shareholders equally. The value of shares is 145,199,929 Paid shares of Baht 1 each, totaling 145,199,929. - Baht

Company's Contingencies Regarding the Issuance of Shares in the Future

- None-

Dividend Payment Policy

Dividend Payment Policy of Thai Sugar Terminal Public Company Limited

The company has the policy to pay the dividend at the rate of at least 50 percent of the net profit after corporate tax and legal reserve. If there are no other necessary causes and such dividend payment does not impact the operations of the company and its subsidiaries. Such dividend payment shall consider various factors such as performance, financial status, liquidity, and business expansion plan, etc.

When the Board of Directors had the resolution to approve the annual dividend payment, it shall be approved by the shareholders' meeting, except the payment of interim dividend since such interim dividend payment shall be approved by the Board of Directors and shall report to the next shareholders' meeting.

Dividends shall be divided equally by the number of shares by the dividend must be approved by the general meeting of shareholders, the Board may pay interim dividend to its shareholders from time to time. If the company has enough profits to do so, and report to the meeting of shareholders in the next meeting.

**History of Dividend Payment**

Thai Sugar Terminal Public Company Limited					
Date of Dividend Payment	Annual Performance	Net Profit (Baht)	Earnings per Share (Baht)	Dividend Payment Rate (Bath/Share)	Amount (million Baht)
2011	2010	67,652,201	0.51	0.24	47.06
2012	2011	68,742,237	0.52	0.24	46.15
2013	2012	194,142,635	1.47	0.34	23.13

Notes The Annual General Meeting of Shareholders No. 1/2013, which was held on April 25, 2013, unanimously approved the dividend payment to shareholders for the fiscal year 2012 as follows.

- Pay cash dividends at the rate of Baht 0.24 per share, representing a total amount of 31.68 million baht.
- Dividend to ordinary shares of the total share capital of 131,999,970 shares in the ratio of 10 shares for 1 new share at par value of Baht 1 per share as dividend all 13,199,997 shares amounting to 13,199,997 baht, representing a dividend per share of 0.10 baht. in case of a fractional share, the Company will pay to the shareholders at the rate of Baht 0.10 per share.

Including the payment of a cash dividend and stock dividend at the rate of baht 0.34 per share, dividends will be taxed at source at the rate prescribed by law.

Dividend Payment Policy of Subsidiaries

For the dividend payment of subsidiaries, each subsidiary has to consider the dividend payment when such company (subsidiary) has moderate profit and does not pay the dividend in case of losses. In additions, the dividend payment is considered from the remaining cash flow compared with the investment budget of such subsidiary. If the remaining cash flow of the subsidiary is sufficient and the subsidiary has already set the legal reserve, such subsidiary shall consider the dividend payment on a case-by-case basis.

The dividend payment of subsidiaries to the company shall be in accordance with the company's regulation Re : Dividend Payment and shall be approved by the shareholders' meeting. The payment can be done on a case-by-case basis when the company can generate profits, but in case that the company faces losses, the dividend payment shall be prohibited until the company's situation has been resolved. In additions, before paying dividend, shall allocate the legal reserve of at least 20 percent of the profit until the amount of such reserve is at least 10 percent of the company's registered capital.



Major Shareholders during the past years ended on February,17 2014

No.	Name of Shareholders	2013		Name of Shareholders	2012	
		Number of Shares	%		Number of Shares	%
1	Khon Kaen Sugar Industry Pcl.,Ltd.	34,583,736	23.82	Khon Kaen Sugar Industry Pcl.,Ltd.	31,439,760	23.82
2	Mr.Chanachai Chutimavoraphand	24,173,680	16.65	Mr.Chanachai Chutimavoraphand	24,173,680	18.31
3	Prachuab Industry Co., Ltd.	14,109,084	9.72	Prachuab Industry Co., Ltd.	12,826,440	9.72
4	Mrs. Yaowanuch Dejvitak	11,881,540	8.18	Miss Yaowanuch Chutimavoraphand	10,778,200	8.16
5	Miss Yaowaluk Chutimavoraphand	10,305,559	7.10	Miss Yaowaluck Chutimavoraphand	9,368,690	7.10
6	Ratchaburi Sugar Co.Ltd.	6,882,480	4.74	Ratchaburi Sugar Co.Ltd.	5,544,000	4.20
7	Mitr kasetr Co., Ltd.	6,070,898	4.18	Mitr kasetr Co., Ltd.	5,518,999	4.18
8	Mr. Prapas Chutimavoraphand	4,977,732	3.43	Mrs. Boonprom Chinbhilas	2,349,600	1.78
9	Mrs. Boonprom Chinbhilas	3,585,560	2.47	Mr. Prapas Chutimavoraphand	2,198,968	1.67
10	Mrs. Patcharee Chinthammit	1,506,997	1.04	Mrs. Patcharee Chinthammit	1,369,998	1.04
11	Other shareholders	27,122,663	18.67	Other shareholders	26,431,635	20.02
	Total number of shares	145,199,929	100.00	Total number of shares	131,999,970	100.00

- Major shareholders whose behavior can influence policy management or operations of the company significantly.

- None –

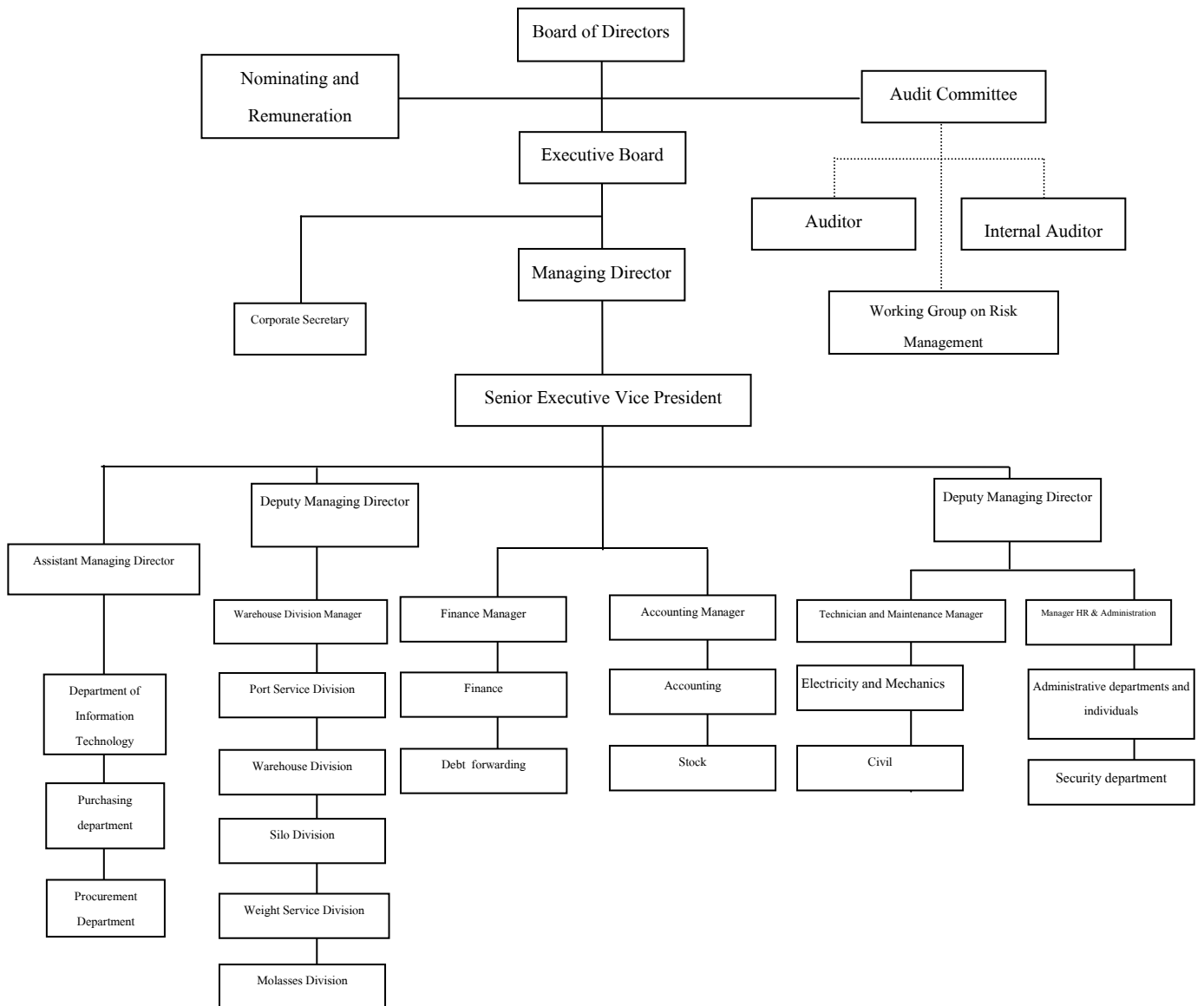
- Agreement among the major shareholders. (Shareholding Agreement)

- None –

8. Management

The company management structure is consist of Board of Director, with 4 particular assistant groups to screening is important to include the Audit Committee, Nomination and Remuneration Committee, Executive Board, Working Group on Risk Management The details are as followings.-

Management Structure



Note : Auditor and the external auditor's independence for the audit of the account and audit practices within the organization, including the adequacy of the internal control systems of the company and it's subsidiaries.

8.1 Board of Directors

Board of Directors Thailand Sugar Terminal Public Company Limited by Affidavit dated January 5, 2014 consist of 15 members as follows.-

No.	Name of Board of Directors	Position	Period
1	Mr. Pricha Attavipach	Chairman and Independent Director	April 2011 – April 2014
2	Mr.Prapas Chutimavoraphand*	Managing Director and Chairman of Executive Board	April 2012 – April 2015
3	Mr.Pong Chinthammit*	Deputy Managing Director and Vice Chairman of Executive Board	April 2013 – April 2016
4	Mr.Chanachai Chutimavoraphand*	Executive Director	April 2012 – April 2015
5	Mr.Narong Chenlarpwatanakul*	Executive Director	April 2012 – April 2015
6	Dr. Charnkrij Dejvitak*	Executive Director	April 2012 – April 2015
7	Mr.Chadej Insawang	Chairman of Audit Committee and Independent Director	April 2013 – April 2016
8	Mr.Suang Ruangsook	Member of Audit Committee and Independent Director	April 2013 – April 2016
9	Mr.Nisakorn Parkpean	Member of Audit Committee and Independent Director	April 2013 – April 2016
10	Miss Jutatip Arunanondchai	Independent Director	December 2011 – April 2014
11	Mr. Win Chinthammit*	Director	April 2011 – April 2014
12	Mr.Chalush Chinthammit	Director	April 2013 – April 2016
13	Mr.Somchai Chinthammit	Director	April 2011 – April 2014
14	Mr.Dhanadol Sujiphinyo	Director	April 2011 – April 2014
15	Dr. Suphsorn Chayovan	Director	April 2012 – April 2015

Note : 1. The annual ordinary shareholders' meeting No. 1/2013 on 25 April 2013 had the resolution to appoint the directors who are due to retirement to be re-selected for another term as follows :

1. Mr.Pong Chinthammit
2. Mr.Chadej Insawang
3. Mr.Suang Ruangsook
4. Mr.Nisakorn Parkpean
5. Mr.Chalush Chinthammit

2.* Means the authority to bind the company designated by the President is authorized to bind the company, two people co-sign and seal of the company.

Holding Securities of Directors as of 31 December 2013 compared with as of 2012

No.	Name of Directors	Number of Shares (Shares)		Number of Shares Increased (Decreased) during the Year ³	% of Shares Eligible to Vote
		31 December 2013	31 December 2012		
1	Mr. Pricha Attavipach* ¹	5,940	55,000	540	0.004
2	Mr. Prapas Chutimavoraphand ²	6,091,691	3,211,658	2,880,033	4.19
3	Mr. Pong Chinthammit	-	-	0	0.00
4	Mr. Chanachai Chutimavoraphand	24,173,680	28,873,680	0	16.65
5	Mr. Narong Chenlarpwanakul	-	-	0	0.00
6	Mr. Chadej Insawang*	-	-	0	0.00
7	Mr. Suang Ruangsook* ³	386,232	351,120	35,112	0.27
8	Mr. Nisakorn Parkpean*	196,020	178,200	17,820	0.14
9	Mr. Win Chinthammit	1,071,141	972,665	98,476	0.74
10	Mr. Chalush Chinthammit	72,600	66,000	6,600	0.05
11	Mr. Somchai Chinthammit	237,039	215,090	21,949	0.16
12	Mr. Dhanadol Sujiphinyo	1,452,407	1,320,370	132,037	1.00
13	Miss Jutatip Arunanondchai *	58,080	52,800	5,280	0.04
14	Dr. Suphsorn Chayowan	-	-	0	0.00
15	Dr. Charnkrij Dejvitak	11,881,540	10,778,200	1,103,340	8.18

- Note**
- * refers to independent committee
 - Shareholding of the Directors and their spouses

2.1	Mr. Pricha	Attavipach	Shares	-	Stock
	Mrs. Sriwan	Attavipach (Spouse)	Shares	5,940	Stock
2.2	Mr. Prapas	Chutimavoraphand	Shares	4,977,732	Stock
	Mrs. Sumitra	Chutimavoraphand (Spouse)	Shares	113,959	Stock
2.3	Mr. Suang	Ruangsook	Shares	299,112	Stock
	Mrs. Prasertsri	Ruangsook (Spouse)	Shares	87,120	Stock
2.4	Dr. Charnkrij	Dejvitak	Shares	-	Stock
	Mrs. Yaowanut	Dejvitak (Spouse)	Shares	11,881,540	Stock

3. The company paid a dividend at the rate of 10 shares per 1 share dividend as approved at the Annual General Meeting of Shareholders No. 1/2013 on 25 April 2013.

Authority of Board of Directors

1. The Board of Directors shall be authorized to take care of and manage the company in accordance with the law, objectives, and regulations of the company, including the legitimate resolution of the shareholders' meeting with honesty, integrity, and caution.
2. The Board of Directors shall be authorized to appoint any members in the Board of Directors to be the Chairman and shall appoint the Vice Chairman deemed as appropriate.
3. The Board of Directors shall be authorized to appoint the Managing Director and Senior Executive Vice President deemed as appropriate.
4. The Board of Directors shall be authorized to appoint the Executive Board consisting of the Managing Director, Senior Executive Vice President, and a group of directors to be responsible for managing and operating the company as stipulated by the Board of Directors. The Managing Director shall also act as the Chairman of Executive Board.
5. The Board of Directors shall be authorized to appoint a group of directors to be the steering committee responsible for studying and considering various issues and / or recruiting and selecting deemed as appropriate.

The Company shall have the authority to sign on behalf of the company.

1. Mr.Prapas Chutimavoraphand
2. Mr.Chanachai Chutimavoraphand
3. Mr.Pong Chinthammit
4. Mr.Narong Chenlarpwatanakul
5. Mr.Win Chinthammit
6. Dr.Charnkrij Dejvitak

By two directors of the six people to sign and seal the joint

Roles, Duties, and Responsibilities of the Board of Directors

1. Take care of and manage the company in accordance with the law, objectives, and regulations of the company, including the resolution of the shareholders' meeting with honesty, integrity, and caution.
2. Identify the policies and direction of the company's operations, and monitor and supervise the management to efficiently and effectively perform according to the policies in order to foster the economic value for the businesses and generate the satisfactory rate of return for shareholders.
3. Control, monitor, and supervise the management of the Executive Board in accordance with the policies, except the following issues that shall be approved by the shareholders before implementation.
 - 3.1 Issues identified by the law that shall receive the resolution from shareholders, meeting.
 - 3.2 Related transactions with the value exceeding 3 percent of the net tangible assets according to the latest consolidated financial statement
 - 3.3 The acquisition or sale of properties with the value exceeding 50 percent of the total assets according to the latest consolidated financial statement.

The following cases shall be approved by the Board of Directors' meeting and shareholders' meeting with the vote of at least three-fourths of all the votes from the shareholders who attend the meeting and are eligible to vote.

- (A) The sale or transfer of the whole or partial company's business.
 - (B) The purchase or acceptance of other company's business or private companies.
 - (C) The preparation, amendment, or revocation of contract regarding the lease of the whole or partial company's business or the assignment of others to manage the company's business or the merger of the company's businesses with others due to the objective of sharing profits and losses.
 - (D) The amendment of memorandum or article of association
 - (E) The increase or decrease of capital, the issuance of bonds, the merger or the dissolution of company
 - (F) Any actions that the Securities and Exchange Act or the Notification of Stock Exchange of Thailand specify that such actions shall be approved by the shareholders' meeting such as the acquisition or sale of assets of the registered companies or related transactions.
4. Consider and Approve the human resource management policies and executive development plan, including the identification of compensation. Recruit, select, and identify the successor of high-ranking executives and evaluate the performance of Managing Director, and ensure that the company has an effective processes in evaluating the performance of high-ranking executives.
 5. Ensure that the company's internal auditors and external audits perform their duties effectively.
 6. Approve the periodic, quarterly, and yearly financial statement and ensure that the financial statement is prepared according to the generally accepted accounting principles.
 7. Arrange the meeting once a month and / or in case that there are some issues that shall be urgently proposed to the Board for consideration, shall be able to arrange additional meeting deemed as appropriate.
 - Identify the important meeting agendas in advance throughout the year such as the agenda for certification, acknowledgement, consideration, or other agendas.
 - Consider various meeting agendas based on the benefits of shareholders and relevant parties.
 - Express the opinions freely.
 - Identify sufficient amount of time for considering each agenda, for discussing and expressing the opinions.
 - The Chairman shall control the meeting time properly.
 8. Be responsible for the shareholders by providing the communication channels with the company's shareholders or stakeholders.
 9. Have intention, honesty and integrity for business conduct.
 10. The directors may seek experts from several areas for accurate decisions.
 11. The directors shall be knowledgeable, proficient, and experienced in the business operations, shall pay attention to the business of the company they acts as the director.

12. The Board of Directors shall arrange the shareholders' meeting to be the annual ordinary shareholders' meeting within 4 months from the date of closing the account at the end of the previous year. Other meetings shall be called extraordinary meeting. The Board of Directors is able to arrange the extraordinary meeting at any time deemed as appropriate.
13. The Board of Directors shall provide the balance sheet and income statement on the ending date of the company and propose to the shareholders' meeting in the annual ordinary shareholders' meeting for approval, and the Board of Directors shall provide the auditors to audit such balance sheet and income statement before proposing to the shareholders' meeting.

Directors' Term in Office

The company's directors shall be appointed to be in the 3 year term so they can continuously work in the position for the company. The term can be changed according to the resolution from the Board of Directors. In case that the directors are due to retirement, the Board of Directors' meeting shall consider the performance of such directors who are due to retirement to recognize whether such directors dedicate their time to performing their roles and duties at their full potential or not. When the Board of Directors considers that such directors are proper, they shall appoint such directors who are due to retirement to be re-selected for another term and shall propose to the shareholders' meeting for approval. If any directors aim to resign from being the company's directors before the expiration of the term of office, they shall inform the intention in writing to the Board of Directors.

Regarding the identification of the number of years that each director can continuously hold the "director" position for the company, the Board of Directors believe that although the company's business operations are in service businesses, the main customers are customers in sugar industry that relates to several government agencies, farmers, and others; so, persons who hold the director position shall be knowledgeable, proficient, and experienced in the sugar business and shareholders and shareholder representatives, including sugar. It does not define the term to be served consecutively as long as possible. However, the decision will take into account the efficacy and suitability of each director will hold office for the full term of the position further.

Directors' Meeting

The company identifies the Board of Directors' meeting in advance throughout the year. Normally, the meeting is held once a month, and the special meetings shall be held deemed as appropriate so the company's directors acknowledge and allocate the time for attending the special meeting as necessary. The Chairman and Managing Director shall identify the agenda from issues following the previous meetings, issues for acknowledgement, and issues for consideration. They shall provide the accurate and sufficient meeting documents and send to the Board of Directors in advance of the meeting so the Board of directors have sufficient information and / or are able to inquire from the authorized persons before attending the meeting. Each meeting shall take 2-3 hours and in each meeting, every director shall be able to express the opinions freely. The meeting shall be recorded in writing and shall stored the previous meeting minutes certified by the Board of Directors so the directors and relevant parties are able to audit and use as references.

In the directors' meeting, if there are any issues related to the transactions that may have conflict of interests with directors or executives, the directors or executives who have conflict of interest shall not attend the meeting in such issues.

In 2013, the Board of Directors held 12 meetings with the following details of each director.

Directors' Meeting in 2013

No.	Name of Directors	number of times in meeting attendance/ number of total meetings
1	Mr. Pricha Attavipach	12/12
2	Mr. Prapas Chutimavoraphand	12/12
3	Mr. Pong Chinthammit	12/12
4	Mr. Chanachai Chutimavoraphand	12/12
5	Mr. Narong Chenlarwatanakul	11/12
6	Dr. Charnkrij Dejvitak	9/12
7	Mr. Chadej Insawang	12/12
8	Mr. Suang Ruangsook	12/12
9	Mr. Nisakorn Parkpean	11/12
10	Miss Jutatip Arunanondchai	8/12
11	Mr. Win Chinthammit	12/12
12	Mr. Chalush Chinthammit	10/12
13	Mr. Somchai Chinthammit	10/12
14	Mr. Dhanadol Sujiphinyo	12/12
15	Dr. Suphsorn Chayowan	10/12

Meeting of the Board of Directors of the non-executive directors

Most of the meetings are the discussion and meeting about the company's business among the directors so the invitation letter and the meeting minutes have not prepared in advance. The non-executive directors shall discuss about the issues in each meeting for the meetings among the sub-committee whose members are independent directors, namely, Audit Committee, Nominating and Remuneration Committee, etc. the invitation letter has been prepared, and the meeting minutes are also prepared and proposed with the opinions as an enclosure of each meeting.

Appointment and Demotion of Directors

The appointment and demotion of directors shall be summarized as follows :

1. The company's directors are appointed by the shareholders' meeting. The company shall have at least 5 directors and at least half of them shall live in the Kingdom of Thailand and shall have at least 1 in 3 of all directors. Currently, the company has 5 independent directors from the total of 15 personal. Every independent director has the qualifications as stipulated by the laws and regulations.

2. The shareholders' meeting shall elect the directors who have proper qualifications according to the following criteria.

(1) One shareholder shall have the vote equivalent to the number of shares held.

(2) Each shareholder shall use all the votes according to (1) to elect one person or several persons to be the

directors but they cannot give different votes for each director.

(3) The persons receiving the highest number of votes in a descending order are the elected directors in the same number as that of directors that should be available or elected on that occasion.

(4) In the case that persons elected in the descending order have equal votes, exceeding the number of directors that should be available or elected on that occasion, the Chairman shall use the casting.

3. In every annual ordinary shareholders' meeting, one-third of the directors shall resign from the position. If the number of directors cannot be divided into one-third, the number of directors who resign from the position shall be closet to the number of one-third directors. The directors who shall resign from the position in the first and second year after the company's registration shall be the directors from drawing the lots. For the third year and after, the directors who hold the position for the longest period shall resign from the position.

4. In addition to the directors who are due to retirement, the directors shall be out of the position when :

(1) Death

(2) Resignation

(3) Lack of qualifications or have the prohibited qualifications according to section 68 of the Public Company Act B.E.2535.

(4) The shareholders' meeting has the resolution to discharge the directors

(5) The court orders to discharge the directors.

5. Any directors who would like to resign from the position shall submit the resignation form to the company. The resignation shall be effective from the resignation date.

6. In case that any vacancy occurs for any reasons other than by the retirement of the directors, the Board of Directors shall elect a person who possesses qualification and is not disqualified under section 68 of the Public Company Limited act of 1992 as considered and proposed by the Nominating Committee to the Board of Directors' meeting to fill in such vacancy and be the director in the next meeting of the board of directors; except that the remaining term of the directors is less than 2 months, the persons who are the new directors shall be in position for the remaining terms of the directors who are out of the position.

A resolution of the Board of Directors shall be supported by not less than three-fourths of remaining directors' votes.

7. The shareholders' meeting may vote any directors to be out of the positions before the retirement with the vote of at least three-fourths of number of shareholders who attend the meeting and are eligible to vote and have the total shares of at least 50 percent of the number of shares held by the shareholders who attend the meeting and eligible to vote.

8. The directors do not have to be the company's shareholders.

The roles and responsibilities of the Chairman of the

1. The meeting of the Board of Directors, and oversees the delivery of notice of meeting, including documents, so that the Committee has received adequate and timely information.
2. The President of the Board of Directors
3. Strengthen the corporate governance standards of the company's Board of Directors.
4. The Chairman of the shareholders ' meeting, and is in accordance with the articles of Association of the company and according to the agenda .
5. Ensure that communication between directors and shareholders is going to effectively.

Authority of Managing Directors shall be as follows :-

The managing director shall have authority and duties regarding the management of the company as assigned by the directors and shall manage the company according to the plan or budget as approved by the Board of Directors with honesty, integrity, and caution. The managing director shall maintain the benefits of the company and shareholders as best as he / she can. The authority of managing director shall include the following :-

- Conduct activities and / or manage the daily activities of the company.
- Manage the company's business according to the objective, regulation, policy, rule, requirement, order, and resolution of the Board of Directors and / or shareholders' meeting.
- Be the authorized person to command, contact, direct, operate, or sign the legal documents, orders, or letters used for contacting with the government agencies, state enterprises, and other persons, and perform any actions as necessary and appropriate.
- Be the authorized persons who can command the employees and workers in every position. Place, appoint, demote, promote, or cut the salaries or ages, offer disciplinary punishment, and discharge employees according to the rules, requirement, or orders stipulated by the Board of Directors, but in case that such employees or workers are advisor, executive vice president, or equivalent, such employees shall be approved by the Board of Directors and shall be authorized to identify the work conditions for employees and workers and issue the company's work procedures that do not contradict with the rules, requirements or orders stipulated by the Board of Directors.
- Be authorized to assign others to perform some specific actions by granting the power of attorney. The assignment shall be under the scope of rules, requirements, or orders stipulated by the Board of Directors and / or company.

If the managing director has conflicts of interest or may have conflicts of interest with the company regarding such authority, the managing director shall not be authorized to take the abovementioned actions.

8.2 Executive

In the Company Committee meeting, There were 5 executives had been appointed comprised of Managing Director as Chairman , Senior Executive Vice President as Vice Chairman, Director 3 member, Deputy Managing Director 2 member, Accounting Manager, Finance Manager total Executive 9 member. The administration and operation of the Company as the Board may determine by the following names.-

<u>No.</u>	<u>Name – Surname</u>		<u>Position in the Company</u>	<u>Position in the Executive Board</u>
1	Mr. Prapas	Chutimavoraphand	Managing Director	Chairman
2	Mr. Pong	Chinthammit	Senior Executive Vice President	Vice Chairman
3	Mr. Chanachai	Chutimavoraphand	Director	Executive Director
4	Mr. Narong	Chenlarpwatanakul	Director	Executive Director
5	Dr. Charnkrij	Dejvitak	Director	Executive Director
6	Mr. Suroj	Tritheppratima	Deputy Managing Director	Deputy Managing Director
7.	Mr. Pallop	Heamataksin	Deputy Managing Director	Deputy Managing Director
8	Miss.Amornrat	Hattakam	Accounting Manager	Accounting Manager
9	Mrs.Wanna	Surattanasurang	Finance Manager	Finance Manager

Management Conference summarized results for the first month by a different manager join the discussion to improve performance and increase performance even further.

Shareholding of Executives Directors

<u>No.</u>	<u>Name - Surname</u>		<u>Number of Shares (Shares)</u>		<u>Number of Shares Increased (Decreased) During the Year</u>
			<u>31 December 2013</u>	<u>31 December 2012</u>	
1	Mr. Prapas	Chutimavoraphand	4,977,732	2,198,968	2,778,764
2	Mr. Pong	Chinthammit	-	-	-
3	Mr. Chanachai	Chutimavoraphand	24,173,680	24,173,680	-
4	Mr. Narong	Chenlarpwatanakul	-	-	-
5	Dr. Charnkrij	Dejvitak	-	-	-
6	Mr. Suroj	Tritheppratima	-	-	-
7	Mr. Pallop	Heamataksin	-	-	-
8	Miss.Amornrat	Hattakam	-	-	-
9	Mrs.Wanna	Surattanasura	-	-	-

Additional Information about the Executives Directors Team is as follows :-

All the company's executives have no criminal offenses according to the laws during the past 10 years about :-

1. Be decided that they have criminal offenses, except the traffic rule violation offenses, light offenses, or similar offenses.
2. Be decided to be bankrupt persons.

Duties and Responsibilities of Executives Directors Team**The management team shall have the following duties and responsibilities as approved by the Board of Directors :-**

1. The Executives Directors team shall be authorized to manage and operate the company as stipulated or approved by the Board of Directors in specific cases.
2. The Executives Directors team shall be authorized to manage the company's businesses according to the specified plans.
3. The Chairman of Executive Board shall report the outcome of the Executives Directors team's meetings to the Board of Directors in order to realize what the Executives Directors team has accomplished in order to make significant changes to the company, and / or the issues that shall be proposed to the Board of Directors for approval.
4. The Executives Directors team shall be authorized to conduct activities as identified in order to manage the company to attain the company's objectives.
5. Prepare and audit the financial plans and company's important policies, and propose to the Board of Directors for approval.
6. Develop and take care of human resources and identify the compensation according to the human resource policies.
7. Appoint, monitor, and evaluate the performance of employees from the level of top executives to the middle managers and prepare the succession plan.
8. Monitor and report to the Board of Directors regarding the performance of the company and progresses towards the achievement of company's objectives.
9. Monitor the performance of every level of employees regarding the risk management according to the guidelines stipulated by the company, the effectiveness of internal control and the compliance with the relevant laws, rules, and policies.

The segregation of duties between the Board of Directors of the company with the management.

The company has separate roles and responsibilities between the Board of Directors of the company with the management clearly by the Board of Directors acting in defining policies and oversees operation of the management in the policy level. While the management acts on various aspects of the policy, so that the Chairman and the President, it is a person who by both positions must be admitted by the Board of Directors to provide people with the most appropriate. In addition, the company's Board of Directors is also a scheduling to inherit the position of senior executives by the plan will be reviewed annually.

To the position of Director and / or independent directors each director will receive important information about regulations that are specific to the duties and responsibilities of the Board of Directors to receive legal advice rules and conditions as a company listed on the directors, as well as to get an understanding of the business of the company.

The company will provide new directors with orientation by the participants in the course of the Institute - Director Thailand in order to get the following information.

- (1) the importance of the board.
- (2) the role of the principles of good corporate governance.
- (3) The duties and responsibilities of directors under the law.
- (4) guidelines for judges to follow the law and practice of the Stock Exchange of Thailand. Securities and Exchange Commission

For directors on the board of directors of this new company. The company has prepared a policy document, a new director has been known businesses, including information such as capital structure , shareholders Performance . Including legislation, regulations, and delivery guide for directors. This is useful information for the Director to the Board. The guide consists of:-

1. The Public Companies Act BE 2551 (revised edition)
2. Conduct for Directors of Listed Companies
3. Conduct
4. Certificate Company Objectives and regulations
5. Guide SEC registered trademark of Directors
6. Books related transactions of listed companies
7. Principles of good corporate governance for listed companies in 2555
8. Reports disclose the company's annual edition

In case of unlearned Training Program Directors. The company will send trained by Thai Institute of Directors (IOD)

8.3 Corporate Secretary

The company appointed Mrs. Arunee Tritheppratima to be the secretary of the company according to the resolution of the Board of Directors' meeting No. 7/2008 on 26 June 2008 by The qualifications of the position of Company Secretary in Appendix 1 and she also acted as the secretary of the subsidiaries Board of Directors. The Office of Company Secretary is the supporting organization in order to follow the principle of good corporate governance and in order to foster the effectiveness towards the company's business operations. The secretary of the company has the following duties and responsibilities

1. Provide the recommendations for the directors about the laws, rules and regulations the Board of Directors must acknowledge and follow so such directors follow such laws, rules, and regulations regularly and accurately. Report the changes of the significant laws to the directors.
2. Arrange the shareholders' meeting and Board of Directors' meeting according to the laws, and company's regulations and requirements.
3. Record the minutes of the shareholders' meeting and Board of Directors' meeting and monitor the compliance with the resolution of shareholders' meeting and Board of Directors' meeting.
4. Supervise the disclosure of data and information according to the rules and requirements of Stock Exchange of Thailand, Securities and Exchange Commission, and the relevant organizations.
5. Contact and communicate with shareholders so shareholders realize rights of shareholders.
6. Take care of the activities of the Board of Directors.

In additions, the secretary of the company shall also act as the secretary of several sub-committees, namely, Audit Committee, Executive Board, Nominating and Remuneration Committee, and Risk Management Steering Committee.

8.4 Remuneration of Directors and Executives

Criteria for Considering the Remuneration of Directors and Executives

The Board of Directors assigns the Nominating and Remuneration Committee to review and consider the proper remuneration for the Board of Directors in order to comply with the responsibilities of Board of Directors, financial status of the company, and be competitive among other companies in the same industry. The company requests for approval of the directors' remuneration from the shareholders' meeting as follows :-

Remuneration

Annual General Meeting of Shareholders Annual 1/2013 on 25 April 2013 approved the remuneration for the year 2013 is as follows :

- Chairman of Remuneration per month 33,000 Baht
- Directors' remuneration per person per month 16,500 Baht
- allowance per person 11,000 Baht per a time (only director to attend the meeting.)

Remuneration Committees

- Audit Committee Remuneration per month 11,000 Baht
- Compensation Audit per person per month 5,500 Baht
- Remuneration Committee, Nomination and Remuneration Committee at a time, 6,000 Baht

Bonus for the Annual General Meeting 1/2013 on 25 April 2013 approved the bonus payments to the committee. The Board of Directors approved based on the results of operations in recent years.

Directors' Remuneration as of 31 December 2013

Unit : Baht / Year

No.	Name	Remuneration	Meeting Allowance	Bonus	Gasoline Allowance	Total
1	Mr. Pricha Attavipach	396,000	128,000	198,000	120,000	842,000
2	Mr. Prapas Chutimavoraphand	198,000	128,000	99,000	0	425,000
3	Mr. Pong Chinthammit	198,000	128,000	99,000	0	425,000
4	Mr. Chanachai Chutimavoraphand	198,000	117,000	99,000	0	414,000
5	Mr. Narong Chenlarpuwanakul	198,000	117,000	99,000	0	414,000
6	Mr. Chadej Insawang	198,000	110,000	99,000	0	407,000
7	Mr. Suang Ruangsook	198,000	128,000	99,000	0	425,000
8	Mr. Nisakorn Parkpean	198,000	117,000	99,000	0	414,000
9	Mr. Win Chinthammit	198,000	128,000	99,000	0	425,000
10	Mr. Chalush Chinthammit	198,000	107,000	99,000	0	404,000
11	Mr. Somchai Chinthammit	198,000	107,000	99,000	0	404,000
12	Mr. Dhanadol Sujiphinyo	198,000	128,000	99,000	0	425,000
13	Miss Jutatip Arunanondchai	198,000	85,000	99,000	0	382,000
14	Dr. Suphorns Chayowan	198,000	95,000	99,000	0	392,000
15	Dr. Charnkrij Dejvitak	198,000	95,000	99,000	0	392,000
	Total	3,168,000	1,718,000	1,584,000	120,000	6,590,000

Executive Compensation

The Board of Directors assigns the Executive Board to be responsible for considering and identifying the remuneration for executives. The guideline for identifying the remuneration shall link with the performance of the company, performance of Executive Board and each executive. In 2013 the company paid remuneration as detailed below.

Type	Number of Executive Directors	Thai Sugar Terminal PCL.
		Total (Baht)
Salary	10	10,184,620.00
Bonus	10	4,031,360.00
Living Expenses and Gasoline Allowance	10	570,869.70
Total	10	14,786,849.70

Note : The Executive Board consist of 5 executive count from the President down. Deputy Managing Directors for 1 persons, Vice President for 2 persons Accounting Manager and Finance Manager.

Other Types of Non-Monetary Remuneration

1. Managing Director : With the bus driver and petrol
2. Senior Executive Vice President : With the bus driver and petrol
3. Deputy Managing Director : The official car and petrol

8.5 Personnel

As of 31 December 2013, the company had 63 employees classified by the company's organization structure as follows :-

1. Management Team : Consisting of the Executive Board consisting of Managing Director, Senior Executive Vice President, Executive Vice President, Deputy Managing Directors.
2. Company Secretary
3. Accounting Department
4. Finance Department
5. Warehouse and Port Service Department
6. Technician and Maintenance Department
7. HR and Administration Department

Remuneration for Employees

In 2013, all the company's employees received the total remuneration of 21,304,894.96 baht as follows :-

Salary	12,369,418.00	Baht
Bonus	5,353,930.20	Baht
Overtime	2,085,047.00	Baht
Living Expenses and Others	904,032.76	Baht
* Welfare	279,390.00	Baht
Funds	<u>313,077.00</u>	Baht
Total	<u>21,304,894.96</u>	Baht

Note : Include welfare payments.

1. Compensation paid under the Labour Protection Act, the employee will retire
2. Employees Provident Fund (retirement money) paid to employees who will retire. If an employee works at least 10 years of the last half of the salary scale has been multiplied by the number of years employees have worked
For in 2013, the full retirement age number 1 position. The Company has paid the retirement of 118,840 baht and legal compensation 160,550 baht and. Totaling baht 279,390 baht.

Provident fund

The company established a provident fund for employees since 2008, by deduction from salary at a rate of 2 percent by the year 2013 can deduct contributions to a number of 313,077.- Baht per the Fund and welfare related. amount paid to employees. Apart from contributions to fund the company's number of 313,077 baht. In addition, the company also has a retirement benefit. Paid to employees of the last half of the salary scale has been multiplied by the number of years worked. The employee will receive the full amount of the company. When employees retire or will retire prior to maturity by the age of not less than 10 years.

Management Contract

- None -

9. Corporate Governance

The Board of Directors has committed to operate the business under the good corporate governance principle according to the good corporate governance criteria and the Securities Exchange Commission's rules as the main factors for reinforcing the organization to implement the efficient management system. The top executive management and all ranks of the employee and there was 4 particular committee : Management Committee, Inspection Committee, Recruitment and Reward System Committee, and Risk Management Committee. The Audit Committee is also responsible for corporate governance. The Audit Committee shall screen any important project / job prudentially under the good corporate governance principle aiming to maximize the benefits for shareholders by realizing the stakeholders, moral principle, and transparency. Every specific committee consists of the directors with the qualifications, duties, and responsibilities according to the Stock Exchange of Thailand's requirement and the company has also clearly identified the duties and responsibilities of all specific committees in writing.

9.1 Policy Governance

Identification of Good Corporate Governance Policy

The Board of Directors has identified the good corporate governance policy as follows.

1. The Board of Directors, executives, and every employee shall apply the good corporate governance principle so everyone performs the duties and responsibilities with responsibility, honesty, integrity, transparency, and pleasant vision. Everyone must respect the business ethics in order to operate the business and to create the good and fair relationship among the Board of Directors, executives, and shareholders.
2. The Board of Directors shall perform their duties with responsibility and the roles and duties of Chairman of Board of Directors and Chairman of Executive Board shall be clearly and separately identified.
3. The Board of Directors has played an important role in identifying vision, strategy, policy, and important action plans by realizing the risk factors, and setting the proper good corporate governance guideline. The Board of Directors has performed the duties to confide that the accounting system, financial report, and audit are reliable.
4. The Board of Directors shall be the leader and role model for performing according to the good corporate governance principle, and take care of solving the conflict of interest problems and related transactions.
5. The Board of Directors shall arrange the annual self-evaluation in order to be the frame for auditing how the Board of Directors performs their duties.
6. The Board of Directors shall consider and identify the company's business ethics so the Board of Directors, executives, every officer and employee shall apply as the guideline for their performance in addition to the company's regulations and rules.
7. The company shall sufficiently disclose the company's financial and non-financial information in a timely manner so the shareholders and stakeholders obtain equal information.
8. The company's shareholders shall be treated with equality, be able to access the information, and have the proper channel for communicating with the company.
9. The company shall implement the proper system for recruiting personnel who shall act as the company's key executive at every level, and fair and transparent nominating process.

The company has had the policy to promote and support every director to attend training with Thai Institute of Directors and other institutes in the relevant curriculum in order to strengthen knowledge regarding the roles and duties of directors. The company shall inform the directors, promote the awareness towards the good corporate governance principle for directors, executives, employees, and relevant parties. Every employee shall realize news regarding any actions towards the corporate governance, and regularly arrange the meeting for employees at various levels in order to reinforce the pleasant atmosphere and to create understandings between management and employees. In additions, the company has also opened the opportunity for employees to make inquiries freely and support the employees to realize the responsibility towards society, community, and external environment.

Directorships of other companies

For transparency in business operations, the company will reveal each of their tenure and inform. To the Company to disclose to shareholders and investors informed. In addition to the extensive experience and knowledge in their care to improve the company's business in line with business customers who use the service.

The company's Board of Directors set the meeting date advance each year. Usually determined last Thursday of the month, so that the Committee can follow policies and initiatives have continued, and inform the meeting of the year. To acknowledge the beginning year and there may be additional Committee meetings as appropriate. The Company Secretary will send a meeting invitation with agenda and documentation containing the information required and to the Committee as an advance, not less than 7 days before the meeting date in order to give the Committee time to study the information adequate leave. If there is urgent necessity by each Director can query information from the Company Secretary and are free to propose it to the agenda. This is the agenda of the Committee will be divided into categories and has an agenda to consider follow-up action. Where to define the agenda for the consideration of the Chairman Chief Executive Office

During the meeting Chairman of the Board of Directors allocates sufficient meeting time and opportunity for the Committee to comment freely and to invite senior executives attend meetings to provide additional information relating to the agenda and to acknowledge the direct policy can be operating efficiently. In addition, it provides a note written meeting covering the subject matter fully completed in a timely manner and kept certified by the Board of Directors and a documentation available to the Committee, and those involved in monitoring and tracing reference.

In the event that any director has a conflict of interest on the agenda for consideration director will disclose the conflict of interest to the Board immediately and will not participate in the decision making process in the meeting agenda.

Board of Directors The Board of Directors to assist the Board of Directors, acting in the performance of its responsibilities on each side. The details are shown in Section 9.2. The Board of Directors and Board Committees, The Board of Directors is responsible for the review of the performance of the sub-committees, each committee annually each committee has specific regulatory roles and responsibilities clearly and chairman of each committee is responsible for the operational and reporting issues to the Board of Directors.

The Board of Directors is responsible for determining the responsibility for risk management and internal control to support the operational efficiency and effectiveness. The Board of Directors also has the responsibility to make financial information is reliable and can cause compliance with laws and regulations. Monitor compliance risk management framework and internal controls to ensure efficient and achieve prescribed.

In the formulation and review of the risk management framework. The Board must consider the facts of the risks involved by considerations of losses that may be incurred and the cost of controlling that risk. To be able to make a proper internal control system.

The Board of Directors has prepared and approved codes of conduct for employees who identified guidelines and operational duties of directors and employees in the organization which discusses about the principles and core values as well as the company aims and responsibilities to the various stakeholders in order to standardize the behavior and performance of directors and employees with honesty and fairness

The Board of Directors recognizes the importance of employees by treating all employees with respect. In honor and dignity and provide opportunities for staff at all levels to build morale for employees to work efficiently under the responsibilities are clearly defined and the workplace.

The Board has delegated the administration of the Board of Directors and management under the system of internal controls to make available adequate and appropriate. And part of the internal audit plan are covered. Assess the adequacy and effectiveness of internal controls which must be conducted in a systematic and consistent. The internal auditors are required to report on the audit to the Board Audit Committee every 3 months and proposed to the Board of Directors to evaluate the adequacy and appropriateness of the internal control systems of the company as a whole annually.

The Board of Directors is responsible for determining the responsibility for risk management to support operations effectively and efficiently included the following risk management framework to ensure efficient and achieve prescribed. In the formulation and review of the risk management framework. The Board must consider the facts of the risks involved taking into account the losses that may be incurred and the cost of controlling that risk. To be able to make a proper internal control system..

9.2 Committees

Board of Directors : Thai Sugar Terminal Public Company Limited according to the Memorandum of Association of Ministry of Commerce on 5 January 2014. It consists of 15 members as follows.

- 5 Executive Directors
- 5 Non-executive Directors
- 5 Independent Directors

The Board of Directors consists of the details appear on page 38

Audit Committee

The Board of Directors shall approve the appointment of Audit Committee since 1999 the term of office for a term of three years by appointing from at least 3 independent directors who have the qualifications as stipulated by the Securities and Exchange laws and at least one of them shall have expertise in accounting and finance. Currently, there are 3 members of Audit Committee and every member is independent director as follows :

As of 31 December 2013

Name - Surname	Position	
1. Mr.Chadej Insawang	Chairman	Independent Director who is a legal expert
2. Mr.Nisakorn Parkpean*	Member	Independent Director who is an accounting expert
3. Mr.Suang Ruangsook	Member	Independent Director

Mrs. Arunee Tritheppratima, secretary of the company, acts as the secretary of Audit Committee.

The current Audit Committee has 3 year term from 26 April 2013 to April 2016.

Duties and Responsibilities of Audit Committee

1. Audit the company to ensure that the company has accurate and sufficient financial statement.
2. Audit the company to ensure the internal control and internal audit to be in accordance with the proper criteria and objectives.
3. Audit the company to follow the Securities and Exchange laws, requirements of the Stock Exchange of Thailand or other laws related to the company's businesses.
4. Consider, select, appoint the company's internal and external auditors, and propose the fees for such persons.
5. Consider the related transactions or transactions that may lead to conflicts of interest in order to ensure the accuracy, and sufficiency, and be in accordance with the criteria stipulated by the Stock Exchange of Thailand.
6. Prepare the good governance report of the Audit Committee by disclosing on the company's annual report and such report shall be signed by the Chairman of Audit Committee.
7. Perform other actions as assigned by the Board of Directors and with approval from Audit Committee

In the event that the Audit Committee be informed if the auditor found that circumstance, Managing Director. Or the person responsible for the operation of the company commits an offense under the Securities Exchange Act Section 281 / 2, paragraph two, Section 305 Section 306 Section 308 Section 309 Section 310 Section 311 Section 312 or Section 313, the Board of Audit to investigate and report Preliminary results of the audit. The Office of the Securities and Exchange Commission and the auditor within 30 days from the date of receipt of notice from the auditor.

In performing the duties of the Audit Committee. If you see or have any questions or action items that have the following. This may have a significant impact on the financial position and results of operations of the company. The Audit Committee reports to the Board of Directors for the necessary amendments within the time of the Audit Committee deems appropriate.

- (1) a list of conflicts of interest.
- (2) fraud or there is something wrong or have a significant deficiency in internal control systems.
- (3) violations of the Securities and Exchange Commission. Terms of the stock. Or laws relating to its business.

If the Board of Directors or the Management Committee fails to make modifications to improve within the time prescribed by the Board of Audit. Any committee member may report that there is one item, or to such action to the Office of the Securities and Exchange Commission or stock.

In case that the members of Audit Committee are out of the position before the expiration date, the company shall inform the reason and / or the members are able to inform the reasons to the Stock Exchange of Thailand and Securities and exchange Commission.

The Audit Committee has regular meetings at least once a quarter and reported to the Board of Directors. The external auditors. Audit and Account Executive meeting to review the financial statements every quarter. Annual financial statements including review of internal control and risk management meetings with the working group as well as with regard to corporate governance and proposed to the Board of Directors has adopted and implemented to ensure compliance with the principles of good corporate governance and ensure compliance with the code as well.

In 2013 the Audit Committee has met 5 times to oversee the operation on behalf of the Board of Directors. The roles and responsibilities defined in the Rules Committee.

Number of Audit committee's Meetings in 2013 shall be as follows :-

Name of Directors	number of times in meeting attendance/ number of total meetings	Term of office
Mr.Chadej Insawang	5/5	April 2013 - April 2016
Mr.Suang Ruangsook	5/5	April 2013 - April 2016
Mr.Nisakorn Parkpean	5/5	April 2013 - April 2016

Remuneration for Audit Committee for the Year 2013

Unit : Baht

No.	Name	Position	Remuneration (Year)	Bonus	Total compensation (Year)
1	Mr.Chadej Insawang	Chairman of Audit Committee	132,000	66,000	198,000
2	Mr.Suang Ruangsook	Member of Audit committee	66,000	33,000	99,000
3	Mr.Nisakorn Parkpean	Member of Audit committee	66,000	33,000	99,000
Total			264,000	132,000	396,000

Term of Inspection Committee

Inspection Committee's term is 3 years, the occupation or termination of each term will be in April in order to accomplish the inspection of the financial statement and operation performance then will appoint for the next committee. Furthermore the directors of the term may be selected to return to the position by have The Nominating Committee and Compensation Committee will consider and recommend to the board to appoint the next.

The wishes of the annual general shareholders meeting No. 1/2013 held on April 25, 2013 meeting where the resolution 2013 approved the appointment of Directors to all the five persons back into the next term, and Director 3 in 5 persons: Mr. Chadej Insawang Mr. Suang Ruangook Mr. Nisakon Parepean who are independent Director who is an Audit Committee by the Board of Directors' meeting No.4/2013 which held on April 25, 2013, had unanimously appoint independent directors, all 3 people back into position following an audit by Mr.Chadej Insawang as Chairman of the Audit Committee, and Mr. Nisakon persevere as a member of the Audit Committee with the knowledge of the account.

The Audit Committee performed the following actions :-

- Review the compliance with the laws related to the company's business operations, the compliance with the rules of Stock Exchange of Thailand and consider the audit report by meeting with the executives and internal auditors.
- Monitor closely regarding the related transactions in order to ensure the transparency and sufficient disclosure of information.
- Review the internal control system with the internal auditors in order to evaluate the effectiveness and sufficiency of the internal control system and the IT security system. The Audit Committee shall follow the internal control operations closely and discuss the importance of defects in the internal control system and shall consider the suitability of annual internal audit plan.
- Every quarter, the Audit Committee shall review the financial report by meeting with the finance executives and external auditors to consider the remarks and report to the Board of Directors for acknowledgement, for taking actions, or for planning or identifying policies in accordance with the business operations.

In 2013, the Audit Committee reviewed every aspect of the company's operations and considered the issues with accounting executives, internal auditors, and external auditors. The Audit Committee expressed the opinions freely and provide recommendations and believed that the process of the preparation of company's financial statement was proper and sufficient, and the company's financial statement was prepared according to the generally accepted accounting principles, and was recorded on the meeting minute to propose to the Board of Directors for acknowledgement and the errors or defects that may be significant or may impact the company's business operations were corrected.

Nominating and Remuneration Committee

In 2007, The Board of Directors has approved the appointment nominating and remuneration committee to recruit and nominate the knowledgeable, proficient, and experienced persons to be the company's directors and to propose the remuneration policies for executives to the Board of directors for consideration.

The Nominating and remuneration committee consists of 3 persons, one persons of them is executive director and two persons of them are independent directors as follows.

- | | | | |
|-----------------|-------------------|-----------------------|-----------------------------|
| 1. Mr. Niakorn | Parkpean, | Independent Director, | take a position of Chairman |
| 2. Mr.Chanachai | Chutimavoraphand, | Executive Director, | take a position of Director |
| 3. Miss Jutatip | Arunanondchai | Independent Director, | take a position of Director |

Mrs. Arunee Tritheppratima acts as the secretary of the Nominating and Remuneration Committee.

Duties and Responsibilities of Nominating and Remuneration Committee

- (1) Recruit and nominate persons who have proper qualifications to be the company's directors in order to propose to the Board of directors for consideration in case of vacancies.
- (2) Audit the structure, size, and components of the Board of Directors and provide recommendations in case that it is necessary to change such abovementioned.
- (3) Evaluate the performance of the Board of Directors every year in order to report to the Board of Directors.
- (4) Identify and audit the policy, guideline, and proper amount of remuneration for directors and executives in accordance with the responsibilities, and such remuneration shall be competitive within the industry and shall be in accordance with the policy stipulated by the Board of Directors by linking with the performance of the company and performance of each director. If the changes from the resolution of the previous shareholders' meeting is needed, shall propose to the Board of Directors for consideration and propose to the shareholders' meeting for approval.
- (5) Perform other relevant actions according to this regulation as stipulated by the Board of Directors.

The company allowing shareholders to nominate a person to nominate directors. At the annual general meeting of shareholders according to the criteria defined by the company. The nomination and Compensation Committee to consider the selection of qualified people, and there are no prohibited characteristics according to the requirements of the public limited companies act are proposed to the Board of Directors possesses property takes precedence over the names proposed to the annual general meeting of shareholders for election as individuals.

In 2013 a meeting of the Nomination and Remuneration Committee on 1 times by members attended every meeting fee for a total consideration of Baht 5,500 each for a total of 16,500 baht. In case there are issues to be considered as a special case additional meetings may be held as deemed appropriate by the Chairman for approval directors attended the board meeting and the issues were considered as criteria for determining the tenure of such committees criteria for determining the remuneration of directors and committees set criteria for persons to be directors or shareholders.

Criteria to determine the tenure of the various combinations

The Nominating and Remuneration Committee considered the background and preliminary qualifications as stipulated on the Public Company Act, and also the knowledge, capabilities, and experiences of persons. Persons who have proper qualifications shall inform the status of the director positions in other companies (both registered and non-registered companies) and report the shareholding according to the requirement of the Securities and Exchange Commission, and the disclosure of information about the conflict of interest to the Committee for consideration.

The Nomination Committee's policy positions in other companies. The director must not be appointed as a director in a company that has a business that is in competition with the business of the company directors determined that each director to hold office for all company directors appointed to the Board of Directors to propose to the shareholders' meeting and to disclose information to shareholders.

Working group on Risk Management

The Company has established a working group on Risk Management on January 2013 consists of 3 independent directors and one executive director who is responsible parties membership as the following list.

No.	Name		Position	Work Position
1	Mr.Chadej	Insawang	Chairman	Independent Director
2	Mr.Suang	Ruangsook	Independent Director	Independent Director
3	Mr.Niakorn	Parkpean	Independent Director	Independent Director
4	Mr.Pong	Chintammit	Member	Senior Executive Vice President
5	Mr.Suroj	Tritheppratima	Member	Deputy Managing Director
6	Mr.Pallop	Heamataksin	Member	Deputy Managing Director
7	Mrs.Arune	Tritheppratima	Member	Corporate Secretary
8	Miss.Amornrat	Hattakam	Member	Accounting Manager
9	Mrs.Wanna	Surattanasurang	Member	Finance Manager
10	Mr.Chartkul	Tonglue	Member	Warehouse Division Manager
11	Mr.Prasit	Tumwijit	Member	Technician and Maintenance Manager
12	Mr.Bhusit	Photsathon	Member	Manager HR & Administration

The roles and responsibilities of the Board risk management organization.

1. Decision makers in relevant actions under the scope of the responsibilities defined under the Administration plan, risk and have the power to obtain information in order to perform duties as assigned.
2. Risk management policies covering various risks, such as risk, strategic risk, accounting and finance. Market risks operating risks or other risks that are significant to the business operations of the company.
3. Define the strategies and resources that are used in the risk management of the company in accordance with business operations.
4. Monitoring of the risk management process to ensure that the new battle of risk management have been implemented appropriately.

In recent years, 2013, working group on Risk Management meeting, 4 such a meeting is a meeting, in the same time, meetings of the Audit Committee. The meeting will discuss the work, which will include defining the risk management plan performance is tracked according to the obligations that have been assigned to ensure the company has risk management system. The early warning and preventive measures are defined and managed risks, including risks that can affect the operation and regulatory compliance are the planned report, as well as risk management and presented to the Board of Directors' meeting.

Good Corporate Governance Committee

The Audit Committee is responsible for corporate governance since the company's size is not so large and the operational plan is not sophisticated consisting of the Board of Directors, several sub-committees, Executive Board, and there are not so many employees. Thus, the good corporate governance is under the duties and responsibilities of Audit Committee consisting of 3 independent directors, including Mr. Chadej Insawang, Mr. Suang Ruangsook and Mr. Niakorn Parkpean internal auditors, and external auditors. The audit covers the operational system audit and the audit of internal control system, also manage and control regulations of the relevant external organization for good governance

Accounting

- The preparation of financial statements according to the generally accepted accounting principles.
- The calculation, evaluation, and the submission of tax to the Revenue Department and relevant organizations.

Registration of Licenses with the Government Agencies

- Department of Industrial Works, Ministry of Industry
- Marine Department, Office of Maritime Promotion, Ministry of Transport
- Office of Business Development, Ministry of Commerce
- Office of Environmental Control and the compliance with the rules of Ministry of Science and Technology
- District Office, Municipality Office, Sub-district Office, and other relevant units

The preparation of several types of report

- Stock Exchange of Thailand
- Securities and Exchange Commission
- Thailand Securities Depository Co., Ltd.

In additions, the Audit Committee also supervises and provides recommendations to the Board of Directors in order to identify the business operations guidelines, employee guidelines, review the codes of conducts for executives, Board of Directors, and propose to the Board of Directors for consideration.

However, the Board of Directors also pays attention to the good corporate governance, internal control system, and internal audit in order to support the efficient and effective operations, and also the audit of the compliance with the law in order to be in compliance with the international standards and the policies of the Stock Exchange of Thailand. The Board of Directors commits to follow the good corporate governance principles, communicates with every level of employees by specifying the vision, mission, and code of ethics in order to reflect the internal guidelines within the company so we are confident that the company follows the good corporate governance principles. The Board of Directors also realizes the duties and responsibilities in order to maximize the benefits for the company, discloses the information and fosters the transparency in the business operations. In additions, the Board also makes decisions and treats the stakeholders fairly, relies on the corporate social responsibility, generates good relationships with local communities, participates in the social activities in order to conserve the environment and develop the community. Such actions fosters the company's good performance and maximizes the values to shareholders. The company hopes that every director and employee shall perform their duties in order to maximize the customer satisfaction, commit to work together based on the good disciplines and be able to respond to every situation.

9.3 Recruiting directors and executives

The Nomination and Compensation Committee is responsible for nominating individual Councillors are directors and/or independent Director to replace the directors retiring by rotation or in other cases presented to the Board of Directors to consider a person to be nominated for election at the shareholders meeting. The nomination and Compensation Committee will choose from the experts and expertise from a variety of careers with leadership visionary virtue and morality. There is a transparent work history, as well as have the ability to think independently specific features are taken into account by people in various aspects.

- Integrity and responsibility (Accountability and Integrity).
- Decision making with information and reason (Informed Judgement).
- With maturity and stability is a good listen, and show a different opinion, and freedom.
- Is committed to working with the principles and standards of exemplary professional.

As well as considering the knowledge expertise needed on the Board so that the Board can determine the strategy. Regulatory and policy compliance, effective strategies.

Independent Directors

The company provides the definition of “independent director” according to the good corporate governance principle stipulated by the Stock Exchange of Thailand Re: The Structure of Board of Directors to Foster the Company’s Good Corporate Governance, and the guideline of the Securities and Exchange Commission in order to generate the confidence among investors and to balance the good management. The company identifies the word “independent director” to be the director who is not responsible for the management of the company, subsidiary, associated company, and the director who is independent from the management and authorized shareholders, and such person shall have no business relationship with the company that may impede the freedom of opinions. The company also identifies the qualification of “independent director” according to the new criteria stipulated by the Securities and Exchange Commission as follows :-

1. Shall be the person who holds the shares of no more than 1 percent of the number of shares eligible to vote in the company, subsidiary, and associated company.

2. Shall not participate in the management, shall not be the employees, workers, full-time advisors, or shall not be the authorized officers of the company, subsidiary, associated company, or shall not be the persons who may have conflict of interest as mentioned above.

3. Shall have no business relationship or not be professional service providers, or auditors that may impede the performance of being the “director”, and shall have no direct or indirect conflict of interest in terms of the finance and management of the company, subsidiary, associate company or persons who may have conflict of interest that may impede the independence when performing the duties.

4. Shall not be close relatives or shall not have other relationship that may impede the independence when performing the duties with high-ranking executives, major shareholders of the company, subsidiary, associated company or persons who may have conflict of interest and shall not be appointed to be the representatives of the directors or major shareholders.

5. Not or has never been as auditors of the company. Subsidiary company Associated companies or major shareholders of the company and control authority is not the significant shareholders. Control authority or shareholders of an Audit Office that there is the auditor of the company. Subsidiary company a joint major shareholder or controlling authority of the company belong unless it has passed from the characteristics mentioned previously is not final but that 2 years ago.

6. Do not or has never been as any professional service provider, which includes serving as legal counsel or financial advisor who receives a service fee amounting to over 2 million baht per year from the company, a subsidiary or Associated companies or major shareholders of the company and control authority is not the significant shareholders. Control authority or the partner of a professional service provider, except from those characteristics and not less than 2 years.

7. The Committee is appointed to represent the company's directors. Major shareholders or shareholders, which is related to the major shareholders.

8. Does not include acts which have the same condition and as significant competition with the business of the company or its subsidiaries or significant partnership in the partnership, or is a Director who participates in employee management. Employee Advisory Committee received regular salaries or shares held exceeding 1 number of shares eligible to vote for all of the other companies, including joint-venture with the same condition, and there is significant competition with the business of the company or a subsidiary.

9. There is no any other way make comments independently about the operations of the company.

Thai Sugar Terminal Public Company Limited the definition of independent directors in accordance with the minimum requirements of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand.

9.4 To supervise the operations of subsidiaries

The Board of Directors of the company can control the management and responsible for the operations of the subsidiary to administer benefits in the company's capital.

- The Board of Directors and Board of Executive Directors of the company and its subsidiary is a member of the same series, because the business of the subsidiary is not large-sized enterprises and the manner of doing business without much complexity to the business area within the company's area, as well as to define the various rules and regulations will be based on principles of Thai Sugar Terminal (TSTE) as a template.
- Business policy, as well as to define the scope of duties and responsibilities the Board of Directors of a subsidiary company is defined for each user. So the Board of Directors of Thai Sugar Terminal (TSTE), it can be maintained in the interests of minor shareholders.
- Regulatory mechanism that affects the financial disclosure and performance. During the subsidiary related to individuals The acquisition or disposal of property, as well as other important items are fully qualified using the criteria relating to the disclosure of information and to make an entry in the same way using the same criteria, the company.
- Establishing an internal control system that is suitable and strong enough for such a capital increase or reduced approval costs. . The abolition of a subsidiary company, etc.

9.5 Control on the Company's Striated Information

The company has had the policy regarding the disclosure of accurate, complete, sufficient, and reliable information, transparency, financial report, and disclosure of other financial information regarding the business and the company's business performance in a timely manner to shareholders and people. The Board of Directors has strictly taken care of the compliance with the laws, regulations, and relevant rules regarding the disclosure of information and transparency. When the company's directors or executives have changed the ownership according to the Securities and Exchange Commission's requirement, this change shall be reported in the Board of Directors' meeting every month and the report of the change of ownership shall be submitted to the company after submitting to the Securities and Exchange Commission every time of the change.

Regarding the control of the company's striated information, the company views that this is the responsibilities of the directors, executives, and employees to strictly maintain the company's confidential information, especially the striated information not yet open to the public or information that may impact the company's business operations or stock price, or information obtained from the directors, executives or employees for the purpose of their own interest or for the businesses that compete with the company or relevant businesses. They shall not use the striated information for the purpose of trading the company's shares or shall not give the striated information to other people for the benefit of trading the company's shares, and shall not disclose the confidential information regarding the company's businesses to outsiders, especially the competitors, although the status of such directors, executives, or company's employees has been terminated. The company has applied the control system of the use of the company's striated information such as the system for protecting the access to the company's information from outsiders, the identification of the level of access to the company's information for employees at various levels according to their responsibilities, etc. In case that the executives or employees play the role in working on the ad-hoc project regarding the information that has not yet to the public or information in the process of negotiation and such project has been viewed as the maintenance of striated information that may impact the movement of the company's stock price, such executives and employees shall maintain the striated information until the disclosure of



information to the Stock Exchange of Thailand and Securities and Exchange Commission. The control of the company's striated information. The company has identified on the work regulations for every level of employees under the category of disciplinary and punishment and in case that any employee avoids or violates the disciplinary identified, such employees shall be views as committing the disciplinary offenses and shall be punished according to types of offenses.

Relationship with Investors

The company has paid attention to the disclosure of accurate and transparent information by disclosing such information via the Stock Exchange of Thailand and the relevant units according to the specified rules and by disseminating the information on the company's website : (www.tstegroup.com) and in case that the shareholders or investors would like to contact the company, they shall contact the company at :

Company Secretary office and/or Accounting Manager
 Thai Sugar Terminal Public Company Limited
 90 Moo 1 Soi Siam Silo, Sam Rong Klang Sub-district
 Phra Pra Daeng District, Samut Prakarn Province 10130
 Tel. 02-183-4567
 or email to the company at
 E-mail Address : Thaisugarterminal@gmail.com
 Attention : Company Secretary and/or Accounting Manager

9.6 Appointment and Remuneration of the auditor

The Audit Committee considers the properties and evaluate the performance of the external auditors and the Board of Directors to appoint the auditors of the Company in each year, including the remuneration of the auditors to be proposed to the Board of Directors and implemented. proposed to shareholders for approval.

In January 2013, the Audit Committee had examined the auditor performance of year 2012 and proposed the auditor from Sam Nak Ngan A.M.C. Co., Ltd. The auditors of the Company and its subsidiaries for the year 2013 as followings :

Company	Auditor responsibility	Number
Thai Sugar Terminal Public Company Limited.	Mr.Ampol Chamnongwat CPA License No. 4663 / Miss. Prapasri Leelasupha CPA License No. 4663 and Miss. Yuphin Chumjai CPA License No. 8622 As auditors of the Group Thailand Sugar Terminal contents (date) and in cases where the auditor is unable to perform such work, office supply and other office CPA instead	4663 / 4664 / 8622
T S Warehouse Co., Ltd. T S G Asset Co., Ltd. T S Oil Industry Co., Ltd. T S Transport and Logistics Co., Ltd.	Mr.Ampol Chamnongwat and / or Miss. Prapasri Leelasupha and / or Miss. Wannee Sukpeng and / or Miss Yupin Chumjai In which case the auditor is not allowed to operate a CPA office supply and other office instead.	4663 / 4664 8423 / 8622

Remuneration of the auditor for the year 2013

Company	Audit Fees Annual financial statements	Audit Fees Financial Statements (3rd quarter)	Total
Thai Sugar Terminal Public Company Limited.	280,000	270,000	550,000
T S Oil Industry Co., Ltd.	155,000	195,000	350,000
T S G Asset Co., Ltd	34,000	36,000*	70,000
T S Warehouse Co., Ltd.	45,000	45,000*	90,000
T S Transport and Logistics Co., Ltd.	70,000	90,000	160,000
			1,220,000

The Sam Nak Ngan A.M.C. Co., Ltd. and the CPA is not a party or transaction that may cause a conflict of interest with the company and its subsidiaries and is not a shareholder of the company and its subsidiaries.

9.7 Internal auditor

The Audit Committee is considering an internal auditor qualifications, must be someone who has knowledge and experience in monitoring internal control systems risk factors, and there is an understanding in the working environment that is related to the business of the company and its subsidiaries can give a suggestion to propose management solutions considered according to recommendations and proposed that the conference committee appointed annually for the year, the Audit Committee 2013 company our legal limit auditing by Mrs. Kojakorn Wanasawat Position Manager qualification bachelor of applied computer science, Faculty of science, King Mongkut's Institute of Technology North Bangkok holds a Bachelor degree in business administration, Faculty of science, Ramkhamhaeng University . Training course COSO 2013 theory and practice training courses for IT Audit of federation internal auditor certification program CPIAT audit experience within a period of 10 years as internal auditor of the company and its subsidiary, received annual compensation of 2013 amount 920,500 baht .

The Sam Nak Ngan A.M.C. Co., Ltd. and licensed auditors and companies. The Dharmniti auditing Co., Ltd. internal auditors are not limited to an individual or a transaction that may cause a conflict of interest with the Company and its subsidiaries and is not a shareholder of the Company and its subsidiaries.

9.8 Practices according to the principles of good governance in other matters

9.8.1 Right and equality of shareholders

The rights of shareholders

The Company has scheduled its annual shareholders meeting in less than 4 months after the end of each financial year and if there is an urgent need to propose agenda as a special case. Which is affecting or relating to the interests of shareholders or conditions or rules associated with applicable law to be approved by shareholders, the Company will call a meeting EGM on a case.

The Company has facilities to all shareholders entitled tasks both as an investor in securities and as a company with standards that are acceptable and reliable. The rights were traded securities held independently to get a share of the profits of the company attendance of shareholders to comment on the meeting independently to make decisions on important matters of the company such as the election of directors approval of dividend. The election of auditors and others. The shareholders of every company are entitled to the number of shares held. The shareholders are entitled to one vote, and no shares of any privilege that restricts the rights of the other shareholders.

Apart from the above mentioned rights, the Company has also performed on various matters. To promote and facilitate the exercise of shareholders' equity as follows.

1. Provide important and necessary information to shareholders regarding the company's business operation clearly and up to date, although some matter is not required by the law to be disclosed. If the company deems that any matter is necessary for shareholders to know, the company will notify shareholders via the company's website, and news of listed companies in the Stock Exchange of Thailand.

2. Every shareholder receives necessary and sufficient information regarding the meeting dates and agendas in advance, which the company published shareholders' meeting information accompanying the agendas on the website and document delivery. Furthermore, shareholders' rights were notified for attending the meeting and shareholders' voting rights clearly in the document that the company has sent together with the meeting appointment letter.

3. In case shareholders cannot attend the meeting in person, the company gives shareholder the opportunity to authorize an independent director or any person to attend the meeting on their behalf by using the power of attorney that the company has sent together with the meeting appointment letter. Furthermore, shareholders may also download the power of attorney from the company's website.

4. Prior to the shareholders' meeting the company allowing a single shareholder or a group of shareholders that the count was at least 1.35 percent of the total number of shares that have a right to vote for all of the company has the right to propose agenda items at the annual general meeting of the shareholders year 2013 by the company allows shareholders to propose the agenda for at least 2 months in advance is since December 1, 2013 – January 31, 2014 before the shareholders' meeting for 3 months, so that the Committee, nomination and remuneration committees are presented to the Board of Directors. To consider in cases where an agenda the company tells in the book, whether it is a meeting agenda set by the shareholders. In the event that the company's Board of Directors rejected not been subject to shareholders to propose the agenda we will clarify the reason for that-announced annual general shareholders' In addition, during the same period, the company has provided all shareholders are entitled to nominate a person to be considered for election as directors in advance, in this case, the Nomination Committee will consider the nomination to



include others as the basis to a person to the Board of Directors then proposed a list of people deemed appropriate, the Board of Directors of the company consider before proposed to the shareholders' meeting for approval : The company has prepared the form for a proposed agenda and nominate for election as directors in advance so as to facilitate to its shareholders. In such moments, there are no shareholders to propose the agenda for and nominate for election as a Director of advance.

5. In 2013, the company has arranged annual general meeting of shareholders on April 25, 2013, which has a Committee meeting all 15 persons deemed appropriate by the company, the shareholders ' meeting, at the meeting the company Thai Sugar Terminal Public Company Limited, 3rd floor, as well as in recent years, due to the amount of seating 2012 shareholders meeting attention look no further than this a shareholders meeting can be represented as different opinions within the meeting room. Keep meetings running smoothly and efficiently.

On the meeting date, the company organized registration which was convenient and quick for shareholder. Furthermore, voting in each agenda, the company used the method to keep ballot of shareholders to vote on a particular card opposed and abstained to calculate deducted from the total voting rights agenda except election of directors to retain all ballots to agree to disagree and abstain. In order to calculate the result of the vote on each agenda item and at the end of the meeting, the shareholders may be required to verify the details.

6. In each year of shareholders' meeting, one third of the total number of directors will complete their terms, which will be elected at the meeting. The company allows shareholders to vote for each person to be elected independent. The company has set up a rotation about the remuneration of directors by classifying the remuneration of each director will receive a monthly remuneration, allowances and bonuses to directors. Therefore, the proposed changes to the remuneration of the directors must be approved by the general meeting of shareholders.

7. At the meeting, shareholders were given the opportunity to comment, recommend, or pose questions freely before voting in any agenda. Furthermore, the company sufficiently provided shareholders with sufficient detailed information. For the agenda that shareholders have any doubt or question, the company had prepared related personnel from each field to provide answer under the responsibility of the company's Board of Directors.

8. Any agenda at the shareholders' meeting, shareholders may request for secret voting if shareholders requests for such voting method, and 5 shareholders acknowledge for the shareholders' meeting to vote using secret voting method.

9. In a meeting of shareholders in 2013, the company has determined the order in agenda set out in the notice of meeting is sent to shareholders in advance without changing the order of the agenda to the meeting and no matters other than those specified in the notice of meeting of shareholders in any way undo edits cancel.

Shareholders' Equality

The company treats every shareholders equally, either major shareholders, minority shareholders, institutional investors, or foreign shareholders, especially minority shareholders such as;

1. Determining that an independent director shall be responsible for looking after minority shareholders, which minority shareholders may propose, comment, or complain to an independent director who will take appropriate action for each matter such as if it is a complaint, the independent director will verify the fact, and look for appropriate remedial method, or in case of a recommendation which the independent director considered and deemed as significant that affects interested persons overall, or affects the company's

business operation, the independent director will propose such matter at the shareholders' meeting for consider determining it as an agenda at the shareholders' meeting.

2. The company's Board of Directors had determined preventative measure for illegal usage of internal information (Insider Trading) of relevant person which means the company's Board of Directors, the Management, and employees in the unit relating to the information.

3. For the shareholders' meeting, the company had prepared the power of attorney which shareholders may determine the direction of the voting as prescribed by Ministry of Commerce, and sent it together with shareholders' meeting appointment letter. Furthermore, the company also gave the right to shareholders who attended the meeting after the meeting had already begun to vote for the agenda that was being considered, and had not been voted, which the forum shall be counted from the agenda that the shareholders have joined the meeting and voted onwards, except for the shareholders' meeting deems otherwise.

4. To provide shareholders and the voting results can be checked quickly. In addition to the resolutions of the Conference through its information dissemination system, the Stock Exchange of Thailand, The company has opened the resolutions at the general meeting of shareholders in each canton is on the company's website within the next working day from the date of the shareholders' meeting.

5. The meeting was recorded completely contain the essence: resolutions and voting results are divided into a number of sounds. Don't agree to abstain from voting or bad card in each agenda question. Statements and opinions of the meeting and deliver a report to the meeting, as well as legal authorities within a period of 14 days from the day of the shareholders' meeting, together with the minutes of the meeting sent to shareholders and published on the company's Web site.

The shareholders of the visit

The company will provide shareholders the visit after the completion of the Annual General Meeting of the shareholders on request. The visit by personnel within the company, such as port operations and staff, including the stock and pour the sugar. Truck weighing room. Station and the molasses and the shareholders of the Company wishes to visit a plant wheat, refining, Mill and factory. The Personnel Committee has the authority to take you to the satisfaction of the shareholders.

9.8.2 Information Disclosure and Transparency

The company focuses on information disclosure because it is the matter that affects the decision of investors and interested persons. Therefore, it is necessary to have control and to determine measure for information disclosure for either financial information or nonfinancial information as prescribed by the law which is substantial, complete, sufficient, reliable, and in time in both Thai and English version, which is disclosed through SET Community Portal of the Stock Exchange of Thailand, and the company's website. For information disclosure, the company had assigned the Managing Director, or Assistant Managing Director to disclose the information. Furthermore, the company' secretariat is responsible for contacting institutional investors, and shareholders equality and fairly.

For disclosure of important news, the company has taken over the various channels to provide shareholders and other stakeholders have been informed by thorough information dissemination through various channels as follows:

1. The Stock Exchange of Thailand
 - 1) Annual report.
 - 2) The company's financial statements.
 - 3) Resolutions of the Board of Directors, document 3)
2. The Office of the Board of Directors of the Securities and Exchange Commission.
3. Ministry of Commerce
4. the company's Web site, www.tstegroup.com , which has both Thai and English languages. .
5. Delivery of notice of shareholders' meeting by post.

The company strictly adheres to the laws, rules, and regulations prescribed by the Office of Securities and Exchange Commission (SEC), the Stock Exchange of Thailand, and other government agencies, and regularly monitors, amend, and change to ensure that the laws, rules, and regulations adhered by the company are up to date, and are a guarantee for shareholders to have confidence in transparent business operation such as;

1. Disclose financial information and nonfinancial information accurately, completely, and in timely manner.
2. Prepare a report of the committee's responsibility for financial report, and display it together with the auditor report in the annual report.
3. Determine that directors and executives must disclose information relating to their interest and related persons in case having an interest relating to the company.
4. Disclose performance information of subcommittee and number of time each directors attend the meeting individually.
5. Disclose operation structure and investment in subsidiaries and joint ventures clearly.
6. Disclose remuneration information each director receives from being a director in the subcommittee individually.
7. Disclose director's remuneration payment policy, including format, manner, and amount of remuneration each director receives for being a director in various committees.
8. Define rules and regulations governing the use of inside information and the code of conduct for directors' securities Trading and executives, which in accordance with the law on securities and the principle of good corporate governance by the above regulation contains the following principal.
 - Organize tasks Operating locations. Internal storage is not to be disclosed to a third party and the use of internal data or send data internally to perform only those who need to know, or need to work.
 - Banned directors and executives a transfer or transfer the securities on the basis of inside information as to the subject matter of the price changes of securities that are not publicly available. The stock exchange of Thailand or the disclosure of inside information to others to do so by their benefits.
 - Directors and managers have a duty to report to securities issued by the company of your spouse and your children are still underage, and report any changes to those securities. When you are trading or

transfer the securities transfer according to the Office of the Board of Directors of the Securities and Exchange Commission, and a copy of the above report to the Secretary of the company to continue to offer collection. The Board of Directors. In addition, the company also requires that the employee who is associated with the data in the pivot is in accordance with criteria defined must be reported to the securities of your spouse and underage children of the regulatory authorities of the company.

- On the supervision of securities trading and protecting information within the company. The period Interval limited trading of the company's directors and executives, including spouse and underage children, who have restrained trading such securities during the 14 days before the date the financial statements disclosure company or operating results on a quarterly basis until the company discloses such information and the regulations. The rules on data protection within the Committee and the relevant employees. by the Committee in the past year, and executives have been strictly in accordance with regulations.

9. Make directors and executives report to their stakeholders and those involved for the first time the Company Secretary to report to the Chairman of the Board and Chairman of the Audit Committee and report every time when there is a change on the basis that the Securities Act and the securities markets are determined by the year 2013, there are no changes in the equity of the directors and senior management.

9.8.3 Rights of Stakeholders

The company has paid attention to taking care of and realizing every internal and external stakeholder as follows. Customers, shareholders and employees, and responsibilities to society and environment. Rights of stakeholders are the explicit guideline in order for the company to respond to the needs of stakeholders so the Board of Directors, management, and company's employees have committed to perform the actions according to the guideline and everyone must follow this guideline as follows.

Shareholders : Executives have committed to conduct businesses in order to create the maximization of satisfaction to shareholders by :

1. Performing the duties with honesty and integrity, and making decisions with sincerity and fairness to major shareholders, minor shareholders for the maximization of benefits to the overall shareholders.
2. Managing the organization with care and prudent in order to protect losses to shareholders and realizing the risk conditions in the current and future situation.
3. Performing the duties by applying the managerial knowledge and skills at the best of their efforts in every case.
4. Managing any organization's assets in order to protect the devaluation or losses with dishonesty.
5. Providing the regular and complete report of the organization's performance according to the fact, and informing every shareholder equally regarding the future trend of the organization both in the positive and in the negative aspects on the basis of feasibility and sufficient information support.
6. Do not seek the benefit for themselves and relevant parties by applying any organization's information not yet open to the public.
7. Do not disclose the organization's confidential information to outsiders, especially to competitors.
8. Do not perform any actions that may lead to the conflict of interest for the organization.

Employees : The company has paid attention to and treated the employees with equality as follows.

1. Providing the fair compensation to employees and the compensation must be competitive to other companies.
2. Regularly taking care of the work environment for the safety of employees' life and properties.
3. Providing human resource management regarding the explicit appointment, transfer, reward, and punishment procedures, and performing the duties with honesty on the basis of knowledge, proficiency, and employee's properness.
4. Paying attention to development of employee's knowledge and proficiency by opening the opportunities for employees thoroughly and regularly.
5. Listening to the opinions and recommendations on the basis of employee's professional knowledge.

Counterparties :

1. Performing the duties according to the trading conditions regarding the contract with every counterparty and avoiding any dishonest procedures.
2. Performing the duties according to the competition rules and do not damage the reputation of the competitors.

Customers : The company shall pay attention to and responsible for the customers by

1. Providing qualified and acceptable services
2. Disclosing the news and information regarding products and services completely and accurately and do not distort the fact and shall realize the customer's benefits and interests.
3. Warranting the products and services under the condition with proper period of time.
4. Do not submit the products and services to customers when realizing that such products have defects or may be dangerous to customers, and do not release the products and services with lower standard to customers.
5. Do not make customers misunderstood about the quality, price, quantity, or other conditions of such products or services.
6. Arranging the system so customers are able to make complaints about products and services and perform the best of their efforts in order for customers to obtain rapid responses.
7. Maintaining the customer's confidential information strictly, and do not apply the confidential information for their own benefits and the relevant parties' benefits.
8. Finding the methods to reduce production costs by maintaining the standard of product and service quality in order to continuously increase the benefits for customers.
9. Maintaining the contract and strictly performing the duties according to the conditions towards customers. In case of not able to perform according to any conditions, must inform the customers in advance in order to find the solutions.
10. Do not earn the profit in a dishonest way when compared to the quality of products or services, and do not identify the unfair trading conditions for customers.

Competitors : The company performs according to the competition rules by

1. Performing according to the competition rules.
2. Do not seek the confidential information from competitors dishonestly or properly.
3. Do not damage the reputation of competitors by slandering or accusing them.

Overall Society : The company shall be responsible for the environment and society by

1. Do not perform any actions that may impact the natural resources and environment.
2. Continuously supporting the activities that play a role in creating the society.
3. Continuously and seriously creating awareness regarding the responsibility to the society among every level of employees.
4. Controlling the strict compliance according to the intention of the laws.
5. Do not assist or support the avoidance of compliance according to the laws or rules.
6. Cooperating with the supervisory units and reporting the data regarding any violations or non-compliance according to the laws or rules towards such units.

9.8.4 Board of Director's responsibility

As of dated 31 December 2013, 15 Company Committee are 5 independent committee, 5 executive committee, and 4 non- executive committee, the Chairman is independent committee and not the Managing Director.

Board of Director has been appointed and authorized in control and supervise the operation under the company regulation. Board of Director is responsible to all shareholders by control and perform the fair and independent business with considering of all shareholders and beneficiary . Board of Director will not do the double work with the Managing Director and Executive Committee.

Board of Directors are consist of 5 independent committees that no relationship in personal, business, or other aspects with the company or executive; not the delegate of any particular shareholder , no financial interest or personal matter with the company ; therefore, their fair and independent judgement can protect all shareholder benefits evenly. All Independent Committee are qualified according to The Securities and Exchange Commission's announcement : not hold more than 1 percent of common stock , no relation with the company in management participation and/ or professional service, also no business relation with the company.

All the committees have the business experience in related industry for the overall benefit of the company; their business knowledge can help the company in many ways: the business knowledge to understand the business obstacle and create industrial competitive 's advantages for the company. Moreover, all the committees are qualified with no forbidding qualification according to the Public Company Law and The Securities and Exchange Commission's announcement.

In the position of the Committee, each Committee will be informed of the company profile, regulation on Committee scope of duty and responsibility, law consultant, term& condition in being the Committee in the listed company , and information to understand the company business.

After completing the 1st three-year term, the Committee may be appointed to be in the position again; if the new Committee is expected, the shareholder has to select the qualified person with ability for being the Committee.

In case of vacancy and the left term is more than 2 months, Board of Director must select the new Committee in the next Committee Meeting; the consensus must be approved by 3/4 of the remained Committee. The new Committee will be termed as the replaced Committee.

Board of Director will control the plan and strategy of executives for the utmost benefit of the company and all participants. Board of Director will authorize the routine management to the Managing Director and higher other executives also appoint the minor groups of Committee to take care of some particular businesses.

Board of Director Chairman's duty and Managing Director's duty are not duplicated; Managing Director has the responsibility in appointing the executives and higher executives to manage the business.

The Company Committee had arranged the Office of Company Secretary to help and support the Company Committee. The Office of Company Secretary will be operated in control the company regulations & performance to abide by the Public Company Act, and coordinate & help the shareholder.

9.8.5 Leadership and Vision

The Board of Directors are responsible for the shareholders regarding the company's business operations and supervision of the management in order to be in compliance with the goal and guideline that will finally lead to the maximization of benefits to shareholders under the framework of business ethics and by realizing the benefits of every shareholder. The Board of Directors are also responsible for compliance according to the laws, company's objectives and regulations and the resolution of the shareholders' meeting with honesty, and are careful to maintain the benefits of current and long-term shareholders, and also for the compliance with the rules and regulations of Stock exchange of Thailand, Securities and Exchange Commission, and other laws regarding the company's business operations.

Regarding the duties and responsibilities, the company has identified the clear roles, duties, and responsibilities between the Board of Directors and management. The Board of directors has appointed the Executive Board and the Managing Directors acting as the Chairman of Executive Board and assigned the Executive Board to be responsible for the company's routine businesses, closely monitoring the company's business operations, measuring the company's performance, and reporting the businesses accomplished by the management to the Board of Directors immediately and regularly.

9.8.6 Conflict of Interest

The Board of Directors has identified the policy regarding the conflict of interest as follows. The persons who have related transactions shall inform the company regarding the relationship towards such transactions and shall not participate in the decision-making. The company has also identified the internal auditors and Audit Committee to monitor, take care of, and manage the problems regarding such conflict of interest. There have been no problems regarding the conflict of interest.

During every Board of Directors' Meeting, if there are any issues regarding the conflict of interest in any agendas that relates to the directors, the directors who have conflicts of interest shall have no vote or no comments.

The Board of Directors and executives meaning the spouse and children that are under 20 years of age when changing the company's ownership, shall inform the company and report the changes of shareholding to the Securities and exchange Commission and the Stock exchange of Thailand according to section 59 of the Securities and Stock Exchange Act B.E.2535 within 3 days from the date of purchasing, selling, or transferring the shares and this shall be reported to the Board of Directors' meeting under the topic "the Changes in Securities Holding Report of Directors and Executives" strictly identified in the Board of Directors' meeting report every time.

To prevent conflict of interest

The company operates by adhering to and complying with the principles of good corporate governance and thus provide supervision and protection on items that may have a conflict of interest or any related transaction or a list of suitable under a good ethical framework by which is known an important code of conduct for directors and employees. Be abiding by a code of conduct to be trust and trust of all stakeholders. This is an important criterion as follows:

- The Board of Directors of service companies have set guidelines against conflict of interest and related transaction and set guidelines to determine an appropriate designation must pass moderation from the Audit Committee, and is in accordance with the guidelines of the Office of the Board of Directors of the Securities and Exchange Commission, The stock exchange of Thailand
- The Executives or employees with the benefits associated with the transactions made with the company or any subsidiary of the company, shall not take part in the review or approval of such transactions, and. The pricing is fair, appropriately according to the terms of trade, in General, with the virtual people.
- Require the presentation of items that relate to the Audit Committee to consider before proposing for approval to the Board of Directors in accordance with the principles of good corporate governance, and on the basis that the Office of the Board of Directors of the Securities and Exchange Commission.
- The Board of Directors has established the principle of the related transaction between Executive Director or people who are associated with a company or its subsidiaries. If there is agreement. Like to trade partners.
- In transactions between the company and its subsidiary or between subsidiaries of the transactions of the company. The company defines as transactions with a condition or requirement that is usually identical to the transactions that are made to the common people with the same level of risk, or if approved by the Board of Directors and the Board of the subsidiary , as the case.

9.8.7 Business Ethics

In order to express the intention regarding the company's business operations with transparency, moral principle, responsibilities towards stakeholders, and society and environment, the company has identified the business ethics so the Board of Directors, executives, personnel and employees are able to apply as the guideline of performance in addition to the company's regulations and rules. The company has amended the regulations and rules in 2007 and shall formally notify the business ethics and the company's regulations and rules in 2008 until now. Thus.-

The Code of conduct

Thai Sugar Terminal Public Company Limited has prepared a guide on ethical business conduct for directors. Executives, employees, as well as those associated with all stages have been used in the work, and can be adjusted to perform daily life when everyone can understand and practice good business ethics in their beauty as a matter of course as a result of the company's operations to be impartial, and transparent for employees, customers, shareholders, and all parties involved. The company believe that this Ethics would allow the company to move ahead firmly and get confidence from all sides, both inside and outside your organization. Therefore, Director Executives and all employees should follow this Ethics is generally normal.

Ethics in business are as follows:

1. Focus on generating the highest return for shareholders, including organizational development, growth and advancement, stability.
2. Management and organization management carefully with the knowledge and skills to the fullest.
3. Duties based on the principles of transparency, fairness and honestly to the benefits to all parties involved with the organization.
4. Adhering to the law, standard, and enterprise business, frankly, including disclosure of financial information transparency.
5. Do not bring it within the non-disclosure of confidential information or enter your organization to find a useful place and who is involved, or be disclosed to third parties that would cause a conflict of interests.

Responsibility towards shareholders

1. Generate a yield growth, stability and proper shareholders. .
2. Professional duties in full knowledge of the. And caution.
3. The duties of good faith, transparency and fairness in order to establish the confidence of shareholders and gtreat all shareholders with equality.
4. Prepare a report on the status of the organization on a regular basis and fully based on reality and the shareholders involved.
5. Do not disclose the information as irrelevant without love.
6. Do not perform any negatively as an organization without prior notice to the shareholders.

Responsibility towards customers

1. Meet the needs of our customers with the finest service and appropriate.
2. The system may provide the customer can claim a defect of the service a dissatisfied and proposed recommendations that would be useful to continue to respond to customers quickly .
3. Compliance with the conditions that are strictly. If you are unable to comply with criteria to inform customers in a hurry knowledge and jointly find solutions.

4. Proposed news service is accurate and does not distort any facts.
5. The importance of information and to publish a clear advantage for himself and those involved, regardless of whether any of the cases.

Responsible trading partners and creditors

1. Do not get paid or receive any benefits or not in good faith or with partners in the trade payables.
2. In accordance with an agreement with trading partners and creditors, precisely and strictly. In the case that could not comply with the conditions should notify partners or creditors as soon as possible to fix the problem are considered.
3. Information related to trading partners and creditors properly and fully in accordance with reality.

Responsibility for employees

1. Provide appropriate compensation and equitable knowledge-based. Competence, responsibility and the quality of work of each employee.
2. To reward or punish an employee requires a fair, transparent and done in good faith.
3. Give priority to the training of employees to develop the knowledge and capabilities of every employee.
4. Compliance with laws and regulations, labor and employee benefits.
5. Maintain a working environment for security, health and property of the employee.
6. Encourage employees to participate in shaping the development and improvement of the company.
7. The dissemination of practices and ethics to all employees to follow in their work.
8. Treat all employees on the basis of the dignity of the human being is equally and avoid. Any action affecting the progress and stability in career of employee.
9. Do not bring the employee's personal information, to find out whether any benefits.
10. Listen to comments and suggestions, which are beneficial to the Organization, is located on the cause and effect principle.

Responsibility for the company's property

The company's assets meant movable property and real estate also includes a patent license rights documentation information and company secrets officials and all employees have a duty to be responsible in the various assets of the company.

1. The Executive Director, The management and staff employees. The company's assets must not be used to advantage private or other, with the exception of emergency cases with permission from the authorities.
2. Employees are responsible for the company's assets, the loss of loss or deterioration of the property value by the company's benefits should not be used in the company's joint venture in order to obtain the performance of an operation and the highest property value.

3. Staff should not be done to modify, edit, or decorate the property of a company before receiving permission from the authority.
4. Employee prohibiting counterfeiting. Edit and / or decoration company documents without love.
5. In the case of property as a computer. Prohibiting an employee apply to any illegal or pirated programs come into your company. Directors and employees should use the Internet to find information and

Corporate social responsibility

1. Support any undertaking that is beneficial to the community and global society.
2. Avoid any actions which result in damage to the nation. The city houses the community and the environment.
3. Do not encourage or cooperate in any illegal business related or a danger to the public, and the stability of the country.
4. Create awareness and instill social responsibility and employee organizations at all levels in the country.

Conflict of interest

1. Avoid items that are associated with the self that resulted in a conflict of interest with the organization.
2. In case of the need to make benefits an organization. Executives Director or employees in the list, it must not take part in the approval.
3. If the Committee Executives, employees, or anyone in your family or participate as shareholders in a company, organization or any competitive Affairs that might pose a conflict of interest with the business of the organization. Required to notify the Chief Executive Officer has been notified in writing.
4. Managing Director Executives or employees to become a partner in other ventures Director will not cause a conflict of interests.
5. Executive Director An Executive or an employee shall not receive any benefits from customers or business partners of the Organization, or from any person, due to work on behalf of the organization.
6. Managing Director Executives or employees shall avoid gifts both as non payment from a partner or who are related to the business of the company, except during festivals or in popular tradition, this value should not exceed 5000 baht. . In case of exceeding the report to bosses to appropriate.

Political rights

The company recognizes the importance of good citizens by acting to support the Committee. Executives and employees to act as good citizens by law, prohibiting any action that is suggestive or make it understand that the company provide support to any political party or group any power. Employees have the right to participate freely in political activities outside work hours and banned political activity on behalf of the company .

To receive complaints on business ethics

Corporate Secretary Office has been given or the Audit Committee serves as the unit receives complaints. The related employee ethical and / or who have seen can be sent directly to the ethics complaints, according to the following mailing address/business unit received the ethics complaint/Office of the Secretary and / or Audit Committee.

Unit received complaints of Business Ethics

Secretary Office and / or Audit Committee

Thai Sugar Terminal Public Company Limited

90 Moo 1, Soi siamsilo, Poochaosamingphrai Rd.,

Samrongklang, Phrapradaeng, Samutprakarn 10130

or E-mail Address : Thaisugarterminal@gmail.com

9.8.8 Check and Balance of non-executive Directors

The appointment of company's directors has been according to the shareholder's meeting resolution after being considered by the Nominating and Remuneration committee and the Board of Directors, respectively. Currently (15 January 2014), there are 15 members of Board of Directors consisting of :

- a. 5 person Independent Directors which one-third of the Board of Directors
- b. 5 persons Executive Directors
- c. 5 persons Non-Executive Directors

Therefore, the stakeholders are able to confide that the directors are able to freely perform the duties as the representative of the shareholders with proper check and balance.

10. Responsibilities to society, community, and environment

Since the company has conducted the product loading business onto the seagoing vessel and the location of the company is located near Chao Phraya River and within the warehouse, and molasses storage and loading station, is located close to the community where people have lived for a long time. Therefore, the company's business operations have realized the impact on the society and environment that are closely related. It can be summarized as follows.

- Regarding the waste, garbage, oil or chemical substances, the company has strictly taken care of and protecting the spill into the river, and hired the employees to take care of the cleanness and regularly coordinated with the government agencies responsible for managing the waste or garbage within the company or around the area closed to the community.
- Constructing and taking care of the drainage pipe, constructing the grease trap for treating fat and waste water, taking the sample of water from various points in order to verify the quality under the standard by measuring Ph, BOD, Ammonium-Nitrogen, Suspended, and others for every 3 months.
- Taking care of the impact from sound during working in order not to disturb people living in the surrounding areas.
- Constructing the dam around the molasses tanker via the solid materials in order to support the quantity of products that may be leaked from the tanker.
- Cooperation and support of community activities adjacent to the area or areas far away on a regular basis by the year 2012. Activities of the Company to support continuation of the past on a regular basis every year, including.
 - a. Supporting the activities for the National Children's Day of various communities such as Poo Hangsanawat temple community in South Sam Rong, Northern Sasm Rong temple community, Moo 1 Ruam Jai Pattana Community, Wat Thong Koong school, Poochaosamingprai Municipality and others and supporting the religious activities for temple in the surrounding areas.
 - b. Continuously supporting the education by offering the scholarship for poor children continuously since the year 1982 until now, namely, Kiat Ruammit for education foundation.
 - c. Supported the field trip activity by invite the students from schools located in the vicinity to visit the company and acknowledged them on the company business characteristic, social community living, and environment reservation in order to understand the importance of cleanness, wastewater treatment, and others.
 - d. Is a project he emerges as a "charity, he 86 years to help all the land of the blind, literacy and employment" to durability of charity to his Majesty the King h. m., he 86 reached the age of growth to help support and provide service to blind people. On the establishment of a Center for study and professional demonstration the blind to professional teaching practice training, there are a lot of blind, which is in the wilderness, educational assistance for the blind received the highest education based on individual abilities.
 - e. Donation fund Siriraj Foundation Faculty of Medicine Siriraj Hospital Mahidol University to a patient who broke Siriraj Hospital.
 - f. Joint support project of Yen Sira Pro Pra Boribal Foundation, take care of the blind of Thailand.

In the preparation parasols to bring income support to vocational training the blind.

Possibilities to Personnel and Employees

The Company has realized the importance of personnel, taking care of the welfare and workplace safety, and pleasant working condition that will affect the employee's mental condition and dedication. Therefore, the company has paid more attention to the employee's welfare in addition to compliance according to the laws, namely,

Housing The company's employees and their family are able to live within the employees' houses constructed by the company as the building surrounded by the playground, parking lots, and others.

Welfare other than social security welfare, the company had set the other welfares for employee : the wel fare for sick, accident, marriage, delivery, ordination, and death of employee's father mother, and child.

Preparation of Accident In addition to managing the insured against Social Security Insurance Company has prepared a special event for all stakeholders, employees who work with hazardous driver Motorcycles submit documents, employees who work at height, employees who work with machinery.

Promoting knowledge and experience The company has sent the employees to attend the external training or on-the-job training such as fire extinguishing and migration in case of fire, etc. in order to promote knowledge and proficiency in assisting themselves but others and people living in the surrounding community. The company has arranged employees to attend the training course for security officers and such employees will obtain safety officer certificate, and also other courses such as technology and information, machinery utilization, accounting and others that each employee should apply the knowledge into the job.

Right to Make Complaints The company has arranged the meeting for various levels of employees by opening the opportunity for everyone to freely express his / her opinions or in case that the employees aim to make complaints, they shall submit the letter to :

Chairman of Executive Board or Audit Committee
Thai Sugar Terminal Public Company Limited
90 Moo 1 Soi Siam Silo
Poo Jao Saming Prai Road,
Sam Rong Klang Sub-district,
Phra Pra Daeng District,
Samut Prakarn 10130

In the fight against corruption and illegal acts. The company is managed on the basis of ethical transparency by defining the organizational structure at reinforce the organization contain a powerful transparency consistent with the target. How to do business with the segregation of duties and responsibilities. The process works. Airline bosses clearly in each agency to balance the power between each other appropriately, so that the company's business operations have sustainable growth. The Board of the Company has stricted on corporate governance. Ethics in business and employees' ethics, which defines the basic principles about performance based on occupation. For directors and employees abiding by holding a joint obligation to perform duties according to areas of responsibility towards the company and its stakeholders with honesty. With the principles in the fight against all forms of corruption, as well as to uphold the guidelines that are transparent, honest and fair as well as impose sanctions in case of violation, and so a policy into action , so assign best practice as expressly provided such by-laws preventing conflict of interest and related transaction. Regulations governing the use of inside information Practices in the trading of securities. Guidelines for receiving gifts or employee benefits, etc.

The company has established the risk management board, which is responsible for determining the risk management process, implement and manage fraud and corruption matters management to operational errors that may cause corruption by evaluating track and assemble an overview of risk, risk level, subject to an acceptable, as well as the action detects suspected cases, and there is a risk to commit fraud through the system, including monitor and collect information or preliminary evidence and coordinate in order to mitigate the damage.

All of the above The Company has complied with the requirements of laws and regulations. Related to the rights Of stakeholders has been well cared.

11. Internal control and risk management

The Board of Director has managed the effective internal control and risk management system at the properly stage under the supervision of internal audit. The internal audit will review and control the operation to achieve the plan and target that is management inspection, operation inspection, account & finance inspection and IT technology inspection of the company and subsidiaries. The Inspection Committee will be informed of internal audit result and monitoring report every quarter. Moreover Board of Director has supervised the sufficiency of internal control by Evaluation Form from all committee every year, and measured the company current plan and strategy for the new plan adjustment. The Evaluation Form presented the followings :

- Organizational Control and Environment Measure

The committee deems that the company has regular meetings and monitors the company's performance by listening to problems and taking part in setting business operation goal, as well as determining compensation for employees, and report performance, as well as given an opportunity to employees to ask questions for transparency. In terms of organizational structure, the company strictly complies with public company law and other relevant laws. The company has a written moral requirements and restrictions that prohibit management and employees to act in the manner that causes conflicting interest with the company, and emphasizes on morality as a public organization.

- Risk Management Measure

The company held a meeting of the Audit and Risk Management Committee meets on a quarterly basis and tracks the improvement by continuous feedback and assessment of risk factors, both external and internal risk factors by analyzing events that cause the risk factors, cause of risk factors, and risk mitigation measure. Significant matter will be discussed at the committee and the management meetings, and employees will be notified of risk management measure by organizing a meeting for the unit relating to that particular risk factor.

- Management Control Activities

The committee had clearly determined in writing the scope of duty, and the limit and approval authority of the management in each level, and there was no violation against the law last year.

- Information and Communication Measure

Responsibilities are clearly prioritized for supervision and disclosure of various company's information.

- Monitoring

The company has realized that the pleasant internal audit must confide the management and reduce the business risk, and help the company operate its business more efficiently and allocate the resources properly. The internal audit also helps protect the company's and customers' properties from leakages, loss, or misconduct, and takes care of the personnel to comply with the relevant laws, regulations, and rules, and also helps protect the investment from shareholders.

The Audit Committee is responsible for auditing the financial report by meeting with the company's accounting department, the auditors of the company and its subsidiaries, and the internal auditors. The meeting has reported the auditing outcome and proposed the recommendations to the company, and expressed the opinions freely, and will propose the financial report with the recommendation beneficial to the company's operations to the Board of Directors' meeting every quarter, and report the responsibilities towards the financial report as proposed to the shareholders on the annual report. The disclosure of important financial and non-financial information has been on the basis of the factual statement.

Meanwhile, the company also play the major role in operation efficiency under the proper monitoring and control system. The criteria in operation with the target and authority are clearly appointed to the operation line and personal for understanding on the same base of communication. For technology and IT system ; the employee are continuously trained and sufficient and the effective back- up system is arranged. Moreover, the in – out information scope through the company system were set in protecting the risk information that may damage the company system.

In year 2013, the Audit Committee had checked up the internal control through the measurement of the executive and internal auditor; the Audit Committee and company auditor has found no material problem or defect. This is consistent with the opinion of the auditor of the Company under the Company's internal control system. The adequacy and effective implementation.

To assess the performance of the directors

The company was given the task of evaluating directors so that each Committee Appraisal Committee because there is a particularly important role in defining policies and corporate governance Committee and the evaluation of their performance (Self-assessment) that assessment. The Board of Directors of the company have been analyzed and the conclusion in order to define the measures for improving the performance of the Board of Directors.

In the assessment of the Board of Directors (As a Whole) and a performance rating of their own (Self-assessment) is composed of various topics:

1. Knowledge and understanding of role as legal Director. Rules/regulations issued by agencies or institutions, such as sec total federation.
2. The duties of the Board of Directors
3. Tracking and reporting financial performance (Financial Reporting) .
4. The Board of Directors ' meeting
5. The Nominating Committee & senior management
6. To determine the remuneration for directors and senior executives.

And evaluation in accordance with the principles of good corporate governance for listed companies (Corporate Governance Self Assessment), which contains the subjects are as follows:

1. Shareholders' rights and equal treatment of shareholders

- The protection of the rights of shareholders
- Preparation of invitation to the meeting and documentation
- Conference operation
- To prevent the use of inside information
- A Committee of stakeholders

2. The role of stakeholders

- Treatment of policy stakeholders
- Disclosure of practices
- Taking care of social responsibility

3. Information disclosure and transparency

4. Responsibilities of the Board of Directors

- Disclosure policies and the composition of the Board of Directors and committees
- To qualify The scope and authority of the Board of Directors and committees
- Code of conduct
- Conflict of interest
- System of internal control and internal audit
- Risk management
- Inheritance planning

The company's Board of Directors meeting No.1/2014 January 23, 2014, when it reviewed their assessment of the Board of Directors, to evaluate, so the Committee has to perform their duties in the year 2013 ,performance assessment of the Board of Directors (As a Whole) is equal to 85 per cent, and evaluate their own performance (Self-assessment) is equal to 80 percent of the company's Board of Directors also have additional comment in the evaluate hotel duties and responsibilities in accordance with the laws of the Member that is associated with a registered company, it is important and that the current rules and regulations have changed and very strict. Therefore, there should be consensus, saw the company's Board of Directors and executives of companies improve different aspects such as law. The rules and requirements relating to Listed companies in order to develop guidelines on corporate governance of the company complies with the criteria and the regulations of the stock exchange of Thailand and the Thai Office of the Securities and Exchange Commission.

12. Inter Company Transaction Items

These are the transaction

Approval of the transactions between associated companies , the Company will follow procedures to control transactions between the Company and its related parties including associating with persons who may have conflicts of interest or potential conflict of interest in the future according to the announcement of the Securities and Exchange Commission of Thailand. In addition, the company assigns the audit committee to comment on the needs, rationality and appropriate pricing of transactions that occur by considering the conditions according to the nature of the trading market and make comparison to third parties. The committee, and the board in general, needs to make sure that it carefully considers all relevant aspects of the transactions. In case the Committee is not specialize in the transaction occurred, the Company will bring in experts such as auditor, property appraiser etc., who is independent from the company and with no conflicts of interest to consider and comment on such transactions. The comments will be applied to the decisions of the Audit Committee and then presented to the Board of Directors or the shareholders meeting for consideration and approval.

In addition, the company has determined the measures that either the executives or stakeholders can't participate in the transaction that they are involved both directly and indirectly. Besides, the Board of Directors will oversee the company to ensure that all things will be in compliance with the Securities and Exchange regulations and requirements of The Stock Exchange of Thailand as well as are met all the disclosure requirements related transactions and the acquisition or disposition of the assets of the Company and its subsidiaries complying with accounting standards set by the Federation of accounting Professions. The related transactions will be disclosed in the notes to the financial statements or to be audited or reviewed by the auditors of the Company and will be disclosed in the annual statement (Form 56-1) and the annual report.

Trends transactions in the future

Transactions that may occur in the future, the conditions are consistent with the nature of trade in general and referred to the market price. The Company and /or the group of companies consign the Audit Committee and / or independent committee member to remark on the remuneration clinging to the necessity and practicability of the transactions. If there will be any transactions that happen to people who may have conflicts of interest, the company will perform according to the rules announced and / or regulations of the Securities and Exchange Commission and / or the Stock Exchange of Thailand. The company may consign an independent expert or an auditor of a company to comment on such transactions. The comments will be used for the Board of Directors or shareholders to make a decision. As the case, The Companies will disclose related transactions in the notes to financial statements which have been audited by the company's auditor.

Transactions between the company and its subsidiaries, respective companies and persons who may have conflicts of interest that may occur in the future, the conditions will be in accordance with the nature of trade business. Therefore it is necessary to clearly have related transaction policies which sensible and latch on to the market price referred to the Securities and Exchange Commission Act 2551 (No. 4) Act 2551 Section 89/12 (1) The list will be presented to the Audit Committee to consider and review and express opinion on the rationality of transactions every quarter.

Transactions between the company and its subsidiaries, respective companies , persons who may have conflicts of interest that does not conform to normal commercial conditions, the company assigns the audit committee to comment on the needs, rationality and appropriate pricing of transactions that occur by considering the market price and compare the price made to third parties. The committee, and the board in general, needs to make sure that it carefully considers all relevant aspects of the transactions. In case the Committee is not specialize in the transaction occurred, the Company will bring in experts such as auditor, property appraiser etc. who is independent from the company and with no conflicts of interest to consider and comment on such transactions. The comments will be applied to the decisions of the Audit Committee.

However transactions that may rise to conflicts of interest, the Company has determined the measures that executive directors and stakeholders can participate in the approved list in both direct and indirect. The Board of Directors will ensure that the company is in compliance with the laws of the Securities and Exchange Commission and regulations or requirements of the Stock Exchange of Thailand, the Capital Market Supervisory Board -SEC , rules regarding the disclosure of information concerning the acquisition or disposition of the company and its subsidiaries assets according to the SET, the Capital Market Supervisory Board- SEC and / or related agencies and accounting standards set by the Federation of Accounting Professions of Thailand.

Principles of trade agreements with general business conditions in the transaction between Company and / or its subsidiaries, directors, executives or persons involved

Securities and Exchange Act (No. 4) (Amendment) Under Section 89/12 , which determines how the transaction between the companies and its subsidiaries, directors, executives or persons involved (as defined in the Act. above) ("Transactions") on a set that

“Section Director 89/12 “directors, executives or persons involved may conduct transactions with related companies or subsidiaries only when the transactions have been approved by the company’s shareholders unless the transactions fall into one of the following classifications:

- (1) Transaction which is a trade agreement made to general contractors in the same situation with negotiation authority that is deprived of any effect on their status as directors, executives or individuals with relevant case. And have been approved by the Board of Directors /or in accordance with approved principles of the Board of Directors.
- (2) Loan relief officials and employees program
- (3) Transactions of the other party or parties are listed as:
 - (A) Subsidiary which the company is the major shareholders of not less than ninety percent of the total issued shares or
 - (B) Subsidiary which Director or the relevant person holds shares or has an interest either directly or indirectly not exceed the rate or amount that the Capital Market Supervisory Board declared.
- (4) Transactions that are not exceed the amount or rate declared by the Capital Market Supervisory Board.

Prescribed in accordance with (3) (b) or (4), the Capital Market Supervisory Board may require that the transaction must be approved by the Board of Directors as well.”

And In order to comply with such provisions, the principle should be considered of entering into the transaction

"The Executive is able to approve the transaction between the parties, between the Company and / or its subsidiaries, directors, executives or persons involved (Whether such transactions are conducted in the present and will continue to will be held in the future) without approval from the Board of Directors and the shareholders if the transaction is a trade agreement made to general contractors in the same situation with negotiation authority that is deprived of any effect on their status as directors, executives or individuals with relevant case”.



Related Transactions

Persons who have Conflict of Interest and Related Transactions

Name of Company / Business Type	Nature of Relationship	Name of Major Shareholders	Name of Directors
Khon Kaen Sugar Public Company Limited, Sugar Manufacturing Factory	1) Holding shares in Thai Sugar Terminal Public Company Limited of 23.82% 2) Have 3 co-directors : 1. Mr. Prapas Chutimavoraphand 2. Mr. Chalush Chinthammit 3. Mr. Somchai Chinthammit	As of 31 October 2013 1. K.S.L. Sugar holdings Company Limited 32.26% 2. *Mr. Chanachai Chutimavoraphand 2.60% 3. Mr. Somchai Chinthammit 1.92% 4. Mr. Chalush Chinthammit 0.41% 5. Mr. Charat Chinthammit 0.38% Khon Kaen Sugar Public Company Limited, At the end of fiscal year 2013 on 31 October 2013 <u>Note</u> * Mr. Chanachai Chutimavoraphand is the director of Thai Sugar Terminal Public Company Limited and is an Vice President – Accounting and Finance of Khon Kaen Sugar Public Company Limited Finance and Accounting	1. Mr. Manu Leowpairoj 2. Mr. Jamroon Chinthammit 3. <u>Mr. Prapas Chutimavoraphand</u> 4. Mr. Pornsilp Taamsirichai 5. Mr. Sitti Leelkasemrerk 6. Mr. Thawatchai Rojanachotkul 7. Mr. Sukhum Tokaranyaset 8. Mrs. Intira Sukanin 9. Ms. Duangdao Chinthammit 10. Mr. Pramoon Vichiansin 11. Police General Boonpen Bampenboon 12. Miss. Nonglak Pinainitisat 13. Mr. Karaun Kittisataporn 14. <u>Mr. Chalush Chinthammit</u> 15. <u>Mr. Somchai Chinthammit</u> 16. Ms. Duangkae Chinthammit 17. Mr. Chatri Chinthammit 18. Mr. Somchart Chinthammit 19. Mr. Thatchapong Pakornsiriwongse 20. Mr. Trakarn Choonharojrit 21. Mr. Worapat Tothanakasem
Ratchaburi Sugar Company Limited, Sugar Manufacturing Factory	1) Holding shares in Thai Sugar Terminal Public Company Limited of 4.74% 2) Have 1 co-director : Ms. Jutatip Arunanondchai	As of 31 December 2013 1. Mr. Soontorn Arunanondchai 37.50% 2. Mrs. Araya Arunanondchai 37.50% 3. Thippamas Company Limited 25.00%	1. Mr. Soontorn Arunanondchai 2. Mrs. Araya Arunanondchai 3. Mr. Suwit Arunanondchai 4. <u>Ms. Jutatip Arunanondchai</u> 5. Ms. Juthamas Arunanondchai 6. Mr. Tritip Arunanondchai
Prachuab Industry Company Limited, Sugar Manufacturing Factory	1) Holding shares in Thai Sugar Terminal Public Company Limited of 9.72% 2) Have 2 co-director : 1. Mr. Pong Chinthammit 2. Mr. Win Chinthammit	As of 31 December 2013 1. Mr. Weera Chinthammit 17.24% 2. Mr. Pong Chinthammit 15.98% 4. Mr. Win Chinthammit 5.75% 3. Ms. Wanida Chinthammit 3.43%	1. Mr. Weera Chinthammit 2. <u>Mr. Pong Chinthammit</u> 3. Mrs. Patcharee Chinthammit 4. Mr. Chatchai Chinthammit 5. <u>Mr. Win Chinthammit</u> 6. Mr. Kan <u>Chinthammit</u>
Mitr Kaset Industry Company Limited, Sugar Manufacturing Factory	1) Holding shares in Thai Sugar Terminal Public Company Limited of 4.18% 2) Have 1 co-director : Mr. Narong Chenlarwatanakul	As of 31 December 2013 1. Mr. Prayoon Chenlarwatanakul 25.05% 2. Mr. Mu Chenlarwatanakul 17.07% 3. Mr. Prapat Chenlarwatanakul 12.44% 4. Mr. Narong Chenlarwatanakul 6.38%	1. Mr. Anon Kaewpruksapimol 2. Mr. Mu Chenlarwatanakul 3. Mr. Prayoon Chenlarwatanakul 4. Mr. Prapat Chenlarwatanakul 5. <u>Mr. Narong Chenlarwatanakul</u> 6. Mr. Jarun Chenlarwatanakul 7. Mr. Pak Chenlarwatanakul



12. Inter company Transaction Items

Detailed data on inter-company transaction items between the Company, subsidiaries, and related companies are shown in the notes to the Company's Financial Statement No. 6, as of 31st December 2012 and 2013. Such items were verified by the Company's Audit Committee, who suggested that those items followed general conditions and normal business running.

12.1 The Characteristics of inter company Transaction Items, Conditions, and Pricing policy

The pricing of inter-company transaction items between related companies has been done by considering the appropriateness in terms of market price references, and other conditions not significantly different from the market. The characteristics of the inter-company transaction items are as follows:

12.1.1 Normal Business Service Arrangements for Y2012 Installment ending 31st December 2012, and Y2013 Installment ending 31st December 2013

Service Provider of Service	Client	Item Characteristics / Key conditions	Amount (million baht)	
			Y2012	Y2013
THAI SUGAR TERMINAL PUBLIC CO., LTD.	T S WAREHOUSE CO., LTD.	THAI SUGAR TERMINAL PUBLIC CO., LTD. provides warehouse rental to subsidiary at the rate depending on space and duration of the lease, and consistent with the market price	30.63	32.74
	T S FLOUR MILL PUBLIC CO., LTD.		1.98	4.27
	T S TRANSPORT AND LOGISTICS CO., LTD.		1.89	1.93
	TS OIL INDUSTRY CO., LTD.		3.21	3.21
T S G ASSET CO., LTD.	T S WAREHOUSE CO., LTD.	Fee-based services And duration of the lease Which is based on market price	6.37	6.37
TS OIL INDUSTRY CO., LTD.	T S FLOUR MILL PUBLIC CO., LTD.	TS OIL INDUSTRY CO., LTD. provides warehouse rental service to T S FLOUR MILL PCL. at the rate depending on space and duration of the lease, and consistent with the market price	2.94	2.94
THAI SUGAR TERMINAL PUBLIC CO., LTD.	T S FLOUR MILL PUBLIC CO., LTD.	THAI SUGAR TERMINAL PUBLIC CO., LTD. service unloading wheat	-	5.99
	KHON KAEN SUGAR INDUSTRY PUBLIC CO., LTD.	THAI SUGAR TERMINAL PUBLIC CO., LTD.	19.70	12.52
	NEW KRUNG THAI SUGAR INDUSTRY CO., LTD.		24.72	17.29
	PRACHAUP INDUSTRY CO., LTD.	The unloading of sugar for export to the group Sugar factory by charge transfer	12.30	6.81
	TAMAKA SUGAR INDUSTRY CO., LTD.	The quantity Which is based on market price	9.31	8.14
	NEW KWANG SOON LEE SUGAR INDUSTRY CO., LTD.	standard	5.36	2.61
	RAJBURI SUGAR CO., LTD.		8.50	6.34
	MITR KASET SUGAR INDUSTRY CO., LTD.		6.07	5.45
	Eastern Sugar and Cane CO., LTD.		0.29	0.16



Service Provider of Service	Client	Item Characteristics / Key conditions	Amount (million baht)	
			Y2012	Y2013
T S WAREHOUSE CO., LTD.	THAI SUGAR TERMINAL PUBLIC CO., LTD.	T S WAREHOUSE CO., LTD. service Unloading of bulk raw sugar to THAI SUGAR TERMINAL PUBLIC CO., LTD. By Charge transport by cargo volume The market price	23.33	11.76
T S WAREHOUSE CO., LTD.	KHON KAEN SUGAR INDUSTRY PUBLIC CO., LTD.	T S WAREHOUSE CO., LTD. load service	2.55	1.04
	NEW KRUNG THAI SUGAR INDUSTRY CO., LTD.	Bulk raw sugar warehouse to the group	1.90	1.40
	PRACHAUP INDUSTRY CO., LTD.	Sugar factory by charge transfer	1.02	0.32
	TAMAKA SUGAR INDUSTRY CO., LTD.	Charge transport by cargo volume The market price	1.15	0.93
	NEW KWANG SOON LEE SUGAR INDUSTRY CO., LTD.		0.56	0.40
	MITR KASET SUGAR INDUSTRY CO., LTD.		0.97	-
	RAJBURI SUGAR CO., LTD.		0.82	0.15
THAI SUGAR TERMINAL PUBLIC CO., LTD.	RAJBURI SUGAR CO., LTD.	The company provides deposit, storage molasses The company is charged on the market value	-	0.07
T S WAREHOUSE CO., LTD.	KHON KAEN SUGAR INDUSTRY PUBLIC CO., LTD.	T S WAREHOUSE CO., LTD. service	5.84	7.61
	NEW KWANG SOON LEE SUGAR INDUSTRY CO., LTD.	Storage is sugar for export by the company	7.38	11.14
	PRACHAUP INDUSTRY CO., LTD.	Charged on the quantity and duration	4.98	4.01
	TAMAKA SUGAR INDUSTRY CO., LTD.	Deposit, which is based on market prices	4.51	3.83
	NEW KWANG SOON LEE SUGAR INDUSTRY CO., LTD.		2.05	1.78
	RAJBURI SUGAR CO., LTD.		2.98	3.55
	MITR KASET SUGAR INDUSTRY CO., LTD.		1.82	1.19
KHON KAEN SUGAR INDUSTRY PUBLIC CO., LTD.	THAI SUGAR TERMINAL PUBLIC CO., LTD.	As compensation for sugar transport through the port	3.85	1.95
NEW KWANG SOON LEE SUGAR INDUSTRY CO., LTD.		Compensation fee based on distance and volume	4.45	3.23
PRACHAUP INDUSTRY CO., LTD.		Throughput under which pays off	1.15	0.73
TAMAKA SUGAR INDUSTRY CO., LTD.		THAI SUGAR TERMINAL PUBLIC CO., LTD.	2.18	1.46
RAJBURI SUGAR CO., LTD.		Be used to charge a standard rate of compensation	1.35	0.40
MITR KASET SUGAR INDUSTRY CO., LTD.			1.32	0.49
NEW KWANG SOON LEE SUGAR INDUSTRY CO., LTD.			1.54	0.78



Service Provider of Service	Client	Item Characteristics / Key conditions	Amount (million baht)	
			Y2012	Y2013
THAI SUGAR TERMINAL PUBLIC CO., LTD.	T S TRANSPORT AND LOGISTICS CO., LTD.	THAI SUGAR TERMINAL PUBLIC CO., LTD. service	0.02	0.02
	T S FLOUR MILL PUBLIC CO., LTD.	Electricity, water supply to T S TRANSPORT	0.01	0.02
	T S G ASSET CO., LTD.	AND LOGISTICS CO., LTD. charge the actual cost	0.22	0.24
	TS OIL INDUSTRY CO., LTD.		0.01	-
	T S FLOUR MILL PUBLIC CO., LTD.	Charged through the docking port Fee is loaders	3.03	0.09
	TS OIL INDUSTRY CO., LTD.	The company is charged on the market value	0.34	0.05
	T S TRANSPORT AND LOGISTICS CO., LTD.	total market	0.01	-
T S TRANSPORT AND LOGISTICS CO., LTD.	THAI SUGAR TERMINAL PUBLIC CO., LTD.	T S TRANSPORT AND LOGISTICS CO., LTD.	1.55	3.18
	T S WAREHOUSE CO., LTD.	and weighing The prices charged on	2.99	2.17
	T S FLOUR MILL PUBLIC CO., LTD.	The company is charged on the market value	0.82	0.89
	TS OIL INDUSTRY CO., LTD.		0.82	0.37
	T S G ASSET CO., LTD.		0.82	0.89
	T S FLOUR MILL PUBLIC CO., LTD.	T S TRANSPORT AND LOGISTICS CO., LTD. service	3.79	-
	THAI SUGAR TERMINAL PUBLIC CO., LTD.	Transport to the Group We charge by the	0.02	-
	T S WAREHOUSE CO., LTD.	Market price	0.06	-
THAI SUGAR TERMINAL PUBLIC CO., LTD.	TS OIL INDUSTRY CO., LTD.	The company sold the car to TS OIL INDUSTRY CO., LTD. Market price	1.45	-
T S TRANSPORT AND LOGISTICS CO., LTD.	T S FLOUR MILL PUBLIC CO., LTD.	T S TRANSPORT AND LOGISTICS CO., LTD.	10.64	13.28
	TS OIL INDUSTRY CO., LTD.	sell plastic bags to the Group	-	-
	KHON KAEN SUGAR INDUSTRY PUBLIC CO., LTD.	By the value of the market price	12.95	11.26
	MITR KASET SUGAR INDUSTRY CO., LTD.		4.43	1.72
	TAMAKA SUGAR INDUSTRY CO., LTD.		6.06	0.04
	NEW KWANG SOON LEE SUGAR INDUSTRY CO., LTD.		3.98	0.52

The above inter-company transaction items are consistent with the normal business service conditions, and were verified at the Board of Directors' Meeting No. 1/2014 dated 24 February 2014.

Nevertheless, in order to abide by the Securities and Exchange Act (No. 4) B.E. 2008, the Board of Directors' Meeting No. 8/2008 on 31 July 2008 approved in principle that the management was authorized to approve transactions of normal, business support, or general trade types, and submitted a report of such transactions to every meeting of the Board of Directors.



12.1.2 Volume of Accrual and Other Items as of 31st December 2012 and 31st December 2013

Companies with Inter-Company Accrual Items		Item Type	Amount (million baht)	
Company	Person /Juristic Person with Possible Conflict of Interest		Y2012	Y2013
THAI SUGAR TERMINAL PUBLIC CO., LTD.	T S WAREHOUSE CO., LTD.	Account payable	0.26	-
		Deposit received from warehouse rental	0.97	2.74
		Accrued interest	-	0.10
	T S FLOUR MILL PUBLIC CO., LTD.	Deposit received from warehouse rental	1.03	1.44
		Accrued revenue	2.91	4.12
	TS OIL INDUSTRY CO., LTD.	Account receivable	0.01	-
		Deposit received from warehouse and land rental	1.39	1.39
	T S TRANSPORT AND LOGISTICS CO., LTD.	Deposit received from warehouse and land rental	0.66	0.66
		Other receivables	0.03	-
	T S G ASSET CO., LTD.	Accrued revenue	0.02	0.02
	KHON KAEN SUGAR INDUSTRY PUBLIC CO., LTD.	Account receivable	1.91	0.01
		Accrued discount payable	0.78	0.12
	RAJBURI SUGAR CO., LTD.	Account receivable	0.13	0.36
		Accrued discount payable	2.92	3.32
	MITR KASET SUGAR INDUSTRY CO., LTD.	Accrued discount payable	1.31	1.83
		Account receivable	0.03	0.07
	NEW KRUNG THAI SUGAR INDUSTRY CO., LTD.	Account receivable	0.64	-
		Accrued discount payable	0.65	-
	NEW KWANG SOON LEE SUGAR INDUSTRY CO., LTD.	Accrued discount payable	0.22	0.13
	PRACHAUP INDUSTRY CO., LTD.	Account receivable	0.02	0.08
	TAMAKA SUGAR INDUSTRY CO., LTD.	Accrued discount payable	0.36	-
T S WAREHOUSE CO., LTD.	TS OIL INDUSTRY CO., LTD.	Accrued Interest	0.50	0.44
	T S TRANSPORT AND LOGISTICS CO., LTD.	Accrued Interest	0.01	0.06
	T S G ASSET CO., LTD.	Deposits pay rent warehouse	1.06	1.06
	RAJBURI SUGAR CO., LTD.	Account receivable	0.19	0.63
	KHON KAEN SUGAR INDUSTRY PUBLIC CO., LTD.	Account receivable	5.31	0.32
	NEW KRUNG THAI SUGAR INDUSTRY CO., LTD.	Account receivable	0.68	-
	TAMAKA SUGAR INDUSTRY CO., LTD.	Account receivable	0.15	0.37
	NEW KWANG SOON LEE SUGAR INDUSTRY CO., LTD.	Account receivable	0.26	0.42
T S WAREHOUSE CO., LTD.	MITR KASET SUGAR INDUSTRY CO., LTD.	Account receivable	0.03	0.11
	PRACHAUP INDUSTRY CO., LTD.	Account receivable	0.02	0.02
T S FLOUR MILL PUBLIC CO., LTD.	T S TRANSPORT AND LOGISTICS CO., LTD.	Account payable	0.82	1.31
	TS OIL INDUSTRY CO., LTD.	Deposits pay rent warehouse	0.49	0.49
T S G ASSET CO., LTD.	TS OIL INDUSTRY CO., LTD.	Accrued Interest	0.09	0.12
	T S TRANSPORT AND LOGISTICS CO., LTD.	Accrued Interest	0.02	0.02
T S TRANSPORT AND LOGISTICS CO., LTD.	KHON KAEN SUGAR INDUSTRY PUBLIC CO., LTD.	Account receivable	-	9.15



There are other companies as well		Item Type	Amount (million baht)	
Company	Person /Juristic Person with Possible Conflict of Interest		Y2012	Y2013
THAI SUGAR TERMINAL PUBLIC CO., LTD.	TS Flour Mill Public Company Limited	THAI SUGAR TERMINAL PUBLIC CO., LTD. receive dividends from its subsidiaries	98.82	29.64

12.1.3 Land Rental for Y2012 Installment ending 31 December 2012, and Y2013 Installment ending 31 December 2013

Lesser	Lessee	Key Item Characteristics	Amount (million baht)	
			Y2012	Y2013
THAI SUGAR TERMINAL PUBLIC CO., LTD.	T S WAREHOUSE CO., LTD.	Rent land of 8,767 square meters to build a bulk warehouse for depository goods.	2.30	2.30
	T S FLOUR MILL PUBLIC CO., LTD.	Rent land of 7,013 square meters to build an office building and a wheat production factory.	6.81	5.41
	T S G ASSET CO., LTD.	Rent land of 520 square meters. Residential building for rent.	0.09	0.09
		Rent land of 6,250 square meters to build a bulk warehouse for renting.	1.12	1.12
	TS OIL INDUSTRY CO., LTD.	Rent land of 2,880 square meters to building bulk warehouse for rent warehouse	0.52	0.52
		Rent land of 6,526 square meters to build a palm oil refinery building.	2.74	2.74
	T S TRANSPORT AND LOGISTICS CO., LTD.	Rent land of 4,500 square meters to run a sack weaving factory business. Rent land of 200 square meters to run a transportation business.	0.82	0.81

Necessity and Reasonability : THAI SUGAR TERMINAL PUBLIC CO., LTD. rents out land to subsidiaries to run a business with the lease contract of 1 year and 3 years. Upon maturity, the contract can be extended up to 30 years, which are normal business arrangements without special conditions, and no transfer of benefits between companies and related parties. The pricing will be consistent with the normal rate and can be compared with the pricing made with other unrelated parties. The Audit Committee has verified the inter-company transaction items between the Company and subsidiaries, and suggests that those items are normal business running items, which are necessary and reasonable for the maximization of the Company's benefits.

**12.1.4 Loans / Inter-Company Loans between the Company and Subsidiaries, Y2013 Installment ending****31 December 2013**

Unit : million baht

Borrower	Lender	Balance Brought Forward	New loans	Repayment	Balance	Paid Interest
		1 st Jan 2013	Between Installment	Between Installment	31 st Dec 2013	Y2013
THAI SUGAR TERMINAL PUBLIC CO.,	T S WAREHOUSE CO., LTD.	-	25	-	25	0.10
TS OIL INDUSTRY CO., LTD.	T S WAREHOUSE CO., LTD.	100	-	(10)	90	2.38
	T S G ASSET CO., LTD.	24	-	-	24	0.64
	T S G ASSET CO., LTD.	6	-	-	6	0.14
T S TRANSPORT AND LOGISTICS CO., LTD.	T S WAREHOUSE CO., LTD.	9	-	-	9	0.23

Necessity and Reasonability : Transactions above are to provide financial support to the Company and subsidiaries as working capital for the business running. Loans have a payback period within 1 year to 5 years, paying interest every 1 and 3 months at the interest rate equivalent to that of 3-month fixed deposit interest of commercial banks plus 0.75 percent per annum and MLR-2, which is lower than the interest rate for loan from financial institutions. The lender will also obtain an interest rate return higher than a deposit from financial institutions. In case that the lender has a higher financial cost, the interest rate will be equal to the loan rate of a financial institution from which the lender has borrowed. The Company's Audit Committee has verified the inter-company items between the Company and subsidiaries, and suggests that such items are financial assistance items in the normal business running, which are necessary and reasonable for the maximization of the Company's benefits.

**12.1.5 Guarantee as of 31st December 2012 and 31st December 2013**

The Company has committed to credit facility guarantee received from the bank, as follows:

Unit : million baht

Company who uses credit loan	Company who guarantees debt repayment	Promissory Notes and Loans from Financial Institutions		Necessity and Reasonability
		As of 31 st Dec 2012	As of 31 st Dec 2013	
THAI SUGAR TERMINAL PUBLIC CO., LTD.	THAI SUGAR TERMINAL PUBLIC CO., LTD.	299.59	242.13	To invest additional fund in the wheat factory business. ^{1/}
T S FLOUR MILL PUBLIC CO., LTD.	T S FLOUR MILL PUBLIC CO., LTD.	220.16	298.19	To use as working capital for the purchase of raw materials from abroad. ^{2/}
T S TRANSPORT AND LOGISTICS CO., LTD.	THAI SUGAR TERMINAL PUBLIC CO., LTD.	15.70	9	To invest in production machinery and raw materials for the production of plastic sacks. ^{3/}
TS OIL INDUSTRY CO., LTD.	THAI SUGAR TERMINAL PUBLIC CO., LTD.	707.17	65	To invest in machinery and palm oil factory. ^{4/}

^{1/} In 2012, Thai Sugar Terminal Public Company Limited had the long-term loan from financial institutions. Its limit was 190 million Baht. The Company spent the loan in an amount of 175 million Baht and returned the first installment of 71.25 million Baht in December, 2012. The remaining amount was 103.75 million Baht, to purchase the land area of 13 Rai 82 Square wah and improve the warehouses regarding to the limit loan of 50 million Baht, the Company repaid the principal in an amount of 11.62 million Baht, and the remaining amount was 38.38 million Baht in order to purchase the land area of 13 Rai 63 Square wah and the Company also borrowed the short-term loan from financial institutes in the form of promissory note, valuing 100 million Baht to invest in the palm oil industry. The Company is a guarantor of the debt.

^{2/} T S FLOUR MILL PUBLIC CO., LTD. The short term loans from financial institutions in the form of trust receipts and letters of credit totaling 277.28 million baht to purchase wheat TS Flour Mill Public Company Limited and the Company has. long-term loans from financial institutions of Baht 550 million to Baht 20.92 million loan drawn down by the Company to expand flour mill, the Company is a guarantor of the debt

^{3/} T S TRANSPORT AND LOGISTICS CO., LTD. the Company has short term loans from financial institutions in the form of promissory notes of Baht 9 million for the purchase of raw materials, production of plastic bags by the Thailand Sugar Terminal Logistic Engineering Co., Ltd. (Thailand) is a guarantor of the debt.

^{4/} TS OIL INDUSTRY CO., LTD. Short term loans from financial institutions to purchase palm oil by 65 million baht Thailand contents Sugar Terminal Limited (the Company) is a guarantor of the debt

The Company terminated the surety ship contract for the guarantee of debt payment of T S Flourmill Public Company Limited in the limit of 1,365 million Baht. The financial institute offering the loan completely notified the termination of such contract on September 28, 2012. Additionally, the Company also cancelled the collective security in the land and building of warehouse which was the proprietary of the Company by withdrawing the name of such subsidiary from the mutual mortgagor on November 7, 2012 and the subsidiary terminated the surety ship contract for the guarantee of debt payment of the Company Group in the limit of 855 million Baht. The financial institute offering the loan completely notified the termination of such contract on November 1, 2012. Additionally, the Company also cancelled the collective security in the factory building and all machineries which were the proprietary of the subsidiary by withdrawing the name of such subsidiary from the mutual mortgagor on November 7, 2012.

12.2 Necessity and Reasonability of Transactions

The arrangement of such inter-company transaction items are necessary and reasonable in terms of the maximization of the Company's benefits. As for the year 2012 and 2011, the Company had inter-company transaction items with its subsidiaries and persons who may have conflicts of interest with the Company. These items are normal business arrangements without special conditions, and no transfer of benefits between companies and related parties.

The pricing of service charge and/or interest rates will be consistent with the normal rates, and can be compared with the pricing made with other unrelated parties, as already published in the notes to Financial Statements for the years 2012 and 2011.

The Company's Audit Committee has verified the inter-company transaction items between the Company and its subsidiaries, including warehouse rental, land rental, service charges, borrowings, loan interests, and those items that were already published in the notes to Financial Statements for the years 2012 and 2011, and suggests that those items are normal business arrangements, which are necessary and reasonable for the maximization of the Company's benefits.

12.3 Measures or Approval Procedures for Inter-Company Items

The Company has a policy concerning inter-company items as follows. Such items must be based on the ground of necessity and reasonability for the maximization of the Group companies' benefits. The pricing and conditions of such items must be indifferent from those items made to other unrelated parties. In case that the inter-company items have significant content, the Company will get approval from the Audit Committee, the Board of Directors, and the Shareholders' Meeting if necessary. In these meeting, votes must be counted, yet an interested committee or shareholder will have no right to vote. In any case, any arrangements must follow the related regulations set out by the Stock Exchange of Thailand.

12.4 Policy or Tendency for Inter-Company Items in the Future

Normal trade items such as warehouse rental, transfer of goods, depository service, security expense, transportation service between the Company, its subsidiaries, and related companies, will be retained. The Company will proceed with the aim towards the Company's benefits, and price according to the market rate.

Space rental items will follow the market price, and equal to the rental price giving to other parties.

Loans from person with possible conflicts of interest The Company has no policy to borrow from a person who may have conflicts of interest in the future. Except such a borrowing is made as financial support to the Company, its subsidiaries, and joint companies as seen appropriate.

Other special items are other items other than already mentioned in No. 1-4.

For inter-company transaction items that occurred between the Company or its subsidiaries and a person with possible conflicts of interest, stake-holding, or other conflicts of interest in the future, the Company will request the Audit Committee to advise on the necessity and reasonability of such items. In case that the Audit Committee has no required expertise in the consideration of such items, the Company will invite an independent expert or the Company's auditor to advise on the issue, so that the Board of Directors or Shareholders, depending on the case, shall use in the decision-making.

Nonetheless, for inter-company transaction items that may be occurred in the future, the Board of Directors will ensure that any action taken will follow the laws concerning securities and the stock market, rules and regulations, announcements, orders, or requirements of the Stock Exchange of Thailand, as well as the requirements on the disclosure of information regarding the related items, and acquisition or dispose of main assets of the Company or of its subsidiaries.

13. Important financial information**Financial Status and Performance****13.1 Financial Statement****13.1.1 Summary of Auditor Report****1) Auditor**

In 2011	Ms. Praphasri Leelasupa CPA No. 4664 SAM NAK-NGAN A.M.C. Co.,Ltd.
In 2012	Ms. Praphasri Leelasupa CPA No. 4664 SAM NAK-NGAN A.M.C. Co.,Ltd.
In 2013	Ms. Praphasri Leelasupa CPA No. 4664 SAM NAK-NGAN A.M.C. Co.,Ltd.

2) The audit report of the auditor within 3 years ago

In 2011	Auditors have audited the financial statements give unconditionally. The Company and its subsidiaries use financial reporting standards and revised new edition issued by the FAP, which are mandatory for financial periods beginning on or after January 1, 2011 onwards. The Company and its subsidiaries has changed its accounting policy for accounting for property, plant and equipment is revalued cost
In 2012	Auditors have audited the financial statements give unconditionally. The Company and subsidiaries accounts are classified as investment property land, Plant and equipment to reflect on the nature of business of the Company and subsidiaries. The Company and its subsidiaries has changed its accounting policy for recording in the land shown on the land cost of plant and equipment is revalued to reflect accounting policies of the Company and management of the Company considers such accounting policies appropriate to the situation and the current operations of the Company and its subsidiaries over.
In 2013	Auditors have audited the financial statements give unconditional Company and its subsidiaries have adopted Accounting Standard No.12 of income tax compliance is the first consolidated and separate financial statements for the years ended 31 December 2012 and the statement of financial position and consolidated statements of financial position as at January 1, 2012 comparative information has been restated to show as a result of the use of the new standard.



THAI SUGAR TERMINAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY COMPANIES
CONSOLIDATED BALANCE SHEETS

For the year ended December 31,2011 to December 31, 2013

Unit : Thousand Baht

Balance Sheets	Audited					
	2011	%	2012	%	2013	%
Assets	(Restated)		(Restated)			
Cash and cash equivalent items	102,104	3.70	137,025	3.85	70,073	2.64
Trade accounts	300,524	10.89	288,395	8.11	208,698	7.85
Current portion of long-term investment	-	-	431	0.01	-	-
Inventories	691,061	25.03	1,166,760	32.80	373,845	14.07
Real estate development cost	39,252	1.42	25,256	0.71	99,170	3.73
Other current assets	7,360	0.27	9,622	0.27	11,387	0.43
Total current assets	1,140,301	41.30	1,627,489	45.75	763,172	28.71
Non-current assets	-	-	-	-	-	-
Investments in subsidiary companies	3,161	0.11	3,555	0.10	3,691	0.14
Long-term loan	-	-	-	-	-	-
Investment Property	80,452	2.91	240,288	6.75	290,875	10.94
Property, plant and equipment-net	1,532,285	55.50	1,681,406	47.26	1,559,062	58.66
Deposit assets	-	-	-	-	37,064	1.39
Other non-current assets	4,580	0.17	4,844	0.14	3,931	0.15
Total non-current assets	1,620,478	58.70	1,930,093	54.25	1,894,622	71.29
Total assets	2,760,779	100.00	3,557,582	100.00	2,657,794	100.00
Liabilities	-	-	-	-	-	-
Overdrafts and Short-term loans from financial institutions	942,493	34.14	1,043,034	29.32	451,278	16.98
Trade accounts payable	104,388	3.78	359,066	10.09	88,577	3.33
Portion of long-term debt due within one year.	80,000	2.90	57,460	1.62	75,460	2.84
Accrued income tax payable	26,327	0.95	8,940	0.25	8,617	0.32
Accrued discounts payable	19,515	0.71	14,681	0.41	9,531	0.36
Long-term lease	-	-	1,635	0.05	1,717	0.06
Other current liabilities	14,962	0.54	13,892	0.39	8,972	0.34
Total current liabilities	1,187,685	43.02	1,498,708	42.13	644,151	24.24
Long-term loans	116,000	4.20	142,130	4.00	87,587	3.30
Long-term lease obligations - net	-	-	7,856	0.22	6,138	0.23
Deposit received from warehouse and land rental	2,263	0.08	874	0.02	19,681	0.74
Liabilities for employee benefits	26,392	0.96	19,035	0.54	18,007	0.68
Deferred tax liabilities	-	-	131,919	3.71	100,837	3.79
Other non-current liabilities	797	0.03	1,346	0.04	113	0.00
Total non-current liabilities	145,452	5.27	303,160	8.52	232,364	8.74
Total liabilities	1,333,137	48.29	1,801,868	50.65	876,515	32.98
Shareholders' equity	-	-	-	-	-	-
Authorized share capital	132,000	4.78	132,000	3.71	145,200	5.46
Issued and paid-up share capital	132,000	4.78	132,000	3.71	145,200	5.46
Other components of equity shares.	501,707	18.17	566,118	15.91	573,673	21.58
Retained earnings	-	-	-	-	-	-
Appropriated : Legal reserve	13,200	0.48	13,200	0.37	14,520	0.55
Unappropriated	702,618	25.45	789,346	22.19	780,799	29.38
Total shareholders' equity of the company	1,349,525	48.88	1,500,664	42.18	1,514,191	56.97
Minority shareholders' equity	78,117	2.83	255,050	7.17	267,088	10.05
Total shareholders' equity	1,427,642	51.71	1,755,714	49.35	1,781,280	67.02
Total liabilities and shareholders' equity	2,760,779	100.00	3,557,582	100.00	2,657,794	100.00


THAI SUGAR TERMINAL PUBLIC COMPANY LIMITED
SEPARATE BALANCE SHEETS
For the year ended December 31,2011 to December 31, 2013

Unit : Thousand Baht

Balance Sheets	Audited					
	2011	%	2012	%	2013	%
Assets	(Restated)		(Restated)			
Cash and cash equivalent items	11,550	1.14	10,132	0.68	8,324	0.55
Trade accounts receivable-net	17,025	1.68	9,277	0.62	5,387	0.35
Short-term loans to subsidiaries	19,000	1.87	-	-	-	-
Real estate development cost	37,223	3.66	23,228	1.56	99,170	6.52
Other current assets	768	0.08	1,039	0.07	2,250	0.15
Total current assets	85,566	8.42	43,676	2.93	115,130	7.57
Non-current assets						
Investments in subsidiaries	508,543	50.04	805,741	54.12	805,741	52.96
Long-term loans to related parties.	51,000	5.02	-	-	-	-
Long-term loan	2,724	0.27	3,555	0.24	3,199	0.21
Investment Property	76,005	7.48	266,030	17.87	223,045	14.66
Property, plant and equipment-net	291,243	28.66	365,662	24.56	361,849	23.78
Deposit assets	-	-	-	-	7,255	0.48
Other non-current assets	1,181	0.12	4,009	0.27	5,268	0.35
Total non-current assets	930,696	91.58	1,444,997	97.07	1,406,356	92.43
Total assets	1,016,262	100.00	1,488,673	100.00	1,521,486	100.00
Liabilities						
Overdrafts and Short-term loans from financial institutions	-	-	100,000	6.72	100,000	6.57
Trade accounts payable	10,134	1.00	12,367	0.83	15,424	1.01
Trade accounts payable subsidiary	25,000	2.46	-	-	-	-
The long-term debt due within one year	-	-	57,460	3.86	57,460	3.78
Accrued income tax payable	9,184	0.90	1,472	0.10	-	-
Accrued discounts payable	19,515	1.92	14,682	0.99	9,531	0.63
Long-term lease	-	-	1,037	0.07	1,086	0.07
Other current liabilities	3,226	0.32	1,353	0.09	1,458	0.10
Total current liabilities	67,059	6.60	188,371	12.65	184,959	12.16
Long-term loans from subsidiaries	-	-	-	-	25,000	1.64
Long-term loans from financial institutions	-	-	142,130	9.55	84,670	5.56
Long-term lease obligations - net	-	-	5,577	0.37	4,491	0.30
Liabilities for employee benefits	15,010	1.48	11,713	0.79	11,954	0.79
Deposit and rent a warehouse and land	10,263	1.01	5,417	0.36	7,129	0.47
Deferred tax liabilities	64,557	6.35	61,255	4.11	54,596	3.59
Total non-current liabilities	89,830	8.84	226,092	15.19	187,840	12.35
Total liabilities	156,889	15.44	414,463	27.84	372,799	24.50
Shareholders' equity						
Authorized share capital	132,000	12.99	132,000	8.87	145,200	9.54
Issued and paid-up share capital	132,000	12.99	132,000	8.87	145,200	9.54
Other components of equity shares.	161,491	15.89	215,426	14.47	223,716	14.70
Retained earnings	-	-	-	-	-	-
Appropriated : Legal reserve	13,200	1.30	13,200	0.89	14,520	0.95
Unappropriated	552,682	54.38	713,583	47.93	765,251	50.30
Total shareholders' equity of the company	859,373	84.56	1,074,209	72.16	1,148,687	75.50
Total shareholders' equity	859,373	84.56	1,074,209	72.16	1,148,687	75.50
Total liabilities and shareholders' equity	1,016,262	100.00	1,488,673	100.00	1,521,486	100.00



THAI SUGAR TERMINAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY COMPANIES
CONSOLIDATED STATEMENTS OF INCOME

For the year ended December 31, 2011 to December 31, 2013

Unit : Thousand Baht

Profit (loss)	Audited					
	2011	%	2012	%	2013	%
Revenue from services						
Revenue from services	266,687	11.38	364,772	11.88	324,792	12.90
Income from real estate	23,000	0.98	8,860	0.29	2,150	0.09
Revenue from the sale	2,052,850	87.63	2,697,479	87.83	2,189,983	87.01
Total revenue from operations	2,342,537	100.00	3,071,111	100.00	2,516,926	100.00
The cost of the operation		-		-		
Cost of services	109,789	4.69	143,978	4.69	141,903	5.64
Cost of real estate	14,321	0.61	13,996	0.46	2,029	0.08
Cost of sales	1,818,976	77.65	2,548,294	82.98	2,073,502	82.38
Total cost of operations	1,943,086	82.95	2,706,268	88.12	2,217,434	88.10
Margins	399,451	17.05	364,843	11.88	299,492	11.90
Income compensation from the insurance company	-	-	25,985	0.85	-	-
Dividend income	73	0.00	86	0.00	36	0.00
Other income	19,890	0.85	22,388	0.73	10,945	0.43
The cost of sales	(27,818)	(1.19)	(53,273)	(1.73)	(44,821)	(1.78)
The cost of administration	(104,882)	(4.48)	(125,979)	(4.10)	(134,187)	(5.33)
Loss of material damage by fire	(33,586)	(1.43)	-	-	-	-
Financial costs	(45,694)	(1.95)	(52,148)	(1.70)	(41,720)	(1.66)
Profit before income tax	207,434	8.86	181,902	5.92	89,745	3.57
Corporate income tax	(68,636)	(2.93)	(65,372)	(2.13)	(26,951)	(1.07)
Net profit	138,798	5.93	116,530	3.79	62,794	2.49
Income						
Attributable to shareholders of the parent company	127,956	5.46	104,145	3.39	37,653	1.50
Attributable to the non-controlling interests of subsidiaries.	10,842	0.46	12,384	0.40	25,141	1.00
Net profit	138,798	5.93	116,529	3.79	62,794	2.49
Profits per partner at the company's shareholders (Baht)	0.97		0.72		0.26	
Number of shares (thousand shares)	132,000		145,200		145,200	

**THAI SUGAR TERMINAL PUBLIC COMPANY LIMITED****Separate Statements of Income****For the year ended December 31, 2011 to December 31, 2013**

Unit : Thousand Baht

Profit (loss)	Audited					
	2011	%	2012	%	2013	%
Revenue from services						
Revenue from services	200,625	91.58	247,025	96.54	211,058	100.00
Income from real estate	18,450	8.42	8,860	3.46	-	-
Total revenue from operations	219,075	100.00	255,885	100.00	211,058	100.00
The cost of the operation		-		-		
Cost of services	80,163	36.59	86,381	33.76	73,901	35.01
Cost of real estate	10,225	4.67	13,996	5.47	-	-
Total cost of operations	90,388	41.26	100,377	39.23	73,901	35.01
Margins	128,687	58.74	155,508	60.77	137,157	64.99
Dividend income	73	0.03	98,903	38.65	29,681	14.06
Other income	7,798	3.56	11,331	4.43	3,653	1.73
The cost of sales	(1,475)	(0.67)	(986)	(0.39)	(549)	(0.26)
The cost of administration	(33,939)	(15.49)	(35,949)	(14.05)	(42,153)	(19.97)
Financial costs	(1,967)	(0.90)	(6,934)	(2.71)	(12,374)	(5.86)
Profit before income tax	99,177	45.27	221,873	86.71	115,415	54.68
Corporate income tax	(30,435)	(13.89)	(29,291)	(11.45)	(17,547)	(8.31)
Net profit	68,742	31.38	192,582	75.26	97,868	46.37
Profits per partner at the company's shareholders (Baht)	0.52		1.33		0.67	
Number of shares (thousand shares)	132,000		145,200		145,200	


THAI SUGAR TERMINAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY COMPANIES
CONSOLIDATED STATEMENTS OF CASH FLOW
For the year ended December 31, 2011 to December 31, 2013

Unit : Thousand Baht

Descriptions	Audited		
	2011	2012	2013
Cash flows from operating activities			
Net profit before tax	207,434	181,902	89,745
Adjustments to reconcile net income to net cash provided. (Used in) operating activities			
Dividend income	(73)	(87)	(36)
Income compensation from the insurance company	-	(25,985)	-
Loss of material damage by fire	33,586	-	-
Cost is higher than the loss of net worth to get	(2,556)	76,949	(76,153)
Loss of value of property development costs down.	-	8,234	-
Amortization of bond premium	5	5	7
Gain on disposal of other investments	-	25	266
Doubtful. (Reversal)	(2,993)	2,449	17,331
Depreciation	58,299	67,822	64,964
(Gain) loss on sale of assets and dismantled	(653)	(2,600)	(794)
Loss on impairment of investment property (Reversal)	-	(282)	-
Loss on impairment of property, plant and equipment	-	920	-
Liabilities for employee benefits	4,349.00	2,386	1,029
(Gain) loss on foreign exchange did not occur	249	(166)	515
Profits from the actuarial techniques	-	(9,065)	-
Interest	(713)	(992)	(2,519)
Expenses	44,785	50,962	41,027
Profit from operations before changes in operating assets and liabilities	341,719	352,477	135,380
Operating assets (increase) decrease.			
Accounts and notes receivable	(59,777)	9,687	62,187
Inventories	(452,272)	(552,648)	869,068
Property development costs	1,020	5,761	(7,913)
Current assets	3,727	(2,208)	(1,765)
Deposits assets	-	-	(37,064)
Other non-current assets	(2,972)	(263)	913
Liabilities increase (decrease)			
Trade accounts payable	10,637	257,296	(264,881)
Accrued discount payable	(2,045)	(4,833)	(5,151)
Other current liabilities	312	(1,070)	(4,920)
Deposits received from rental of a warehouse and land	(260)	(1,389)	18,807
Obligation for employee benefits	(1,481)	(677)	(2,057)
Other non-current liabilities	36	549	(1,233)
Cash provided by (used in) operating activities.	(161,356)	62,682	761,372
Interest	713	984	2,721
Expenses	(44,675)	(50,847)	(42,180)
Compensation from the insurance company	-	25,985.00	-
Pay income tax	(64,958)	(68,559)	(37,894)
Net cash provided by (used in) operating activities	(270,276)	(29,755)	684,019



THAI SUGAR TERMINAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY COMPANIES

CONSOLIDATED STATEMENTS OF CASH FLOW (CONT.)

For the year ended December 31, 2011 to December 31, 2013

Unit : Thousand Baht

Descriptions	Audited		
	2011	2012	2013
Cash flows from investing activities			
Proceeds from dividends	73	87	36
Proceeds from redemption of long-term investment	750	2,960	1,775
Cash paid for investments in other long-term investments	-	(3,429)	(1,881)
Buy Investment Property	(1,036)	(159,813)	-
Purchase of property, plant and equipment	(65,032)	(95,934)	(67,569)
Proceeds from sale of fixed assets	1,193	2,783	1,803
Cash paid for purchase of intangible assets	(2,327)	-	-
Net cash provided by (used in) investing activities	(66,379)	(253,346)	(65,837)
Cash flows from financing activities			
Increase (decrease) in short-term loans from financial institutions	485,213	100,541	(591,757)
Increase (decrease) in short-term loans from other parties	-	-	-
Charges payable for the property	(1,767)	(7,674)	(10,417)
The long-term loans from financial institutions	-	225,000	20,917
Repayment of long-term loans from financial institutions	(70,000)	(221,410)	(57,460)
Repayment of long-term lease	-	(694)	(1,635)
Dividends	(31,680)	(31,680)	(31,680)
Pay dividends to stakeholders who have the power to control the subsidiary	-	(1,183)	(13,103)
Proceeds from the equity that has no power to control the subsidiary	-	255,122	-
Repayment of capital and interest to a section that does not have the power to control	-	-	-
Net cash provided by (used in) financing activities	381,766	318,022	(685,135)
Cash and cash equivalents Increase (decrease) in net	45,111	34,921	(66,952)
Cash and cash equivalents at beginning of period	56,993	102,104	137,025
Cash and cash equivalents at end of period	102,104	137,025	70,073



THAI SUGAR TERMINAL PUBLIC COMPANY LIMITED
SEPARATE STATEMENTS OF CASH FLOW

For the year ended December 31, 2011 to December 31, 2013

Unit : Thousand Baht

Descriptions	Audited		
	2011	2012	2013
<u>Cash flows from operating activities</u>			
Net profit before tax	99,177	221,873	115,415
Adjustments to reconcile net income to net cash provided. (Used in) operating activities			
Dividend income	(73)	(98,903)	(29,681)
Loss of value of property development costs down	-	8,234	-
Bond premium amortization	(1)	(1)	3
Gain on disposal of other investments	-	25	266
Depreciation	7,234	6,219	9,371
(Gain) loss on sale of assets and dismantled	(674)	(686)	-
Liabilities for employee benefits	1,683	1,193	773
Profits from the actuarial techniques	-	(4,074)	-
Interest	(605)	(2,134)	(179)
Expenses	1,967	6,934	12,374
Profit from operations before changes in operating assets and liabilities	108,708	138,680	108,341
<u>Operating assets (increase) decrease.</u>			
Accounts and notes receivable	(107)	7,152	3,891
Property development costs	(3,037)	5,762	(9,942)
Current assets	(79)	(272)	(1,210)
Deposits assets	-	-	(7,255)
Other non-current assets	-	(2,827)	(1,144)
<u>Liabilities increase (decrease)</u>			
Trade accounts payable	5,158	1,238	(2,344)
Accrued discount payable	(2,045)	(4,833)	(5,151)
Deposits received from rental of warehouses and land	2,005	(4,846)	1,712
Obligation for employee benefits	-	(416)	(532)
Other non-current liabilities	1,724	(1,873)	105
Cash provided by (used in) operating activities.	112,327	137,765	86,471
Interest paid	312	2,730	178.19
Expenses	(1,975)	(6,877)	(12,284)
Income tax paid	(23,096)	(35,442)	(17,259)
Net cash provided by (used in) operating activities	87,568	98,176	57,105



THAI SUGAR TERMINAL PUBLIC COMPANY LIMITED
SEPARATE STATEMENTS OF CASH FLOW (CONT.)
For the year ended December 31, 2011 to December 31, 2013

Unit : Thousand Baht

Descriptions	Audited		
	2011	2012	2013
Cash flows from investing activities			
Increase (decrease) in short-term loans to related parties.	-	19,000	-
Proceeds from capital in its subsidiaries	-	-	-
Cash paid for investments in subsidiaries	-	(297,198)	-
Proceeds from dividends	73	98,903	29,681
Proceeds from sales of other long-term investment.	-	2,960	1,345
Cash paid for investments in the long term	-	(3,429)	(1,386)
Cash paid for long-term loans to related companies	-	-	-
Proceeds from repayment of long-term loans to related companies	22,000	51,000	25,000
Buy Investment Property	(2,341)	(189,809)	(22,091)
Purchase of property, plant and equipment	(4,509)	(24,852)	(1,170)
Proceeds from sale of fixed assets	1,187	1,314	-
Cash paid for purchase of intangible assets.	(1,160)	-	(115)
Net cash provided by (used in) investing activities	15,250	(342,111)	31,263
Cash flows from financing activities			
Increase (decrease) in short-term loans from financial institutions	(34,000)	100,000	-
Increase (decrease) in short-term investments in subsidiaries and related companies	(10,000)	-	-
Long-term loans from financial institutions			
Increase (decrease) in long-term loans from financial institutions	(20,000)	199,590	(57,460)
Increase (decrease) in long-term loans from subsidiaries and related companies	-	(25,000)	-
Repayment of long-term lease	-	(393)	(1,037)
Dividends	(31,680)	(31,680)	(31,680)
Net cash provided by (used in) financing activities	(95,680)	242,517	(90,177)
Cash and cash equivalents Increase (decrease) in net	7,138	(1,418)	(1,809)
Cash and cash equivalents at beginning of period	4,412	11,550	10,132
Cash and cash equivalents at end of period	11,550	10,132	8,323

13.1.3 Keys Financial Ratio

Financial ratios	Unit	Audited		
		2011	2012	2013
Liquidity Ratio				
Liquidity Ratio	Times	0.96	1.09	1.18
Quick Liquidity Ratio	Times	0.33	0.87	0.43
Cash Flow Liquidity Ratio	Times	(0.29)	(0.02)	0.64
Account Receivable Ratio	Times	8.62	10.40	10.12
Average Collection Period	Days	41.77	34.62	35.68
Inventory Turnover	Times	4.27	2.90	2.84
Average sale time	Days	84.25	123.97	126.98
Account Payable Ratio	Times	21.61	14.32	4.95
Account Payble period	Days	16.66	25.14	72.86
Cash Conversion Cycle	Days	109.36	133.45	89.80
Profitability Ratio				
Gross Profit Margin	%	17.05	11.88	11.90
Operating Profit Margin	%	12.13	6.67	5.20
Other Profit Margin	%	-	0.84	-
Cash on Profit Ratio	%	(0.94)	(0.14)	5.20
Net Profit Margin	%	5.88	3.74	2.48
Return On Equity	%	10.09	7.03	3.55
Effeciency Ratio				
Return On Asset	%	5.57	3.69	2.02
Return On Fixed Assets	%	12.22	9.59	6.46
Assets Turnover	Times	0.86	0.88	0.95
Financial Ratio				
Debt/Equity Ratio	Times	0.93	1.03	0.49
Interest Coverage Ratio	Times	5.63	4.57	3.19
The dividend payout ratio	%	22.82	38.51	-
Dividend per share	Baht	0.24	0.34	-
Net profit per partner is a shareholder of the Company	Baht	0.97	0.79	0.26
Book value per share	Baht	10.82	13.30	12.27

Financial ratios	Unit	Audited		
		2011	2012	2013
<u>Liquidity Ratio</u>				
Liquidity Ratio	Times	1.28	0.23	0.62
Quick Liquidity Ratio	Times	0.69	0.10	0.07
Cash Flow Liquidity Ratio	Times	1.16	0.77	0.31
Account Receivable Ratio	Times	13.71	22.22	28.79
Average Collection Period	Days	26.26	16.20	12.51
Account Payable Ratio	Times	46.79	40.17	50.15
Account Payble period	Days	7.69	8.96	7.18
Cash Conversion Cycle	Days	18.57	7.24	5.33
<u>Profitability Ratio</u>				
Gross Profit Margin	%	58.74	60.77	64.99
Operating Profit Margin	%	44.54	35.48	40.14
Other Profit Margin	%	0.03	27.01	12.14
Cash on Profit Ratio	%	0.87	0.76	0.58
Net Profit Margin	%	30.29	52.60	40.05
Return On Equity	%	7.59	19.92	8.81
<u>Effeciency Ratio</u>				
Return On Asset	%	6.73	15.38	6.50
Return On Fixed Assets	%	20.69	31.47	18.33
Assets Turnover	Times	0.22	0.25	0.16
<u>Financial Ratio</u>				
Debt/Equity Ratio	Times	0.10	0.33	0.32
Interest Coverage Ratio	Times	51.42	33.00	10.33
The dividend payout ratio	%	46.09	23.30	-
Dividend per share	Baht	0.24	0.34	-
Net earnings per share	Baht	0.52	1.47	0.67
Book value per share	Baht	7.00	8.14	7.91

14. Analysis and description of the management**14.2 Explanation and Analysis of Financial Status and Business Performance****14.2.1 Overview of Recent Performance**

In the past 3 years, the Company's revenue grew from 2,362.50 million baht in 2011 up to 2,527.91 million baht in 2013, representing an average growth rate of 3.44 percent per year of revenue from wheat production to increase.

Therefore, in the year 2013 the revenue structure of the Company has changed as compared to the previous year. The total revenue of 2,527.91 million baht consisted of revenue from sales of wheat flour of 1,058.91 million baht, or equivalent to 41.89 percent, revenue from sales of palm oil of 1,106.88 million baht, or 43.79 percent, revenue from transfer and service fees of 162 million baht, or 6.41 percent, revenue from depository service of 77.40 million baht, or 3.06 percent, revenue from sales of plastic sacks of 49.84 million baht, or 1.97 percent, revenue from the sale of real estate 2.15 million baht, or 0.09 percent, revenue from warehouse rental of 4.96 million baht, and rental income from plant 45 million baht as a percentage 1.98 income residential rental amount 9.33 million baht or 0.37 percent and other revenues totaled 11.43 million baht or equal to 0.45 to make money overall in 2013 compared to 2012 decreased by 591.66 million baht, a decrease of 18.97 on the net income in 2013 compared to the year 2012, the Company's consolidated net income in 2013 of 37.65 million baht in 2012 of 104.14 million decreased by Baht 66.49 million baht or 63.85 percent decline in net profit sector, the overall lower cargo revenue is down from a year ago and losses palm oil factory However, we have to find solutions to companies with sustainable profits in the future.

For the year 2013 the Company's net profit 97.87 million compared to a year ago profit of 192.58 million baht, an decrease of 94.71 million baht or 49.19 percent. Since the year 2013. The Company's cargo revenue declined from a year ago, and in 2013, the Company received dividends from subsidiaries totaling Baht 29.65 million, down from last year's number of 69.22 million baht or 69.99 percent.

14.2.2 Analysis of Business Performance

Unit : Thousand Baht

Revenue structure classified by business type	2011		2012		2013	
	Amount	%	Amount	%	Amount	%
Service Business						
Transfer and Service Business	146,655	6.21	195,607	6.27	162,003	6.41
Depository Business	53,952	2.28	67,909	2.18	77,397	3.06
Warehouse Rental Business	15,202	0.64	12,589	0.40	49,963	1.98
Apartment Rental Business	8,248	0.35	9,101	0.29	9,328	0.37
Total of Service Business	224,057	9.48	285,206	9.14	298,691	11.82
Sale of Goods Business						
Wheat Flour Factory Business	897,788	38.00	1,034,244	33.15	1,106,881	43.79
Palm Oil Factory Business	1,158,206	49.02	1,690,836	54.20	1,058,910	41.89
Plastic Sack Factory Business	39,486	1.67	51,964	1.67	49,843	1.97
Total of Sale of Goods Business	2,095,480	88.70	2,777,044	89.02	2,215,634	87.65
Sale of Real Estate Business	23,000	0.97	8,860	0.28	2,150	0.09
Other Revenues						
Profits from Foreign Exchange	2,998	0.13	2,484	0.08	1,725	0.07
Revenue	16,966	0.72	45,974	1.47	9,706	0.38
Other Revenue	19,964	0.85	48,458	1.55	11,431	0.45
Total Other Revenues	2,362,501	100.00	3,119,568	100.00	2,527,906	100.00

Note: Already deducted inter-company items.

The Company and its subsidiaries have revenue from 3 groups of businesses, namely service business, trade business, and real estate business:

1. Service business includes transfer of goods and services, depository service, warehouse rental, and room rental.
2. Trade business includes wheat flour factory, palm oil refinery factory, and plastic sack factory.
3. Real estate business

Transfer of Goods and Services

Table below shows the export volume of main goods

Unit: Metric ton

Export Volume	2011	2012	2013
Raw sugar (BULK)	889,361.29	777,794.46	388,351.93
White sugar	196,761.45	174,592.50	253,593.60
Total sugar	1,086,122.74	952,386.96	641,945.53
Molasses	134,630.52	169,250.00	85,041.66
Total Exports	1,220,753.26	1,121,636.96	726,987.19

Business unloading of goods and services based on sugarcane and sugar production in the country overall . Which the sugarcane production year 2012/2013 production of 100.003 million tons, and the production of sugarcane for 2011/2012 output of 97.98 million tons , compared the sugarcane production year 2011/2012 increased by 2.023 million tonnes or increased 2.07 percent and sugar content produced by the total domestic production of the year 2012/2013 amounted to 10.21 million tons , equivalent to 102.10 million bags.

The table shows that the amount of sugar exports in 2011 amounted to 1.08 million tonnes in 2012 with a total of 9.52 lakh tonnes in 2013 with a total of 6.41 lakh tonnes as compared to three years, in 2013 the amount of sugar 2012 is a decrease of 3.10 million tons, down 32.60 percent from the year 2011 and a decrease of 4.44 million tons, down 40.90 percent and the amount of sugar exports in 2011 amounted to 1.34 lakh tonnes in 2012 with a total of 1.69 lakh tonnes in 2013 with a total of 0.85 lakh tonnes as compared to three years, in 2013 the volume of sugar exports fell in 2012 of 0.84 million tons, down 49.76 percent from the year 2011 and a decrease of 0.49 million tons, down 36.84 percent. So in 2013, the company had revenue handling and service of 162 million baht in 2012 of 195.61 million baht in 2011 of 146.65 million baht compared to 3 years, in 2013, revenue decreased for 2012 amount of 33.60 million baht or 17.18 percent decrease from the year 2012 and an increase of 15.35 million baht, an increase of 10.47 percent.

Depository Service

Unit: Metric ton

Import Volume	2011	2012	2013
Raw sugar (BULK)	948,765.71	755,092.79	385,187.50
White sugar	252,355.45	244,354.15	384,768.35
Total sugar	1,201,121.16	999,446.94	769,955.85
Molasses	133,612.21	168,203.15	89,328.50
Total Import	1,334,733.37	1,167,650.09	859,284.40

Business of storage is dependent on sugarcane and sugar production in the country as a whole as well. And from the reasons mentioned above in handling and service can be seen that the amount of sugar into service in 2013 with a total of 7.70 lakh tonnes in 2012 with a total of 9.99 lakh tonnes in 2011 with a total of 1.20 million tons. The comparison 3-year showed that in 2013 the sugar into service in 2012, down from 2.29 million tons, down 22.97 percent from the year 2011 and a decrease of 4.31 million tons, down 35.90 percent and the amount of molasses into service in 2013 with a total of 0.89 lakh tonnes in 2012 with a total of 1.68 lakh tonnes and 1.34 lakh tonnes in 2011 compared with a total of three years. The found that the amount of molasses came into service in 2013, down from 0.79 lakh tonnes in 2012, a decrease of 46.90 percent and a decrease of 0.44 lakh tonnes in 2011, an increase of 33.15 percent.

Thus, In 2013 the company has been the product of 77.39 million in 2012 amounted to 67.91 million in the year 2011 amounted to 53.95 million, compared to three years found that in 2013 revenue up from the year 2012 amount of 9.49 million baht or 13.98 percent.

Warehouse Rental Business

Volume of service during the recent years

Service Type	2011	2012	2013
Space for warehouse renting (sq.m ²)	49,717	49,717	49,717
Space serviced (%)	85.89	72.69	75.04

Notes: The Company gradually shut down the warehouses of 6 units during July to November 2013

Bulk Warehouse	2011	2012	2013
Overall capacity for depository storage (metric tons)	165,000	165,000	165,000
Average space used (%)	57.50	45.42	51.72

Note: The warehouse space has decreased from a year ago. The bulk sugar into the service decreased 48.98%.

In 2013 the company had revenues of 4.96 billion baht and warehouse rental income in palm oil production of 45 million baht in 2012, the company has warehouse rental income by 12.59 million baht. In 2011 amounted to 15.20 million baht, which will see that in 2013 the company has decreased from warehouse rental income in 2012 and 2011. The company has subsidiaries in both sacks and a warehouse for the storage of bulk sugar for delivery to international buyers and the subsidiary leased to a business whether it is a flour mill. Business, factory and mill palm oil factory. As a client company warehouse less than a year ago.

Room Rental Business

The Company owns a 262 room building, located in Soi Erawan Sing Thor, Phuchao-Samingphray Road, Samrongtai Sub-district, Phrapadaeng District, Samutr Prakarn Province, for general letting. For the year 2012, the number of rooms taken was on average 256 rooms, or equivalent to 99 percent. The Company also owns a 45 room building, located in Soi Siam Silo, Phuchao-Samingphray Road, Samrongtai Sub-district, Phrapadaeng District, Samutr Prakarn. For the year 2012 is residential customers in full.

From the face of rental housing has increased in the year 2013, The Company's income rental housing in 2013 amounting to 9.33 million baht, Increase from the year 2012 of 0.22 million or 2.50 percent and increase from the year 2011 of 1.08 million or increase 13.10 percent.

Wheat Flour Factory Business

The Company sells wheat flour to industrial entrepreneurs producing bread, fresh noodles, instant noodles, and retail entrepreneurs producing bakery, cookies, snacks, and pastries. The Company also sells some of byproducts such as wheat bran to the animal feed industry.

In 2013, the Company recognized revenue from the sale of wheat flour of 1,106.88 million baht, representing 43.79 of total revenues, compared to the year 2012, the revenue from the sale of wheat flour of 1,034.24 million baht, an increase of 72.64 million baht, equivalent to 7.03.

Palm Oil Plant Business

The company has manufacturing and distribution of palm oil by focusing on your target customers include the food industry and renewable energy in 2013, the company had sold a total of 18,490 tonnes and 14,290 tonnes in the amount of contract manufacturing capacity average of 30 percent. The revenue from sales of 1,058.91 million baht and in 2012 the company registered sales of 48,400 tons and production of 31,827 tonnes, representing a total capacity of an average 80 percent of the revenues from sales of 1,690.84 million baht. compared to last year, revenue fell 37.38 percent from 631.93 million baht. Due in Q4 2012, the situation was oversupplied crude palm oil crude palm oil by both domestic and foreign, which were higher than normal crude palm oil in Malaysia, compared to 2 million tons but increased to 2.6 million tons, an increase of 30 per cent of crude palm oil in the country, compared to 2 tonnes, is 3.5 to 3.7 million tons, an increase of 75-85 percent the price of palm oil crude fell continuously affect the quantity of goods kept in stock. To wait for the production of

higher value than the current market price, the company is experiencing losses. So the company can find solutions to reduce loss and how to make the company profitable. The company has leased plant and palm oil production. However, the rental company. The companies have to find ways to improve diagnose the weaknesses of the company to guide the management of a profitable, sustainable future.

Real Estate Business

In 2012 The Company allocated a piece of land of 6 rais 1 ngan 33 square wahs, in order to build commercial buildings and allocation of land. The land was located in Bangchang Sub-district, Samphran District, Nakorn Prathom Province. The 12 land plots and 2 commercial buildings, 19 units value of the project of 62 million baht. The project construction completed since 2011, In 2012 the Company completed the sale of two commercial buildings. The remaining 12 plots of land.

A subsidiary bought a piece of land to build commercial buildings and townhouse for sale, located in Klongmai Subdistrict, Samphran District, Nakorn Prathom Province. The property consisted of 20 units of 1-storey townhouse, and 17 units of 2 storey commercial building, with the approximate value of the project of 20 million baht. The project construction completed since 2008, In 2013 the Company remaining 1 unit 2 storey commercial building.

Therefore, in 2013, the Company obtained revenue from the real estate business of 2.15 million baht, accounted for 0.09 percent of total revenue.

Gross Profit

In 2013 the company 's gross profit totaled 299.49 million baht in 2012 amounted to 364.84 million baht in 2011 amounted to 399.45 million baht company 's gross profit decreased from the year 2012 of 65.35 million baht, a decrease of 17.92 and decreased from the year 2011 to 99.96 million baht or decreased 25.03 cause the Company 's gross profit in 2013, down from the year 2012 and the year 2011 as revenue from cargo handling services decreased and revenue palm oil product sales drop.

Net Profit

In 2013 the company reported net profit of 37.65 million baht in 2012 to 104.14 million baht in 2011 to 127.96 million baht, compared with 2012 net income decreased by 66.49 million Baht or dropped 63.85 down from last year 2011 90.31 million baht or 70.58 percent.

Liquidity and Source of Funds

During the years 2011 to 2013 the company's current ratio of 0.96 times, 1.09 times and 1.18 times, respectively. In the year 2013 the company's current ratio increased from 2012 in 2011 and 2013 caused the company had current assets of Baht 763.17 million, consisting of cash and cash equivalents of Baht 70.07 million accounts amount Baht 208.70 million,

inventories of 373.84 million baht real estate development costs 99.17 million baht, 11.39 million baht , other current assets and current liabilities of 644.15 million baht Consists of short term loans from financial institutions financial amount 451.28 million baht due to the purchase of wheat from abroad raw palm oil and plastic pellets amount of 88.58 million baht, trade payables and borrowings due within one year amounted to 75.46 million baht of liabilities were 28.83 million baht.

During 2011 – 2013, the Company had an average collection period of 41.77, 34.62, and 35.68 days, respectively. The Company's average debt duration of 16.66 days and 25.14 days, 72.86 days, respectively, and the cycle of cash in 2011 was 109.36 days in 2012 was 133.45 days and 89.80 days in 2013 as the management has control credited with customers and accelerate the collection of receivables faster.

Cash Flows

Table: Summary of Cash Flows

Unit: Thousand baht

	2011	2012	2013
Net cash received (used in) from operational activities	(270,276)	(29,755)	684,019
Net cash received (used in) from investment activities	(66,379)	(253,346)	(65,837)
Net cash received (used in) from financing activities	381,766	318,022	(685,135)
Cash and cash equivalents – net increase (decrease)	45,111	34,921	(66,952)
Ending cash and cash equivalents	102,104	137,025	70,073

For the year 2013, the Company received cash from operational activities amounting to 684 million baht, expended in investment activities of 65.84 million baht, and received from financing activities of 685.13 million baht. The Company's net cash and cash equivalents increased by 66.95 million baht, The Company 's cash and cash equivalents at end of year 2013 THB 70.07 million cash used in investing activities primarily from the purchase of fixed assets, including land acquisition. Cash provided by financing activities primarily from borrowing from financial institutions to purchase land improvement warehouses and raw materials used in production , including production of wheat palm oil production and manufacturing of plastic bags.

Source of Funds

For the year 2013, the Company and its subsidiaries had an available overdraft limit of 110 million baht, while the limit of short-term loans from financial institutions was of 2,015 million baht, of which a sum of 619 had been already disbursed intended to purchase wheat crude palm oil and plastic remains are not drawn down Baht 1,396 million, the Company and its subsidiaries' long-term loan from financial institutions of 775 million baht amount of 245.92 million baht drawn down by the Company to finance the investment in a subsidiary land acquisition and improvement warehouses.

14.2.3 Financial Status

Assets

Total assets of the Company and its subsidiaries as of 31 December 2013 amounted to 2,657.79 million baht, an decrease of 899.79 million baht, or an decrease of 25.30 percent, as compared with the total assets of 3,557.58 million baht as of the end of 2012. The total assets are divided as follows:

Net Land, Buildings, and Equipments and Real estate investment

As of 31 December 2013, the Company owned the net amount of land, buildings, and equipments amounting to 1,559.06 million baht, or equivalent to 58.66 percent of the total assets decreased compared to year-end 2012, an decrease of 122.34 million baht or 7.28 percent, and real estate investment company has 290.87 million, representing 10.94 percent of total assets Increase compared to year end 2012, an increase of 50.59 million baht or 21.06 percent, since the year 2013, the Company purchased additional land and its subsidiaries had purchased machinery and other equipment used in the production.

Inventory

As of 31 December 2013, the Company's inventory amounted to 373.85 million baht, or equivalent to 14.07 percent of the total assets such assets consisted of raw materials of 112.34 million baht, work-in-progress of 24.40 million baht, finished goods of 11.42 million baht, supplies of 1.91 million baht, and goods in transit of 24.40 million baht, because in May 2013 the T S Oil Industry Co., Ltd. is a third party to lease the building, plant, machinery and equipment manufacturing, thus the decrease in inventory compared to last year.

Account Receivables

Account Receivables and Notes Receivable - Net

Unit: Thousand baht

Item	2011	2012	2013
Account Receivables and Notes Receivable due	196,151	178,314	99,811
Classified by Debt Maturity			
Less than 3 months	96,866	105,044	68,043
More than 3 months – 6 months	1,584	25	7,326
More than 6 months – 9 months	-	2,706	33,870
More than 9 months	5,683	6,562	19,824
Total	300,284	292,651	228,874
Deduct Allowance for Doubtful Debts	(5,682)	(8,132)	(25,462)
Net	294,602	284,519	203,142

As of 31 December 2013, the Company's account receivables amounted to 203.41 million baht, or equivalent to 7.85 percent of the total assets as decrease of 76.70 million, down 27.64 percent year end 2012 compared to 2013. In year 2013 Company's trade accounts receivable decreased.

Liabilities

Total liabilities of the Company and its subsidiaries as of 31 December 2013, amounted to 276.51 million baht, an decrease of 925.35 million baht, or an increase of 51.36 percent, as compared with the total liabilities of 1,801.87 million baht at the end of 2012. The total liabilities are divided as follows:

Short-term Loans from Financial Institutions

As of 31 December 2013, the Company's short-term loans from financial institutions amounted to 451.28 million baht, or equivalent to 16.98 percent of the total liabilities. It was an decrease of 591.76 million baht, or an decrease of 56.74 percent as compared to the amount at the end of 2012. In 2012 the company to borrows money from financial institutions in the form of promissory notes of 100 million Baht, To increase subsidiary company T S FLOUR MILL PUBLIC CO., LTD. to borrow money from a financial institution in the form of promissory notes payable and trust receipts of 277.28 million Baht, To import raw materials from abroad in wheat flour production company TS Oil Industry Company Limited is a loan in

the form of a promissory note in the amount of Baht 65 million for the purchase of raw materials used in the production of crude palm oil and palm oil and T S TRANSPORT AND LOGISTICS CO., LTD. had borrowed promissory notes of 9 million baht to purchase raw plastic granules for plastic sack production.

Long-term Loans from Financial Institutions

As of 31 December 2013, the Company's long-term loans from a financial institution amounted to 163.05 million baht, or equivalent to 6.14 percent of the total liabilities. Divided by the long-term debt due within one year of 75.46 million and long-term loan of 87.59 million compared with the end of the year 2012 amount 199.59 million, an decrease of 36.54 million or an decrease percentage of 18.31, Since the year 2013 The company has repaid the loan to the financial institution and then some.

Shareholders' Equity

Shareholders' equity of the Company and its subsidiaries as of 31 December 2013 amounted to 1,781.28 million baht, an increase of 25.56 million baht, or equivalent to 1.46 percent as compared to the amount of 1,755.71 million baht at the end of 2012. The changes are as follows:

- An increase in net profits for the year installment ending 31 December 2013 of 70.35 million baht;
- An decrease the proportion of shares held in subsidiaries in the same amount of 13.10 million baht;
- Decrease the amount of dividends paid 31.68 million Baht

Factors Affecting Future Performance

Warehouse Business

(1) Transportation

The Company is located on the Chao Phraya River bank, in Samutr Prakarn Province, which is the river outlet to Gulf of Thailand. At present, the construction of roads and bridge connection helps the transportation from one region to another become more convenient and faster. For example, Kanchanaphisek Road, Rama II Road, Industrial Ring Road Bridge, Burabhavithi Express Way, and others connecting routes from northern provinces including Nakhon Sawan, Phitsanulok, Sukhothai, Chiang Mai, Lamphun, Lampang, Chiang Rai; northeastern provinces including Nakhon Ratchasima, Ubon Ratchathani, Udon Thani; central provinces including Ayutthaya, Ang Thong, and Suphanburi; going to the South via Rama II Road as the main route, or going to the East via Burabhavithi Express Way, or through Samutr Prakarn Province using Industrial Ring Road. As mentioned above, the transportation from one region to another has become more convenient, faster, and saved more energy than in the past. Therefore, the transportation of goods to warehouse awaiting for sea-freight delivery has become more convenient accordingly. Moreover, with a good location of the Company as a

connecting point between land transportation and sea ports makes the Company a better advantage for the service provided to a wider customer.

(2) Government Policy

Since the Port Authority of Thailand (PAT) has a project to close Klong Toey Port, which is a large housing community in Bangkok, so as to send freighters to dock in order to transfer goods at the Deepwater Port of Sriracha or Laem Chabang instead. While the freight business is expanding, but PAT does not yet announce a well-defined policy and clear duration that will affect those habitants in the neighborhood areas. The possible impacts include sound pollution, dust, traffic, and exhaust emitted from trucks and large ocean liners. Moreover, other businesses related to businesses concentrated in the Klong Toey Port area, must be well prepared for changing situations in the future. The Company itself will inevitably be affected by docked ocean liners using connected services. Such impacts will be both positive and negative.

On the positive side, the number of ships using services will be reduced as large ocean lines that used to pick up goods from Bangkok (Klong Toey) will no longer come in.

On the positive side, goods transported from various regions by road will come to use the Company's warehouse service, which is located on the Chao Phraya Riverbank and in a perimeter province of Bangkok. Potential clients will not have to come into Bangkok, or transport a long distant to deepwater ports. Moreover, medium-sized freighters are able to dock at the Company's port in order to transfer goods, which will help to save land transportation expenses to goods owners, making the docking service, goods depository and transfer services more attractive to new potential customers.

Wheat Flour Business

(1) Changes of International Trade Conditions

Changes of the main exporter's trade conditions such as FTA arrangements with USA, Australia, and Canada that will allow the Company to import raw materials without having to pay import duty, or a 5 percent increase of China's export duty to 25 percent will limit mixed flour export making Thai wheat flour importers will no longer enjoy cheap wheat flour from China. Nonetheless, if such a Chinese measure is cancelled, wheat flour factories in Thailand may have to compete with the Chinese flour again.

(2) Consumption Behavior

Nowadays, consumers prefer and become more concerned with healthy food consumption. For example, whole wheat bread, which is full of fiber, vitamins, and minerals more than normal bread, or whole wheat instant noodles, which provides the Company a chance to earn profit from higher consumption of whole wheat flour.

(3) Application of New Technology into Business

At present, the Company is in the middle of selecting ERP Software, which is a software used in a modern organization that desires to seize advantage over its competitors. Since such a software enables users to manage data in the organization in a centralized way, by linking data from each back office, and compiling into information that can help the decision making of the executives to be more accurate and faster to respond to customers' needs.

Palm oil refinery factory

- Weather conditions affecting palm produce in the country will also affect the price of raw materials such as raw palm oil (Crude Palm Olein);
- Public policy – a company must concurrently consider the public policy in running a business such as the determination of sale ceiling, transfer notification, inventory notice, storage place, alternative energy policy, policy on palm plantation expansion, etc.;
- An increase in the number of oil mills, refinery, bio-diesel factories results in competition for raw materials affecting the cost of raw palm oil;
- Consumption behaviors – as consumers turn to more healthy food consumption, food producers have to change their product's image to a higher level of nutrition such as replacing cooking oil from palm oil to rice bran oil.

Details of Company's Directors, Executives, Authorized Person and Company Secretary

Mrs. Sriwan Attavipach



Name - Surname / Position / Date of Appointment	Age	Educational Level /Training	% of Shareholding	Family Relationship among Executives	Work Experience During the past 5 years		
					Period	Position	Name of Organization / Nature of Business
2. Mr. Prapas Chutimavoraphand Managing Director December 15, 1999 (Authorized Director)	76	- Baan Beung Industry School - Certificate of Director Accreditation Program (DAP 17/2004) Thailand Institute of Director (IOD)	3.43%	Father of Mr. Chanachai Chutimavoraphand Director and Executive Director	2000 - Present	Managing Director Chairman of Executive Board	Thai Sugar Terminal Public company limited Nature of business - Product Loading Service - Warehouse Rental and Port Service
					2000 - Present	<u>Listed Companies</u> Chairman of Executive Board	T S Flour Mill Public Company Limited Subsidiaries - Wheat Flour Factory
					1976 - Present	Director and Senior Vice President	Khon Kaen Sugar Industry Public Company Limited - Sugar Manufacturing Factory
						<u>Non - Listed Companies</u> Chairman of Executive Board	T S Oil Industry Company Limited Subsidiaries - Palm oil refinery Factory
					2000 - Present	Managing Director	T S Warehouse Company Limited Subsidiaries - Warehouse Business
					2000 - Present	Managing Director	T S G Asset Company Limited Subsidiaries - General and Real estate rental service
					2000 - Present	Managing Director	T S Transport and Logistics Co., Ltd. Subsidiaries - Manufactures plastic bags and transport contractors
					2004 - Present	Director	Bangkok Boutique Hotel (Thailand) Limited. - Hotel business
					2004 - Present	Director and Senior Vice President	Tamaka Sugar Industry Company Limited - Sugar manufacturing factory
					2004 - Present	Director and Senior Vice President	New Kwang Soon Lee Sugar Factory Company Limited - Sugar manufacturing factory
					2003 - Present	Director and Senior Vice President	New Krung Thai Sugar Factory Company Limited - Sugar manufacturing factory
					2003 - Present	Director	Khon Kaen Sugar Power Plant Company Limited - Electric Current manufacturing
					1989 - Present	Director	Para High Tech Company Limited - General and Real estate rental service
					1969 - Present	Managing Director	On Nuj Construction Company Limited - Construction and other
Mrs. Sumitra Chutimavoraphand			0.08%	(Spouse)			
3. Mr. Pong Chinthammit Senior Executive Vice President December 15, 1999 (Authorized Director)	57	- Bachelor Degree of Science, Industrial Technology, Roger Williams University. - Certificate of Director Accreditation Program (DAP 10/2004) Thailand Institute of Director (IOD)	-	Uncle of Mr. Win Chinthammit Non-Executive Director	2000 - Present	Senior Executive Vice President Vice Chairman of Executive Board	Thai Sugar Terminal Public company limited Nature of business - Product Loading Service - Warehouse Rental and Port Service
					2000 - Present	<u>Non - Listed Companies</u> Executive Director	T S Oil Industry Company Limited Subsidiaries - Palm oil refinery Factory
					2000 - Present	Senior Executive Vice President	T S Warehouse Company Limited Subsidiaries - Warehouse Business
					2000 - Present	Senior Executive Vice President	T S G Asset Company Limited Subsidiaries - General and Real estate rental service
					2000 - Present	Senior Executive Vice President	T S Transport and Logistics Co., Ltd. Subsidiaries - Manufactures plastic bags and transport contractors
					2000 - Present	Senior Executive Vice President	Prachuap Industry Company Limited - Sugar Manufacturing Factory
					2000 - Present	Director	K.S.L. Export Trading Company Limited - Sugar Exporter
						Senior Executive Vice President	K.C. Agriculture Company Limited - Agribusiness



Name - Surname / Position / Date of Appointment	Age	Educational Level /Training	% of Shareholding	Family Relationship among Executives	Work Experience During the past 5 years		
					Period	Position	Name of Organization / Nature of Business
4. Mr.Chanachai Chutimavoraphand Executive Director June 28, 2000 (Authorized Director)	42	- Bachelor Degree of Engineering, Chulalongkorn University. - Bachelor of Law, Chulalongkorn University. - Master Degree of Engineering, Industrial Engineering, U.S.A. - Master Degree of Business Administration, Tennessee University, U.S.A. - Certificate of Director Accreditation Program (DAP 37/2005) Thailand Institute of Director (IOD)	16.65%	Son of Mr.Prapas Chutimavoraphand Managing Director and Chairman of Executive Board	2007 - Present	Member of Nominating and Remuneration Committee	Thai Sugar Terminal Public company limited
					2000 - Present	Executive Director	Nature of business - Product Loading Service - Warehouse Rental and Port Service
						<u>Listed Companies</u>	
					2000 - Present	Executive Director	T S Flour Mill Public Company Limited Subsidiaries - Wheat Flour Factory
					2000 - Present	Vice President Accounting and Finance	Khon Kaen Sugar Industry Public Company Limited - Sugar Manufacturing Factory
						<u>Non - Listed Companies</u>	
					2000 - Present	Executive Director	T S Warehouse Company Limited Subsidiaries - Warehouse Business
					2000 - Present	Executive Director	T S G Asset Company Limited Subsidiaries - General and Real estate rental service
					2000 - Present	Executive Director	T S Oil Industry Company Limited Subsidiaries - Palm oil refinery Factory
					2000 - Present	Executive Director	T S Transport and Logistics Co., Ltd. Subsidiaries - Manufactures plastic bags and transport contractors
					2000 - Present	Vice President Accounting and Finance	Tamaka Sugar Industry Company Limited - Sugar manufacturing factory
					2000 - Present	Vice President Accounting and Finance	New Kwang Soon Lee Sugar Factory Company Limited - Sugar manufacturing factory
					2000 - Present	Vice President Accounting and Finance	New Krung Thai Sugar Factory Company Limited - Sugar manufacturing factory
5. Mr. Narong Chenlarpwanakul Executive Director November 28, 2006 (Authorized Director)	48	- Bachelor Degree of Economics, Thammasat University. - Certificate of Director Accreditation Program (DAP 62/2007) Thailand Institute of Director (IOD)	-	None	2006 - Present	Executive Director	Thai Sugar Terminal Public company limited Nature of business - Product Loading Service - Warehouse Rental and Port Service
						<u>Listed Companies</u>	
					2011 - Present	Member of Nominating and Remuneration Committee	T S Flour Mill Public Company Limited Subsidiaries - Wheat Flour Factory
					2006 - Present	Executive Director	
						<u>Non - Listed Companies</u>	
					2006 - Present	Executive Director	T S Warehouse Company Limited Subsidiaries - Warehouse Business
					2006 - Present	Executive Director	T S G Asset Company Limited Subsidiaries - General and Real estate rental service
					2006 - Present	Executive Director	T S Oil Industry Company Limited Subsidiaries - Palm oil refinery Factory
					2006 - Present	Executive Director	T S Transport and Logistics Co., Ltd. Subsidiaries - Manufactures plastic bags and transport contractors
					2005 - Present	Director	Mitrkaset Industry Company Limited - Sugar Manufacturing Factory
					1999 - Present	Director	Wattanakul Oxygen company Limited - Manufacturing the agency as prosecutor Sim



Company Profile



Company Profile



Name - Surname / Position / Date of Appointment	Age	Educational Level /Training	% of Shareholding	Family Relationship among Executives	Work Experience During the past 5 years		
					Period	Position	Name of Organization / Nature of Business
9. Mr. Dhanadol Sujiphinyo Non-Executive Director April 30, 2008	47	- Bachelor Degree of Marketing, California State University at San Bernardino (BA). - Master Degree of Marketing & Management, Mercer University Atlanta, U.S.A. - Certificate of Director Accreditation Program (DAP 76/2008) Thailand Institute of Director (IOD)	1.00%	None	2008 - Present	Non-Executive Director	Thai Sugar Terminal Public company limited Nature of business - Product Loading Service - Warehouse Rental and Port Service
					2013 - Present	<u>Listed Companies</u> Executive Director	T S Flour Mill Public Company Limited Subsidiaries - Wheat Flour Factory
					2011 - Present	Member of Nominating and Remuneration Committee	
					2008 - Present	Director	
						<u>Non - Listed Companies</u>	
					2008 - Present	Director	T S Warehouse Company Limited Subsidiaries - Warehouse Business
					2008 - Present	Director	T S G Asset Company Limited Subsidiaries - General and Real estate rental service
					2008 - Present	Director	T S Oil Industry Company Limited Subsidiaries - Palm oil refinery Factory
					2008 - Present	Director	T S Transport and Logistics Co., Ltd. Subsidiaries - Manufactures plastic bags and transport contractors
					1998 - Present	Managing Director	Jomtien Garden Resort Hotel, Pattaya - Business hotel
10. Mr. Chadej Insawang Chairman of Audit Committee Independent Director April 30, 2008	67	- Master Degree Of Political Science and Bachelor Degree of Law Thammasat University. - Certificate of Director Accreditation Program (DAP 76/2008) Thailand Institute of Director (IOD)	-	None	2008 - Present	Chairman of Audit Committee Independent Director	Thai Sugar Terminal Public company limited Nature of business - Product Loading Service - Warehouse Rental and Port Service
						<u>Non - Listed Companies</u>	
					2008 - Present	Director	T S Warehouse Company Limited Subsidiaries - Warehouse Business
					2008 - Present	Director	T S G Asset Company Limited Subsidiaries - General and Real estate rental service
					2008 - Present	Director	T S Oil Industry Company Limited Subsidiaries - Palm oil refinery Factory
11. Mr. Nisakorn Parkpean Chairman of the Nominating and Remuneration Committee Member of Audit Committee Independent Director April, 2002	66	- Bachelor Degree of Accounting, Chulalongkorn University. - Certificate of Director Accreditation Program (DAP 30/2004) Thailand Institute of Director (IOD)	0.14%	None	2008 - Present	Chairman of Nominating and Remuneration Committee Member of Audit Committee Independent Director	Thai Sugar Terminal Public company limited Nature of business - Product Loading Service - Warehouse Rental and Port Service
						<u>Non - Listed Companies</u>	
					2009 - Present	Director	T S Warehouse Company Limited Subsidiaries - Warehouse Business
					2009 - Present	Director	T S G Asset Company Limited Subsidiaries - General and Real estate rental service
					2009 - Present	Director	T S Oil Industry Company Limited Subsidiaries - Palm oil refinery Factory
					2009 - Present	Director	T S Transport and Logistics Co., Ltd. Subsidiaries - Manufactures plastic bags and transport contractors
					2003 - Present	Managing Director	Thai Teak Asset Company Limited - Processed Wood Business
					1996 - Present	Chairman	Siam Furline Company limited - Product Loading Business



Name - Surname / Position / Date of Appointment	Age	Educational Level /Training	% of Shareholding	Family Relationship among Executives	Work Experience During the past 5 years		
					Period	Position	Name of Organization / Nature of Business
12. Mr. Suang Ruangsook Independent Director May 20, 1998 Mrs. Prasertsri Ruangsook	80	- Advanced Accounting Certificate, Bangkok Business College. - Certificate of Director Accreditation Program (DAP 37/2005) Thailand Institute of Director (IOD)	0.21%	None	2000 - Present	Member of Audit Committee Independent Director <u>Non - Listed Companies</u>	Thai Sugar Terminal Public company limited Nature of business - Product Loading Service - Warehouse Rental and Port Service T S Warehouse Company Limited Subsidiaries - Warehouse Business T S G Asset Company Limited Subsidiaries - General and Real estate rental service T S Oil Industry Company Limited Subsidiaries - Palm oil refinery Factory T S Transport and Logistics Co., Ltd. Subsidiaries - Manufactures plastic bags and transport contractors Eastern Sugar and Cane Public Company Limited - Sugar Manufacturing Factory PDTL Trading Limited Partnership - Electrical Wire Products
			0.06%	(Spouse)	2009 - Present 2009 - Present 2009 - Present 2009 - Present 1983 - Present 1977 - Present	Director Director Director Director Advisory Director Director	
13. Ms. Jutatip Arunanondchai December 24, 2008 Independent Director	43	- BSC. in Mathematics with Management, Imperial College, University of London, UK. - MBA in International Management University of Exeter, UK. - MBA in Architectural Interior Design, University of Wales, UK - MBA in MA Business Law, Chulalongkorn University. 1. Certificate of Monitoring the Internal Audit Function (MIA 5/2009) 2. Certificate of Monitoring the System of Internal Control and Risk Management (MIR 6/2009) 3. Certificate of Monitoring Quality of Financial Reporting (MFR 9/2009) 4. Certificate of Audit Committee Program (ACP 26/2009) 5. Certificate of Director Accreditation Program (DAP 78/2009) 6. Certificate of Monitoring Fraud Risk Management (MFM 6/2011) Thailand Institute of Director (IOD)	0.04%	None	2009 - Present	Member of Nominating and Remuneration Committee Independent Director <u>Listed Companies</u>	Thai Sugar Terminal Public company limited Nature of business - Product Loading Service - Warehouse Rental and Port Service Union Plastic Public Company Limited - Manufacturing plastic parts
					2009 - Present 2009 - Present 2009 - Present 2009 - Present 2009 - 2012 2005 - Present 2002 - Present	Audit Committee / Independent Director <u>Non - Listed Companies</u> Director Director Director Director Executive Director Director	T S G Asset Company Limited Subsidiaries - General and Real estate rental service T S Oil Industry Company Limited Subsidiaries - Palm oil refinery Factory T S Transport and Logistics Co., Ltd. Subsidiaries - Manufactures plastic bags and transport contractors Chiang Mai Night Bazaar - Shopping Center Ratchaburi Sugar Company Limited and its subsidiaries - Sugar Manufacturing Factory Net get jet compy limited - Product of Network
14. Mr. Suphsorn Chayovan April 30, 2009 Non-Executive Director	77	- Bachelor of Animal Science, Kasetsart University. - Master Degree of Food Science & Nutrition, Brigham Young University. - Philosophy Doctor Degree of Technology and Food Science, University of Louisiana U.S.A. 1. Certificate of Director Accreditation Program (DAP 77/2009) 2. Certificate of Director Certificate Program (DCP 112/2009) Thailand Institute of Director (IOD)	-	None	2009 - Present	Director <u>Listed Companies</u>	Thai Sugar Terminal Public company limited Nature of business - Product Loading Service - Warehouse Rental and Port Service T S Flour Mill Public Company Limited Subsidiaries - Wheat Flour Factory
					2006 - Present 2011 - Present 2009 - Present 2009 - Present 2009 - Present	Director <u>Non - Listed Companies</u> Director Director Director Director	T S Oil Industry Company Limited Subsidiaries - Palm oil refinery Factory T S Warehouse Company Limited Subsidiaries - Warehouse Business T S G Asset Company Limited Subsidiaries - General and Real estate rental service T S Transport and Logistics Co., Ltd. Subsidiaries - Manufactures plastic bags and transport contractors



Note. 1. Director, all without a history of criminal offenses of an offense relating to property which has been done in bad faith

2. Director, carry out all the history you do not have a list of potential conflicts of interest with the Company and its subsidiaries during the past year

Board of Directors in Thai Sugar Terminal Public Company Limited and Subsidiaries

No.	Name's Director	TSTE	TMILL	TSW ³	TSGA ⁴	TS OIL ⁵	TSTL ⁶
1	Mr. Pricha Attavipach	X ID	X ID		X	X	
2	Mr. Prapas Chutimavoraphand	O	O	O	O	O	O
3	Mr. Pong Chinthammit	O		O	O	O	O
4	Mr. Chanachai Chutimavoraphand	O	O	O	O	O	O
5	Mr. Narong Chenlarpwatanakul	O	O	O	O	O	O
6	Mr. Chadej Insawang	ID AC		/	/	/	/
7	Mr. Nisakorn Parkpean	ID AC		/	/	/	/
8	Mr. Suang Ruangsook	ID AC		/	/	/	/
9	Mr. Chalush Chinthammit	/	O	/	/	/	/
10	Mr. Win Chinthammit	/		/	/	/	/
11	Mr. Somchai Chinthammit	/	/	/	/	/	/
12	Mr. Dhanadol Sujiphinyo	/	O	/	/	/	/
13	Ms. Jutatip Arunanondchai	/ ID			/	/	/
14	Dr. Suphsorn Chayowan	/	/	/	/	/	/
15	Dr. Charnkrij Dejvitak *	O	O	O	O	O	O
16	Mr. Somchai Wanawit		ID AC				
17	Mr. Chalermchai Wongwaiwit		ID AC				
18	Mr. Anek Khamchum		ID AC				
19	Ms. Arraya Arunanondchai			/			

Note	X	=	Chairman
	O	=	Executive Director
	/	=	Director
	AC	=	Audit Committee
	ID	=	Independent Director

TSTE	=	Thai Sugar Terminal Public Company Limited
TMILL	=	T S Flour Mill Public Company Limited
TSW	=	T S Warehouse Company Limited
TSGA	=	T S G Asset Company Limited
TS OIL	=	T S Oil Industry Company Limited
TSTL	=	T S Transport and Logistics Company Limited

- Thai Sugar Terminal Public Company Limited is directors. The position of director of subsidiary references 3-6 except T S Flour Mill Public Company Limited not paid in cash and non-monetary.
- T S Flour Mill Public Company Limited is directors receive a monthly remuneration.
- Dr. Charnkrij Dejvitak * Its Board of Directors and Managing Director T S Flour Mill Public Company Limited Receive compensation as directors and executives.

Report of the Audit Committee for the year 2013

Audit Committee the company Thai Sugar Terminal Public Company Limited, consisting of independent directors of the company the number 3 by Mr. Chadej Insawang was the Chairman of the audit, Mr. Nisakorn Parkpean, Mr. Suang Ruangsook and persevere as a member of the Audit Committee the Audit Committee 2013 year there were 5 meetings, including directors and participate in all meetings. The attendance of each Committee member has reported in the annual report and various action 2013 summarized as follows:



- Consider the accuracy and reliability of financial reports, including quarterly and annual financial statement of the company and subsidiaries based on the accounting data. In accordance with financial reporting standards, internal control relevant to the preparation of these financial statements. By the conference to consider, in cooperation with the executive in the company's and the company's offices, external auditors on a regular basis. By reporting observations from review and verify this during the review and monitoring of the external auditor found no fraud or violation of the laws of the company and its subsidiaries .
- Review of risk management with the management of the Organization's risk management on a regular basis every quarter, which covers various risks such as the risk of operational liquidity risk, credit risk.
- Meeting with the company, our internal audit from Dharmaniti Co., Ltd. to assess the effectiveness and sufficiency of the internal control system of the unit. Keynote detected, as well as the follow-up improvement issues detected, as well as guidelines for protection to prevent damage, which is offered by the internal auditor. With an emphasis on independence of the internal auditor and the external auditor,
- The Audit Committee has considered for approval internal audit plans for the year 2556 (2013) by stressing in that matter, there is a risk that affects significantly the business of the company and its subsidiaries by the follow-up edit, based on a suggestion of internal audit to be done properly and consistently, so that the business operations of the subsidiaries, as to efficiency and effectiveness.
- Review of governance practices based on legal requirements relating to the company's business operations, including compliance with all requirements of the stock exchange, Thai and other related legislation by meeting with executive of accounting, external auditor and the internal auditor.
- Consider and make recommendations in cases where there may be a conflict of interest or related transaction by the principles of transparency and adequate disclosure principle in performing tasks and in accordance with the principles of good corporate governance.
- Evaluate the performance of the internal auditor and the internal auditor, as well as consider the knowledge and experience of the external Auditor and the internal auditor, as well as the compensation, external audit and internal audit that is suitable for presentation to the Board of Directors to provide comments on the proposed list of Auditors and compensation to the shareholders' meeting to approve the appointment of the 2014 year.

In the operation, according to roles in last year's Audit Committee reviewed 2013 and consider the operation of the company, based in conjunction with management responsibility. Internal auditor and the external auditor and the Audit Committee that the company has an internal control system is appropriate and sufficient, and has operations in accordance with the relevant legal requirements for business, including the company's financial statements have been prepared in accordance with accounting principles generally accepted. With the introduction of the risk management system and audit procedure into consideration.



(Mr. Chadej Insawang)

Chairman of Audit Committee

Responsibility of the Board of Directors, annual financial reports 2013

Board of Directors of Thai Sugar Terminal Public Co., Ltd. (TSTE) has given important roles and responsibilities in principle, adhere to the principle of good corporate governance. The responsibility for the consolidated financial statements and the financial statements only acts, including the financial information that appears in the annual report, the financial statements for the fiscal year ended December 31, 2013, based on accounting standards and financial reporting standards in the year 2013 company each of its subsidiaries have financial reporting standards, and several new updates that are issued by the Federation to abide to the financial statements for the fiscal period that starts on or after January 1, 2013 onwards and the company and its subsidiaries changed accounting policies about saving accounts by adjusting back to the consolidated financial statements as of December 31, 2012, and the only statement page affairs changes due to the reporting standards and improve changes in accounting policies and practices generally apply discretion very carefully, including the disclosure of sensitive information in notes to the financial statement components and have passed the examination and does not have a condition from authorized auditor who is independent. Therefore, the financial statements reflect the financial commitment the operating results and cash flow for the past year is actually transparent and beneficial to the shareholders and general investors.



The Board of Directors has provided the Office of risk management systems. Internal control system internal audit and governance that are appropriate to ensure effective, there is a reason that accounting information is written correctly, timely and sufficient to sustain a company's assets and prevent corruption. Abnormal operation of the essence and the Committee had commented that the overall internal control system of the company. There is adequate and appropriate, as well as to build confidence: reliability of the consolidated financial statements and financial affairs for the fiscal year ended as of December 31, 2013.



Pricha Attavipach
Chairman

Prapas Chutimavoraphand
Chief Executive Officer

Details on the Head of Internal Auditors and supervisors oversee the operations of the company (compliance)**Miss. Korakot Wanasawat****Age 34 Year old****Education**

- Bachelor of Applied Science Computer Science, King Mongkut's University of Technology North Bangkok
- Bachelor of Business Administration, Accounting, Ramkhamhaeng University

Training

- COSO 2013 training course in theory and practice
- IT Audit Program of the FAP
- certification auditors CPIAT

Employment

Position Manager of Dharmniti Auditing Co.,Ltd

Experience in internal audit for a period of 10 years

Address

Dharmniti Auditing Co.,Ltd.

267/1 Pracharat Road, Sai 1

Bangsue, Bangkok 10800

Telephone 0-2587-8080

Fax. 0-2585-2018

E-Mail internalaudit@dharmniti.co.thWebsite <http://www.dharmniti.co.th>



Details on the valuation list

- None -

Part 2

Thai Sugar Terminal Public Company Limited
The consolidated and separate financial statement
For the year ended December 31,2013



AUDITOR'S REPORT

To the Shareholders of THAI SUGAR TERMINAL PUBLIC COMPANY LIMITED

I have audited the accompanying consolidated and the separate financial statements of THAI SUGAR TERMINAL PUBLIC COMPANY LIMITED and its subsidiary companies and also of THAI SUGAR TERMINAL PUBLIC COMPANY LIMITED only, respectively, which comprise the consolidated and the separate statements of financial positions as at December 31, 2013, and the related consolidated and the separate statements of income, comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Consolidated and Separate Financial Statements

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

Auditor's Responsibility

My responsibility is to express an opinion on these consolidated and the separate financial statements based on my audit. I conducted my audit in accordance with Thai Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated and the separate 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the consolidated and the separate financial statements referred to above present fairly, in all material respects, the consolidated and the separate financial position of THAI SUGAR TERMINAL PUBLIC COMPANY LIMITED and its subsidiary companies and also of THAI SUGAR TERMINAL PUBLIC COMPANY LIMITED only, as at December 31, 2013, and of their consolidated and the separate financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Emphasis of Matter and Event

Without expressing a qualified opinion on the above financial statements, I would like to draw attention to the matter as explained in Notes to financial statements No. 3 noting that the Company and its subsidiaries have first time adopted the Thai Accounting Standard No. 12 on Income Taxes, The consolidated and separate financial statements for the year ended December 31, 2012 and the consolidated and separate statements of financial position as at January 1, 2012, presented herein for comparison, have been retrospectively adjusted for the effect of the adoption of the said newly issued standard. I have audited the relevant adjustments and in my opinion, those adjustments are fairly appropriate.

SAM NAK-NGAN A.M.C. CO., LTD.



(Miss Praphasri Leelasupha)

Certified Public Accountant (Thailand) Registration No. 4664

Bangkok,

February 27, 2014

THAI SUGAR TERMINAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY COMPANIES

STATEMENTS OF FINANCIAL POSITION

As at December 31, 2013

(Unit : Baht)

	Notes	Consolidated financial statements as at			Separate financial statements as at		
		December 31, 2013	December 31, 2012	January 1, 2012	December 31, 2013	December 31, 2012	January 1, 2012
			(Restated)	(Restated)		(Restated)	(Restated)
<u>Assets</u>							
Current assets							
Cash and cash equivalent items		70,072,989	137,024,854	102,103,975	8,323,611	10,132,334	11,549,945
Trade and other accounts receivable-net	6.1 and 8	208,697,856	288,395,314	300,524,292	5,386,968	9,276,612	17,024,802
Current portion of long-term investment	11	-	431,071	-	-	-	-
Short-term loans to related parties	6.1	-	-	-	-	-	19,000,000
Inventories-net	9	373,844,932	1,166,759,927	691,060,913	-	-	-
Real estate development cost-net	10	99,169,869	25,256,515	39,252,149	99,169,869	23,227,800	37,223,433
Other current assets		11,386,640	9,621,881	7,360,024	2,249,950	1,039,625	767,703
Total current assets		763,172,286	1,627,489,562	1,140,301,353	115,130,398	43,676,371	85,565,883
Non-current assets							
Other long-term investments-net	11	3,691,412	3,555,002	3,161,029	3,199,193	3,555,002	2,724,269
Investments in subsidiary companies	12	-	-	-	805,740,734	805,740,734	508,542,734
Long-term loan to related parties	6.1	-	-	-	-	-	51,000,000
Investment properties-net	13	290,874,724	240,288,231	80,452,276	223,044,504	266,030,204	76,004,595
Property, plant and equipment-net	14	1,559,061,526	1,681,406,175	1,532,285,067	361,848,735	365,661,985	291,243,005
Deposit for assets		37,063,800	-	-	7,255,250	-	-
Other non-current assets		3,930,711	4,843,604	4,580,067	5,267,549	4,008,517	1,181,486
Total non-current assets		1,894,622,173	1,930,093,012	1,620,478,439	1,406,355,965	1,444,996,442	930,696,089
Total assets		2,657,794,459	3,557,582,574	2,760,779,792	1,521,486,363	1,488,672,813	1,016,261,972

Notes to financial statements are an integral part of these financial statements.

THAI SUGAR TERMINAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY COMPANIES

STATEMENTS OF FINANCIAL POSITION

As at December 31, 2013

(Unit : Baht)

	Notes	Consolidated financial statements as at			Separate financial statements as at		
		December 31, 2013	December 31, 2012	January 1, 2012	December 31, 2013	December 31, 2012	January 1, 2012
			(Restated)	(Restated)		(Restated)	(Restated)
<u>Liabilities and shareholders' equity</u>							
Current liabilities							
Short-term loans from financial institutions	16	451,277,611	1,043,034,340	942,493,178	100,000,000	100,000,000	-
Trade and other accounts payable	17	88,576,641	359,065,987	104,388,340	15,423,845	12,367,081	10,133,691
Accrued discounts payable		9,530,797	14,681,538	19,515,094	9,530,797	14,681,538	19,515,094
Current portion of long-term loans							
Long-term loans from related parties	6.1	-	-	-	-	-	25,000,000
Long-term loans from financial institutions	18	75,460,000	57,460,000	80,000,000	57,460,000	57,460,000	-
Liabilities under long-term lease contract	19	1,717,292	1,634,869	-	1,085,867	1,037,159	-
Accrued income tax payable		8,617,350	8,940,438	26,326,983	-	1,471,753	9,184,085
Other current liabilities		8,971,681	13,891,592	14,961,726	1,458,317	1,353,409	3,226,066
Total current liabilities		644,151,372	1,498,708,764	1,187,685,321	184,958,826	188,370,940	67,058,936
Non-current liabilities							
Long-term loans from related parties	6.1	-	-	-	25,000,000	-	-
Long-term loans from financial institutions	18	87,586,585	142,130,000	116,000,000	84,670,000	142,130,000	-
Liabilities under long-term lease contract-net	19	6,138,203	7,855,496	-	4,491,044	5,576,911	-
Deposit received from warehouse and land rental		19,681,353	874,395	2,263,195	7,129,147	5,417,285	10,262,845
Employee benefit obligations	20	18,007,243	19,034,950	26,392,279	11,953,835	11,713,351	15,010,160
Deferred tax liabilities	21	100,836,695	131,919,130	127,975,651	54,596,062	61,255,453	64,557,182
Other non-current liabilities		113,450	1,346,030	797,143	-	-	-
Total non-current liabilities		232,363,529	303,160,001	273,428,268	187,840,088	226,093,000	89,830,187
Total liabilities		876,514,901	1,801,868,765	1,461,113,589	372,798,914	414,463,940	156,889,123

Notes to financial statements are an integral part of these financial statements.

THAI SUGAR TERMINAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY COMPANIES

STATEMENTS OF FINANCIAL POSITION

As at December 31, 2013

(Unit : Baht)

	Notes	Consolidated financial statements as at			Separate financial statements as at		
		December 31, 2013	December 31, 2012	January 1, 2012	December 31, 2013	December 31, 2012	January 1, 2012
			(Restated)	(Restated)		(Restated)	(Restated)
Shareholders' equity							
Share capital	22						
Authorized share capital							
145,199,967 ordinary shares @ Baht 1.00 each		145,199,967	-	-	145,199,967	-	-
132,000,000 ordinary shares @ Baht 1.00 each		-	132,000,000	132,000,000	-	132,000,000	132,000,000
Issued and paid-up share capital							
145,199,929 ordinary shares @ Baht 1.00 each		145,199,929	-	-	145,199,929	-	-
131,999,970 ordinary shares @ Baht 1.00 each		-	131,999,970	131,999,970	-	131,999,970	131,999,970
Retained earnings							
Appropriated							
Legal reserve		14,520,000	13,200,000	13,200,000	14,520,000	13,200,000	13,200,000
Unappropriated		780,798,617	789,345,557	716,880,406	765,251,092	713,583,210	552,681,497
Other components of shareholders' equity		573,672,530	566,117,651	355,082,411	223,716,428	215,425,693	161,491,382
Total shareholders' equity of the Company		1,514,191,076	1,500,663,178	1,217,162,787	1,148,687,449	1,074,208,873	859,372,849
Non-controlling interests of subsidiaries		267,088,482	255,050,631	82,503,416	-	-	-
Total shareholders' equity		1,781,279,558	1,755,713,809	1,299,666,203	1,148,687,449	1,074,208,873	859,372,849
Total liabilities and shareholders' equity		2,657,794,459	3,557,582,574	2,760,779,792	1,521,486,363	1,488,672,813	1,016,261,972

Notes to financial statements are an integral part of these financial statements.

THAI SUGAR TERMINAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY COMPANIES

STATEMENTS OF INCOME

For the Year ended December 31, 2013

(Unit : Baht)

	Notes	Consolidated financial statements		Separate financial statements	
		2013	2012	2013	2012
			(Restated)		(Restated)
Revenues from operation					
Revenue from sales		2,189,983,493	2,697,479,307	-	-
Revenue from services		324,792,161	364,772,132	211,058,062	247,025,066
Revenue from real estate activities		2,150,000	8,860,000	-	8,860,000
Total revenues from operation		2,516,925,654	3,071,111,439	211,058,062	255,885,066
Cost from operation					
Cost of sales		(2,073,502,235)	(2,548,294,584)	-	-
Cost of services		(141,903,081)	(143,977,664)	(73,900,998)	(86,381,669)
Cost of real estate activities		(2,028,715)	(13,995,633)	-	(13,995,633)
Total cost from operation		(2,217,434,031)	(2,706,267,881)	(73,900,998)	(100,377,302)
Gross profit		299,491,623	364,843,558	137,157,064	155,507,764
Other income		10,945,157	22,387,733	3,653,329	11,331,570
Dividend income		35,850	86,600	29,680,815	98,903,150
Revenue from insurance compensation		-	25,984,598	-	-
Sale expenses		(44,820,828)	(53,272,956)	(548,570)	(986,387)
Administrative expenses	25	(134,187,105)	(125,979,045)	(42,153,215)	(35,949,388)
Financial cost		(41,720,191)	(52,148,594)	(12,374,445)	(6,934,137)
Profit before income tax		89,744,506	181,901,894	115,414,978	221,872,572
Income tax expenses	27	(26,950,505)	(65,372,451)	(17,547,106)	(29,290,866)
Profit for the year		62,794,001	116,529,443	97,867,872	192,581,706
Non-controlling interests of the subsidiaries		25,140,951	12,384,299	-	-
		62,794,001	116,529,443	97,867,872	192,581,706
Earnings per share	28				
Basic earnings per share		0.26	0.72	0.67	1.33

Notes to financial statements are an integral part of these financial statements.

THAI SUGAR TERMINAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY COMPANIES

STATEMENTS OF COMPREHENSIVE INCOME

For the Year ended December 31, 2013

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
		(Restated)		(Restated)
Profit for the year	62,794,001	116,529,443	97,867,872	192,581,706
Other comprehensive income for the year				
Profits (loss) on revaluation of investment available for sale	(148,221)	163,409	(148,221)	163,409
Gains on asset revaluation	7,703,100	117,095,604	8,438,956	53,770,902
Change in shareholding ratio				
in subsidiary companies under common control	-	93,776,227	-	-
Other comprehensive income for the year	7,554,879	211,035,240	8,290,735	53,934,311
Total comprehensive income for the year	70,348,880	327,564,683	106,158,607	246,516,017
Total comprehensive income attributable to :				
Shareholders of the Company	45,207,929	315,180,384	106,158,607	246,516,017
Non-controlling interests of the subsidiaries	25,140,951	12,384,299	-	-
Total comprehensive income for the year	70,348,880	327,564,683	106,158,607	246,516,017

Notes to financial statements are an integral part of these financial statements.

THAI SUGAR TERMINAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY COMPANIES

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

For the Year ended December 31, 2013

Consolidated financial statements

(Unit : Baht)

		Other components of shareholders' equity												
		Other items from							Total	Non-	Total			
		Other comprehensive income		changes in shareholders		Total	Non-	Total						
		Change in	Capital surplus	Change in	other							Total	Non-	Total
Notes	Issued and paid-up share capital	Retained earnings Appropriated legal reserve	Unappropriated	investment available for sale	of assets - the Company	in subsidiary companies under common control	shareholders' equity	shareholders' equity - the Company	interests of subsidiaries	shareholders' equity				
Balances as at January 1, 2012 (As previously reported)		131,999,970	13,200,000	702,617,872	(1,910,841)	490,660,740	12,957,482	501,707,381	1,349,525,223	78,116,631	1,427,641,854			
Impact of change in accounting policy	3	-	-	14,262,534	573,252	(147,198,222)	-	(146,624,970)	(132,362,436)	4,386,785	(127,975,651)			
Balances after adjustment		131,999,970	13,200,000	716,880,406	(1,337,589)	343,462,518	12,957,482	355,082,411	1,217,162,787	82,503,416	1,299,666,203			
Dividend paid	23	-	-	(31,679,993)	-	-	-	-	(31,679,993)	-	(31,679,993)			
Non - controlling intersts of subsidiaries increase		-	-	-	-	-	-	-	-	160,162,916	160,162,916			
Comprehensive income for the year (restated)		-	-	104,145,144	163,409	117,095,604	93,776,227	211,035,240	315,180,384	12,384,299	327,564,683			
Balances as at December 31, 2012 (restated)		131,999,970	13,200,000	789,345,557	(1,174,180)	460,558,122	106,733,709	566,117,651	1,500,663,178	255,050,631	1,755,713,809			
Increase shares from stock dividend	23	13,199,959	-	(13,199,959)	-	-	-	-	-	-	-			
Dividend Payment	23	-	-	(31,680,031)	-	-	-	-	(31,680,031)	-	(31,680,031)			
Transferred to legal reserve	23	-	1,320,000	(1,320,000)	-	-	-	-	-	-	-			
Non-controlling interests of subsidiaries decrease		-	-	-	-	-	-	-	-	(13,103,100)	(13,103,100)			
Comprehensive income for the year		-	-	37,653,050	(148,221)	7,703,100	-	7,554,879	45,207,929	25,140,951	70,348,880			
Balances as at December 31, 2013		145,199,929	14,520,000	780,798,617	(1,322,401)	468,261,222	106,733,709	573,672,530	1,514,191,076	267,088,482	1,781,279,558			

Notes to financial statements are an integral part of these financial statements.

THAI SUGAR TERMINAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY COMPANIES

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

For the Year ended December 31, 2013

Separate financial statements

(Unit : Baht)

					Other components of shareholders' equity			
					Other comprehensive income		Total	
					Change in	Capital surplus	other components of shareholders' equity	
					fair value of investment available for sale	from revaluation of assets - the Company		
Notes	Issued and paid-up share capital	Retained earnings Appropriated legal reserve	Unappropriated				Total shareholders' equity	
Balances as at January 1, 2012 (As previously reported)		131,999,970	13,200,000	548,028,087	(1,910,841)	232,612,815	230,701,974	923,930,031
Impact of change in accounting policy	3	-	-	4,653,410	573,252	(69,783,844)	(69,210,592)	(64,557,182)
Balances after adjustment		131,999,970	13,200,000	552,681,497	(1,337,589)	162,828,971	161,491,382	859,372,849
Dividend paid	23	-	-	(31,679,993)	-	-	-	(31,679,993)
Comprehensive income for the year (restated)		-	-	192,581,706	163,409	53,770,902	53,934,311	246,516,017
Balances as at December 31, 2012 (restated)		131,999,970	13,200,000	713,583,210	(1,174,180)	216,599,873	215,425,693	1,074,208,873
Increase shares from stock dividend	23	13,199,959	-	(13,199,959)	-	-	-	-
Dividend Payment	23	-	-	(31,680,031)	-	-	-	(31,680,031)
Transferred to legal reserve	23	-	1,320,000	(1,320,000)	-	-	-	-
Comprehensive income for the year		-	-	97,867,872	(148,221)	8,438,956	8,290,735	106,158,607
Balances as at December 31, 2013		145,199,929	14,520,000	765,251,092	(1,322,401)	225,038,829	223,716,428	1,148,687,449

Notes to financial statements are an integral part of these financial statements

THAI SUGAR TERMINAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY COMPANIES

STATEMENTS OF CASH FLOW

For the Year ended December 31, 2013

(Unit : Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2013	2012	2013	2012
CASH FLOW FROM OPERATING ACTIVITIES				
Profit before income tax	89,744,506	181,901,894	115,414,978	221,872,572
Adjustments for				
Dividend income	(35,850)	(86,600)	(29,680,815)	(98,903,150)
Revenue from insurance compensation	-	(25,984,598)	-	-
Doubtful debt	17,330,602	2,449,008	-	-
Loss from the cost of goods exceeding net realizable value (reversal)	(76,153,332)	76,948,961	-	-
Loss from declining value of real estate development cost	-	8,234,052	-	8,234,052
Amortization of premium (discount) on bonds	7,295	5,547	2,667	(143)
Gain from disposed other long-term investments	265,998	24,801	265,998	24,801
Depreciation of investment properties	3,583,006	1,199,732	4,386,951	3,302,260
Depreciation of property, plant and equipment	61,381,248	66,622,514	4,983,642	2,916,874
Gain from disposed and demolished assets	(794,259)	(2,600,034)	-	(686,496)
Loss from impairment of value of investment property (reversal)	-	(282,000)	-	-
Loss from impairment of property, plant and equipment value	-	920,135	-	-
Unrealized (gain) loss on exchange rate	514,659	(166,366)	-	-
Employee benefits obligations	1,028,872	2,385,633	772,729	1,193,322
Actuarial gains	-	(9,065,478)	-	(4,073,881)
Interest incomes	(2,519,474)	(991,927)	(179,110)	(2,133,806)
Interest expenses	41,027,084	50,961,998	12,374,445	6,934,137
Trade and other accounts receivable	62,186,789	9,687,298	3,890,560	7,151,560
Inventories	869,068,327	(552,647,975)	-	-
Real estate development cost	(7,913,354)	5,761,582	(9,942,069)	5,761,581
Other current assets	(1,764,759)	(2,208,312)	(1,210,325)	(271,922)
Deposit for assets	(37,063,800)	-	(7,255,250)	-
Other non-current assets	912,893	(263,537)	(1,143,561)	(2,827,031)
Operating liabilities increase (decrease)				
Trade and other accounts payable	(264,881,382)	257,296,376	(2,343,877)	1,238,401
Accrued discounts payable	(5,150,741)	(4,833,556)	(5,150,741)	(4,833,556)
Other current liabilities	(4,919,911)	(1,070,134)	104,908	(1,872,657)
Deposit received from warehouse and land rental	18,806,958	(1,388,800)	1,711,862	(4,845,560)
Employee benefit obligations	(2,056,579)	(677,484)	(532,245)	(416,250)
Other non-current liabilities	(1,232,580)	548,887	-	-
Cash received (paid) from operating activities	761,372,216	62,681,617	86,470,747	137,765,108
Interest received	2,721,275	984,599	178,194	2,730,436
Interest paid	(42,180,038)	(50,846,547)	(12,284,385)	(6,877,168)
Income tax paid	(37,893,887)	(68,559,359)	(17,259,423)	(35,442,268)
Compensation received from insurance company	-	25,984,598	-	-
Net cash received from (used in) operating activities	684,019,566	(29,755,092)	57,105,133	98,176,108

Notes to financial statements are an integral part of these financial statements.

THAI SUGAR TERMINAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY COMPANIES

STATEMENTS OF CASH FLOW

For the Year ended December 31, 2013

(Unit : Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2013	2012	2013	2012
CASH FLOW FROM INVESTING ACTIVITIES				
Cash received from short-term loan to related party	-	-	-	19,000,000
Cash paid for investments in subsidiaries company	-	-	-	(297,198,000)
Cash receives from dividend	35,850	86,600	29,680,815	98,903,150
Cash received from redemption of other long-term investments	1,774,600	2,959,700	1,344,600	2,959,700
Cash paid for additional investment in other long-term investments	(1,881,324)	(3,429,160)	(1,385,548)	(3,429,160)
Cash received from long-term loan to related party	-	-	25,000,000	51,000,000
Purchased investment properties	-	(159,813,101)	(22,090,670)	(189,808,825)
Purchased property, plant and equipment	(67,568,840)	(95,933,821)	(1,170,392)	(24,852,080)
Cash received from sale of asset	1,803,177	2,783,228	-	1,314,019
Cash paid for purchase of intangible assets	-	-	(115,471)	-
Net cash received from (used in) from investing activities	(65,836,537)	(253,346,554)	31,263,334	(342,111,196)
CASH FLOW FROM FINANCING ACTIVITIES				
Increase (decrease) in short-term loan from financial institutions	(591,756,729)	100,541,162	-	100,000,000
Cash paid for payable for asset purchased	(10,416,749)	(7,673,982)	-	-
Cash paid for long-term loan from related parties	-	-	-	(25,000,000)
Cash received from long-term loan from financial institutions	20,916,585	225,000,000	-	225,000,000
Cash paid for long-term loan from financial institutions	(57,460,000)	(221,410,000)	(57,460,000)	(25,410,000)
Cash paid for liabilities under long-term lease contracts	(1,634,870)	(693,805)	(1,037,159)	(392,530)
Cash receive from the non-controlling interest of the subsidiaries	-	255,122,593	-	-
Net cash received from (used in) from financing activities	(685,134,894)	318,022,525	(90,177,190)	242,517,477
Cash and cash equivalent items increase(decrease)-net	(66,951,865)	34,920,879	(1,808,723)	(1,417,611)
Cash and cash equivalent items at the beginning of the year	137,024,854	102,103,975	10,132,334	11,549,945
Cash and cash equivalent items at the end of the year	70,072,989	137,024,854	8,323,611	10,132,334

Notes to financial statements are an integral part of these financial statements.

THAI SUGAR TERMINAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY COMPANIES

STATEMENTS OF CASH FLOW

For the Year ended December 31, 2013

(Unit : Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2013	2012	2013	2012

Additional disclosure :

1. Significant non-cash items in the consolidated and the separate financial statements are as follows :-

- Profits(loss)from revaluation of investment available for sale	(128,092)	385,932	(128,092)	385,932
- Purchases of investmet properties which had not yet been paid	-	800,000	5,310,581	800,000
- Purchases of property, plant and equipment which had not yet been paid	5,310,581	4,306,168	-	138,020
- Vehicles purchased by committing to long-term lease contracts	-	10,184,170	-	7,006,600
- Gain on asset revaluation	-	107,466,691	-	48,685,721
- Transferred investment properties to real estate development cost	66,000,000	-	66,000,000	-
- Transferred property, plant and equipment to investment properties	120,169,499	140,586	-	2,719,044
- Transferred property, plant and equipment to other current assets	-	903,313	-	-
- Reversed property, plant and equipment with capital surplus from revaluation of assets-the Company	(12,800,904)	-	-	-
- Recognized deferred tax liabilities with other components of shareholders' equ	(20,483,875)	(9,406,390)	(8,418,827)	(4,862,658)
- Stocks dividend	13,199,959	-	13,199,959	-
- Appropriation of legal reserve	1,320,000	-	1,320,000	-
- Recognized surplus from change in shareholding ratio in subsidiary companies	-	90,605,948	-	-

2. Cash and cash equivalent items consisted of :

- Cash	104,000	95,092	50,000	50,000
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Notes to financial statements are an integral part of these financial statements.

THAI SUGAR TERMINAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY COMPANIES
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013

1. General information

THAI SUGAR TERMINAL PUBLIC COMPANY LIMITED (The Company) was registered on September 27, 1976 as a limited company under Civil and Commercial Code with company registration number 1119/2519 and later registered its conversion to a public company limited on May 17, 1994 with registration number 0107537001692. The Company listed with the Stock Exchange of Thailand on July 13, 1990. Its registered office is located at 90 Moo 1, Soi Siamsilo, Poochaosamingphrai Road, Tambon Samrongklang, Amphur Phrapradaeng, Samutprakarn Province, Thailand.

The Company and subsidiary (collectively called the “Group Companies”) The Company operates businesses relating to transfer and transportation services for sugar and certain agriculture products, warehouse rental, land trading operation, land lots appropriation and construction of buildings on land for sale, rental, hire-purchase for residential, office and commercial units and the subsidiary companies’ main activities are disclosed in the notes to financial statements No. 4.1.

The Company is a subsidiary of Khon Kaen Sugar Industry Public Co., Ltd. which holds 23.82% of the Company’s shares and has a joint-control of the Company. Its office is located at 503 K.S.L. Tower, 9th Floor, Sriyudahya Road, Ratchathewi, Bangkok and its factory is located at 43 Moo 10, Tambon Namphong, Amphur Namphong, Khonkaen Province. The main business of the Company is to manufacture and distribute sugar and molasses.

2. Basis of financial statement preparation

2.1 The financial statements are issued for reporting purposes to be used in Thailand are prepared in the Thai language. This English translation of the financial statements has been prepared for the convenience of readers not conversant with the Thai language.

- 2.2 The consolidated and the separate financial statements were prepared in accordance with the generally accepted accounting principles under the Accounting Act B.E. 2543, which include the already announced accounting standards, financial reporting standards and their interpretation including accounting guidance issued by the Federation of Accounting Professionals (“FAP”) established under the Accounting Professions Act B.E. 2547 and regulations in accordance with the determination of the Office of the Securities and Exchange Commission on the subject of preparation and presentation of the financial reports.

The presentation of financial statements is in accordance with the determination stated in the Notification of the Department of Business Development dated September 28, 2011, issued under the Accounting Act, B.E. 2543.

These financial statements were prepared by using historical cost basis except those disclosed otherwise in the accounting policies

- 2.3 During the year 2013, the Group Companies adopted a number of new and revised Thai Financial Reporting Standards (TFRS), issued by the Federation of Accounting Professions, as follows:-

<u>Reference standard No.</u>	<u>Name</u>
TAS No. 12	Income Taxes
TAS No. 20 (Revised 2009)	Accounting for Government Grants and Disclosure of Government Assistance
TAS No. 21 (Revised 2009)	The Effects of Changes in Foreign Exchange Rate
TFRS No. 8	Operating Segments
TSIC No. 10	Government Assistance - No Specific Relation to Operating Activities
TSIC No. 21	Income Taxes - Recovery of Revalued Non-Depreciable Assets
TSIC No. 25	Income Taxes - Changes in the Tax Status of an Entity or its Shareholders
Accounting Treatment Guidance for Transfers to and Transfers from of Financial Assets	

The adoption of these new and revised TFRS, Interpretation and Accounting Treatment Guidance have resulted in changes in the Group Companies accounting policies. The effects of these changes are disclosed in the notes to financial statements No. 3.

In addition to the above new and revised TFRS, the FAP has issued and revised TFRS and interpretation that have not been adopted in the preparation of these financial statements as listed below.

<u>Reference standard No.</u>	<u>Name</u>	<u>Effective date</u>
<u>Thai Accounting Standards (TAS)</u>		
TAS No. 1 (Revised 2012)	Presentation of Financial Statements	January 1, 2014
TAS No. 7 (Revised 2012)	Statement of Cash Flows	January 1, 2014
TAS No. 12 (Revised 2012)	Income taxes	January 1, 2014
TAS No. 17 (Revised 2012)	Leases	January 1, 2014
TAS No. 18 (Revised 2012)	Revenue	January 1, 2014
TAS No. 19 (Revised 2012)	Employee Benefits	January 1, 2014
TAS No. 21 (Revised 2012)	The Effects of Changes in Foreign Exchange Rates	January 1, 2014
TAS No. 24 (Revised 2012)	Related Party Disclosures	January 1, 2014
TAS No. 28 (Revised 2012)	Investments in Associates	January 1, 2014
TAS No. 31 (Revised 2012)	Interests in Joint Venture	January 1, 2014
TAS No. 34 (Revised 2012)	Interim Financial Reporting	January 1, 2014
TAS No. 38 (Revised 2012)	Intangible Assets	January 1, 2014
<u>Thai Financial Reporting Standards (TFRS)</u>		
TFRS No. 2 (Revised 2012)	Share-based Payment	January 1, 2014
TFRS No. 3 (Revised 2012)	Business Combinations	January 1, 2014
TFRS No. 4	Insurance contracts	January 1, 2016
TFRS No. 5 (Revised 2012)	Non-current Assets Held for Sale and Discontinued Operations	January 1, 2014
TFRS No.8 (Revised 2012)	Operating Segments	January 1, 2014
<u>Thai Financial Reporting interpretations (TFRIC)</u>		
TFRIC No. 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities	January 1, 2014
TFRIC No. 4	Determining whether an Arrangement contains a Lease	January 1, 2014
TFRIC No. 5	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds	January 1, 2014
TFRIC No. 7	Applying the Restatement Approach under TAS 29 Financial Reporting in Hyperinflationary Economies	January 1, 2014
TFRIC No. 10	Interim Financial Reporting and Impairment	January 1, 2014
TFRIC No. 12	Service Concession Arrangement	January 1, 2014
TFRIC No. 13	Customer Loyalty Programmes	January 1, 2014
TFRIC No. 17	Distributions of Non-cash Assets to Owners	January 1, 2014
TFRIC No. 18	Transfers of Assets from Customers	January 1, 2014
<u>Thai Accounting Standard Interpretations (TSIC)</u>		
TSIC No. 15	Operating Leases-Incentives	January 1, 2014
TSIC No. 27	Evaluating the Substance of Transactions in the Legal form of a Lease	January 1, 2014
TSIC No. 29	Service Concession Arrangement : Disclosure	January 1, 2014
TSIC No. 32	Intangible assets-Web Site Costs	January 1, 2014

The Company's and its subsidiaries' management will adopt the above Financial Reporting Standards and interpretation relevant to the Company and its subsidiaries in the preparation of the financial statements of the Company and its subsidiaries when they become effective. In addition, the Company's and its subsidiaries' management have assessed the effects of these standards and believes that they will not have any significant impact on the financial statements for the period in which they are initially applied.

- 2.4 Preparation of the financial statements in conformity with Generally Accepted Accounting Principles requires management to make estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and underlying assumptions are resulted from experience and other factors that the management has reasonably assurance under such circumstance. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized, in the period in which estimates are revised and in any future periods affected. The significant estimates and assumptions are as follows: -

Lease agreement

In determining whether a lease is to be classified as an operating lease or finance lease, the management is required to use judgment regarding whether significant risk and rewards of ownership of the leased asset have been transferred, taking into consideration terms and conditions of the arrangement.

Allowance for doubtful debt

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

Allowance for the cost of goods exceeding net realisable value/Allowance for loss from dilapidated raw material

Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs to complete and to make the sale.

Investment properties, property, plant and equipment and depreciation

In determining depreciation of investment properties, plant and equipment, the management is required to make estimates of the useful lives and residual values of the investment properties, plant and equipment and to review estimate useful lives and residual values when there are any changes.

In addition, the management is required to review investment properties, property, plant and equipment for impairment on a periodical basis and record impairment losses in the period when it is determined that their recoverable amount is lower than the carrying amount. This requires judgments regarding forecast of future revenues and expenses relating to the assets subject to the review.

Deferred tax assets

Deferred tax assets are recognized for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of estimate future taxable profits.

Estimate on employee benefit obligations

The obligation under the post-employment benefit is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

Other estimates are disclosed under related caption in these notes to financial statements.

3. Significant change in accounting policy

Since January 1, 2013, the Group Companies changed in accounting policy for the first-time adoption of TAS No. 12 on Income Taxes. The consolidated and separate financial statements for the year ended December 31, 2012, and the consolidated and separate statements of financial position as at January 1, 2012, presented herein for comparison, have been retrospectively adjusted for the effect of the implementation of the first-time adoption of TAS. The effect can be shown as follows:-

(Unit : Baht)

	Consolidated financial statements			Separate Financial Statements		
	Before readjustment	Readjustment increase (Decrease)	After readjustment	Before readjustment	Readjustment increase (Decrease)	After readjustment
Statements of financial position as at January 1, 2012						
Deferred tax liability	-	127,975,651	127,975,651	-	64,557,182	64,557,182
Retained earnings	702,617,872	14,262,534	716,880,406	548,028,087	4,653,410	552,681,497
Change in fair value of investment available for sale	(1,910,841)	573,252	(1,337,589)	(1,910,841)	573,252	(1,337,589)
Capital surplus from revaluation of assets-the Company	490,660,740	(147,198,222)	343,462,518	232,612,815	(69,783,844)	162,828,971
Non-controlling interests of subsidiary companies	78,116,631	4,386,785	82,503,416	-	-	-
Statements of financial position as at December 31, 2012						
Deferred tax liability	-	131,919,130	131,919,130	-	61,255,453	61,255,453
Retained earnings	788,093,974	1,251,583	789,345,557	710,490,729	3,092,481	713,583,210
Change in fair value of investment available for sale	(1,524,909)	350,729	(1,174,180)	(1,524,909)	350,729	(1,174,180)
Capital surplus from revaluation of assets-the Company	598,127,431	(137,569,309)	460,558,122	281,298,536	(64,698,663)	216,599,873
Change in shareholding ratio in subsidiary companies						
under common control	103,563,430	3,170,279	106,733,709	-	-	-
Non-controlling interests of subsidiaries	254,173,043	877,588	255,050,631	-	-	-
Statements of income						
for the year ended December 31, 2012						
Income tax expenses	52,022,582	13,349,869	65,372,451	27,729,937	1,560,929	29,290,866
Profit for the year						
- Shareholders of the Company	117,156,095	(13,010,951)	104,145,144	194,142,635	(1,560,929)	192,581,706
- Non-controlling interest of subsidiary companies	12,723,217	(338,918)	12,384,299	-	-	-
Earnings per share (Baht/share)	0.81	(0.09)	0.72	1.34	(0.01)	1.33
Statements of comprehensive income						
for the year ended December 31, 2012						
Profit for the year	129,879,312	(13,349,869)	116,529,443	194,142,635	(1,560,929)	192,581,706
Change in shareholding ratio in subsidiary companies						
under common control	90,605,948	3,170,279	93,776,227	-	-	-
Profits from valuation of investment available for sale	385,932	(222,523)	163,409	385,932	(222,523)	163,409
Gains on asset revaluation	107,466,691	9,628,913	117,095,604	48,685,721	5,085,181	53,770,902
Comprehensive income for the year						
- Shareholders of the Company	315,614,666	(434,282)	315,180,384	243,214,288	3,301,729	246,516,017
- Non-controlling interest of subsidiary companies	12,723,217	(338,918)	12,384,299	-	-	-

4. Basis of the consolidated financial statements preparation

4.1 The consolidated financial statements have been prepared by consolidating the financial statements of the Company and of five subsidiary companies (collectively called the “Group Companies”).

The detail of structure and shareholding ratio of the Group Companies is as follows :-

	<u>Percentage of shareholding</u>		<u>Incorporated in</u>	<u>Type of business</u>
	<u>2013</u>	<u>2012</u>		
T S G ASSET CO., LTD.	79.78	79.78	Thailand	Property rental
T S OIL INDUSTRY CO., LTD.	97.16	97.16	Thailand	Property sales, purchase, rental and Development and palm oil extracting operation
T S FLOUR MILL PUBLIC CO., LTD.	69.34	69.34	Thailand	Produce and distribute wheat flour
T S WAREHOUSE CO., LTD.	64.13	64.13	Thailand	Warehousing and loading of goods
T S TRANSPORT AND LOGISTIC CO., LTD.	85.90	85.90	Thailand	Production of polypropylene bag, plastic fiber, plastic resin and plastic, including the purchase and distribution of the said products and providing security services.

On May 16, 2013, OPG Tech Co., Ltd. leased land, building, machines, and equipment of palm oil distillation plant from T S OIL INDUSTRY CO., LTD. (the Subsidiary company) including the intellectual property of manufacturing and selling palm oil for three years starting from May 16, 2013 to May 15, 2016. OPG Tech Co., Ltd. (the lessee) agreed to pay a monthly rental for Baht 6.00 million, and paid retention of Baht 18.00 million. The conditions are as follow:

- The Subsidiary company agrees upon transferring all its workers and employees who work on the mentioned premises to the lessee. The lessee agrees to continue adding up all workers and employees' years of working according to Thai Labor Law and to pay all related expenses for this matter. After the contract ends or terminates, the lessee agrees to transfer all its workers and employees to the Subsidiary company and the Subsidiary company also continue to add up their years of working.
- The lessee agrees to insure and pay the premium for the above properties, machines, and equipment throughout the insurance contract policy.

In accordance with the Subsidiary company's Board of Committee Meeting 5/2556 on May 30, 2013, the Board approves to lend OPG Tech Co., Ltd. the assets of palm oil distillation plant. The Board ratifies the lending contract agreement furnished by on behalf of the Subsidiary company for these purposes.

- 4.2 Subsidiaries are entities controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.
- 4.3 The consolidated financial statements have been prepared using the same accounting policy for the same accounting items and other events in the similar situation.
- 4.4 The accounting periods of subsidiary companies ended the same date as that of Thai Sugar Terminal Public Company Limited.
- 4.5 The consolidated financial statements combine the accounts of the Company and subsidiary companies after eliminating inter-company transaction items. The balances between the Company and subsidiary companies, significant intra-group transactions, investments in subsidiary companies and share capital of subsidiary companies have already been eliminated from the consolidated financial statements.

5. Summary of significant accounting policies

The significant accounting policies of the Group Companies can be summarized as follows:

- 5.1 Cash and cash equivalent items 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.
- 5.2 Trade accounts receivable and other accounts receivable are shown at net realizable value. The allowance for doubtful accounts is assessed primarily on analysis of payment histories and future expectations of customer payments from the uncollectability of each account receivable. Bad debts are written off when incurred.

5.3 Inventories are shown at the lower of cost or net realizable value and adjusted by slow-moving or out-of-date goods, which estimate from each type of goods expected to be dilapidated (if any). The following calculation for cost is observed :

- Raw materials, supplies and factory supplies-calculated by using first in-first out method, except palm oil-raw material which is calculated by using the weighted average method.
- Wheat flour and polypropylene bags-goods in process and finished goods-calculated by the actual cost incurred using the first in-first out method.
- Palm oil's work-in-process and finished goods is calculated by the actual cost incurred under the weighted average method.

Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. In the case of manufactured inventories and work-in-progress, cost includes an appropriate share of production overheads based on normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs to complete and to make the sale.

5.4 Real estate development cost is shown at the lower of cost or net realizable value using the specific method, which consists 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.

5.5 Investments

5.5.1 Investments in subsidiary companies in the separate financial statements are recorded under the cost method net by the allowance for accumulated impairment and the recognition of the change in the investment in the statements of income is recorded when the investment is disposed or the impairment of the investment incurred.

5.5.2 Investments in marketable debt and equity instruments which are recorded as securities 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 for less than 12 months from the statement of financial position date or the management want 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 valued at fair values, which are calculated from the latest quote of purchase price as of the accounting year end date and recognised the change in value in the statements of comprehensive income, while profit or loss will be recognized when these investments are sold or impaired in value, the recognition will be made through the statements of income. The cost of the disposed investment is calculated by the weighted average method.

5.5.3 Investments in debt instruments which are held until maturity will be classified as short-term or long-term investments according to the remaining maturity period. They are shown at amortized cost and deducted by the allowance for accumulated impairment (if any). The Group Companies amortized premium/discount over value of debt instruments using the straight-line method and the amount written off/amortized will be shown as item combine/shown in the statements of income.

5.5.4 General investments are non-marketable equity instruments, shown at cost net off by allowance for accumulated impairment (if any) and change in value of general investments is recognised in the statements of income when they are sold or impaired.

5.6 Investment properties: The Group Companies recorded the initial value of the investment properties at cost. Afterward, the Group Companies would record the investment properties at cost less accumulated depreciation and allowance for impairment (if any).

The depreciation of the investment properties is calculated from cost on the straight-line basis over the estimated useful life as follows :-

- Building, building improvements	16-72	years
- Land improvement	30	Years
- Roads	5	years

The depreciation of the investment properties is included in the calculation for the operating result. No depreciation is calculated for investment properties in case of land and work in process.

The Group Companies recognise the difference between the assets' net realizable value and book value in the profit or loss for the period the investment properties are derecognized from the account.

- 5.7 Land is stated at the revalued amount less allowance for impairment of asset (if any). The revalued amount is the fair value determined on the basis of the market price at the date of revaluation. Plant and equipment are stated at cost less accumulated depreciation and the allowance for impairment of asset (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 directly to the comprehensive income, and decrease from cost recorded as loss from decrease in revaluation of assets in the statements of income.

The depreciation of the building and equipment calculates from the cost of assets using the straight-line basis over their estimated useful lives as follows :-

- Building, building improvements and construction	4-70	years
- Land leasehold improvement	30	years
- Roads	5, 10 and 30	years
- Ports	13-45	years
- Machines and equipment	5-30	years
- Motor vehicle	5-20	years

The depreciation is included in the calculation for the operating result. No depreciation is calculated for the land, assets in construction and machine during installation.

Interest expenses incurred from the loan obtained specifically for the work in construction project and during installation are included in the cost of the said work in construction until it is ready for its intended usage.

The Group Companies derecognize property, plant and equipment from the account on disposal or no future economic benefits are expected from its usage or disposal. Any gain or loss arising on disposal is recognized when the said asset is derecognized from the account.

5.8 Intangible assets are shown at cost less by accumulated, amortized expense and allowance for impairment (if any) of that asset. The Group Companies makes amortization of intangible asset with certain useful life systematically throughout the useful life of such asset and will review the period and method for amortization of intangible assets with certainty in useful life at least at the end of every year. Amortized expense will be recognised in the statement of comprehensive income. The estimated useful lives are as follows:

- Accounting software	10	years
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5.9 The recording of long-term lease contracts as both an asset and a liability is made in the statement of financial position at the same amount equivalent to fair value of leased asset as at the commencing date of the agreement or the present value of the minimum amount payable under the agreement whichever is the lower. The discount rate to be used in calculating such present value is the interest rate specified in the lease agreement. The directly related initial cost is included in the cost of the asset and the paid lease fee will be appropriated partly as financial expense and other to reduce the principle. The said financial expense will be apportioned to various periods throughout the term of agreement so that the interest rate compared to the remaining amount of debt at each period is constant. Depreciation policy for lease assets conforms to depreciable assets owned by the Group Companies.

5.10 Impairment of assets, with the main business activities assess at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, the Group Companies makes an estimate of the asset's recoverable amount. When the carrying amount of the asset exceeds its recoverable amount, the asset is considered impaired and 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 and value in use of the said assets).

Reversal of an impairment loss when there is an indication that the recoverable amount may have changed. The reversal amount is not exceed its book value after decrease accumulated depreciation or cost of disposal then likely the impairment loss transaction is no longer exist or decreased.

5.11 Trade and other accounts payable are shown at cost.

5.12 Interest bearing liabilities are shown at cost and state the expense related to the incurrence of debt as the expense for the year.

5.13 Employee benefits

Short-term employee benefits

The Group Companies recognize salaries, wages, bonuses and contributions to Social Security Fund as expense when incurred.

Post-employment benefits (Defined contribution plans)

The Group Companies and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Group Companies. The fund's assets are held in a separate trust fund and the Group Companies' contributions are recognized as expenses when incurred.

Post-employment benefits (Defined benefit plans)

The Group Companies have obligations in respect of the severance payments then must make to employees upon retirement under labor law. The Group Companies treat these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method. Such determination is made based on various assumptions, including discount rate, future salary increase rate, staff turnover rate, mortality rate, and inflation rates.

Actuarial gains and losses arising from post-employment benefits are recognized immediately in profit or loss.

- 5.14 Estimation of liabilities: The Group Companies will record liability estimates whenever there is certainty that liability or obligation will occur at present legally or by estimation from the result connected with the past event. Such obligation is expected to cause damage to loss of useful or economic resources in order to make payment toward obligation and the amount to be paid is respectfully estimated. If payment made toward liability estimated is recovered fully or partly with certainty, the Group Companies will recorded the recovered payment as asset separately but the amount so recorded must be more than the amount of related liability estimate and the related expense with the liability estimate will be shown in the statement of income in the net amount after recovered expense already recognized.

- 5.15 Change in shareholding ratio in subsidiary companies under common control is the difference between the investment for the change in proportion in subsidiary companies and book value of the subsidiary companies resulted from the change in proportion of investment in that subsidiary companies. The difference is shown as a separate item in the consolidated statements of financial position under the shareholders' equity and will be written off when the investment is disposed.
- 5.16 Non-controlling interests of subsidiary companies represent the portion of book value of the net assets of the subsidiary companies under the shareholding ratio that are not held by the Group Company and are presented separately under the shareholders equity in the consolidated statements of financial position and net profit (loss) of the non-controlling interest are presented separately in the consolidated statements of income and the consolidated statement of comprehensive income.
- 5.17 Incomes recognition, revenue recognised excludes value added taxes and other sales taxes and is arrived at after deduction of trade discounts with the following policies: -
- 5.17.1 Sale of goods: revenue is recognised in the statements of income 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.
 - 5.17.2 Revenue from transferring of goods, revenue from warehousing and other services are recognised when those services are already rendered.
 - 5.17.3 Revenue from rent and service fee are recognized under the accrual basis according to the rates stipulated in each service agreement.
 - 5.17.4 Revenue from sale of houses together with land is recognised when the construction is completed pursuant to the agreement and the ownership already transferred to the purchaser.
 - 5.17.5 Dividend income is recognized on the date that has right to receive payments is established.
 - 5.17.6 Revenues from interest received and discount received from purchase of discounted notes receivable are recognized according to the related period.
 - 5.17.7 Other revenues are recognized by accrual basis.

5.18 Expenses recognition are as follows :-

- 5.18.1 In case of cost of sale for house together with land, the Group Companies calculates by appropriating all estimated development costs of properties (based on actual costs) to house and land sold according to saleable areas and then recognizing it as cost of sales in the statements of income according to proportion of revenue recognition.
- 5.18.2 For asset under lease contract, in which risk and ownership right in that asset vested in the lessor, is treated as operating lease contract. Leasing fee paid under the operating lease contract is accounted as expense by straight-line method throughout the lease period.
- 5.18.3 Financial costs such as interest expenses and similar costs are charged to the statements of income for the period in which they are incurred, except to the extent that they are capitalised 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.
- 5.18.4 Other expenses are recognized by accrual basis.

5.19 Income tax expense comprises current tax and deferred tax. Income tax expense is recognized in profit or loss except to the extent that related to items recognized in other comprehensive income or recognized directly in equity which will recognize in other comprehensive income or recognized directly in equity as same as that items.

Current tax

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

Deferred tax

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Group Companies recognizes deferred tax liabilities for all taxable temporary differences while they recognizes deferred tax assets for all deductible temporary differences and tax losses they carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilized.

At each reporting date, the Group Companies reviews and reduce the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

- 5.20 The calculations of basic earnings per share for the year were based on the profit for the year attributable to equity holders of the Company divided by the weighted average number of ordinary shares held by outsiders during the year.
- 5.21 Foreign currency transactions are translated into Baht at the rates ruling on the occurrence dates. Assets and liabilities in foreign currency outstanding on the year-end date are translated into Baht at the rates ruling on that date. Exchange gains or losses are included as incomes or expenses in the statements of income of the year.
- 5.22 The related parties and related companies with the Group Companies meant individuals or enterprises which have the controlling power over the Group Companies or are controlled by Group Companies either directly or indirectly, or under the same control with the Group Companies. Furthermore, the related parties or related companies also meant the associated companies and the parties whose holding the shares with voting rights, either directly or indirectly, and have significant influence to the Group Companies, important management, directors or the employees of the Group Companies who have the power to plan and control the operations of the Group Companies including the family members close to the said persons which could persuade or power to persuade to act in compliance with the said persons and business that the said persons have control power or significant influence, either directly or indirectly.
- 5.23 The sectoral business operation is disclosed under the separate business sectors of the Group Companies, 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.
- 5.24 Financial instruments consisted of financial assets and liabilities which were carried on the financial statements include cash and cash equivalents, trade accounts receivable and payable, other accounts receivable and payable, 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.

Foreign currency forward contracts are meant to prevent risk from volatile movements in exchange rates by establishing a future rate at which a foreign currency asset and liability will be received or paid. Gain or loss from the foreign currency forward contracts will be recorded in the statement of comprehensive income when the contracts are settled or terms are expired.

6. Inter-transactions and remaining balances between related parties

Related parties are those parties linked to the Group Companies as shareholders or by common shareholders or directors. Significant inter-transactions and remaining balances between the Company and the parent company, the subsidiaries and related parties were as follows :-

6.1 Inter-assets and liabilities

(Unit : Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>As at December 31,</u>		<u>As at December 31,</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
- Trade accounts receivable				
T S Oil Industry Co., Ltd.	-	-	-	4,922
T S Transport and Logistics Co., Ltd.	-	-	696	3,990
T S Flour Mill Public Co., Ltd.	-	-	7,704	-
Khon Kaen Sugar Industry Public Co., Ltd.	9,477,018	7,215,105	11,342	1,909,950
Rajburi Sugar Co., Ltd.	987,053	319,714	358,450	129,587
Mitr Kaset Sugar Industry Co., Ltd.	181,895	58,347	74,900	26,599
Prachaup Industry Co., Ltd.	98,961	42,115	80,049	23,540
New Krung Thai Sugar Industry Co., Ltd.	227	1,325,029	-	642,599
Tamaka Sugar Industry Co., Ltd.	366,715	153,143	-	-
New Kwang Soon Lee Sugar Industry Co., Ltd.	423,383	262,276	-	-
Total	11,535,252	9,375,729	533,141	2,741,187
- Other accounts receivable				
T S G Asset Co., Ltd.	-	-	16,102	20,441
T S Oil Industry Co., Ltd.	-	-	-	14,236
T S Flour Mill Public Co., Ltd.	-	-	6,199	6,059
T S Transport and Logistics Co., Ltd.	-	-	2,418	32,483
Rajburi Sugar Co., Ltd.	2,755	4,200	2,755	4,200
New Krung Thai Sugar Industry Co., Ltd.	-	2,917	-	2,917
Prachaup Industry Co., Ltd.	749	160	749	160
Mitr Kaset Sugar Industry Co., Ltd.	2,140	-	2,140	-
Total	5,644	7,277	30,363	80,496

(Unit : Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>As at December 31,</u>		<u>As at December 31,</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
- Accrued Income				
T S Flour Mill Public Co., Ltd.	-	-	645,711	-
- Other accounts receivable due more than one year				
T S Flour Mill Public Co., Ltd.	-	-	-	2,907,632
- Short-term loan to				
T S Oil Industry Co., Ltd.				
Beginning balance	-	-	-	19,000,000
Increase in the year	-	-	-	-
Received in the year	-	-	-	(19,000,000)
Ending balance	-	-	-	-
- Other non-current assets.				
T S Flour Mill Public Co., Ltd.	-	-	4,110,790	2,907,632
- Long-term loan to				
T S Oil Industry Co., Ltd.				
Beginning balance	-	-	-	51,000,000
Increase in the year	-	-	-	-
Received in the year	-	-	-	(51,000,000)
Ending balance	-	-	-	-

The short-term loan to subsidiary company is made under loan agreement, that fixes repayment of principal immediately once it is no longer needed and the interest rate shall be paid monthly with reference rate is based on the financial market situation at that time.

The long-term loan to subsidiary company is made under loan agreement with the repayment of the principal scheduled within 3 years and the interest shall be paid monthly at the interest rate of MLR-2.00% per annum. In the 3rd quarter of 2012 the Company has already received the whole amount of loan.

(Unit : Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>As at December 31,</u>		<u>As at December 31,</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
- Trade accounts payable				
T S Warehouse Co., Ltd.	-	-	-	256,800
- Accrued discounts payable				
Khon Kaen Sugar Industry Public Co., Ltd.	122,535	780,950	122,535	780,950
Rajburi Sugar Co., Ltd.	3,319,529	2,916,772	3,319,529	2,916,772
Mitr Kaset Sugar Industry Co., Ltd.	1,831,388	1,315,388	1,831,388	1,315,388
New Krung Thai Sugar Industry Co., Ltd.	3,691	647,541	3,691	647,541
Tamaka Sugar Industry Co., Ltd.	-	359,437	-	359,437
New Kwang Soon Lee Sugar Industry Co., Ltd.	134,433	220,681	134,433	220,681
Total	5,411,576	6,240,769	5,411,576	6,240,769
- Accrued interest expenses				
T S Warehouse Co., Ltd.	-	-	97,602	-
- Deposit received from warehouse, land rental and tank rental				
T S Oil Industry Co., Ltd.	-	-	1,392,390	1,392,390
T S Flour Mill Public Co., Ltd.	-	-	1,436,300	1,031,300
T S Warehouse Co., Ltd.	-	-	2,744,480	969,000
T S Transport and Logistics Co., Ltd.	-	-	660,600	660,600
Total	-	-	6,233,770	4,053,290
- Long-term loan				
T S Warehouse Co., Ltd.				
Beginning balance	-	-	-	25,000,000
Increase in the year	-	-	25,000,000	-
Repaid in the year	-	-	-	(25,000,000)
Ending balance	-	-	25,000,000	-

The loan from subsidiary company is a loan under agreement with the repayment of the principal scheduled within 3 years. The interest payment must be made every quarter at the interest rate of three-month fixed deposit interest plus 0.75% per annum. The interest rate shall be revised every quarter when the interest is due.

6.2 Inter-revenues-expenses

- The amounts of revenues for the year ended on December 31, 2013 and 2012

(Unit : Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
- Revenue from warehouse rental				
T S Oil Industry Co., Ltd.	-	-	3,213,840	3,213,840
T S Flour Mill Public Co., Ltd.	-	-	4,268,280	1,980,000
T S Warehouse Co., Ltd.	-	-	32,736,747	30,629,643
T S Transport and Logistics Co., Ltd.	-	-	1,928,250	1,893,455
Total	-	-	42,147,117	37,716,938
- Revenue from land rental and tank rental				
T S G Asset Co., Ltd.	-	-	1,218,600	1,218,600
T S Oil Industry Co., Ltd.	-	-	5,658,900	5,658,900
T S Flour Mill Public Co., Ltd.	-	-	5,410,958	6,814,642
T S Warehouse Co., Ltd.	-	-	2,304,000	2,304,000
T S Transport and Logistics Co., Ltd.	-	-	810,000	824,000
Total	-	-	15,402,458	16,820,142
- Revenue from service fee of loading and service				
T S Flour Mill Public Co., Ltd.	-	-	5,989,598	-
Khon Kaen Sugar Industry Public Co., Ltd.	13,555,998	22,252,273	12,518,292	19,701,724
Rajburi Sugar Co., Ltd.	6,490,922	9,312,862	6,337,412	8,496,691
Mitr Kaset Sugar Industry Co., Ltd.	5,457,511	7,048,896	5,452,711	6,072,448
Prachaup Industry Co., Ltd.	7,129,387	13,328,925	6,806,482	12,305,640
New Krung Thai Sugar Industry Co., Ltd.	18,687,928	26,614,206	17,287,858	24,717,803
Tamaka Sugar Industry Co., Ltd.	9,069,991	10,461,512	8,137,654	9,313,161
New Kwang Soon Lee Sugar Industry Co., Ltd.	3,013,767	5,916,992	2,614,141	5,358,693
Eastern Sugar and Sugar Cane Co., Ltd.	156,257	292,963	156,257	292,963
Total	63,561,761	95,228,629	65,300,405	86,259,123
- Revenue from warehousing				
Khon Kaen Sugar Industry Public Co., Ltd.	7,610,104	5,835,754	-	-
Rajburi Sugar Co., Ltd.	3,545,668	2,983,706	-	-
Mitr Kaset Sugar Industry Co., Ltd.	1,192,837	1,821,874	21,000	-
Prachaup Industry Co., Ltd.	4,005,129	4,977,880	-	-
New Krung Thai Sugar Industry Co., Ltd.	11,140,347	7,380,395	-	-
Tamaka Sugar Industry Co., Ltd.	3,834,637	4,511,931	-	-
New Kwang Soon Lee Sugar Industry Co., Ltd.	1,780,954	2,050,225	-	-
Total	33,109,676	29,561,765	21,000	-

(Unit : Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
- Revenue from selling and exchanging burlap sacks				
Khon Kaen Sugar Industry Public Co., Ltd.	11,256,944	12,947,310	-	-
Rajburi Sugar Co., Ltd.	-	190,000	-	190,000
Mitr Kaset Sugar Industry Co., Ltd.	1,720,318	4,427,500	-	-
Prachaup Industry Co., Ltd.	-	197,777	-	197,777
New Krung Thai Sugar Industry Co., Ltd.	180,000	-	180,000	-
Tamaka Sugar Industry Co., Ltd.	217,370	6,061,661	180,270	-
New Kwang Soon Lee Sugar Industry Co., Ltd.	517,393	3,979,986	-	-
Total	13,892,025	27,804,234	360,270	387,777
- Dividend income				
T S Flour Mill Public Co., Ltd.	-	-	29,644,965	98,816,550
- Other incomes				
T S Oil Industry Co., Ltd.	-	-	56,364	347,060
T S Flour Mill Public Co., Ltd.	-	-	104,030	3,043,236
T S Warehouse Co., Ltd.	-	-	243,259	-
T S Transport and Logistics Co., Ltd.	-	-	23,370	29,230
T S G Asset Co., Ltd.	-	-	-	224,119
Total	-	-	427,023	3,643,645
- Interest incomes				
T S Oil Industry Co., Ltd.	-	-	-	1,908,555
- Sale of assets				
T S Oil Industry Co., Ltd.	-	-	-	1,450,000

- The amounts of expenses for the year ended on December 31, 2013 and 2012

(Unit : Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
- Expenses of loading and service				
T S Flour Mill Public Co., Ltd.	-	-	11,759,603	23,333,834
- Discount expenses				
Khon Kaen Sugar Industry Public Co., Ltd.	1,953,789	3,845,990	1,953,789	3,845,990
Rajburi Sugar Co., Ltd.	402,757	1,354,873	402,757	1,354,873
Mitr Kaset Sugar Industry Co., Ltd.	495,000	1,315,388	495,000	1,315,388
Prachaup Industry Co., Ltd.	730,149	1,152,343	730,149	1,152,343
New Krung Thai Sugar Industry Co., Ltd.	3,229,987	4,448,970	3,229,987	4,448,970
Tamaka Sugar Industry Co., Ltd.	1,461,726	2,179,247	1,461,726	2,179,247
New Kwang Soon Lee Sugar Industry Co., Ltd.	781,556	1,541,365	781,556	1,541,365
Total	9,054,964	15,838,176	9,054,964	15,838,176

(Unit : Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
- Other expenses				
T S Transport and Logistics Co., Ltd.	-	-	3,182,000	1,547,050
- Interest expenses				
T S Warehouse Co., Ltd.	-	-	97,602	316,490
- Executives and important management's remuneration				
Short-term employee benefits	56,946,863	56,294,834	20,524,420	16,674,320
Post-employment benefits	513,981	1,499,510	227,316	552,154
Total	57,460,844	57,794,344	20,751,736	17,226,474

Policy of inter-price setting

- Revenues from inter-sales and services, inter-other income and expenses are the same price and on the same trading term with those applied to other parties.
- Revenues from inter-rental conform to terms as in general rental agreements ranging from 2 months to 30 years.
- No fee is charged for the inter-credit facility guarantee.

6.3 Relationship of related companies

<u>Company's name</u>	<u>Relationship</u>
KHON KAEN SUGAR INDUSTRY PUBLIC CO., LTD.	Parent company
T S G ASSET CO., LTD.	Subsidiary company
TS OIL INDUSTRY CO., LTD.	Subsidiary company
T S FLOUR MILL PUBLIC CO., LTD.	Subsidiary company
T S WAREHOUSE CO., LTD.	Subsidiary company
T S TRANSPORT AND LOGISTICS CO., LTD.	Subsidiary company
RAJBURI SUGAR CO., LTD.	Related company with mutual shareholders and directors
MITR KASET SUGAR INDUSTRY CO., LTD.	Related company with mutual shareholders and directors
PRACHAUP INDUSTRY CO., LTD.	Related company with mutual shareholders and directors
NEW KRUNG THAI SUGAR INDUSTRY CO., LTD.	Related company with mutual directors
TAMAKA SUGAR INDUSTRY CO., LTD.	Related company with mutual directors
NEW KWANG SOON LEE SUGAR INDUSTRY CO., LTD.	Related company with mutual directors
EASTERN SUGAR AND SUGAR CANE CO., LTD.	Related company with mutual directors

The above related companies are incorporated in Thailand and have Thai citizenship.

7. Privileges from investment promotion

A subsidiary company received an investment promotion certificate from the Board of Investment of Thailand (BOI) under the Investment Promotion Act B.E. 2520. The benefits received include the exemption of import duty for the approved machineries which have to be imported within February 25, 2012 and the exemption of corporate income tax on net profit derived from operating business under investment promotion aggregated to not more than 100% of the investment excluding the land cost and the working capital for the period of 8 years commencing from the first day the income is generate from promoted business. The subsidiary company first derived the revenue from the promoted business on June 5, 2010 until June 4, 2018. The details of investment certificates received are as follows :-

<u>Certificate No.</u>	<u>Date</u>	<u>Sections</u>	<u>Promoted activity types</u>
1657(2)/2552	August 25, 2009	25 26 28 31(1) (3) (4) and 34	Production of pure vegetable oil and /or semi-pure vegetable oil and activity no. 1.12 manufacturing of oil or fat from plants and animals

On May 16, 2013 the subsidiary company brought all the related business assets receiving an investment promotion certificate entered into a lease contract to another company as mentioned in the notes to financial statements No. 4.1. Having leased those assets, the subsidiary company ceased from tax beneficial privileges from the investment promotion. The subsidiary's management estimated the liability when the certainty from return exemption of imported machine duty amounting of Baht 7.21 million.

8. Trade and other accounts receivable-net

(Unit : Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>As at December 31,</u>		<u>As at December 31,</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Trade accounts receivable-related parties	11,535,252	9,375,729	533,141	2,741,187
Trade accounts receivable-other parties	217,339,116	283,275,415	3,699,817	6,101,053
Total trade accounts receivable	228,874,368	292,651,144	4,232,958	8,842,240
<u>Less</u> Allowance for doubtful debts	(25,462,105)	(8,131,503)	-	-
Trade accounts receivable-net	203,412,263	284,519,641	4,232,958	8,842,240
Other accounts receivable-related parties	5,644	7,277	30,363	80,496
Other accounts receivable-other parties	2,444,895	523,173	204,873	72,563
Prepaid expenses	2,343,255	2,925,349	269,482	272,648
Accrued income-related parties	-	-	645,711	-
Accrued income-other parties	11,928	16,028	3,581	2,665
Deposit paid	464,776	257,176	-	6,000
Advance payment	15,095	146,670	-	-
Total other accounts receivable	5,285,593	3,875,673	1,154,010	434,372
Total trade and other accounts receivable-net	208,697,856	288,395,314	5,386,968	9,276,612

Aging analyses for trade accounts receivable were as follows :-

8.1 Trade accounts receivable-related parties

(Unit : Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>As at December 31,</u>		<u>As at December 31,</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Domestic trade accounts receivable				
Not yet due	5,498,583	9,189,792	328,910	2,644,354
Overdue not over 3 months	6,036,669	185,937	204,231	96,833
Total	11,535,252	9,375,729	533,141	2,741,187

The normal credit term granted by the Group Companies ranges from 30 days to 90 days.

8.2 Trade accounts receivable-other parties-net

(Unit : Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>As at December 31,</u>		<u>As at December 31,</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Domestic trade accounts receivable				
Not yet due	94,312,263	169,124,727	3,508,083	5,286,672
Overdue not over 3 months	62,006,525	104,858,081	191,704	814,351
Overdue over 3 months but not over 6 months	7,326,175	25,217	-	-
Overdue over 6 months but not over 9 months	33,869,607	2,705,647	-	-
Overdue over 9 months but not over 12 months	9,832,488	-	-	-
Overdue over 12 months	9,992,058	6,561,743	30	30
Total	217,339,116	283,275,415	3,699,817	6,101,053
<u>Less</u> Allowance for doubtful accounts	(25,462,105)	(8,131,503)	-	-
Net	191,877,011	275,143,912	3,699,817	6,101,053

The normal credit term granted by the Group Companies ranges from 5 days to 45 days. For the year ended December 31, 2013 and 2012, in the consolidated financial statements, three subsidiary companies have the bad debt and allowance for doubtful debt made at Baht 17.33 million and Baht 2.45 million respectively.

9. Inventories-net

(Unit : Baht)

	<u>Consolidated financial statements</u>	
	<u>As at December 31,</u>	
	<u>2013</u>	<u>2012</u>
Raw material	112,345,010	874,373,894
Work in process	24,403,484	89,478,547
Finished goods	11,420,409	31,546,439
Supplies	1,914,790	8,862,874
Goods in transit	224,556,868	239,447,134
Total	374,640,561	1,243,708,888
<u>Less</u> Allowance for the cost of goods exceeding net realizable value	(795,629)	(76,948,961)
Net	373,844,932	1,166,759,927

(Unit : Baht)

	<u>Consolidated financial statements</u>	
	<u>For the year ended December 31,</u>	
	<u>2013</u>	<u>2012</u>
Cost of inventory record as expense and include in the cost of goods sold		
- Cost of goods sold	2,149,655,567	2,471,345,623
- Write down to net realizable value (Reversal)	(76,153,332)	76,948,961
Net	<u>2,073,502,235</u>	<u>2,548,294,584</u>

10. Real estate development cost-net

(Unit : Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>As at December 31,</u>		<u>As at December 31,</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Project development cost				
Land cost	66,000,000	-	66,000,000	-
Work in process	9,942,069	-	9,942,069	-
Real estate ready for sale				
Land	31,461,852	31,461,852	31,461,852	31,461,852
Commercial units	-	2,028,715	-	-
Total	<u>107,403,921</u>	<u>33,490,567</u>	<u>107,403,921</u>	<u>31,461,852</u>
<u>Less</u> Allowance for the cost of goods exceeding net realizable value	<u>(8,234,052)</u>	<u>(8,234,052)</u>	<u>(8,234,052)</u>	<u>(8,234,052)</u>
Real estate ready for sale-net	<u>99,169,869</u>	<u>25,256,515</u>	<u>99,169,869</u>	<u>23,227,800</u>

(Unit : Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>For the year ended December 31,</u>		<u>For the year ended December 31,</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Cost of inventory record as expense and include in the cost of goods sold				
- Cost of goods sold	2,028,715	5,761,581	-	5,761,581
- Written down value to net realizable value	-	8,234,052	-	8,234,052
Net	<u>2,028,715</u>	<u>13,995,633</u>	<u>-</u>	<u>13,995,633</u>

11. Other long-term investments-net

(Unit : Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>As at December 31,</u>		<u>As at December 31,</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
11.1 Investments in marketable securities available for sale	4,469,402	4,759,999	4,469,402	4,759,999
<u>Less</u> Revaluation of investment to fair value	(1,653,002)	(1,524,909)	(1,653,002)	(1,524,909)
Investments in marketable securities available for sales-net	2,816,400	3,235,090	2,816,400	3,235,090
11.2 Investment in debt instrument-held to maturity-Bond	750,983	761,094	319,912	318,616
<u>Plus</u> investment in the period	881,324	-	385,548	-
<u>Less</u> Redemption of bonds	(750,000)	-	(320,000)	-
<u>Plus (less)</u> Accumulated amortization of (premium) discount on bonds	(7,295)	(10,111)	(2,667)	1,296
Total	875,012	750,983	382,793	319,912
<u>Less</u> Current portion	-	(431,071)	-	-
Net	875,012	319,912	382,973	319,912
Total Long-term investments-Net	3,691,412	3,555,002	3,199,193	3,555,002

As at December 31, 2013 and 2012, the whole amount of debt security-held to maturity was pledged as collateral for the use of electricity.

12. Investments in subsidiary companies

(Unit : Baht)

<u>Company's name</u>	<u>Paid-up</u>		<u>Percentage of</u>		<u>Separate financial statements</u>		<u>Dividend</u>	
	<u>share capital</u>		<u>investments</u>		<u>Investment cost method</u>		<u>For the year</u>	
	<u>(Unit : Thousand Baht)</u>		<u>investments</u>		<u>As at December 31,</u>		<u>ended December 31,</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
T S G Asset Co., Ltd.	50,000	50,000	79.78	79.78	40,611,143	40,611,143	-	-
T S Oil Industry Co., Ltd.	500,000	500,000	97.16	97.16	488,543,862	488,543,862	-	-
T S Flour Mill Public Co., Ltd.	285,000	285,000	69.34	69.34	197,794,784	197,794,784	29,644,965	98,816,550
T S Warehouse Co., Ltd.	12,500	12,500	64.13	64.13	10,073,145	10,073,145	-	-
T S Transport and Logistics Co., Ltd.	80,000	80,000	85.90	85.90	68,717,800	68,717,800	-	-
Total					805,740,734	805,740,734	29,644,965	98,816,550

13. Investment properties-net

(Unit : Baht)

	Consolidated financial statements			
	Land and Land improvement	Building and improvement	Roads	Total
Cost :-				
As at January 1, 2012	27,140,768	82,963,652	-	110,104,420
Purchase	156,042,791	4,570,310	-	160,613,101
Transfer in	140,586	-	-	140,586
As at December 31, 2012	183,324,145	87,533,962	-	270,858,107
Transfer in	6,323,460	137,319,655	4,691,619	148,334,734
Transfer out	(71,308,114)	(18,022,739)	-	(89,330,853)
As at December 31, 2013	118,339,491	206,830,878	4,691,619	329,861,988
Accumulated depreciation :-				
As at January 1, 2012	-	(29,370,144)	-	(29,370,144)
Depreciation for the year	-	(1,199,732)	-	(1,199,732)
As at December 31, 2012	-	(30,569,876)	-	(30,569,876)
Transfer in	(2,137,220)	(13,817,248)	(1,636,933)	(17,591,402)
Transfer out	-	13,476,981	-	13,476,981
Depreciation for the year	(12,780)	(3,500,806)	(69,420)	(3,583,006)
As at December 31, 2013	(2,150,000)	(34,410,950)	(1,706,353)	(38,267,303)
Allowance for assets impairment :-				
As at January 1, 2012	(282,000)	-	-	(282,000)
Decrease	282,000	-	-	282,000
As at December 31, 2012	-	-	-	-
Transfer in	-	(719,961)	-	(719,961)
As at December 31, 2013	-	(719,961)	-	(719,961)
Net book value :-				
As at December 31, 2012	183,324,145	56,964,086	-	240,288,231
As at December 31, 2013	116,189,491	171,699,967	2,985,266	290,874,724

Depreciation in the statements of income for the years

End of December 31, 2012	1,199,732
End of December 31, 2013	3,583,006

(Unit : Baht)

		Separate financial statement		
	Land	Building and improvement	Work in construction	Total

Cost :

As at January 1, 2012	57,760,622	166,183,210	-	223,943,832
Purchase	156,042,791	34,566,034	-	190,608,825
Transfer in	-	2,719,044	-	2,719,044
Write off	-	(540,356)	-	(540,356)
As at December 31, 2012	213,803,413	202,927,932	-	416,731,345
Purchase	-	-	27,401,251	27,401,251
Transfer in	-	8,447,372	-	8,447,372
Transfer out	(66,000,000)	-	(8,447,372)	(74,447,372)
As at December 31, 2013	147,803,413	211,375,304	18,953,879	378,132,596

Accumulated depreciation :

As at January 1, 2012	-	(147,939,237)	-	(147,939,237)
Depreciation for the year	-	(3,302,260)	-	(3,302,260)
Disposal	-	540,356	-	540,356
As at December 31, 2012	-	(150,701,141)	-	(150,701,141)
Depreciation for the year	-	(4,386,951)	-	(4,386,951)
As at December 31, 2013	-	(155,088,092)	-	(155,088,092)

Net book value :

As at December 31, 2012	213,803,413	52,226,791	-	266,030,204
As at December 31, 2013	147,803,413	56,287,212	18,953,879	223,044,504

Depreciation in the statements of income for the years

End of December 31, 2012	3,302,260
End of December 31, 2013	4,386,951

For the year ended December 31, 2013 and 2012, investment properties caused rental income recognized in the statement of income being shown as in the consolidated financial statements of Baht 49.96 million and Baht 15.50 million respectively and in the separate financial statements of Baht 61.92 million and Baht 65.31 million respectively.

As at December 31, 2013 and 2012, the Group Companies have the assets for lease with the book value stated in the consolidated financial statements of Baht 298.73 million and Baht 172.64 million respectively and in the separate financial statements of Baht 110.59 million and Baht 107.54 million respectively were pledged as collateral against credit facilities given by two commercial banks as detailed in the notes to financial statements No. 15.

As at December 31, 2013 and 2012, a subsidiary company's building improvements, building and work in construction of factory buildings amounting of Baht 124.63 million and Baht 6.36 million respectively, were constructed on the land lease from the Company, When the contractual term expired or terminated, the lessee shall hand over the land together with the construction (if applicable) in the condition as is on the contractual term expiration date to the lessor, except the contractual parties have agreed otherwise regarding the construction on the leased land.

As at December 31, 2013 and 2012, Fair value of investment properties (excluding work-in-progress) in the consolidated financial statements of Baht 302.65 million and Baht 273.20 million respectively, and in the separate financial statements of Baht 633.89 million and Baht 718.37 million respectively, the Group Companies arranged for the fair value of the investment property by utilizing the work of an independent appraiser, whom has been approved by the Office of Securities and Exchange Commission, using the income approach for the real estate available for rent and using the cost approach for the real estate without clear intention for its usage. The estimated price for the year 2013 is similar to the price for the year 2012. The Company's management received the confirmation from its appraiser that the bases for both 2013 and 2012 the estimation are the same. There is no any significant material difference so that the Company is able to use it for the year 2013.

In addition, the Group Companies have used work of an independent appraiser to revise the useful lives and the scrap values of investment property by applying the replacement cost method. The Group companies recorded the said changes by prospectively applied method, thus resulting in the decrease in depreciation charge in the consolidated and in the separate financial statements for the year ended December 31, 2012 by Baht 3.94 million and Baht 3.19 million respectively. The revised estimated useful lives of assets are as follows: -

	<u>Previous rate</u>	<u>New rate</u>
Building and building improvement	4-20 years	16-72 years
Machinery and equipment	5 years	38 years

14. Property, plant and equipment-net

(Unit: Baht)

	Consolidated financial statements							
	Land and land Leasehold improvement	Building and construction	Roads	Ports	Machine and equipment	Motor vehicles	Work in construction and machine during installation	Total
Cost :								
As at January 1, 2012	97,176,726	551,622,781	30,914,208	45,388,696	921,828,384	38,021,181	47,543,807	1,732,495,783
Purchase	-	31,279,033	6,064,532	-	12,922,456	26,229,067	33,929,071	110,424,159
Transfer in	-	7,806,443	140,782	-	57,647,569	-	-	65,594,794
Disposal/Write off	-	(3,371,089)	-	-	(3,048,000)	(4,094,615)	(10,000)	(10,523,704)
Transfer out	(140,586)	-	-	-	(903,313)	-	(65,594,794)	(66,638,693)
As at December 31, 2012	97,036,140	587,337,168	37,119,522	45,388,696	988,447,096	60,155,633	15,868,084	1,831,352,339
Purchase	12,000	69,610	-	-	9,530,492	8,000	63,259,319	72,879,421
Interest expense capitalized to cost of assets	-	-	-	-	-	-	136,499	136,499
Transfer in	5,308,114	27,522,258	812,460	-	8,580,358	-	5,653,954	47,877,144
Disposal/Write off	-	-	-	-	(1,497,793)	(2,985,250)	-	(4,483,043)
Transfer out	(6,323,460)	(137,319,655)	(4,691,619)	-	-	-	(24,546,291)	(172,881,025)
As at December 31, 2013	96,032,794	477,609,381	33,240,363	45,388,696	1,005,060,153	57,178,383	60,371,565	1,774,881,335
Capital surplus from revaluation of assets								
As at January 1, 2012	490,660,740	-	-	-	-	-	-	490,660,740
Increase	107,466,691	-	-	-	-	-	-	107,466,691
As at December 31, 2012	598,127,431	-	-	-	-	-	-	598,127,431
Transfer in	21,841,886	-	-	-	-	-	-	21,841,886
Transfer out	(34,642,790)	-	-	-	-	-	-	(34,642,790)
As at December 31, 2013	585,326,527	-	-	-	-	-	-	585,326,527
Accumulated depreciation :-								
As at January 1, 2012	(2,024,919)	(303,381,871)	(25,774,726)	(42,779,129)	(296,086,889)	(20,322,715)	-	(690,370,249)
Disposal	-	3,100,978	132,905	-	2,803,484	4,303,143	-	10,340,510
Depreciation for the year	(75,073)	(12,336,161)	(2,025,446)	(448,632)	(46,890,255)	(4,846,947)	-	(66,622,514)
As at December 31, 2012	(2,099,992)	(312,617,054)	(27,667,267)	(43,227,761)	(340,173,660)	(20,866,519)	-	(746,652,253)
Transfer in	-	(13,476,981)	-	-	-	-	-	(13,476,981)
Disposal/Write off	-	-	-	-	1,448,887	2,025,238	-	3,474,125
Transfer out	2,137,220	13,817,249	1,636,933	-	-	-	-	17,591,402
Depreciation for the year	(37,228)	(10,718,668)	(1,596,199)	-	(43,165,727)	(5,863,426)	-	(61,381,248)
As at December 31, 2013	-	(322,995,454)	(27,626,533)	(43,227,761)	(381,890,500)	(24,704,707)	-	(800,444,955)
Allowance for assets impairment :-								
As at January 1, 2012	-	(501,207)	-	-	-	-	-	(501,207)
Increase	-	(719,961)	-	-	(200,174)	-	-	(920,135)
As at December 31, 2012	-	(1,221,168)	-	-	(200,174)	-	-	(1,421,342)
Transfer out	-	719,961	-	-	-	-	-	719,961
As at December 31, 2013	-	(501,207)	-	-	(200,174)	-	-	(701,381)
Net book value :-								
As at December 31, 2012	693,063,579	273,498,946	9,452,255	2,160,935	648,073,262	39,289,114	15,868,084	1,681,406,175
As at December 31, 2013	681,359,321	154,112,720	5,613,830	2,160,935	622,969,479	32,473,676	60,371,565	1,559,061,526
Depreciation in the statements of income for the years :-								
End of December 31, 2012								66,622,514
End of December 31, 2013								61,381,248

(Unit: Baht)

	Separate financial statements							Total
	Land and land	Building and	Roads	Ports	Machine and	Motor	Work in construction	
	leasehold	construction			equipment	vehicles	and machine during	
	improvement						installation	
Cost :								
As at January 1, 2012	45,036,285	18,260,062	21,457,493	45,388,695	80,229,741	1,278,000	3,350,726	215,001,002
Purchase	-	464,258	6,032,532	-	882,313	23,043,447	1,574,150	31,996,700
Transfer in	-	-	140,782	-	-	-	-	140,782
Disposal/Write off	-	(2,830,733)	-	-	(2,000,000)	(650,000)	-	(5,480,733)
Transfer out	-	-	-	-	-	-	(2,859,826)	(2,859,826)
As at December 31, 2012	45,036,285	15,893,587	27,630,807	45,388,695	79,112,054	23,671,447	2,065,050	238,797,925
Purchase	12,000	-	-	-	443,037	8,000	707,355	1,170,392
Transfer in	-	809,780	812,460	-	-	-	-	1,622,240
Transfer out	-	-	-	-	-	-	(1,622,240)	(1,622,240)
As at December 31, 2013	45,048,285	16,703,367	28,443,267	45,388,695	79,555,091	23,679,447	1,150,165	239,968,317
Capital surplus from revaluation of assets:-								
As at January 1, 2012	232,612,815	-	-	-	-	-	-	232,612,815
Increase	48,685,721	-	-	-	-	-	-	48,685,721
As at December 31, 2012	281,298,536	-	-	-	-	-	-	281,298,536
As at December 31, 2013	281,298,536	-	-	-	-	-	-	281,298,536
Accumulated depreciation :-								
As at January 1, 2012	-	(12,852,672)	(20,950,593)	(42,779,130)	(78,431,622)	(855,588)	-	(155,869,605)
Depreciation for the year	-	(208,004)	(1,069,928)	(448,631)	(645,904)	(544,407)	-	(2,916,874)
Disposal/Write off	-	2,560,622	-	-	1,999,999	292,589	-	4,853,210
As at December 31, 2012	-	(10,500,054)	(22,020,521)	(43,227,761)	(77,077,527)	(1,107,406)	-	(153,933,269)
Depreciation for the year	-	(303,603)	(1,487,691)	-	(720,625)	(2,471,723)	-	(4,983,642)
As at December 31, 2013	-	(10,803,657)	(23,508,212)	(43,227,761)	(77,798,152)	(3,579,129)	-	(158,916,911)
Allowance for assets impairment :-								
As at December 31, 2012	-	(501,207)	-	-	-	-	-	(501,207)
As at December 31, 2013	-	(501,207)	-	-	-	-	-	(501,207)
Net book value :-								
As at December 31, 2012	326,334,821	4,892,326	5,610,286	2,160,934	2,034,527	22,564,041	2,065,050	365,661,985
As at December 31, 2013	326,346,821	5,398,503	4,935,055	2,160,934	1,756,939	20,100,318	1,150,165	361,848,735
Depreciation in the statements of income for the years :-								
End of December 31, 2012								2,916,874
End of December 31, 2013								4,983,642

As at December 31, 2013 and 2012, five subsidiary companies's building improvements, building and work in construction of factory buildings amounting of Baht 94.24 million and Baht 225.59 million respectively, were constructed on the land lease from the Company, when the contractual term expired or terminated, the lessee shall hand over the land together with the construction (if applicable) in the condition as is on the contractual term expiration date to the lessor, except the contractual parties have agreed otherwise regarding the construction on the leased land.

As at December 31, 2013 and 2012, buildings, equipment and vehicles as in the consolidated financial statements at cost values of Baht 194.62 million and Baht 192.60 million respectively and in the separate financial statements of Baht 153.39 million and Baht 153.13 million respectively, were fully depreciated but still in use.

As at December 31, 2013 and 2012, the Group Companies has land, constructions and machines with the book value stated in the consolidated financial statements of Baht 402.54 million and Baht 823.41 million respectively and in the separate financial statements of Baht 54.36 million and 57.41 million and, were pledged as collateral against credit facilities given by commercial banks as detailed in the notes to financial statements No. 15. In addition, during 2013, a subsidiary company settled the obligations of mortgage as well as assets pledged as guarantees to the lenders. And abided by the Negative pledge to financial institution not to engage any financial burden on a factory, machines and related equipment held at the present in amount of Baht 257.02 million and in the future as mentioned in the notes to financial statement No.15.

As at December 31, 2013 and 2012, the vehicles as in the consolidated financial statements at the book value amount of Baht 8.01 million and Baht 9.51 million respectively and in the separate financial statements of Baht 5.79 million and Baht 6.66 million respectively, are assets under the long-term lease contracts as mentioned in the notes to the financial statements No. 19.

For the year ended December 31, 2013, a subsidiary company had capitalized the costs of loan of Baht 0.14 million to the work in progress. The costs of loan are loaned for the purpose of a production expansion and a new silo construction as mentioned in the notes to financial statements No.18.

In 2012, the Group Companies have revised the useful lives and the scrap values of building and construction, machinery and equipments by utilizing the work of an independent appraiser, whom has been approved by the Office of Securities and Exchange Commission, by applying the replacement cost method for the appraisal of the assets to find the scrap values and the net remaining useful lives of the construction and machinery. The Group companies recorded the said changes by prospectively applied method, thus resulting in the decrease in depreciation charge in the consolidated and in the separate financial statements for the year ended December 31, 2012 by Baht 1.67 million and Baht 0.87 million respectively. The revised estimated useful lives of assets are as follows: -

	<u>Previous rate</u>	<u>New rate</u>
Building and Building improvement	15-30 years	5-70 years
Machinery and Equipment	5-30 years	5-20 years
Ports	5 years	45 years

15. Credit facilities and guarantee

As at December 31, 2013, The Company and four subsidiaries (2012 : The Company and all subsidiaries) received the following credit facilities from financial institutions; bank overdraft, short-term and long-term loans from the financial institution, trust receipts, letter of credit and forward exchange contracts as mentioned in the notes to financial statements No. 16, 18 and 30.1. The credit facilities are guaranteed by the mortgage registration of land together with the warehouse building, factory plant building, machines, factory plant building in construction and machine during installation when their construction and installation are completed, the leasehold right of the land where the factories are located of the Company and the subsidiary companies as mentioned in the notes to financial statements No. 13 and 14. The guarantee included the fire insurance for the constructions and machines with the equipments at the maximum limit accepted by the insurance company and forfeit the benefit from the insurance to the bank as the beneficiary. The Group Companies jointly offer their guarantee. The other material terms of the credit facility agreements are :-

- The Company must maintain the debt to equity ratio in the consolidated financial statements to not exceeding 1:1.
- The Company must maintain the debt service coverage ratio at not less than 1.2 : 1.

During 2013, a subsidiary company was granted new credit facilities from two financial institutions as mentioned in the notes to financial statements No.16, 18 and 30.1. The subsidiary company needs to settle the obligations of mortgage as well as assets pledged as guarantees to the lenders, and the subsidiary company already implemented in October 2013, including important covenants as follow:-

1. The subsidiary company (the borrower) shall maintain Debt Service Coverage Ratio not lower than 1.2.
2. The subsidiary company (the borrower) shall maintain Interest Bearing Debt to Equity (IBD/E) not exceed 2.5 in year 2013-2015 and 2.0 onwards.
3. The subsidiary company (the borrower) shall not pay dividend exceed 50 % of net income per year.
4. Khon Kaen Sugar Industry Public Co., Ltd. and Thai Sugar Terminal Public Co., Ltd. shall maintain shareholder (direct or indirect) not lower than 51 %.

In addition, the financial institution which used to give the subsidiary company's credit facilities has increased and decreased credit facilities of Letter of credit, Trust receipt, Short-term loan and Forward exchange contract as mentioned in the notes to financial statements No. 16 and 30.1 and changed the condition of credit facilities to under Negative Pledge terms.

16. Short-term loans from financial institutions

(Unit : Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>As at December 31,</u>		<u>As at December 31,</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Loans in form of promissory notes	174,000,000	880,000,000	100,000,000	100,000,000
Trust Receipts	277,277,611	163,034,340	-	-
Total	451,277,611	1,043,034,340	100,000,000	100,000,000

As at December 31, 2013 and 2012, the Group Companies obtained loans from financial institutions in form of promissory notes with the terms range from 1 to 3 months from commercial banks bearing the interest rates at 3.50%-3.80 % per annum and 3.65%-4.10% per annum respectively.

As at December 31, 2013 and 2012, in the consolidated financial statements, the entire amount of trust receipts are loans in Baht currency of two subsidiary companies with the terms ranging from 1 to 3 months and bearing the fixed interest rate basing on the financial market situation under conditions of the trust receipt agreement. The subsidiary companies would receive imported goods by using credit facility from financial institution, thus the subsidiary companies have obligation to that financial institution for the value of imported goods, both being stored or already sold.

Loans in the form of promissory note and trust receipt have the collateral as mention in the notes to financial statements No. 15.

17. Trade and other accounts payable

(Unit : Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>As at December 31,</u>		<u>As at December 31,</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Trade accounts payable-Related parties	-	-	-	256,800
Trade accounts payable-Other parties	36,460,194	305,343,853	346,829	826,959
Total trade accounts payable	36,460,194	305,343,853	346,829	1,083,759
Other accounts payable	7,781,886	15,381,807	4,143	782,815
Payable for asset purchased	5,310,581	5,106,168	5,310,581	938,020
Accrued expenses-Related parties	5,411,576	6,240,769	5,509,178	6,240,769
Accrued expenses-Other parties	30,653,904	23,034,938	2,931,528	1,819,339
Retention	2,529,672	2,379,843	1,321,586	1,475,379
Other	428,828	1,578,609	-	27,000
Total other accounts payable	52,116,447	53,722,134	15,077,016	11,283,322
Total trade and other accounts payable	88,576,641	359,065,987	15,423,845	12,367,081

18. Long-term loans from financial institutions

(Unit : Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>As at December 31,</u>		<u>As at December 31,</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Loans from financial institution				
(1 st Credit line in Baht 190 million)	103,750,000	151,250,000	103,750,000	151,250,000
(2 nd Credit line in Baht 50 million)	38,380,000	48,340,000	38,380,000	48,340,000
(3 rd Credit line in Baht 550 million)	20,916,585	-	-	-
Total	163,046,585	199,590,000	142,130,000	199,590,000
<u>Less</u> Current portion of long-term loans	(75,460,000)	(57,460,000)	(57,460,000)	(57,460,000)
Net	87,586,585	142,130,000	84,670,000	142,130,000

The movements in loans for the year ended December 31, 2013 and 2012 is as follows :-

(Unit : Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Beginning book value	199,590,000	196,000,000	199,590,000	-
Increase in the year	20,916,585	225,000,000	-	225,000,000
Repaid in the year	(57,460,000)	(221,410,000)	(57,460,000)	(25,410,000)
Ending book value	163,046,585	199,590,000	142,130,000	199,590,000

As at December 31, 2013 and 2012, the Company obtained loans from a financial institution.

The credit facilities obtained can be classified into three credit lines with important covenants as follows:-

18.1 1st Credit line of the Company with Baht 190.00 million credit limit

- The principal must be repaid on six-monthly installments in total of 8 installments at Baht 23.75 million per installment on the last working day of June and December of each year. The first installment must be made in December 2012.
- The interest rate of MLR-2.00% per annum. The interest is payable at the end of each month.
- Guaranteed by the collaterals and have other significant covenants under the contract as mentioned in the notes to financial statements No. 15.

18.2 2nd Credit line of the Company with Baht 50.00 million credit limit

- The principal must be repaid on monthly installments in total of 60 installments, of which the first installment until the 59 installment at Bath 0.83 million per installment and payment of all the rest for the final installment to be paid on the last working day of each month. The first installment must be made in November 2012.
- Interest rate is AMLR per annum. The interest is payable at the end of each month. (Interest rate of AMLR is the interest rate of MLR average of BBL, KTB, SCB and KBANK).
- Guaranteed by the collaterals and have other significant covenants under the contract as mentioned in the notes to financial statements No. 15.

18.3 3rd Credit line of a subsidiary company with Baht 550.00 million credit limit

- The principal includes Baht 400.00 million and Baht 150.00 million utilized for the purpose of a production expansion and a new silo construction accordingly. The payment installment will be made at the end of each quarter beginning the first installment at the end of December 2014. The payment for each purpose includes Baht 18.00 million and Baht 6.80 million respectively. The last payment will be made on the last working day of March 2020.
- The MLR-MARGIN interest rate of 2.375% per annum will be paid at the end of each month.
- Collaterals and other significant covenants as mentioned in the notes to financial statements No.15.

19. Liabilities under long-term lease contract-net

Consisted of the minimum repayments under the long-term lease contracts as follows :-

(Unit : Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>As at December 31,</u>		<u>As at December 31,</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Liabilities under long-term lease contract				
- Current portion	2,057,792	2,057,793	1,316,804	1,316,805
- Due in 1-5 years	6,691,203	8,748,995	4,944,207	6,261,011
Total liabilities under long-term lease contract	8,748,995	10,806,788	6,261,011	7,577,816
<u>Less</u> Future interest in payable for liabilities under long-term lease contract	(893,500)	(1,316,423)	(684,100)	(963,746)
Present value of long-term lease contract	7,855,495	9,490,365	5,576,911	6,614,070
<u>Less</u> Current portion of long-term liabilities	(1,717,292)	(1,634,869)	(1,085,867)	(1,037,159)
Liabilities under long-term lease contract-net	6,138,203	7,855,496	4,491,044	5,576,911

As at December 31, 2013 and 2012, the Group Companies had entered into financial lease contracts with a leasing company for the contractual terms of 3-4 years, bearing the interest rates of 4.37%-5.65% per annum same rate for both years. The ownership of the leased assets still vest with the lessor until the Company or subsidiary companies have met all the obligations as stipulated in the agreements.

20. Employee benefit obligations

The Group Companies operate a post employment benefit and pension based on the requirement of Thai Labour Protection Act B.E. 2541 to provide retirement benefits to employees based on their entitlement and length of service.

Movement in the employee benefit obligations for the years ended December 31, 2013 and 2012 are as follows :-

(Unit : Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Employee benefit obligations as at January 1,	19,034,950	26,392,279	11,713,351	15,010,160
<u>Add</u> Current service cost and interest	1,028,872	2,385,633	772,729	1,193,322
<u>Less</u> Benefits paid by the plan	(2,056,579)	(677,484)	(532,245)	(416,250)
Actuarial gains	-	(9,065,478)	-	(4,073,881)
Employee benefit obligations as at December 31,	18,007,243	19,034,950	11,953,835	11,713,351

Expenses recognized in statement of income for the year ended December 31, 2013 and 2012 are as follows :-

(Unit : Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Current service costs	644,064	1,677,781	501,226	751,370
Interest on obligations	384,808	707,852	271,503	441,952
Total	1,028,872	2,385,633	772,729	1,193,322

The said expenses are shown collectively under the following captions:

Cost of sales	573,712	778,967	442,933	408,758
Administrative expenses	455,160	1,606,666	329,796	784,564
Total	1,028,872	2,385,633	772,729	1,193,322

Principal actuarial assumptions at the reporting date are as follows: -

	<u>Consolidated financial statements</u>	<u>Separate financial statements</u>
Discount rate	3.49%-4.04%	3.78%
Salary increase rate	5.00%	5.00%
Employee turnover rate	Age band	Age band
Retirement age	55 years old	55 years old

Assumptions on the future mortality rate hold to the publicly published statistic information. The discount rate is based on the interest rate of long-term government bonds which the maturity dates nearby maturity of the employee's remuneration debt.

21. Deferred tax liabilities

Deferred tax assets and liabilities as at December 31, 2013 and 2012 were as follows:

(Unit : Baht)

	<u>Consolidated financial statement</u>		<u>Separate financial statement</u>	
	<u>As at December 31,</u>		<u>As at December 31,</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Deferred tax assets	23,121,894	11,369,197	5,583,801	6,575,146
Deferred tax liabilities	(123,958,589)	(143,288,327)	(60,179,863)	(67,830,599)
Net	(100,836,695)	(131,919,130)	(54,596,062)	(61,255,453)

Movements in total deferred tax assets and liabilities for the years ended December 31, 2013 and 2012 were as follows:

(Unit : Baht)

	Consolidated financial statement				Separate financial statement			
	As at January 1, 2013	(Charged) / credited to statements of income (Note 27)	(Charged)/ credited to statements of comprehensive income (Note 27)	As at December 31, 2013	As at January 1, 2013	(Charged) / credited to statements of income (Note 27)	(Charged)/ credited to statements of comprehensive income (Note 27)	As at December 31, 2013
Deferred tax assets								
Trade and other accounts								
receivable-net	1,509,201	3,583,220	-	5,092,421	-	-	-	-
Inventories-net	141,489	17,637	-	159,126	-	-	-	-
Real estate development cost	1,893,832	(247,022)	-	1,646,810	1,893,832	(247,022)	-	1,646,810
Employee benefit obligations	4,139,190	(537,741)	-	3,601,449	2,694,071	(303,304)	-	2,390,767
Others	3,685,485	8,956,732	(20,129)	12,622,088	1,987,243	(420,890)	(20,129)	1,546,224
Total	11,369,197	11,772,826	(20,129)	23,121,894	6,675,146	(971,216)	(20,129)	5,583,801
Deferred tax liability								
Property, plant and equipment	(138,858,369)	(530,789)	20,504,004	(118,885,154)	(64,897,751)	(200,629)	8,438,956	(56,659,424)
Others	(4,429,958)	(643,477)	-	(5,073,435)	(2,932,848)	(587,591)	-	(3,520,439)
Total	(143,288,327)	(1,174,266)	20,504,004	(123,958,589)	(67,830,599)	(788,220)	8,438,956	(60,179,863)
Net	(131,919,130)	10,598,560	20,483,875	(100,836,695)	(61,255,453)	(1,759,436)	8,418,827	(54,596,062)

(Unit : Baht)

	Consolidated financial statement				Separate financial statement			
	As at January 1, 2012	(Charged) / credited to statements of income (Note 27)	(Charged)/ credited to statements of comprehensive income (Note 27)	As at December 31, 2012	As at January 1, 2012	(Charged) / credited to statements of income (Note 27)	(Charged)/ credited to statements of comprehensive income (Note 27)	As at December 31, 2012
Deferred tax assets								
Trade and other accounts								
receivable-net	1,704,749	(195,548)	-	1,509,201	-	-	-	-
Inventories-net	10,075,895	(9,934,406)	-	141,489	-	-	-	-
Real estate development cost	-	1,893,832	-	1,893,832	-	1,893,832	-	1,893,832
Employee benefit obligations	7,048,645	(2,909,455)	-	4,139,190	4,503,048	(1,808,977)	-	2,694,071
Others	3,126,421	781,587	(222,523)	3,685,485	723,614	1,486,152	(222,523)	1,987,243
Total	21,955,710	(10,363,990)	(222,523)	11,369,197	5,226,662	1,571,007	(222,523)	6,575,146
Deferred tax liability								
Property, plant and equipment	(147,981,337)	(505,945)	9,628,913	(138,858,369)	(69,783,844)	(199,088)	5,085,181	(64,897,751)
Others	(1,950,024)	(2,479,934)	-	(4,429,958)	-	(2,932,848)	-	(2,932,848)
Total	(149,931,361)	(2,985,879)	9,628,913	(143,288,327)	(69,783,844)	(3,131,936)	5,085,181	(67,830,599)
Net	(127,975,651)	(13,349,869)	9,406,390	(131,919,130)	(64,557,182)	(1,560,929)	4,862,658	(61,255,453)

As at December 31, 2013, the Group companies had temporary differences mainly arising from the unutilized tax losses carry forward which have not been recognized as deferred tax assets in the statement of financial position totaling Baht 35.08 million (because it is not probable that it will be able to utilize the tax benefit in the foreseeable future).

22. Share capital

	2013		2012	
	Number	Amount	Number	Amount
	of share (Unit : share)	(Unit : Baht)	of share (Unit : share)	(Unit : Baht)
Registered share capital (Baht 1.00 per share)				
Beginning ordinary shares	132,000,000	132,000,000	132,000,000	132,000,000
Decreased shares during in the year	(30)	(30)	-	-
Increased shares during in the year	13,199,997	13,199,997	-	-
Ending ordinary shares	<u>145,199,967</u>	<u>145,199,967</u>	<u>132,000,000</u>	<u>132,000,000</u>
Issued and paid-up share capital (Baht 1.00 per share)				
Beginning ordinary shares	131,999,970	131,999,970	131,999,970	131,999,970
Increased shares during in the year	13,199,959	13,199,959	-	-
Ending ordinary shares	<u>145,199,929</u>	<u>145,199,929</u>	<u>131,999,970</u>	<u>131,999,970</u>

In accordance to the minutes of the annual general meeting of shareholders No.1/2556 held on April 25, 2013, the significant resolutions are as follows:-

- 22.1 To approve the capital reduction and the amendment of the memorandum of association, it resolved to reduce the capital of the Company from Baht 132,000,000.00 to Baht 131,999,970.00 by way of allotment of such share of outstanding stock by resolution of the annual general meeting of shareholders for the year 2008 a total of 30 shares, par value of Baht 1.00 per share and amended the memorandum of association of the Company in accordance with the reduction of capital.
- 22.2 To approve the increase of the Company's registered capital value to fulfil the payment of stock dividends and amendment of the memorandum of association to the new registered capital of Baht 145,199,967.00 by the issue of 13,199,997 new ordinary shares of Baht 1.00 and amended the memorandum of association of the Company in accordance with the capital increase.

The Company has registered the reduction and increase of the Company's registered capital and the amendments of the Memorandum of Association and the Articles of Association of the Company with the Ministry of Commerce on May 27, 2013.

23. Dividend paid and legal reserve

Dividend	Approved by	Cash and stock Dividend paid (Unit: Baht)	Dividend paid per share	Stock dividend paid per share	Date of dividend payment
Payment announced from the profit of the year 2012	the Annual General Meeting of shareholder's meeting no.1/2556 held on April 25, 2013	44,879,990	Baht 0.24	Baht 0.10*	May 23, 2013
Payment announced from the profit of the year 2011	the Annual General Meeting of shareholder's meeting no.1/2555 held on April 26, 2012	31,679,993	Baht 0.24	-	May 25, 2012

* Pay dividend shares of stock of the Company of 131,999,970 shares at the rate of 10 ordinary shares to 1 new share at par value of Baht 1.00 per share and a stock dividend of all 13,199,959 shares amounting to Baht 13,199,959.00 dividend per share Baht 0.10. In case of fractional shares the company will paid dividend to the shareholders at the rate of bath 0.10 per share.

In accordance to the minutes of the annual general meeting of shareholders No.1/2556 held on April 25, 2013, the resolution to appropriate the amount of Baht 1.32 million to the legal reserve as required by law.

Section 116 of the Public Limited Company Act B.E. 2535 requires that a company shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward (if any), to a reserve account ("legal reserve"), until this account reaches an amount not less than 10% of the registered authorised capital. The legal reserve is not available for dividend distribution. The Company has appropriated the legal reserve to the full amount as required.

24. Capital management

The primary objectives of the Group Companies capital management are to maintain their ability to continue as a going concern, to maintain an appropriate capital structure and to maintain the debt to equity ratio not exceeding the covenants of the loan agreements.

As at December 31, 2013 and 2012, in the consolidated financial statements, debt to equity ratio is 0.49 : 1.00 and 1.03 : 1.00 respectively and the separate financial statements, debt to equity ratio is 0.32 : 1.00 and 0.39 : 1.00 respectively.

25. Administrative expenses

For the year ended December 31, 2013 and 2012, a portion of the administrative expenses amounting to Baht 10.86 million and Baht 11.06 million respectively in the consolidated financial statements and Baht 6.88 million and Baht 7.07 million respectively in the separate financial statements respectively are benefits paid to directors of the Company in accordance to Section 90 of Public Company Act which exclude salaries and related fringe benefits paid to the executive directors of the Company.

26. Natures of expense

(Unit : Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>For the year ended December 31,</u>			
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Salaries, wages and other benefits to employees	143,686,467	154,194,665	43,313,268	37,983,206
Raw material and supplies used	1,873,295,353	2,165,783,457	-	-
Purchased finished goods	117,965,692	123,379,651	-	-
Changes in finished goods and work in process	79,977,289	22,464,191	-	-
Write down to net realizable value (Reversal)	(76,153,332)	76,948,961	-	-
Real estate costs	2,028,715	5,761,581	-	5,761,581
Depreciation	64,964,254	67,822,245	9,370,593	6,219,134
Transportation expenses	28,707,916	33,549,803	-	-
Operating expenses-warehouse	40,026,833	41,676,143	44,579,235	60,045,562
Public utility fee	52,337,620	47,218,234	4,811,274	5,684,374
Financial Cost	41,720,191	52,148,594	12,374,445	6,934,137
Other operating expenses	69,605,157	146,720,951	14,528,413	21,619,220
Total	2,438,162,155	2,937,668,476	128,977,228	144,247,214

27. Income tax expense

Income tax recognised in profit and loss for the year ended on December 31, 2013 and 2012 with the following details:-

(Unit : Baht)

	<u>Consolidated financial statement</u>		<u>Separate financial statement</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Current income tax expense	37,549,065	52,022,582	15,787,670	27,729,937
Deferred tax expense (Note 21)				
Movements in temporary differences	(11,289,793)	9,201,181	1,356,069	475,133
Effects of charges in the applicable tax rates reduction	691,233	4,148,688	403,367	1,085,796
Income tax expense	<u>26,950,505</u>	<u>65,372,451</u>	<u>17,547,106</u>	<u>29,290,866</u>

Income tax recognized in other comprehensive income for the year ended on December 31, 2013 and 2012 with the following details:-

(Unit : Baht)

	<u>Consolidated financial statements</u>					
	2013			2012		
	Before	Tax	Net of	Before	Tax	Net of
	tax	(expense)	tax	tax	(expense)	tax
		benefit			benefit	
Revaluation differences on assets	(12,800,904)	20,504,004	7,703,100	107,466,691	9,628,913	117,095,604
Fair value changes on investments	(128,092)	(20,129)	(148,221)	385,932	(222,523)	163,409
Total	<u>(12,928,996)</u>	<u>20,483,875</u>	<u>7,554,879</u>	<u>107,852,623</u>	<u>9,406,390</u>	<u>117,259,013</u>

(Unit : Baht)

	<u>Separate financial statements</u>					
	2013			2012		
	Before	Tax	Net of	Before	Tax	Net of
	tax	(expense)	tax	tax	(expense)	tax
		benefit			benefit	
Revaluation differences on assets	-	8,438,956	8,438,956	48,685,721	5,085,181	53,770,902
Fair value changes on investments	(128,092)	(20,129)	(148,221)	385,932	(222,523)	163,409
Total	<u>(128,092)</u>	<u>8,418,827</u>	<u>8,290,735</u>	<u>49,071,653</u>	<u>4,862,658</u>	<u>53,934,311</u>

Reconciliation between income tax expenses and the product of accounting profit multiplied by the applicable tax rates for the years ended December 31, 2013 and 2012 as follows: -

(Unit : Baht)

	Consolidated financial statements	
	2013	2012
Accounting profit (loss) before tax	117,023,982	(88,079,849) 372,215,987
Applicable tax rate	20%	0% 23%
Accounting profit before tax multiplied by applicable tax rate	23,404,796	- 85,609,677
Effects of:		
Additional taxable income	(21,537,537)	- (33,109,926)
Non-deductible expenses	5,679,603	- 3,062,302
Loss brought forward	33,416,421	- -
Others	(3,414,218)	- (3,539,471)
Total	37,549,065	- 52,022,582
Income tax rate reduction	691,233	- 4,148,688
Movements in temporary differences	(11,289,793)	- 9,201,181
Income tax expenses reported in income statement	26,950,505	- 65,372,451

(Unit : Baht)

	Separate financial statements	
	2013	2012
Accounting profit before tax	115,414,918	221,872,572
Applicable tax rate	20%	23%
Accounting profit before tax multiplied by applicable tax rate	23,082,996	51,030,692
Effects of:		
Additional taxable income	(6,176,795)	(24,612,222)
Non-deductible expenses	77,956	2,253,411
Others	(1,196,487)	(941,944)
Total	15,787,670	27,729,937
Effects of charges in the applicable tax rates reduction	403,367	1,085,796
Movements in temporary differences	1,356,069	475,133
Income tax expenses reported in income statement	17,547,106	29,290,866

Royal Decree No. 530 B.E. 2554 dated December 21, 2011 grants a reduction in the corporate income tax rate for the three accounting periods 2012, 2013 and 2014; from 30% to 23% for the accounting period 2012 which begins on or after January 1, 2012 and to 20% for the following two accounting periods 2013 and 2014 which begin on or after January 1, 2013 and 2014, respectively, deferred tax expected to reverse in the year, has been measured using the effective rate.

It is understood that the Government will proceed to amend the law in order to maintain the corporate income tax rate at not higher than 20% for the accounting period 2015 which begins on or after January 1, 2015 and onwards in order to give full effect to the Cabinet resolution dated October 11, 2011 to increase Thailand's tax competitiveness.

28. Earnings per share

Basic earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the number of issued and paid-up ordinary shares during the year.

	<u>Consolidated</u>		<u>Separate</u>	
	<u>financial statements</u>		<u>financial statements</u>	
	<u>For year ended December 31,</u>			
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Profit for the year (Unit : Baht)	37,653,050	104,145,144	97,867,872	192,581,706
Number of issued and paid-up ordinary shares (Unit : Shares)	145,199,929	145,199,929	145,199,929	145,199,929
Basic earnings per share (Baht/Share)	0.26	0.72	0.67	1.33

29. Financial information by sectoral

Details of the sectoral business operations in the consolidated financial statements for the year ended December 31, 2013 and 2012, are as follows:-

(Unit : Thousand Baht)

	Transportation and warehouse rental service		Residential condominium rental service		Palm oil distribution		Producer manufacturer & distributor of wheat flour and polypropylene bag		Real estate		Other business		Inter-transaction		Total	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
Revenue from sales	-	-	-	-	1,033,259	1,611,331	1,170,001	1,096,849	-	-	-	-	(13,277)	(10,701)	2,189,983	2,697,479
Revenue from services	313,358	366,114	9,328	9,101	25,651	79,566	-	-	61,916	-	7,948	11,223	(93,409)	(101,232)	324,792	364,772
Revenue from real estate activities	-	-	-	-	-	-	-	-	2,150	8,860	-	-	-	-	2,150	8,860
Profit from operation	140,892	215,891	5,028	4,344	(56,924)	(5,963)	166,284	168,997	62,037	3,098	1,503	1,567	(19,328)	(23,090)	299,492	364,844
Other income															10,981	48,459
Selling expenses															(44,821)	(53,273)
Administrative expenses															(134,187)	(125,979)
Financial cost															(41,720)	(52,149)
Income tax expenses															(26,951)	(65,373)
Net profit from operation															62,794	116,529
(Less) profit of non-controlling interests of the subsidiaries															(25,141)	(12,384)
Profit for the years															37,653	104,145
Assets used in operation as at December 31, :-																
Trade and other accounts receivable-net	10,271	15,181	375	357	38,906	138,339	161,867	136,309	-	-	-	-	(2,721)	(1,791)	208,698	288,395
Inventories-net	-	-	-	-	536	617,058	373,360	549,702	-	-	-	-	(51)	-	373,845	1,166,760
Real estate development cost	-	-	-	-	-	-	-	-	99,170	25,257	-	-	-	-	99,170	25,257
Investment properties-net	223,045	266,030	195,466	73,329	-	-	-	-	-	-	-	-	(127,636)	(99,071)	290,875	240,288
Property, plant and equipment-net :																
- Appropriate	361,280	358,405	331,851	178	-	483,014	419,366	407,004	-	-	-	210	429,087	410,938	1,541,584	1,659,749
- Central	17,478	21,657	-	-	-	-	-	-	-	-	-	-	-	-	17,478	21,657
Other assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	126,144	155,477
Total assets															2,657,794	3,557,583

30. Commitments and contingent liabilities

30.1 The Group Companies have commitments and contingent liabilities as follows :-

(Unit : Thousand Baht)

	<u>Currencies</u> (Unit)	<u>Consolidated</u> <u>financial statements</u> <u>As at December 31,</u>		<u>Separate</u> <u>financial statements</u> <u>As at December 31,</u>	
		<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Letters of guarantee (Utilized)	Thousand Baht	11,238	11,238	6,051	6,051
Letters of credit (Utilized)	Thousand Baht	445,008	509,842	-	-
Letters of credit (Utilized)	'000 USD	442	-	-	-
Forward exchange contract (Utilized)	Thousand Baht	33,314	224,889	-	-
Letters of credit, trust receipt, short-term loan and forward exchange contract (Unutilized)	Thousand Baht	2,972,678	1,241,147	50,000	51,449
Letters of credit, trust receipt, short-term loan and forward exchange contract (Unutilized)	'000 USD	8,558	-	-	-
Long-term loans (Unutilized)	Thousand Baht	529,083	15,000	-	15,000

The above credit facilities are guaranteed by the collaterals as mentioned in the notes to financial statements No. 15.

30.2 The Group Companies entered into agreements of construction and decoration of new factory and construction agreements for every projects as follows :-

	<u>Consolidated financial statements</u> <u>As at December 31, 2013</u> <u>Unit and currencies</u>	
	<u>'000 USD</u>	<u>Thousand Baht</u>
Contractual value	5,000	87,912
Remaining binding contractual value	4,000	58,504

30.3 The Group Companies have obligations in relation to future goods sale and purchase contracts still not yet delivered as follows: -

		<u>Consolidated financial statements</u>	
		<u>As at December 31,</u>	
	<u>Unit and currencies</u>	<u>2013</u>	<u>2012</u>
Future raw materials purchase contracts	Thousand Baht	-	31,707
	'000 USD	736	384
Future goods sale contracts	Thousand Baht	61,293	114,989

30.4 The Group Companies have obligations in relation to operational lease contracts on the part of lessor which will initiate rental income in future for the interval periods as follows: -

(Unit : Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>As at December 31,</u>		<u>As at December 31,</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Within 1 year	72,869	2,002	32,823	23,451
2-5 years	99,012	-	36,005	25,693
5 years onwards	-	-	116,787	123,550
Total	171,881	2,002	185,615	172,694

31. Financial instruments

Policy to manage financial risk

The Group Companies possess risk regarding to the change of market interest rate and in currency exchange rate and from nonperformance of contractual obligations by counter parties. The Group Companies will consider to use appropriate financial instruments when it considers necessary to manage such risks. However, Group Companies does not have any policy to hold or issue any financial instruments for speculation or for trading.

Risk on credit provision

The Group Companies obtain risk from credit provision in relation to trade accounts receivable mostly derived from sales and service of clients. However, the Group Companies hold the conservative policy in providing credit. Furthermore, the numbers of debtors of the Group Companies are several thus the Group Companies does not expected the material damage from debt collection.

Risk on interest rate

The Group Companies' risk on interest rates is derived from the change of the market interest rates in the future, which affect upon the Group Companies' operating result and cash flow. However, the Group Companies manage the interest rate risks by applying various instruments including the allocation of the investments at fixed and floating interest rates appropriately to suit the various activities of the Group Companies with the following details :-

(Unit : Baht)

Consolidated financial statements					
As at December 31, 2013					
	Fixed interest rate		Floating	Non	
	Within	Interest rate	interest rate	interest bearing	
	1 year	to 5 years			Total
<u>Financial assets</u>					
Deposit at banks	-	-	42,183,517	16,458,622	58,642,139
Other long-term investments-government bonds	273,445	601,567	-	-	875,012
Trade and other accounts receivable	-	-	-	205,862,802	205,862,802
Total	273,445	601,567	42,183,517	222,321,424	265,379,953
<u>Financial liabilities</u>					
Short-term loans from financial institutions	386,277,611	-	65,000,000	-	451,277,611
Long-term loans from financial institutions	-	-	163,046,585	-	163,046,585
Liabilities under long-term lease contracts	1,717,292	6,138,203	-	-	7,855,495
Trade and other accounts payable	-	-	-	49,552,661	49,552,661
Total	387,994,903	6,138,203	228,046,585	49,552,661	671,732,352

(Unit : Baht)

Consolidated financial statements					
As at December 31, 2012					
	Fixed interest rate		Floating	Non	
	Within	Interest rate	interest rate	interest bearing	
	1 year	to 5 years			Total
<u>Financial assets</u>					
Deposit at banks	-	-	99,114,473	37,815,289	136,929,762
Other long-term investments-government bonds	431,071	319,912	-	-	750,983
Trade and other accounts receivable	-	-	-	285,050,091	285,050,091
Total	431,071	319,912	99,114,473	322,865,380	422,730,836
<u>Financial liabilities</u>					
Short-term loans from financial institutions	335,861,057	-	707,173,283	-	1,043,034,340
Long-term loans from financial institutions	-	-	199,590,000	-	199,590,000
Liabilities under long-term lease contracts	1,634,869	7,855,496	-	-	9,490,365
Trade and other accounts payable	-	-	-	325,831,828	325,831,828
Total	337,495,926	7,855,496	906,763,283	325,831,828	1,577,946,533

Risk on exchange rate

Regarding risk on exchange rates of the Group Companies, mainly involves with purchase of raw materials under the foreign currencies, a subsidiary company obtained liabilities in foreign currencies over which the contract to hedge against risk of exchange rates has not been conducted as follows :-

Consolidated financial statements		
Liabilities		
Unit and currencies	As at December 31,	
	2013	2012
'000 USD	-	474,117

As at December 31, 2013 and 2012, a subsidiary conducted a forward exchange contract with a commercial bank to hedge against exchange rate risk from debt repayment denominated in foreign currency. The subsidiary company has not recorded such financial liability in the financial statements. The due date for payment of the forward contract already committed has outstanding period of not greater than 6 months with the following details:-

		<u>Consolidated financial statements</u>	
		<u>As at December 31,</u>	
	<u>Unit and currencies</u>	<u>2013</u>	<u>2012</u>
Amount fixed in contract	'000 USD	1,030	7,309
Amount earned in contract	Thousand Baht	33,314	224,889
Fair value under the forward contract	Thousand Baht	33,866	224,470

Fair Value

Since most of the financial assets and liabilities are short-term and loans bearing interest rates closed to market rates, the Group Companies' management believes such financial assets and liabilities are presented in value not materially different from relevant fair value.

32. Provident fund

The Group Companies and their employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. The Group Companies and their employees contributed to the fund monthly at the rates depending on the working life of the employees. A local financial institution is managing the provident fund and will be paid to the employees upon termination in accordance with the fund rules. For the years ended December 31, 2013 and 2012, in the consolidated financial statements, the Group Companies contributions amounted to approximately Baht 1.09 million and Baht 0.99 million respectively.

33. Approval of financial statements

These financial statements have been approved for issuance by the Company's board of directors on February 27, 2014.