

Thai Union Frozen Products Public Company Limited
and its subsidiaries
Review report and interim financial statements
For the three-month and nine-month periods ended
30 September 2014

Independent Auditor's report on Review of Interim Financial Information

To the Shareholders of Thai Union Frozen Products Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of Thai Union Frozen Products Public Company Limited and its subsidiaries as at 30 September 2014, the related consolidated statements of income and comprehensive income for the three-month and nine-month periods ended 30 September 2014, changes in shareholders' equity, and cash flows for the nine-month period then ended, as well as the condensed notes to the consolidated financial statements. I have also reviewed the separate financial information of Thai Union Frozen Products Public Company Limited for the same period. Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34 *Interim Financial Reporting*. My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of Review

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

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34 *Interim Financial Reporting*.

Sophon Permsirivallop

Certified Public Accountant (Thailand) No. 3182

EY Office Limited

Bangkok: 13 November 2014

Thai Union Frozen Products Public Company Limited and its subsidiaries

Statement of financial position

As at 30 September 2014

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		As at	As at	As at	As at
		30 September 2014	31 December 2013	30 September 2014	31 December 2013
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Current assets					
Cash and cash equivalents	2	957,348	1,620,734	7,002	69,190
Short-term investments	3	2,500,000	1,593,720	2,500,000	1,593,720
Trade and other receivables	4,5	13,453,681	13,948,341	3,307,678	3,367,595
Short-term loans to subsidiaries	5	-	-	724,608	80,000
Short-term loans to other companies		3,258	2,958	-	-
Current portion of long-term loans to subsidiaries	5	-	-	2,038,475	724,894
Current portion of long-term loans to other companies		4,786	4,116	-	-
Inventories	6	35,809,097	36,917,346	4,260,266	5,019,971
Other current assets					
Prepaid income tax		148,408	210,550	70,546	76,605
Current portion of forward exchange contracts receivables		139,666	4,417	82,448	3,767
Value added tax refundable		271,614	360,128	36,454	33,167
Others		811,220	881,999	81,751	144,608
Total other current assets		1,370,908	1,457,094	271,199	258,147
Total current assets		54,099,078	55,544,309	13,109,228	11,113,517
Non-current assets					
Restricted bank deposits	7	10,417	11,094	-	-
Investments in associates	8	1,308,185	1,289,601	155,574	155,574
Investments in subsidiaries	9	-	-	16,494,493	16,442,430
Investments in joint venture	10	572,422	578,940	-	-
Other long-term investments	11	39,952	33,919	-	-
Long-term loans to subsidiaries - net of current portion	5	-	-	18,064,861	23,863,647
Long-term loans to other companies - net of current portion		8,488	10,872	-	-
Property, plant and equipment	12	21,477,045	21,472,833	4,291,563	4,188,049
Goodwill		11,708,115	12,791,946	-	-
Other intangible assets	13	13,495,089	14,696,284	14,682	4,445
Other non-current assets					
Forward exchange contracts receivables					
- net of current portion		428,499	48,275	428,499	48,275
Leasehold rights		15,311	204,930	-	-
Advance payment for purchase of property, plant and equipment		90,268	97,089	-	-
Deferred tax assets	19	1,227,242	1,328,856	30,580	31,498
Unamortised discount from forward exchange contracts		33,497	29,581	33,497	29,581
Others		122,683	151,754	12,033	20,344
Total non-current assets		50,537,213	52,745,974	39,525,782	44,783,843
Total assets		104,636,291	108,290,283	52,635,010	55,897,360

The accompanying notes are an integral part of the financial statements.

Thai Union Frozen Products Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 30 September 2014

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements		
	As at	As at	As at	As at	
	Note	30 September 2014	31 December 2013	30 September 2014	31 December 2013
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity					
Current liabilities					
Bank overdrafts and short-term loans from					
financial institutions	14	21,246,316	29,374,818	4,975,029	11,473,313
Trade and other payables	5, 15	11,289,710	9,802,404	2,170,172	1,593,912
Short-term loan from associated company	5	51,000	-	-	-
Current portion of long-term loans	16	516,000	779,500	450,000	450,000
Current portion of debentures	17	-	3,297,650	-	3,297,650
Convertible bond	18	2,481,574	2,713,756	2,481,574	2,713,756
Income tax payable		321,720	235,338	41,597	110,450
Other current liabilities		2,058,797	3,440,728	769,938	1,926,162
Total current liabilities		37,965,117	49,644,194	10,888,310	21,565,243
Non-current liabilities					
Long-term loans - net of current portion	16	3,035,252	3,442,645	2,939,956	3,297,722
Debentures - net of current portion	17	11,679,942	3,441,969	11,679,942	3,441,969
Provision for long-term employee benefits		1,823,596	1,718,006	406,694	377,386
Deferred tax liabilities	19	5,098,361	5,534,566	47,950	47,887
Forward exchange contracts payable - net of					
current portion		214,574	709,677	144,054	625,211
Other non-current liabilities		589,208	452,117	289,320	83,019
Total non-current liabilities		22,440,933	15,298,980	15,507,916	7,873,194
Total liabilities		60,406,050	64,943,174	26,396,226	29,438,437
Shareholders' equity					
Share capital					
Registered					
1,202,000,000 ordinary shares of Baht 1 each		1,202,000	1,202,000	1,202,000	1,202,000
Issued and paid-up					
1,147,593,829 ordinary shares of Baht 1 each		1,147,594	1,147,594	1,147,594	1,147,594
Share premium		17,500,509	17,500,509	17,500,509	17,500,509
Retained earnings					
Appropriated - statutory reserve		120,200	120,200	120,200	120,200
Unappropriated		20,705,133	18,716,271	7,290,891	7,511,030
Other components of shareholders' equity		1,088,346	2,051,805	179,590	179,590
Equity attributable to owners of the Company		40,561,782	39,536,379	26,238,784	26,458,923
Non-controlling interests of the subsidiaries		3,668,459	3,810,730	-	-
Total shareholders' equity		44,230,241	43,347,109	26,238,784	26,458,923
Total liabilities and shareholders' equity		104,636,291	108,290,283	52,635,010	55,897,360
		-	-	-	-

The accompanying notes are an integral part of the financial statements.

Directors

(Unaudited but reviewed)

Thai Union Frozen Products Public Company Limited and its subsidiaries**Income statement****For the three-month period ended 30 September 2014**

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2014	2013	2014	2013
Revenues					
Sales	5	30,423,256	29,464,194	5,707,429	6,216,683
Other income					
Dividend income	5	-	-	700,022	323,353
Compensation from accounts payable		14,754	26,578	9,311	18,866
Interest income	5	32,938	2,993	294,222	262,822
Tax coupon		57,455	33,579	5,712	5,946
Exchange gains		132,809	102,917	4,118	-
Others	5	96,047	105,039	36,250	50,695
Total other income		334,003	271,106	1,049,635	661,682
Total revenues		30,757,259	29,735,300	6,757,064	6,878,365
Expenses					
Cost of sales	5	25,176,960	25,379,216	5,076,420	5,633,297
Selling expenses	5	1,588,474	1,259,661	180,349	190,153
Administrative expenses	5	1,495,734	1,331,004	220,928	219,445
Total expenses		28,261,168	27,969,881	5,477,697	6,042,895
Profit before share of profit from investments					
in associates and joint venture, finance cost and					
income tax expenses					
		2,496,091	1,765,419	1,279,367	835,470
Share of profit from investments in associates and joint venture		87,967	59,740	-	-
Profit before finance cost and income tax expenses		2,584,058	1,825,159	1,279,367	835,470
Finance income (expenses)		(151,523)	(405,543)	7,865	(214,045)
Profit before income tax expenses		2,432,535	1,419,616	1,287,232	621,425
Income tax expenses	19	(296,681)	(265,731)	(71,542)	(24,691)
Profit for the period		2,135,854	1,153,885	1,215,690	596,734
Profit attributable to:					
Equity holders of the Company		1,922,039	1,004,142	1,215,690	596,734
Non-controlling interests of the subsidiaries		213,815	149,743		
		<u>2,135,854</u>	<u>1,153,885</u>		
(Unit: Baht)					
Earnings per share					
20					
Basic earnings per share					
Profit attributable to equity holders of the Company		1.67	0.87	1.06	0.52
Diluted earnings per share					
Profit attributable to equity holders of the Company		1.49	0.87	0.90	0.52

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Thai Union Frozen Products Public Company Limited and its subsidiaries

Statement of comprehensive income

For the three-month period ended 30 September 2014

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Profit for the period	<u>2,135,854</u>	<u>1,153,885</u>	<u>1,215,690</u>	<u>596,734</u>
Other comprehensive income:				
Exchange differences on translation of financial statements in foreign currency	(808,917)	501,273	-	-
Gain on change in value of available-for-sale investments, net of income tax	5,376	1,038	-	-
Gain (loss) on change in the value of pension fund	(5,511)	2,321	-	-
Increase (decrease) in other reserves	(8,263)	11,533	-	-
Other comprehensive income for the period	<u>(817,315)</u>	<u>516,165</u>	<u>-</u>	<u>-</u>
Total comprehensive income for the period	<u><u>1,318,539</u></u>	<u><u>1,670,050</u></u>	<u><u>1,215,690</u></u>	<u><u>596,734</u></u>
Total comprehensive income attributable to:				
Equity holders of the Company	1,123,408	1,499,919	<u>1,215,690</u>	<u>596,734</u>
Non-controlling interests of the subsidiaries	195,131	170,131		
	<u><u>1,318,539</u></u>	<u><u>1,670,050</u></u>		

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Thai Union Frozen Products Public Company Limited and its subsidiaries**Income statement****For the nine-month period ended 30 September 2014**

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2014	2013	2014	2013
Revenues					
Sales	5	88,629,873	82,024,513	15,482,420	17,355,666
Other income					
Dividend income	5	-	-	1,425,091	835,437
Compensation from accounts payable		74,021	103,239	46,703	62,616
Interest income	5	139,745	9,573	920,805	744,939
Tax coupon		93,076	92,062	12,080	12,707
Exchange gains		527,802	201,384	151,811	142,695
Others	5	320,781	554,960	159,113	329,788
Total other income		1,155,425	961,218	2,715,603	2,128,182
Total revenues		89,785,298	82,985,731	18,198,023	19,483,848
Expenses					
Cost of sales	5	74,161,135	71,778,326	13,995,888	16,226,712
Selling expenses	5	4,381,661	3,673,733	483,207	515,114
Administrative expenses	5	4,445,155	3,696,485	759,502	607,123
Total expenses		82,987,951	79,148,544	15,238,597	17,348,949
Profit before share of profit from investments					
in associates and joint venture, finance cost and					
income tax expenses					
		6,797,347	3,837,187	2,959,426	2,134,899
Share of profit from investments in associates and joint venture		109,445	127,415	-	-
Profit before finance cost and income tax expenses		6,906,792	3,964,602	2,959,426	2,134,899
Finance cost		(1,200,300)	(1,134,171)	(687,288)	(578,894)
Profit before income tax expenses		5,706,492	2,830,431	2,272,138	1,556,005
Income tax expenses	19	(756,273)	(522,851)	(93,928)	(107,200)
Profit for the period		4,950,219	2,307,580	2,178,210	1,448,805
Profit attributable to:					
Equity holders of the Company		4,393,245	2,037,553	2,178,210	1,448,805
Non-controlling interests of the subsidiaries		556,974	270,027		
		4,950,219	2,307,580		
(Unit: Baht)					
Earnings per share					
20					
Basic earnings per share					
Profit attributable to equity holders of the Company		3.83	1.78	1.90	1.26
Diluted earnings per share					
Profit attributable to equity holders of the Company		3.75	1.78	1.89	1.26

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Thai Union Frozen Products Public Company Limited and its subsidiaries

Statement of comprehensive income

For the nine-month period ended 30 September 2014

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Profit for the period	4,950,219	2,307,580	2,178,210	1,448,805
Other comprehensive income:				
Exchange differences on translation of financial statements in foreign currency	(1,024,562)	565,437	-	-
Gain on change in value of available-for-sale investments, net of income tax	9,137	5,867	-	-
Gain (loss) on change in the value of pension fund	(6,641)	2,120	-	-
Actuarial loss, net of income tax	(7,822)	-	-	-
Increase in other reserves	15,439	17,102	-	-
Other comprehensive income for the period	(1,014,449)	590,526	-	-
Total comprehensive income for the period	3,935,770	2,898,106	2,178,210	1,448,805
Total comprehensive income attributable to:				
Equity holders of the Company	3,425,323	2,604,445	<u>2,178,210</u>	<u>1,448,805</u>
Non-controlling interests of the subsidiaries	510,447	293,661		
	<u>3,935,770</u>	<u>2,898,106</u>		

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Thai Union Frozen Products Public Company Limited and its subsidiaries**Cash flows statement****For the nine-month period ended 30 September 2014**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Cash flows from operating activities				
Profit before tax	5,706,492	2,830,431	2,272,138	1,556,005
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities				
Depreciation and amortisation	1,877,271	1,647,189	280,222	303,936
Amortisation of discount/premium from forward foreign exchange contracts	(122)	49,951	10,044	46,670
Amortisation of issue cost of convertible bond, debentures and long-term loans from financial institutions	11,637	9,100	11,637	9,100
Allowance for doubtful accounts (reversal)	7,004	46,506	(560)	175
Allowance for diminution in value of inventory (reversal)	14,446	212,521	(22,269)	47,073
Allowance for loss on impairment of assets (reversal)	367,760	(3,720)	-	-
Share of income from investments in associates and joint venture	(109,445)	(127,415)	-	-
Loss on sale of other investments	938	1,328	-	-
Provision for long-term employee benefits	131,691	116,973	29,307	31,250
Gain on transfer of investment in associate to subsidiary	-	(49,736)	-	-
Loss on dissolution of subsidiary	-	58,200	-	3,492
Gain on liquidation of subsidiary	(1,584)	-	-	-
Loss on sale/write-off of property, plant and equipment and other intangible assets	12,051	28,666	8,745	197
Unrealised loss (gain) on exchange	(638,714)	208,232	(436,340)	111,971
Dividend income	-	-	(1,425,091)	(835,437)
Interest income	(139,745)	(9,573)	(920,805)	(744,939)
Interest expense	1,128,536	1,060,615	672,763	565,239
Income from operating activities before change in operating assets and liabilities	8,368,216	6,079,268	479,791	1,094,732
Decrease (increase) in operating assets				
Trade and other receivables	178,680	(626,356)	98,943	333,484
Inventories	77,459	(1,674,425)	781,826	(96,065)
Other current assets	31,518	59,148	31,096	33,529
Other non-current assets	25,265	(52,854)	8,265	14,486
Increase (decrease) in operating liabilities				
Trade and other payables	2,432,945	(87,423)	448,166	(150,500)
Other current liabilities	(4,187)	13,043	81,732	(7,430)
Other non-current liabilities	(102,785)	(163,460)	(18,107)	(50,246)
Cash flows from operating activities	11,007,111	3,546,941	1,911,712	1,171,990
Cash paid for corporate income tax	(543,560)	(343,651)	(155,741)	(91,368)
Net cash from operating activities	10,463,551	3,203,290	1,755,971	1,080,622

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Thai Union Frozen Products Public Company Limited and its subsidiaries**Cash flows statement (continued)****For the nine-month period ended 30 September 2014**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Cash flows from investing activities				
Increase in restricted deposits with				
financial institutions	(171)	(515)	-	-
Increase in short-term investments	(906,280)	-	(906,280)	-
Acquisitions of property, plant and equipment	(2,328,117)	(3,372,612)	(392,419)	(705,977)
Acquisitions of intangible assets	(9,855)	(6,676)	(1,267)	(891)
Acquisitions of leasehold rights	(2,773)	(2,530)	-	-
Decrease (increase) in short-term loans to subsidiaries	-	-	(643,000)	1,212,441
Decrease (increase) in short-term loans to other companies	(300)	6,616	-	4,587
Decrease (increase) in long-term loans to subsidiaries	-	-	2,704,483	(1,228,000)
Decrease in long-term loans to other companies	1,651	5,142	-	2,790
Increase in investment in subsidiaries	-	-	(52,064)	(635,685)
Increase in investment in associates	-	(39,554)	-	-
Increase in investment in joint venture	(8,075)	-	-	-
Increase in other long-term investments	(296)	-	-	-
Interest received	98,768	9,614	903,690	19,875
Dividend received	95,616	73,130	1,425,091	835,437
Proceed in acquisition of subsidiaries	-	(324,578)	-	(508,713)
Proceeds from sale of investment in subsidiaries	-	79,387	-	79,481
Proceeds from sale of other long-term investments	3,318	3,213	-	-
Proceeds from disposal of property, plant and equipment	51,729	5,909	815	1,969
Net cash from (used in) investing activities	(3,004,785)	(3,563,454)	3,039,049	(922,686)
Cash flows from financing activities				
Increase (decrease) in bank overdrafts and				
short-term loans from financial institutions	(7,947,174)	3,971,047	(6,498,284)	2,097,885
Dividend paid	(2,397,606)	(1,835,282)	(2,397,606)	(1,835,282)
Increase in short-term loan from associates	51,000	-	-	-
Decrease in long-term loans from financial institutions	(650,500)	(317,000)	(337,500)	-
Cash paid for redemption of debentures	(3,300,000)	-	(3,300,000)	-
Cash received from issue of debentures	8,250,000	-	8,250,000	-
Cash paid for finance transaction cost	(15,279)	-	(15,279)	-
Cash paid for interest expense	(1,004,261)	(947,666)	(558,539)	(455,500)
Increase (decrease) in non-controlling interests of the subsidiaries	(652,718)	454,516	-	-
Net cash from (used in) financing activities	(7,666,538)	1,325,615	(4,857,208)	(192,897)
Decrease in translation adjustment	(455,614)	(813,334)	-	-
Net increase (decrease) in cash and cash equivalents	(663,386)	152,117	(62,188)	(34,961)
Cash and cash equivalents at beginning of period	1,620,734	1,400,045	69,190	62,335
Cash and cash equivalents at end of period	957,348	1,552,162	7,002	27,374

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Thai Union Frozen Products Public Company Limited and its subsidiaries

Cash flows statement (continued)

For the nine-month period ended 30 September 2014

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Supplement cash flows information				
Non-cash items:				
Undue installments for acquisition of property, plant and equipment	161,283	284,273	20,424	43,051
Unrealised gain on changes in the value of investments in available-for-sale securities	(9,137)	(5,867)	-	-
Transfer of property, plant and equipment to intangible assets	(44,901)	156,621	9,679	-
Dividend payable	1,996	792	1,996	792
Change from investment in associate to investment in subsidiary	-	714,754	-	773,460
Transfer of leasehold right to property, plant and equipment	175,044	-	-	-
Change from investment in associate to investment in joint venture	30,305	-	-	-

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Thai Union Frozen Products Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the nine-month period ended 30 September 2014

(Unit: Thousand Baht)

	Consolidated financial statements													
	Equity attributable to owners of the Company													
	Other components of shareholders' equity													
	Other comprehensive income													
	Issued and fully paid-up share capital	Share premium	Retained earnings		Exchange differences on translation of financial statements in foreign currency	Surplus (deficit) on changes in value of available-for-sale investments	Provision for changes in the value of pension fund	Revaluation surplus on land	Other reserves	Deficit on revaluation of investment	Total other components of shareholders' equity	Total equity attributable to owners of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity
		Appropriated	Unappropriated											
Balance as at 1 January 2013	1,147,594	17,500,509	120,200	17,699,516	163,551	(11,570)	(16,798)	604,591	7,837	-	747,611	37,215,430	3,128,203	40,343,633
Dividend paid (Note 22)	-	-	-	(1,836,074)	-	-	-	-	-	-	-	(1,836,074)	(239,158)	(2,075,232)
Total comprehensive income for the period	-	-	-	2,037,553	541,803	5,867	2,120	-	17,102	-	566,892	2,604,445	293,661	2,898,106
Increase in shares capital of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	389,440	389,440
Increase in non-controlling interests from change in investment in subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	304,234	304,234
Balance as at 30 September 2013	<u>1,147,594</u>	<u>17,500,509</u>	<u>120,200</u>	<u>17,900,995</u>	<u>705,354</u>	<u>(5,703)</u>	<u>(14,678)</u>	<u>604,591</u>	<u>24,939</u>	<u>-</u>	<u>1,314,503</u>	<u>37,983,801</u>	<u>3,876,380</u>	<u>41,860,181</u>
Balance as at 1 January 2014	1,147,594	17,500,509	120,200	18,716,271	1,502,434	(6,718)	(29,685)	604,591	15,556	(34,373)	2,051,805	39,536,379	3,810,730	43,347,109
Dividend paid (Note 22)	-	-	-	(2,398,349)	-	-	-	-	-	-	-	(2,398,349)	(600,845)	(2,999,194)
Total comprehensive income for the period	-	-	-	4,387,211	(979,823)	9,137	(6,641)	-	15,439	-	(961,888)	3,425,323	510,447	3,935,770
Increase in proportion of investments in subsidiaries	-	-	-	-	-	-	-	-	-	(1,571)	(1,571)	(1,571)	(51,873)	(53,444)
Balance as at 30 September 2014	<u>1,147,594</u>	<u>17,500,509</u>	<u>120,200</u>	<u>20,705,133</u>	<u>522,611</u>	<u>2,419</u>	<u>(36,326)</u>	<u>604,591</u>	<u>30,995</u>	<u>(35,944)</u>	<u>1,088,346</u>	<u>40,561,782</u>	<u>3,668,459</u>	<u>44,230,241</u>

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Thai Union Frozen Products Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the nine-month period ended 30 September 2014

(Unit: Thousand Baht)

Separate financial statements

	Issued and fully paid-up share capital	Share premium	Retained earnings		Other components of shareholders' equity		Total shareholders' equity
			Appropriated	Unappropriated	Other comprehensive	Total other	
					income	components of	
					Revaluation	shareholders'	
Surplus on land	equity						
Balance as at 1 January 2013	1,147,594	17,500,509	120,200	7,546,975	179,590	179,590	26,494,868
Dividend paid (Note 22)	-	-	-	(1,836,074)	-	-	(1,836,074)
Total comprehensive income for the period	-	-	-	1,448,805	-	-	1,448,805
Balance as at 30 September 2013	<u>1,147,594</u>	<u>17,500,509</u>	<u>120,200</u>	<u>7,159,706</u>	<u>179,590</u>	<u>179,590</u>	<u>26,107,599</u>
Balance as at 1 January 2014	1,147,594	17,500,509	120,200	7,511,030	179,590	179,590	26,458,923
Dividend paid (Note 22)	-	-	-	(2,398,349)	-	-	(2,398,349)
Total comprehensive income for the period	-	-	-	2,178,210	-	-	2,178,210
Balance as at 30 September 2014	<u>1,147,594</u>	<u>17,500,509</u>	<u>120,200</u>	<u>7,290,891</u>	<u>179,590</u>	<u>179,590</u>	<u>26,238,784</u>
	-	-	-	-	-	-	-

The accompanying notes are an integral part of the financial statements.

Thai Union Frozen Products Public Company Limited and its subsidiaries

Notes to interim financial statements

For the three-month and nine-month periods ended 30 September 2014

1. General information

1.1 Corporate information

Thai Union Frozen Products Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand.

The Company operates its business in Thailand and its subsidiaries operate their businesses in Thailand and overseas. Their principal activities in Thailand are the manufacture and export of frozen and canned seafood, and local subsidiaries are also engaged in the packaging, printing and pet food businesses.

The principal activities of the overseas subsidiaries consist of the following. The subsidiaries in the United States are the manufacturer and distributor of canned seafood and the import of shrimp and other frozen seafood products for sale to restaurant chains, retailing and wholesaling, the subsidiaries in Europe are the manufacturer and distributor of ambient seafood products to countries in Europe under their trademarks and a subsidiary in Asia is the manufacturer and distributor of seafood in Vietnam.

The Company’s registered address is 72/1 Moo 7, Sethakit 1 Road, Tambon Tarsrai, Amphur Muang, Samutsakorn. The Company has 8 branches in Bangkok and Samutsakorn.

1.2 Basis for the preparation of interim financial statements

These interim financial statements are prepared in accordance with Accounting Standards No. 34 (revised 2012), “Interim Financial Reporting”, with the Company choosing to present condensed interim financial statements. However, the Company has presented the statements of financial position, income statement, comprehensive income, changes in shareholders’ equity, and cash flows in the same format as that used for the annual financial statements.

The interim financial statements are intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events and circumstances so as not to duplicate information previously reported. These interim financial statements should therefore be read in conjunction with the latest annual financial statements.

(Unaudited but reviewed)

The interim financial statements in Thai language are the official statutory financial statements of the Company. The interim financial statements in English language have been translated from the Thai language financial statements.

1.3 Basis of consolidation

These consolidated interim financial statements are prepared by applying the same basis as that applied for the preparation of the consolidated financial statements for the year ended 31 December 2013. There has been no significant change in the composition of the group of company during the current period.

1.4 New accounting standards

(a) Accounting standards that became effective in the current accounting period

The Company disclosed the accounting standards, financial reporting standard, accounting standard interpretations and financial reporting standard interpretations that are effective for fiscal years beginning on or after 1 January 2014, in the notes to financial statements for the year ended 31 December 2013.

The Company's management has assessed the effects of the above accounting standards, financial reporting standard, accounting standard interpretations and financial reporting standard interpretations, and believes that they are not relevant to the business of the Company or do not have a significant impact.

(b) Accounting standard that will become effective in the future

The Company has disclosed the financial reporting standard that will be effective in the future in the notes to financial statements for the year ended 31 December 2013.

The Company's management has assessed the effect of this financial reporting standard and believes that it is not relevant to the business of the Company.

1.5 Significant accounting policies

The interim financial statements are prepared by using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2013.

(Unaudited but reviewed)

2. Cash and cash equivalents

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September 2014	31 December 2013	30 September 2014	31 December 2013
Cash	3,391	4,534	728	781
Bank deposits	953,957	1,616,200	6,274	68,409
Total	957,348	1,620,734	7,002	69,190

As at 30 September 2014, bank deposits in saving and fixed accounts carried interests between 0.10% and 3.25% per annum (31 December 2013: between 0.10% and 2.50% per annum).

3. Short-term investments

As at 30 September 2014, short-term investments represented a fixed deposit at financial institutions totaling Baht 2,500 million (31 December 2013: CNY 300 million). The fixed deposit carries interest at the rates from 3.20% to 3.25% per annum (31 December 2013: 3.05% per annum) and will be due in October 2014 (31 December 2013: July 2014).

4. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September 2014	31 December 2013	30 September 2014	31 December 2013
<u>Trade receivables - related parties</u>				
Aged on the basis of due dates				
Not yet due	80,918	116,166	1,622,907	1,329,262
Past due				
1 - 30 days	27,942	41,258	183,984	595,317
31 - 60 days	-	-	36,169	125,788
61 - 90 days	-	-	6,904	-
91 - 120 days	-	65	-	65
121 - 180 days	293	-	-	-
181 - 365 days	-	1,071	-	-

(Unaudited but reviewed)

Total trade receivables - related parties	<u>109,153</u>	<u>158,560</u>	<u>1,849,964</u>	<u>2,050,432</u>
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(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31	30 September	31
	2014	December	2014	December
		2013		2013
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	10,351,405	10,651,694	1,018,468	883,504
Past due				
1 - 30 days	1,982,393	2,099,448	288,000	268,471
31 - 60 days	227,631	319,186	14,655	4,649
61 - 90 days	156,682	187,924	15,276	1,191
91 - 120 days	404,013	72,124	45,402	-
121 - 180 days	90,942	84,218	19,584	-
181 - 365 days	88,203	108,115	-	554
Over 365 days	250,865	208,821	26,410	26,477
Total trade receivables - unrelated parties	13,552,134	13,731,530	1,427,795	1,184,846
Total trade receivables	13,661,287	13,890,090	3,277,759	3,235,278
Less: Allowance for doubtful accounts	(345,446)	(344,789)	(26,585)	(27,145)
Total trade receivables - net	13,315,841	13,545,301	3,251,174	3,208,133
<u>Other receivables</u>				
Interest receivables - related parties	-	-	1,184	25,420
Interest receivables	46,370	5,393	46,347	4,996
Accrued income	9,731	132,632	5,807	122,024
Advance payment	81,739	265,015	3,166	7,022
Total other receivables	137,840	403,040	56,504	159,462
Total trade and other receivables - net	13,453,681	13,948,341	3,307,678	3,367,595

As at 30 September 2014, certain trade receivables of three overseas subsidiaries (31 December 2013: three overseas subsidiaries) have secured their credit facilities as mentioned in Note 14.

As at 30 September 2014, foreign currency trade receivables of two overseas subsidiaries amounting to Baht 379 million (31 December 2013: Baht 1,776 million) have been sold at a discount rate to financial institutions, with recourse.

In April 2013, Tri-Union Frozen Products, Inc. (TUIFP) entered into a receivable purchase agreement ("RPA") with a bank to sell certain receivables at a discount rate. The agreement requires lenders to release the lien on these receivables. except

(Unaudited but reviewed)

receivables related to the distribution services that TUFPP provides to the Company, Thai Union Seafoods Co., Ltd. and Okeanos Food Co., Ltd.

Insurance claim receivable

On 11 February 2012, there was a fire incident in shrimp section of the Company's plant located in Samutsakorn province, which had no effect to other production lines. The Company assessed the damage caused by the fire incident and found damage to inventories with costs amounting to Baht 261 million and damage to building and machineries with total net book value of Baht 123 million. However, the Company has insurance coverage for direct asset damage and filed a claim with the insurance company. The Company received a compensation payment totaling of Baht 410 million. The Company recorded insurance recovery income by offsetting it with the loss from the fire incident in the income statement for the year ended 31 December 2012.

The Company received an additional compensation payment of Baht 287 million, and recorded the insurance recovery income in the income statement for the year ended 31 December 2013.

5. Related party transactions

During the period, the Company had significant business transactions with related parties which are related by way of common shareholders and/or common directors. Such transactions are summarised below.

(Unit: Million Baht)

	Consolidated		Separate		Transfer pricing policy
	financial statements		financial statements		
	For the three-month periods ended 30 September				
	2014	2013	2014	2013	
Transactions with subsidiaries:					
(Eliminated from consolidated financial statements)					
Sales	-	-	2,452	2,749	Cost plus margin
Dividend income	-	-	682	316	As declared
Interest income	-	-	262	263	1.21 - 5.50% per annum (2013: 1.41 - 5.50% per annum)
Other income	-	-	13	15	Near market price
Purchases of goods	-	-	449	412	Cost plus margin
Management fee	-	-	64	14	Contract price

(Unaudited but reviewed)

Other expenses	-	-	7	25	Near market price
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(Unit: Million Baht)

	Consolidated		Separate		Transfer pricing policy
	financial statements		financial statements		
	For the three-month periods ended 30 September				
	2014	2013	2014	2013	
Transactions with associates:					
Sales	62	7	13	1	Cost plus margin
Dividend income	18	7	18	7	As declared
Other income	7	5	-	-	Near market price
Purchases of goods	302	67	3	-	Cost plus margin
Transactions with related companies:					
Sales	218	166	117	78	Cost plus margin
Purchases of goods	695	767	-	704	Cost plus margin
Transportation	10	11	2	2	Near market price
Purchases and expenses relating to assets	17	25	1	2	Contract price and near market price

(Unit: Million Baht)

	Consolidated		Separate		Transfer pricing policy
	financial statements		financial statements		
	For the nine-month periods ended 30 September				
	2014	2013	2014	2013	
Transactions with subsidiaries:					
(Eliminated from consolidated financial statements)					
Sales	-	-	6,333	7,001	Cost plus margin
Dividend income	-	-	1,376	806	As declared
Interest income	-	-	785	745	1.21 - 5.50% per annum (2013: 1.41 - 5.50% per annum)
Other income	-	-	39	40	Near market price
Purchases of goods	-	-	784	1,442	Cost plus margin
Management fee	-	-	91	41	Contract price
Other expenses	-	-	84	55	Near market price
Transactions with associates:					
Sales	205	26	46	5	Cost plus margin
Dividend income	49	33	49	29	As declared
Other income	19	13	-	-	Near market price
Purchases of goods	349	103	7	33	Cost plus margin

(Unaudited but reviewed)

(Unit: Million Baht)

	Consolidated		Separate		Transfer pricing policy
	financial statements		financial statements		
	For the nine-month periods ended 30 September				
	2014	2013	2014	2013	
Transactions with related companies:					
Sales	698	534	367	205	Cost plus margin
Purchases of goods	944	2,020	-	1,756	Cost plus margin
Transportation	30	31	4	4	Near market price
Purchases and expenses relating to assets	96	92	7	9	Contract price and near market price

The Company and its subsidiaries have asset coverage insured by Asia-Pacific Risk Consultants (Thailand) Co., Ltd. which is an insurance broker related by way of having common shareholders and directors. During the three-month and nine-month periods ended 30 September 2014, insurance premiums paid through that company amounted to Baht 36 million and Baht 78 million, respectively (2013: Baht 28 million and Baht 76 million, respectively).

The relationships between the Company and the related parties are summarised below.

List of related companies	Relationship
Songkla Canning Pcl.	Subsidiary
Thai Union Manufacturing Co., Ltd.	Subsidiary
Thai Union Seafood Co., Ltd.	Subsidiary
T-Holding Co., Ltd.	Subsidiary
Thai Union Feedmill Co., Ltd.	Subsidiary
Thai Union Graphic Co., Ltd.	Subsidiary
Thai Union International, Inc. (TUI)	Subsidiary
Thai Union Investment Holding Co., Ltd. (TUIH)	Subsidiary
Pakfood Pcl.	Subsidiary
Tri-Union Seafoods, LLC (Tri-U)	Subsidiary (Held by subsidiary)
Tri-Union Frozen Products, Inc. (TUFP)	Subsidiary (Held by subsidiary)
US Pet Nutrition, LLC (USPN)	Subsidiary (Held by subsidiary)
Canadian Pet Nutrition, ULC	Subsidiary (Held by subsidiary)
Asian-Pacific Can Co., Ltd.	Subsidiary (Held by subsidiary)
Yueh Chyang Canned Food Co., Ltd.	Subsidiary (Held by subsidiary)
New Frontier Food Co., Ltd.***	Subsidiary (Held by subsidiary)
Thai Quality Shrimp Co., Ltd.***	Subsidiary (Held by subsidiary)

(Unaudited but reviewed)

List of related companies	Relationship
Thai Union European Seafood 1 S.A.	Subsidiary (Held by subsidiary)
Thai Union France Holding 2 SAS (TUFH)	Subsidiary (Held by subsidiary)
MW Brands SAS	Subsidiary (Held by subsidiary)
European Seafood Investment Portugal	Subsidiary (Held by subsidiary)
UK Seafood Investment Limited	Subsidiary (Held by subsidiary)
John West Food Limited	Subsidiary (Held by subsidiary)
Mareblu SRL	Subsidiary (Held by subsidiary)
MW Brands Seychelles Limited	Subsidiary (Held by subsidiary)
Indian Ocean Tuna Limited	Subsidiary (Held by subsidiary)
Pioneer Food Cannery Limited	Subsidiary (Held by subsidiary)
TTV Limited	Subsidiary (Held by subsidiary)
Etablissements Paul Paulet SAS	Subsidiary (Held by subsidiary)
Irish Seafood Investments Limited	Subsidiary (Held by subsidiary)
John West Holland BV	Subsidiary (Held by subsidiary)
Chaophraya Coldstorage Co., Ltd.	Subsidiary (Held by subsidiary)
Takzin Samut Co., Ltd.**	Subsidiary (Held by subsidiary)
Okeanos Co., Ltd.**	Subsidiary (Held by subsidiary)
Okeanos Food Co., Ltd.	Subsidiary (Held by subsidiary)
TMAC Co., Ltd.*	Joint Venture (Held by subsidiary)
Cindena Resources Limited	Joint Venture (Held by subsidiary)
Century (Shanghai) Trading Co., Ltd.	Joint Venture(Held by subsidiary)
TCM Fishery Co., Ltd. *	Subsidiary of Joint Venture (Held by subsidiary)
TMK Farm Co., Ltd. *	Subsidiary of Joint Venture (Held by subsidiary)
Thai Union Hatchery Co., Ltd.*	Subsidiary of Joint Venture (Held by subsidiary)
Lucky Union Foods Co., Ltd.	Associated company
Biz Dimension Co., Ltd.	Associated company
Avanti Feeds Limited	Associated company
TN Fine Chemicals Co., Ltd.	Associated company (Held by subsidiary)
Moresby International Holdings Inc.	Associated company (Held by subsidiary)
LDH (La Doria) Limited	Associated company (Held by subsidiary)
Majestic Seafood Corporation Ltd.	Associated company (Held by associated company)
Lucky Union Foods Euro Sp.z.o.o.	Associated company (Held by associated company)
Geminai & Associate Co., Ltd.	Common shareholders/Director related to director

(Unaudited but reviewed)

List of related companies	Relationship
Geminai Watercrafts Co., Ltd.	Common shareholders/Director related to director
Factory Storage Service Co., Ltd.	Director related to director
Chansiri Real Estate Co., Ltd.	Common major shareholders/Common directors
Asian Pacific Thai Tuna Co., Ltd.	Common major shareholders/Common directors
T.C. Union Global Pcl.	Common major shareholders/Common directors
Jana Fish Industries Co., Ltd.	Common major shareholders/Common directors
T.C. Union Agrotech Co., Ltd.	Common major shareholders/Common directors
Waithai Co., Ltd.	Common major shareholders/Common directors
Thaipatana Stainless Steel Co., Ltd.	Common major shareholders/Common directors
Phil-Union Frozen Foods, Inc.	Common major shareholders/Common directors
Thai Union Properties Co., Ltd.	Common major shareholders/Common directors
Ahead Way International Co., Ltd.	Common major shareholders
Merchant Partners Securities Pcl.	Common shareholders/Common directors
Merchant Partners Asset Management Limited	Common shareholders/Common directors
Lucky Surimi Products Co., Ltd.	Common shareholders/Common directors
Asia-Pacific Risk Consultants (Thailand) Co., Ltd.	Common shareholders/Common directors
Asia-Pacific Risk Insurance Broker Co., Ltd.	Common shareholders/ Common directors
Minor International Pcl.	Common director
Darford International Inc.	Common director
Miss Rungtiwa Boonmechote	Relative of director
Pae Parichart Boonmechote	Relative of director

* Transferred to investment in joint venture during the year 2013

** Ceased operation

*** Liquidation

The balances of the accounts as at 30 September 2014 and 31 December 2013 between the Company and these related companies are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 September 2014	31 December 2013	30 September 2014	31 December 2013
<u>Trade and other receivables - related parties (Note 4)</u>				
Subsidiaries	-	-	1,799,911	2,003,380
Associated companies	51,766	73,095	9,560	6,846
Related companies	57,387	85,465	41,677	65,626
Total trade and other receivables - related parties	109,153	158,560	1,851,148	2,075,852

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September 2014	31 December 2013	30 September 2014	31 December 2013
<u>Trade and other payables - related parties (Note 15)</u>				
Subsidiaries	-	-	412,874	378,660
Associated companies	102,273	6,148	24	1,575
Related companies	53,100	137,470	9,060	68,651
Total trade and other payables - related parties	155,373	143,618	421,958	448,886
<u>Short-term loans to subsidiaries</u>				
(Eliminated from consolidated financial statements)				
Thai Union Graphic Co., Ltd.	-	-	80,000	80,000
Thai Union International, Inc. (TUI)	-	-	644,608	-
Total	-	-	724,608	80,000
<u>Long-term loans to subsidiaries</u>				
(Eliminated from consolidated financial statements)				
Thai Union Investment Holding Co., Ltd.	-	-	18,814,120	22,560,467
Thai Union International, Inc.	-	-	1,289,216	2,028,074
Total	-	-	20,103,336	24,588,541
Less: Current portion				
Thai Union International, Inc.	-	-	(2,038,475)	(724,894)
Net	-	-	18,064,861	23,863,647
<u>Short-term loan from associated company</u>				
TN Fine Chemicals Co., Ltd.	51,000	-	-	-

The movements of loan from and loans to related parties during the nine-month period ended 30 September 2014 are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements				
	Balance as at	During the period		Balance as at	
	1 January 2014	Increase	Decrease	30 September 2014	
<u>Short-term loan from associated company</u>					
TN Fine Chemicals Co., Ltd.	-	57,300	(6,300)	51,000	
<u>Short-term loans to subsidiaries</u>					
(Unit: Thousand Baht)					
	Separate financial statements				
	Balance as at	During the period		Balance as at	
	1 January 2014	Increase	Decrease	Revaluation	30 September 2014
Songkla Canning Pcl.	-	2,570	(2,570)	-	-
Thai Union Graphic Co., Ltd.	80,000	160,000	(160,000)	-	80,000
Thai Union International, Inc. (TUI)	-	879,713	(236,713)	1,608	644,608
	80,000	1,042,283	(399,283)	1,608	724,608

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Separate financial statements				Balance as at 30 September 2014
	Balance as at 1 January 2014	During the period		Revaluation	
		Increase	Decrease		
<u>Long-term loans to subsidiaries</u>					
Thai Union Investment Holding Co., Ltd.	22,560,467	-	(1,979,589)	(1,766,758)	18,814,120
Thai Union International, Inc.	2,028,074	326,500	(1,051,394)	(13,964)	1,289,216
	<u>24,588,541</u>	<u>326,500</u>	<u>(3,030,983)</u>	<u>(1,780,722)</u>	<u>20,103,336</u>

Directors and management's remuneration

The Company paid salaries, bonuses, meeting allowance, gratuities to their directors and management and post-employment benefits for the three-month and nine-month periods ended 30 September 2014 totaling Baht 19 million and Baht 56 million, respectively (2013: Baht 18 million and Baht 53 million, respectively).

6. Inventory / Allowance for diminution in value of inventory

Movements in the allowance for diminution in value of inventory account during the nine-month period ended 30 September 2014 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial Statements	Separate financial statements
Balance as at 1 January 2014	1,362,598	171,610
Add: Allowance for diminution in value of inventory made during the period	1,179,104	84,759
Less: Allowance for diminution in value of inventory reversed during the period	(1,164,658)	(107,028)
Translation adjustment	(9,499)	-
Balance as at 30 September 2014	<u>1,367,545</u>	<u>149,341</u>

As at 30 September 2014, two overseas subsidiaries (31 December 2013: three overseas subsidiaries) have mortgaged certain inventories of those companies to financial institutions to secure their credit facilities as mentioned in Note 14.

7. Restricted bank deposits

These represent fixed deposits pledged with financial institution to secure credit facilities.

(Unaudited but reviewed)

8. Investments in associates

(Unit: Thousand Baht)

Company's name	Nature of business	Country of incorporation	Consolidated financial statements					
			Shareholding percentage		Cost		Carrying amounts based on equity method	
			30 September	31 December	30 September	31 December	30 September	31 December
			2014	2013	2014	2013	2014	2013
			%	%				
Investments in associates, directly held by the Company								
Lucky Union Foods Co., Ltd.	Manufacturer & exporter of crab sticks	Thailand	25.00	25.00	37,500	37,500	393,442	381,161
Biz Dimension Co., Ltd.	E-Commerce under website	Thailand	20.00	20.00	1,010	1,010	26,741	23,248
Avanti Feeds Limited	Manufacturer & exporter of animal feeds and shrimp products	India	25.12	25.12	117,064	117,064	316,412	197,654
Investments in associates, directly held by subsidiaries								
Century (Shanghai) Trading Co., Ltd. (50% held by Thai Union Manufacturing Co., Ltd.)	Importer & exporter of food products	The People's Republic of China	-	45.04	-	75,900	-	41,502
TN Fine Chemicals Co., Ltd. (49% held by Thai Union Manufacturing Co., Ltd.)	Manufacturer & exporter of by-products from seafoods	Thailand	44.14	44.14	44,070	44,070	57,422	52,240
Moresby International Holdings Inc. (33% held by Thai Union Manufacturing Co., Ltd.)	Holding of fishing company & manufacturer & exporter of canned tuna	British Virgin Island	30.03	30.03	136,535	136,535	82,283	141,855
LDH (La Doria) Limited (20% held by MW Brands)	Wholesaler of food products	United Kingdom	20.00	20.00	95,940	95,940	431,885	451,941
					<u>432,119</u>	<u>508,019</u>	<u>1,308,185</u>	<u>1,289,601</u>

(Unit: Thousand Baht)

Company's name	Nature of business	Country of incorporation	Separate financial statements			
			Shareholding Percentage		Cost	
			30 September	31 December	30 September	31 December
			2014	2013	2014	2013
			%	%		
Lucky Union Foods Co., Ltd.	Manufacturer & exporter of crab sticks	Thailand	25.00	25.00	37,500	37,500
Biz Dimension Co., Ltd.	E-Commerce under website	Thailand	20.00	20.00	1,010	1,010
Avanti Feeds Limited	Manufacturer & exporter of animal feeds and shrimp products	India	25.12	25.12	117,064	117,064
					<u>155,574</u>	<u>155,574</u>

The Company

During the first quarter of the year 2013, the Company purchased 9.6 million ordinary shares of Pakfood Public Company Limited (PPC) (or 29.2% of the total 33 million issued and paid up shares of Pakfood), a total of Baht 509 million. Thus, the investment proportion in PPC increased from 49.97% (of the total 30 million issued and paid up shares of Pakfood) to 74.64% of the total issued and paid up shares of PPC and during the fourth quarter of the year 2013, the Company purchased 0.8 million ordinary shares of PPC at a purchase price of Baht 53.14 per share, or a total of Baht 42.3 million. As at 31 December 2013, the Company held 25.4 million ordinary shares of PPC or 77.06% of the total issued and paid up shares of PPC. The Company changed the recording of the investment in PPC from investment in associated company to investment in subsidiary. These consolidated financial statements included the statement of financial position of PPC as at 31 December 2013 and the comprehensive income for the period from the investment date to 31 December 2013.

Thai Union Manufacturing Co., Ltd. (TUM)

During the first quarter of the year 2013, Thai Union Manufacturing additionally invested USD 1.3 million or Baht 39.6 million in Moresby International Holdings Inc.

During the third quarter of the year 2014, TUM, the shareholder of investment in associated Company - Century (Shanghai) Trading Co., Ltd. (Century) entered into new agreement with the existing shareholders. The new agreement is a joint venture agreement with the investment proportion of 50% (31 December 2013: 50%). TUM changed the recording of the investment in Century from investment in associated company to investment in joint venture. The changed of investment type has no effect to profit or loss of the Company's consolidated financial statements.

Investments in some associates were determined on the basis of financial information provided by those companies' managements. These were unaudited by their external auditors due to time constraints. However, the values of the investments in associates are insignificant.

(Unaudited but reviewed)

9. Investments in subsidiaries

Details of investments in subsidiaries as presented in separate financial statements are as follows.

Company's name	Nature of business	Country of incorporation	Paid-up capital		Shareholding percentage	
			30 September 2014	31 December 2013	30 September 2014	31 December 2013
					%	%
Songkla Canning Pcl.	Manufacturer & exporter of canned seafood	Thailand	Baht 360 million	Baht 360 million	90.44	90.44
Thai Union Manufacturing Co., Ltd.	Manufacturer & exporter of canned tuna and pet food	Thailand	Baht 300 million	Baht 300 million	90.08	90.08
Thai Union Seafood Co., Ltd.	Manufacturer & exporter of frozen shrimp	Thailand	Baht 300 million	Baht 300 million	51.00	51.00
T-Holding Co., Ltd.	Distributor	Thailand	Baht 70 million	Baht 70 million	90.00	90.00
Thai Union Feedmill Co., Ltd.	Manufacturer & distributor of animal feeds	Thailand	Baht 500 million	Baht 500 million	51.00	51.00
Thai Union Graphic Co., Ltd.	Printing manufacturer	Thailand	Baht 40 million	Baht 40 million	98.00	74.00
Thai Union International, Inc. (TUI)	Holding company	USA	USD 98.6 million	USD 98.6 million	100.00	100.00
Thai Union Investment Holding Co., Ltd. (TUIH)	Holding company	Mauritius	EUR 222 million	EUR 222 million	100.00	100.00
Pakfood Pcl.	Manufacturer & distributor of frozen foods and aquatic animals	Thailand	Baht 330 million	Baht 330 million	77.13	77.06

(Unit: Thousand Baht)

Company's name	Cost	
	30 September 2014	31 December 2013
<u>Investments in subsidiaries</u>		
Songkla Canning Pcl.	1,379,791	1,379,791
Thai Union Manufacturing Co., Ltd.	1,212,172	1,212,172
Thai Union Seafood Co., Ltd.	189,316	189,316
T-Holding Co., Ltd.	20,699	20,699
Thai Union Feedmill Co., Ltd.	255,000	255,000
Thai Union Graphic Co., Ltd.	96,019	45,331
Thai Union International, Inc. (TUI)	3,115,350	3,115,350
Thai Union Investment Holding Co., Ltd. (TUIH)	8,900,256	8,900,256
Pakfood Pcl.	1,325,890	1,324,515
Total	16,494,493	16,442,430

The Company

During the first quarter of the year 2013, the Company increased investment in Pakfood Pcl. (PPC), and thus the investment proportion in PPC increased from 49.97% to 74.64%. The Company changed the recording of the investment in PPC from investment in associated company to investment in subsidiary, as mentioned in Note 8. During the fourth quarter of the year 2013, the Company purchased 0.8 million ordinary shares of PPC at a purchase price of Baht 53.14 per share, or a total of Baht 42.3 million. As at 31 December 2013, the Company held 25.4 million ordinary shares of PPC or 77.06% of the total issued and paid up shares of PPC.

During the first quarter of the year 2013, the Company sold all of its investment in PT Juifa International Foods to third party for 23,970 shares, totally 88.78% of shareholding in the subsidiary at price of Baht 3,315.84 per share or amounting to Baht 79 million, resulting in loss incurred from sale of investment in subsidiary of Baht 58 million presented in the consolidated profit or loss (separate profit or loss: loss of Baht 3 million) for the year ended 31 December 2013. As a result of the transaction, PT Juifa International Foods was no longer the subsidiary of the Company.

During the first quarter of the year 2013, the Company additionally invested USD 14 million or Baht 415.3 million in Thai Union International, Inc. (TUI).

During the second quarter of the year 2013, the Company additionally invested USD 7.5 million or Baht 220.4 million in TUI.

During the fourth quarter of the year 2013, the Company additionally invested USD 15.5 million or Baht 502.2 million in TUI.

On 1 July 2014, the Company increased investment in Thai Union Graphic Co., Ltd. (TUG) which is the subsidiary of the Company for 0.96 million ordinary shares at a purchase price of Baht 52.80 per share, or a total of Baht 50.7 million. As at 30 September 2014, the Company holds 3.9 million ordinary shares of TUG or 98% of the total issued and paid up shares of TUG.

During the third quarter the current year, the company purchased 25,890 ordinary shares of PPC at a purchase price of Baht 53.14 per share, or total of Baht 1.4 million. As at 30 September 2014, the Company held 25.4 million ordinary shares of PPC or 77.13% of the total issued and paid up shares of PPC.

Acquisition of MerAlliance SAS

On 4 September 2014, the Board of Directors' meeting of the Company passed a resolution approving the acquisition of MerAlliance SAS (MerAlliance) by Thai Union France Holding 2 SAS (TUFH), a subsidiary of the Company incorporated in France. TUFH entered into an agreement to purchase shares of MerAlliance, a producer of smoked salmon products with headquarters located in France, and having production facilities in Scotland, Poland and France. The products of MerAlliance are distributed across Europe.

TUFH and the sellers entered into a sale and purchase agreement in relation to the Company's proposed acquisition of MerAlliance in order to acquire all shares held by MerAlliance, or equivalent to 100 % of the issued and paid-up shares capital of MerAlliance which has a total of 8 companies under the group.

As at 30 September 2014, TUFH was in the process of carrying out transactions to comply with the terms and conditions of the agreement and the Competition Clearance. TUFH expected to complete these transactions in the fourth quarter of the current year.

Acquisition of King Oscar AS

On 15 September 2014, the Board of Directors' meeting of the Company passed a resolution approving the acquisition of King Oscar AS (King Oscar) by approving Thai Union EU Seafood 1 S.A., a subsidiary of the Company incorporated in Luxembourg, to incorporate a company in Norway under the name Thai Union Norway AS (TU Norway), which would undertake the acquisition of King Oscar.

TU Norway entered into an agreement to purchase shares and business of King Oscar, a producer and distributor of canned seafood products under its brands with the headquarters located in Norway, and having the production facilities in Poland and Norway. The products of King Oscar are distributed across Europe, United States and Australia.

TU Norway and the sellers entered into a sale and purchase agreement in relation to the Company's proposed acquisition of King Oscar in order to acquire all shares held by King Oscar, or equivalent to 100 % of the issued and paid-up shares capital of King Oscar which were held mainly by Private Equity Fund Procuritas Capital Investors IV.

As at 30 September 2014, TU Norway was in the process of carrying out transactions to comply with the terms and conditions of the agreement and the Competition Clearance. TU Norway expected to complete these transactions in the fourth quarter of the current year.

Thai Union Manufacturing Co., Ltd. (TUM) and its subsidiary

During the first quarter of the year 2013, TUM formed New Frontier Foods Co., Ltd. (NFF), in which it holds 1 million ordinary shares (or 100% of the issued and paid-up shares of such company) with a par value of Baht 10 per share, fully paid up, for a total payment of Baht 10 million.

During the second quarter of the year 2013, NFF a subsidiary of TUM, registered the increase of its registered share capital with the Ministry of Commerce from Baht 10 million (1 million ordinary shares of Baht 10 each) to Baht 200 million (20 million ordinary shares of Baht 10 each), 25% paid-up, for a total payment of Baht 47.5 million.

On 17 June 2014, the Extra Ordinary General Meeting of NFF passed a special resolution to approve the dissolution of the company. NFF registered the dissolution with the Ministry of commerce on 17 June 2014. NFF completed the liquidation process on 26 August 2014.

Thai Union Feedmill Co., Ltd. (TFM) and its subsidiaries

During the year 2013, TFM has entered into the joint venture agreement with a Japanese company for the joint investment in TMAC Co., Ltd. (TMAC). As a result, an investment in TMAC had been reclassified from an investment in subsidiary by a subsidiary to investment in joint venture. The investments were readjusted to their fair value as at the reclassification date. The difference between the carrying amount of the investments and the fair value on the date of reclassification amounting to Baht 161 million is recorded in the profit and loss statement for the year ended 31 December 2013.

During the year 2013, TFM restructured its investments in subsidiaries by selling its holdings in three subsidiaries to TMAC, another joint venture of TFM. The investments in the subsidiaries, namely Thai Union Hatchery Co., Ltd., TMK Farm Co., Ltd. and TCM Fishery Co., Ltd., were sold at prices of Baht 340 million, Baht 127 million and Baht 56 million, respectively. As a result of these transactions, all of these subsidiaries of TFM were no longer the subsidiaries of the Company.

On 15 March 2014, the Extraordinary General Meeting of Thai Quality Shrimp Co., Ltd. (TQS) passed a special resolution to approve the dissolution of the company. TQS registered the dissolution with the Ministry of Commerce on 27 March 2014. TQS completed the liquidation process on 24 June 2014.

Pakfood Pcl (PPC)

During the first quarter of the year 2013, an Extraordinary General Meeting of PPC approved the increase of the Company's registered share capital from Baht 300 million (30 million ordinary shares of Baht 10 each) to Baht 330 million (33 million ordinary shares of Baht 10 each), through the issuance of 3 million additional ordinary shares with a par value of Baht 10 each, for the offer to existing shareholders of the Company at Baht 50 per share.

During the year 2013, an Extraordinary General Meeting of PPC's shareholders considered and approved the delisting of PPC's securities from the Stock Exchange of Thailand ("the SET"), whereby the Company, the major shareholder of PPC, was to conduct a tender offer for the securities of PPC for the purpose of delisting. The SET approved the delisting of PPC's securities on 15 November 2013.

10. Investments in joint venture

Investments in joint venture represent investments in an entity which is jointly controlled by Thai Union Feedmill Company Limited (TFM), Thai Union Manufacturing Company Limited (TUM) and other companies. Details of these investments are as follows:

Jointly controlled entity	Nature of business	Country of incorporation	Consolidated financial statement			
			Paid-up capital		Shareholding percentage	
			30 September 2014	31 December 2013	30 September 2014	31 December 2013
					%	%
TMAC Company Limited (Joint venture of TFM and other company)	Distribution of shrimp feed and supplies for breeding and rearing of shrimp and the investment in companies which engaged in the breeding, rearing and distribution of shrimp	Thailand	Baht 860 million	Baht 860 million	51.00	51.00
Cindena Resources Limited (Joint venture of TUM and other company)	Owner of trademark "Century", which is the trademark of canned tuna distributed overseas	British Vergin Islands	USD 500,000	-	50.00	-
Century (Shanghai) Trading Co., Ltd. (Joint venture of TUM and other company)	Importer & exporter of food products	China	USD 4,000,000	-	50.00	-

(Unaudited but reviewed)

(Unit: Thousand Baht)

Jointly controlled entity	Consolidated financial statements			
	Cost		Carrying amounts based on equity method	
	30 September 2014	31 December 2013	30 September 2014	31 December 2013
TMAC Co., Ltd.	438,600	438,600	533,028	578,940
Cindena Resources Limited	8,075	-	8,075	-
Century (Shanghai) Trading Co., Ltd.	75,900	-	31,319	-
Total	<u>522,575</u>	<u>438,600</u>	<u>572,422</u>	<u>578,940</u>

During the first quarter of the year 2014, TMAC Co., Ltd. (TMAC) additionally purchased 4 million ordinary shares of Thai Union Hatchery Co., Ltd. (TUH) (its subsidiary) (or 100% of the total 4 million increase of its registered, issued and paid up shares capital), a total of Baht 40 million.

During the first quarter of the year 2014, TMAC Co., Ltd. (TMAC) additionally purchased 12 million ordinary shares of TMK Co., Ltd. (TMK) (its subsidiary), a total of Baht 120 million. Thus, the investment proportion of TMAC in TMK increased from 80% (of the total 15 million issued and paid up shares) to 88.89% (of the total 27 million issued and paid up shares) and during the second quarter of the year 2014, TMAC additionally purchased 1.5 million ordinary shares of TMK, a total of Baht 12 million. As at 30 September 2014, TMAC holds 25.5 million ordinary shares of TMK or 94.44% of the total 27 million issued and paid up shares of TMK.

During the third quarter of the year 2014, TUM entered into a joint venture agreement with a company in Philippines to jointly invest in Cindena Resources Limited (Cindena) by purchasing 250,000 ordinary shares of Cindena at the purchase price of USD 1 per share, totaling USD 250,000 or Baht 8.1 million. As a result, the Company holds 50% of the total issued and paid up shares of Cindena.

During the current period, TUM, the shareholder of investment in associated Company - Century (Shanghai) Trading Co., Ltd. (Century) entered into new agreement with the former shareholders. The new agreement is a joint venture agreement. TUM changed the recording of the investment in Century from investment in associated company to investment in joint venture, as mentioned in Note 8.

During the three-month and nine-month periods ended 30 September 2014, the Company recognised share of loss from investments in joint venture, totalling Baht 9 million and Baht 55 million respectively in the consolidated financial statements.

(Unaudited but reviewed)

11. Other long-term investments

(Unit: Thousand Baht)

	Consolidated financial statements			
	30 September 2014		31 December 2013	
	Cost	Fair value	Cost	Fair value
Other long-term investments				
Available-for-sale securities - Unit trusts	37,307	<u>38,994</u>	41,563	<u>33,181</u>
Unrealised gain (loss) on changes in the value of investments	1,687		<u>(8,382)</u>	
Total available-for-sale securities	38,994		33,181	
Other investments				
- Ordinary shares	958		738	
Total other long-term investments	<u>39,952</u>		<u>33,919</u>	

12. Property, plant and equipment

Movements of the property, plant and equipment account during the nine-month period ended 30 September 2014 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Net book value as at 1 January 2014	21,472,833	4,188,049
Acquisitions during period - at cost	2,325,066	402,266
Transfer in (out) during period	130,143	(9,679)
Disposals during period - net book value as at disposal date	(46,723)	(968)
Write-off during period - net book value as at write-off date	(15,789)	(8,592)
Depreciation for period	(1,774,024)	(279,513)
Allowance for impairment of assets during the period	(367,760)	-
Translation adjustment	(246,701)	-
Net book value as at 30 September 2014	<u>21,447,045</u>	<u>4,291,563</u>

As at 30 September 2014 and 31 December 2013, a local subsidiary is subject to a restriction on the creation of lien or encumbrance over its property, plant and equipment, as mentioned in Note 16.

(Unaudited but reviewed)

During the second quarter of the current year, TUI approved USPN (a subsidiary) restructuring plan to cease part of the pet food production line of USPN facility in Lyons, Georgia. The cease is scheduled on 15 August 2014. TUI recorded the restructuring charges for the three-month and nine-month periods ended 30 September 2014 amounting to USD 0.1 million and USD 6.5 million, respectively which include the employee severance accrual, write-down of inventory and property, plant and equipment and other restructuring related accruals.

In addition, during the third quarter of the current year, TUI recorded the allowance for impairment of USPN's machinery and equipment amounting to USD 10.8 million or Baht 349 million. The machinery and equipment was phased out according to USPN's production restructuring plan as discussed in the above paragraph. The allowance for impairment of assets was recognised as expense in the consolidated financial statements for the three-month and nine-month periods ended 30 September 2014.

13. Other intangible assets

Movements of Intangible assets during the nine-month period ended 30 September 2014 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Net book value as at 1 January 2014	14,696,284	4,445
Acquisitions during the period - at cost	9,855	1,267
Transfer in during the period	54,893	9,679
Disposals and write-off during the period	(1,268)	-
Amortisation for the period	(87,712)	(709)
Translation adjustment	(1,176,963)	-
Net book value as at 30 September 2014	13,495,089	14,682

As at 30 September 2014 and 31 December 2013, the trademark "Chicken of the sea" was used as collateral of credit facilities of an overseas subsidiary as mentioned in Note 14.

14. Bank overdrafts and short-term loans from financial institutions

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	30 September 2014	31 December 2013	30 September 2014	31 December 2013
Short-term loans from financial Institutions	21,246,316	29,374,818	4,975,029	11,473,313

(Unaudited but reviewed)

As at 30 September 2014, the Company had unsecured bills of exchange, trust receipt and packing credit totaling Baht 5.0 million (31 December 2013: Baht 11.5 million). The loans carried the interest rates of 2.15% - 2.20% per annum (31 December 2013: 2.38% - 2.43% per annum).

As at 30 September 2014 and 31 December 2013, the Company and its subsidiaries had the following unused overdraft lines from banks and other credit facilities:

<u>Currency</u>	<u>30 September 2014</u>	<u>31 December 2013</u>
	(Million)	(Million)
Baht	34,120	25,774
USD	6,498	5,709
EURO	321	329

The Company and its subsidiaries entered into interest rate swap agreements for short-term loans from financial institution to hedge interest rate risk, as mentioned in Note 24.2.

Tri-Union Frozen Products, Inc. (TUFPP)

TUFPP entered into an amended and restated credit agreement (TUFPP Credit Agreement) with Bank of America N.A. (BOA). The TUFPP Credit Agreement was initially made for USD 85 million revolving facility through 15 October 2013. The second through seventh amendments included the extended terms and increased credit line to USD 140 million.

Borrowings under the TUFPP Credit Agreement bear interest, at TUFPP's option, at LIBOR plus a margin of 1.25% to 2.25% per annum, or the bank's prime rate plus 0.25% to 1.25% per annum, subject to excess availability evaluated on a quarterly basis. An unused line fee is charged at 0.25% per annum, subject to adjustment, on the average daily unused portion of the TUFPP Credit Agreement. The TUFPP Credit Agreement is secured by accounts receivable and inventories of TUFPP. This revolving credit agreement includes a requirement that all borrowers maintain a lockbox arrangement whereby cash receipts are used directly to repay the amounts outstanding under the TUFPP Credit Agreement. Therefore, all borrowings made under the TUFPP credit agreement will be classified as short-term.

In April 2013, TUFPP entered into a seventh amendment (TUFPP Amendment No. 7) with BOA to modify the definition of eligible receivables to exclude certain receivables from the borrowing base as a result of the receivables purchase agreement as discussed in Note 4.

(Unaudited but reviewed)

On 5 August 2013, an eighth amendment (TUFPP Amendment No. 8) with BOA was executed to maintain the USD 140 million revolving credit, and include a feature to extend credit line to USD 160 million, as needed. TUFPP Amendment No. 8 also extends the TUFPP Credit Agreement period to 5 August 2016, which was formerly ended on 15 October 2013.

On 11 December 2013, TUFPP entered into the TUFPP Amendment No. 9 with existing lenders to exercise its right to temporarily increase its USD 140 million revolving credit by USD 15 million to USD 155 million commencing on 11 December 2013 and ending on 11 June 2014. Terms and conditions of the additional loans remain the same as previously established in the TUFPP Credit Agreement plus additional interest bearing of 0.25%.

On 10 January 2014, TUFPP entered into the TUFPP Amendment No. 10 with existing lenders to exercise its right to temporarily increase its USD 155 million revolving credit by USD 5 million to USD 160 million commencing on 10 January 2014 and ending on 11 June 2014. Terms and conditions of the additional loans remain the same as previously established in the TUFPP Credit Agreement plus additional interest bearing of 0.25%.

As at 30 September 2014, the balance under the credit facility was USD 122 million (31 December 2013: USD 132 million) at the interest rate between 1.41% and 3.50% per annum (31 December 2013: between 2.21% and 3.50% per annum) and actual unused availability, which is based upon substantially all of the collateralised assets, was approximately USD 16 million (31 December 2013: USD 20 million). TUFPP is subject to certain financial covenants including interest coverage ratio and leverage coverage ratio and others. As at 30 September 2014, TUFPP determined it was in compliance with these covenants.

Tri-Union Seafoods, LLC (Tri-U)

On 11 March 2011, Tri-Union Seafoods, LLC (Tri-U) entered into an amended revolving credit facility agreement with BOA. The credit facility, which expires on 11 March 2014, provides for borrowings and the issuance of letters of credit up to USD 95 million subject to limitations based on eligible accounts receivable and inventory. The issuance of letters of credit reduces the amount of borrowing capacity. Borrowings under the credit facility bear interest, at Tri-U's option, at LIBOR plus a margin of 2.00% or 2.25% per annum, the bank's prime rate, or the bank's prime rate plus 1.00% or 1.25% per annum, depending upon the ratio of outstanding amounts to secured accounts receivable and inventory, subject to quarterly adjustment. An unused line fee is charged at 0.375% per annum, subject to adjustment, on the average daily unused portion of the credit facility. The credit facility is secured by accounts receivable and inventory of Tri-U.

(Unaudited but reviewed)

On 6 June 2011, Tri-U amended its credit facility with BOA to incorporate the "Chicken of the Sea" trademark as eligible collateral with USD 10 million additional availability component loan at LIBOR plus a margin of 3.75% or 4.00% per annum or the bank's prime rate plus 2.75% or 3.00% per annum within the USD 95 million credit line. Until the repayment in full of the additional component loan, borrowing under Tri-U credit facility bears interest at LIBOR plus 2.25% or 2.50% per annum, or the bank's prime rate plus 1.25% or 1.50% per annum at Tri-U's option.

On 23 March 2012, Tri-U entered into the second amendment of revolving credit facility agreement to increase the credit line to USD 110 million through 11 March 2014.

On 22 August 2012, Tri-U entered into the third amendment of its credit facility with BOA, which has a "Keep-well" provision allowing Tri-U to utilise equity contributions from its member funded within a 45-day grace period when calculating the leverage ratio for purposes of assessing compliance with covenants. Tri-U agreed to a 0.25% increase in the annual interest rate in consideration of this provision.

On 11 March 2014, Tri-U entered into a fifth amendment with BOA to maintain the USD 110 million revolving credit until 10 March 2017. Borrowings under the credit facility bear interest, at LIBOR plus a margin of 2.25% to 2.75% per annum, the bank's prime rate or the bank's prime rate plus 1.25% to 1.75% per annum, depending upon the ratio of amounts outstanding to secured accounts receivable and inventory, subject to quarterly adjustment. An unused line fee is charged at 0.375% per annum, subject to adjustment, on the average daily unused portion of the credit facility.

As at 30 September 2014, the balance under the credit facility was USD 77 million (31 December 2013: USD 90 million), with interest rate at 2.75% to 6.25% per annum (31 December 2013: interest rate at 3.00% to 6.50% per annum) and actual unused availability was approximately USD 24 million (31 December 2013: USD 8 million). Tri-U is subject to certain financial covenants including an interest coverage ratio and leverage ratio and other covenants, including limitations on indebtedness, capital leases, and capital expenditures, transactions with affiliates, distributions, and dividend payment. As at 30 September 2014, Tri-U determined it was in compliance with these covenants.

(Unaudited but reviewed)

Yueh Chyang Canned Food Co., Ltd. (YCC)

As at 30 September 2014, Yueh Chyang Canned Food Co., Ltd. (YCC) obtained credit facilities from financial institutions amounting to USD 24 million (31 December 2013: USD 26 million). The credit facilities bear interest rate at 1.86% to 2.10% per annum (31 December 2013: 1.86% to 2.50% per annum). As at 30 September 2014, the balance under the credit facilities was USD 12 million (31 December 2013: USD 11 million). The unused availability was approximately USD 12 million (31 December 2013: USD 15 million). The credit facilities were secured by accounts receivable of YCC.

15. Trade and other payables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 December	30 September	31 December
	2014	2013	2014	2013
Trade payables - related parties	135,648	57,897	412,898	410,578
Trade payables - unrelated parties	8,475,069	7,770,338	1,109,696	897,161
Accrued expenses - related parties	15,314	78,094	4,649	34,216
Accrued expenses - unrelated parties	2,502,396	1,730,898	622,505	241,380
Other payables - construction and asset purchase - related parties	4,411	7,627	4,411	4,092
Other payables - construction and asset purchase - unrelated parties	156,872	157,550	16,013	6,485
Total trade and other payables	<u>11,289,710</u>	<u>9,802,404</u>	<u>2,170,172</u>	<u>1,593,912</u>

16. Long-term loans

The Company and its subsidiaries entered into interest rate swap agreements for long-term loans from financial institution to hedge interest rate risk, as mentioned in Note 24.2.

Long-term loans as at 30 September 2014 and 31 December 2013 consist of:

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 December	30 September	31 December
	2014	2013	2014	2013
USD loans	1,602	1,623	1,593	1,614
Baht loans	1,952	2,603	1,800	2,138
Less: Deferred financial fees	(3)	(4)	(3)	(4)
Total	<u>3,551</u>	<u>4,222</u>	<u>3,390</u>	<u>3,748</u>
Less: Current portion	<u>(516)</u>	<u>(779)</u>	<u>(450)</u>	<u>(450)</u>
Net	<u>3,035</u>	<u>3,443</u>	<u>2,940</u>	<u>3,298</u>

(Unaudited but reviewed)

During the third quarter of 2007, a local subsidiary entered into a 7-year loan agreement amounting to Baht 1,190 million with a local financial institution. The loan carries interest at THBFIX plus 0.39% per annum and is to be repaid in semi-annually installments, the first of which will be due in January 2011. The loan contains covenants relating to various matters stipulated in the agreement. During the current period, that subsidiary had a loan repayment for all the outstanding balance (31 December 2013: Baht 273 million).

During the third quarter of 2011, the Company has entered into a 7-year loan agreement amounting to Baht 2,250 million with a local financial institution. The loan carries interest at THBFIX per annum and is to be repaid in quarterly installments, the first of which will be due in October 2013. As at 30 September 2014, the balance of this loan was Baht 1,800 million (31 December 2013: Baht 2,138 million). The loan agreement contains covenants as specified in the agreement that, among other things, require the company to maintain certain debt to equity and debt service coverage ratio according to the agreement. As at 30 September 2014, the Company was able to maintain the required covenants.

During the fourth quarter of 2011, a local subsidiary entered into a long-term loan agreement amounting to Baht 350 million with a local financial institution. The loan carried interest at 4.75% per annum since October 2011, and FDR plus 2.5% per annum since October 2012 and is to be repaid in monthly installments, the first of which will be due in April 2012. The subsidiary is subject to restriction on the creation of lien or encumbrance over its property, plant and equipment. As at 30 September 2014, the balance of this loan was Baht 152 million (31 December 2013: Baht 192 million). The loan agreement contains covenants as specified in the agreement that, among other things, require the subsidiary to maintain certain debt to equity and debt service coverage ratio according to the agreement. As at 30 September 2014, the subsidiary was able to maintain the required covenants.

During the fourth quarter of the year 2013, the Company entered into loan agreement amounting to USD 49 million or Baht 1,614 million with a local financial institution. The loan carried interest at LIBOR plus 0.92% per annum and will be due on 27 July 2016, 27 July 2017 and 27 July 2018. As at 30 September 2014, the balance of this loan was USD 49 million or Baht 1,593 million (31 December 2013: USD 49 million or Baht 1,614 million). The loan agreement contains covenants as specified in the agreement that, among other things, require the Company to maintain certain debt to equity and debt service coverage ratio according to the agreement. As at 30 September 2014, the Company was able to maintain the required covenants.

(Unaudited but reviewed)

17. Debentures

On 26 October 2005, a meeting of the Company's Board of Directors approved the issuance of debentures of the Company and/or its subsidiary companies in an amount of up to Baht 8,500 million or the equivalent in other currencies, for the purposes of refinancing debt and future expansion. Such debentures may be offered to the public and/or institutional investors and/or local and/or foreign investors.

On 25 April 2011, the Annual General Meeting of Shareholders approved the increase of credit limit for issuance of debentures of the Company and/or its subsidiaries in an amount of up to Baht 15,000 million or the equivalent in other currencies, for the purpose of refinancing debt and future expansion. Such debentures may be offered to the public and/or institutional investors and/or local and/or foreign investors.

On 3 April 2014, the Annual General Meeting of Shareholders approved the increase of credit limit for issuance of debentures of the Company and/or its subsidiaries in the amount of Baht 15,000 million, according to Section 9 of the resolutions of the Annual General Meeting of Shareholders of 2011, up to Baht 25,000 million or the equivalent amount in other currencies. Such debentures may be offered to the public and/or institutional investors and/or local and/or foreign investors.

The Company's debentures which are unsecured debentures with no trustee, issued with a registered certificate and unsubordinated, are summarised below:

Debentures	Interest rate (% p.a.)	Terms	Due date	(Unit: Million Baht)	
				Consolidated/ Separate financial statements	
				30 September 2014	31 December 2013
*Debentures # 1/2011 (1)	4.51	3 years	27 July 2014	-	3,300
*Debentures # 1/2011 (2)	4.70	5 years	27 July 2016	1,950	1,950
*Debentures # 1/2011 (3)	5.02	10 years	27 July 2021	1,500	1,500
**Debentures # 1/2014 (1)	3.58	3 years	6 February 2017	2,500	-
**Debentures # 1/2014 (2)	4.21	5 years	6 February 2019	3,150	-
**Debentures # 1/2014 (3)	4.69	7 years	6 February 2021	1,550	-
**Debentures # 1/2014 (4)	5.18	10 years	6 February 2024	1,050	-
Total debentures - face value				11,700	6,750
Less: Unamortised portion of deferred transaction costs				(20)	(10)
Net debentures				11,680	6,740
Less: Debentures due within one year				-	(3,298)
Debentures - due over one year				11,680	3,442

*Debentures # 1/2011: the Company issued three sets of debentures on 27 July 2011 of Baht 6,750 million (6,750,000 units of debentures of Baht 1,000 each), with interest rate at 4.51% to 5.02% per annum and the redemption is due in 2014, 2016 and 2021, respectively.

**Debentures # 1/2014: the Company issued four sets of debentures on 6 February 2014 of Baht 8,250 million (8,250,000 units of debentures of Baht 1,000 each), with interest rate at 3.58% to 5.18% per annum and the redemption is due in 2017, 2019, 2021 and 2024, respectively.

(Unaudited but reviewed)

On 11 November 2013, the meeting of the Company's Board of Directors approved the issuance of four sets of debentures 1/2014 amounting to Baht 8,250 million (8,250,000 units of debentures of Baht 1,000 each) of registered, unsubordinated, unsecured debentures with no trustee, with interest rate at 3.58% to 5.18% per annum and the redemption is due in 2017, 2019, 2021 and 2024.

The above debentures contain covenants relating to various matters such as the maintenance of debt to shareholders' equity ratio and interest coverage ratio, and certain conditions in issuance of debentures agreements, for example, annual dividend payment in the form of cash exceeding 60 percent of net income of the year is prohibited.

On 27 July 2014, the Company paid Baht 3,300 million for the redemption of the due debenture.

18. Convertible bond

On 2 September 2010, the Extraordinary General Meeting of Shareholders approved the issuance non-secured convertible bond to specific investors (Private Placement) of EUR 60 million. The bond has a tenor of 4 years and an annual coupon of 5% p.a. and an overall yield of 8% p.a. unless converted into common shares. The bond can be converted into common shares at any time after the first year at a conversion price of Baht 56 per share. On 27 October 2010, the Company issued this convertible bond. The convertible bond contains covenants relating to various matters. On 6 March 2012, the meeting of the Company's Board of Directors approved the change of conversion price to Baht 52.91 per share.

According to the Thai Accounting Standard No. 107 "Financial Instruments: Disclosure and Presentation", the issuer of convertible bond is required to classify the bond's liability and equity components and present them separately from the owner's equity in the statements of financial position. However, the rate of interest payable in the future on the convertible bond was the same as the market rate prevailing on the date of bond issuance. The Company therefore recorded all the convertible bond as liabilities. The liability component continues to be presented on an amortised cost basis, until conversion to ordinary shares or maturity of the bond.

19. Income tax

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 of each country.

Income tax expense of the Company and subsidiaries for the three-month and nine-month periods ended 30 September 2014 and 2013 are as follows:

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	For the three-month periods ended 30 September			
	2014	2013	2014	2013
Income tax on taxable income	308,234	223,042	65,729	29,410
Translation adjustment	(118)	267	-	-
Expense (income) in deferred income tax	(11,435)	42,422	5,813	(4,719)
Income tax expenses as included in profit or loss	<u>296,681</u>	<u>265,731</u>	<u>71,542</u>	<u>24,691</u>

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	For the nine-month periods ended 30 September			
	2014	2013	2014	2013
Income tax on taxable income	760,755	434,604	92,948	116,209
Translation adjustment	(45)	323	-	-
Expense (income) in deferred income tax	(4,437)	87,924	980	(9,009)
Income tax expenses as included in profit or loss	<u>756,273</u>	<u>522,851</u>	<u>93,928</u>	<u>107,200</u>

The components of deferred tax assets and liabilities as presented in statements of financial position consist of:

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September 2014	31 December 2013	30 September 2014	31 December 2013
Deferred tax assets				
Tax losses brought forward	285	465	-	-
Tax effect of non-deductible expenses				
Allowance for diminution in value of				
Accounts receivable	23	25	5	5
Inventories	152	189	3	2
Asset value	182	7	7	7
Others	64	77	-	-
Provision for long-term employee benefits	58	54	7	5
Accrued liabilities	189	191	-	-
Inventory borrowing cost	265	268	-	-
Others	9	53	9	12
Total	<u>1,227</u>	<u>1,329</u>	<u>31</u>	<u>31</u>

(Unaudited but reviewed)

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September 2014	31 December 2013	30 September 2014	31 December 2013
Deferred tax liabilities				
Depreciation and amortisation	683	684	3	3
Intangible assets	3,831	4,197	-	-
Prepaid expense	15	15	-	-
Other reserves	178	227	-	-
Surplus on revaluation of assets	304	313	45	45
Others	87	99	-	-
Total	5,098	5,535	48	48

20. Earnings per share

Basic earnings per share is calculated by dividing profit for the period attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the period.

Diluted earnings per share is calculated by dividing profit for the period attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the period plus the weighted average number of ordinary shares which would need to be issued to convert all dilutive potential ordinary shares into ordinary shares. The calculation assumes that the conversion took place either at the beginning of the period or on the date the potential ordinary shares were issued.

	For the three-month period ended 30 September 2014				
	Profit for the year		Weighted	Earnings per share	
	Consolidated	Separate	average	Consolidated	Separate
	financial	financial	number of	financial	financial
	statements	statements	ordinary	statements	statements
Million Baht	Million Baht	shares	Baht	Baht	
Basic earnings per share					
Profit attributable to equity holders of the company	1,922	1,216	1,148	1.67	1.06
Less: Interest expense from convertible bond recognised during the year - net of tax effect of dilutive potential ordinary shares	(146)	(146)	45		
Diluted earning per share					
Profit of ordinary shareholders assuming the conversion of convertible bond to ordinary shares	1,776	1,070	1,193	1.49	0.90

(Unaudited but reviewed)

For the nine-month period ended 30 September 2014

	Profit for the year		Weighted average number of ordinary shares	Earnings per share	
	Consolidated financial statements	Separate financial statements		Consolidated financial statements	Separate financial Statements
	Million Baht	Million Baht	Million share	Baht	Baht
Basic earnings per share					
Profit attributable to equity holders of the Company	4,393	2,178	1,148	<u>3.83</u>	<u>1.90</u>
Add: Interest expense from convertible bond recognised during the year - net of tax	79	79			
effect of dilutive potential ordinary shares	-	-	45		
Diluted earning per share					
Profit of ordinary shareholders assuming the conversion of convertible bond to ordinary shares	<u>4,472</u>	<u>2,257</u>	<u>1,193</u>	<u>3.75</u>	<u>1.89</u>

There was no disclosure of diluted earnings per share in the consolidated financial statements and the separate financial statements for the three-month and nine-month periods ended 30 September 2013 since the effect of diluted earnings per share was antidilutive.

21. Segment information

The Company and its subsidiaries are organised into business units based on its products and services. During the current period, the Company and its subsidiaries have not changed the organisation of their reportable segments.

The following tables present revenue and profit information regarding the Company and its subsidiaries' operating segments for the three-month and nine-month periods ended 30 September 2014 and 2013, respectively.

(Unaudited but reviewed)

(Unit: Thousand Baht)

For the three-month period ended 30 September 2014

	Production and distribution of frozen and canned food products segment	Operation support and other business segment	Total reportable segments	Eliminations	Consolidated financial statements
Revenue					
External customers	32,770,273	1,428,797	34,199,070	(3,775,814)	30,423,256
Inter-segment	1,913,055	643,112	2,556,167	(2,556,167)	-
Total revenue	34,683,328	2,071,909	36,755,237	(6,331,981)	30,423,256
Results					
Segment profit	2,387,742	229,549	2,617,291	(142,061)	2,475,230
Finance cost					(151,523)
Share of profit from investments in associates and joint venture					87,967
Other income					20,861
Profit before income tax expenses					2,432,535
Income tax expenses					(296,681)
Profit for the period					2,135,854

(Unit: Thousand Baht)

For the three-month period ended 30 September 2013

	Production and distribution of frozen and canned food products segment	Operation support and other business segment	Total reportable segments	Eliminations	Consolidated financial statements
Revenue					
External customers	32,460,938	1,489,458	33,950,396	(4,486,202)	29,464,194
Inter-segment	949,042	723,795	1,672,837	(1,672,837)	-
Total revenue	33,409,980	2,213,253	35,623,233	(6,159,039)	29,464,194
Results					
Segment profit	1,902,390	153,722	2,056,112	(295,206)	1,760,906
Finance cost					(405,543)
Share of profit from investments in associates					59,740
Other income					4,513
Profit before income tax expenses					1,419,616
Income tax expenses					(265,731)
Profit for the period					1,153,885

(Unaudited but reviewed)

(Unit: Thousand Baht)

For the nine-month period ended 30 September 2014

	Production and distribution of frozen and canned food products segment	Operation support and other business segment	Total reportable segments	Eliminations	Consolidated financial statements
Revenue					
External customers	94,163,956	3,574,814	97,738,770	(9,108,897)	88,629,873
Inter-segment	4,360,043	2,226,325	6,586,368	(6,586,368)	-
Total revenue	98,523,999	5,801,139	104,325,138	(15,695,265)	88,629,873
Results					
Segment profit	6,441,875	442,771	6,884,646	(203,905)	6,680,741
Finance cost					(1,200,300)
Share of profit from investments in associates and joint venture					109,445
Other income					116,606
Profit before income tax expenses					5,706,492
Income tax expenses					(756,273)
Profit for the period					4,950,219

(Unit: Thousand Baht)

For the nine-month period ended 30 September 2013

	Production and distribution of frozen and canned food products segment	Operation support and other business segment	Total reportable segments	Eliminations	Consolidated financial statements
Revenue					
External customers	88,528,746	4,305,145	92,833,891	(10,809,378)	82,024,513
Inter-segment	3,336,461	2,433,556	5,770,017	(5,770,017)	-
Total revenue	91,865,207	6,738,701	98,603,908	(16,579,395)	82,024,513
Results					
Segment profit	3,600,397	426,649	4,027,046	(186,945)	3,840,101
Finance cost					(1,134,171)
Share of profit from investments in associates					127,415
Other expense					(2,914)
Profit before income tax expenses					2,830,431
Income tax expenses					(522,851)
Profit for the period					2,370,580

(Unaudited but reviewed)

The following table presents segment assets of the Company and its subsidiaries as at 30 September 2014 and 31 December 2013:

(Unit: Thousand Baht)

Segment assets	Production and distribution of frozen and canned food product segment	Operation support and other business segment	Consolidated financial statements
As at 30 September 2014	98,640,490	5,995,801	104,636,291
As at 31 December 2013	102,504,393	5,785,890	108,290,283

22. Dividends

Dividends declared in 2014 and 2013 consist of the following:

	Approved by	Total dividends (Million Baht)	Dividend per share (Baht)
Dividends on income for the period 1 July 2013 to 31 December 2013	Annual General Meeting of the shareholders on 3 April 2014	1,021	0.89
Dividends on income for the interim period 2014	Board of Director's Meeting on 13 August 2014	1,377	1.20
Total for 2014		<u>2,398</u>	
	Approved by	Total dividends (Million Baht)	Dividend per share (Baht)
Dividends on income for the period 1 July 2012 to 31 December 2012	Annual General Meeting of the shareholders on 10 April 2013	1,148	1.00
Dividends on income for the interim period 2013	Board of Director's Meeting on 13 August 2013	688	0.60
Total for 2013		<u>1,836</u>	

(Unaudited but reviewed)

23. Commitments

23.1 Capital commitments

The Company and its subsidiaries have capital commitments relating to the construction of factory buildings, warehouse, acquisition of machinery and equipment under the following agreements:

	As at 30 September 2014		As at 31 December 2013	
Factory and warehouse construction agreements	Baht	123 million	Baht	130 million
Purchase of machinery and equipment agreements	Baht	14 million	Baht	22 million
	USD	7 million	USD	2 million
	-		EUR	1 million
	-		Swiss Franc	3 million

23.2 Operating and other service agreement commitments

As at 30 September 2014 and 31 December 2013, the Company and its subsidiaries had the following commitments:

a) The Company and its subsidiaries have the future commitments under the following agreements:

	As at 30 September 2014							
	Payable within							
	Less than 1 year		1 to 5 years		More than 5 years		Total	
Office rental and service agreements	Baht	75 million	Baht	94 million	Baht	48 million	Baht	217 million
	EUR	2 million	EUR	7 million	EUR	3 million	EUR	12 million
Land lease agreements	Baht	1 million	Baht	3 million	Baht	1 million	Baht	5 million
	USD	2 million	USD	5 million	-	-	USD	7 million
	EUR	1 million	EUR	1 million	EUR	1 million	EUR	3 million
Vehicle lease agreements	Baht	40 million	Baht	28 million	-	-	Baht	68 million
	EUR	1 million	-	-	-	-	EUR	1 million
Machinery lease agreements	Baht	3 million	Baht	7 million	-	-	Baht	10 million
	-	-	USD	1 million	-	-	USD	1 million
Computer & copy machine lease agreements	Baht	13 million	Baht	14 million	-	-	Baht	27 million
Advisory agreements	Baht	12 million	-	-	-	-	Baht	12 million
Computer program agreements	Baht	1 million	-	-	-	-	Baht	1 million
Marketing and management service agreements	Baht	4 million	Baht	2 million	-	-	Baht	6 million
Internet network services agreements	Baht	3 million	Baht	4 million	-	-	Baht	7 million

As at 31 December 2013

(Unaudited but reviewed)

	Payable within						Total
	Less than 1 year		1 to 5 years		More than 5 years		
Office rental and service agreements	Baht	94 million	Baht	120 million	Baht	42 million	Baht 256 million
	EUR	1 million	EUR	5 million	EUR	2 million	EUR 8 million
Land lease agreements	Baht	1 million	Baht	1 million	Baht	2 million	Baht 4 million
	USD	4 million	USD	11 million	-	-	USD 15 million
	EUR	1 million	EUR	2 million	EUR	1 million	EUR 4 million
Vehicle lease agreements	Baht	34 million	Baht	14 million	-	-	Baht 48 million
	EUR	1 million	-	-	-	-	EUR 1 million
Machinery lease agreements	Baht	2 million	-	-	-	-	Baht 2 million
	USD	1 million	USD	1 million	-	-	USD 2 million
Computer & copy machine lease agreements	Baht	10 million	Baht	7 million	-	-	Baht 17 million
Advisory agreements	Baht	42 million	-	-	-	-	Baht 42 million
Security service agreements	Baht	1 million	-	-	-	-	Baht 1 million
Marketing and management service agreements	Baht	6 million	-	-	-	-	Baht 6 million
Internet network service agreements	Baht	1 million	-	-	-	-	Baht 1 million

- b) The Company and its subsidiaries are committed to pay the uncalled portions of their investments as follows:

	As at 30 September 2014		As at 31 December 2013	
The local subsidiary	-	-	Baht	128.4 million
The overseas subsidiary	USD	1.9 million	USD	1.9 million

- c) The overseas subsidiary has agreed to make payments under royalty agreements for the use of certain production machinery and equipment. The agreements require fixed payments plus an additional sum based on output. Total payments made under these arrangements for the three-month period ended 30 September 2014 amounted to USD 0.3 million (2013: USD 0.2 million) and for the nine-month period ended 30 September 2014 amounted to USD 0.7 million (2013: USD 0.7 million).
- d) The Office of the Attorney General of a US state filed a lawsuit against the three largest canned tuna companies in the US, including TUI, for failure to warn consumers that certain tuna contains mercury. Such case was dismissed on 8 January 2007. However, the plaintiff filed a notice of appeal and the appeal was granted on 19 August 2008. TUI filed a petition for an en banc appeal, which was denied. On 13 January 2009, TUI filed a petition with the Supreme Court, but the Court declined to hear. Each party has subsequently filed motions and is currently awaiting the Judge's rulings. TUI is unable to predict the probable outcome of this matter. As such, TUI had no accrual expenses related to this matter as of 30 September 2014 and 31 December 2013.

23.3 Guarantees

- a) As at 30 September 2014, there were outstanding bank guarantees of approximately Baht 33 million (31 December 2013: Baht 32 million) issued by banks on behalf of the Company in respect of certain performance bonds as required in the normal course of business.
- b) As at 30 September 2014, there were outstanding bank guarantees of approximately Baht 93 million and USD 1.8 million (31 December 2013: Baht 95 million and USD 9 million) issued by banks on behalf of the subsidiaries in respect of certain performance bonds as required in the normal course of business.
- c) A local subsidiary's board of directors approved the issuance of letter of Shareholder Undertaking of its overseas associate, stating that it shall be liable to pay the amount not exceeding USD 10 million if its two joint ventures are called for repayment to a financial institution in accordance with the credit facility guarantee agreement.
- d) As at 30 September 2014, a subsidiary issued corporate guarantees on behalf of the company of Baht 61.2 million to a financial institution to secure credit facilities of its joint venture.

24. Financial instruments

24.1 Forward foreign exchange contracts/currency option agreements

The Company and its subsidiaries have forward exchange contracts outstanding as summarised below.

As at 30 September 2014						
Foreign currency	Bought amount (Million)	Sold Amount (Million)	Contractual exchange rate		Contractual maturity date	
			Bought amount	Sold amount		
<u>The Company</u>						
USD	49	154	31.58 - 31.60 Baht against USD	30.70 - 33.51 Baht against USD	October 2014 - July 2018	
JPY	-	79	-	0.32 Baht against JPY	October 2014 - December 2014	
EUR	137	509	42.15 - 42.55 Baht against EUR	39.10 - 48.45 Baht against EUR	December 2014 - October 2020	
<u>Subsidiaries</u>						
USD	-	338	-	31.96 - 33.57 Baht against USD	October 2014 - October 2015	
JPY	-	176	-	0.30 - 0.32 Baht against JPY	November 2014 - March 2015	
USD	8	-	1.34 EUR against USD	-	December 2015	
USD	16	-	1.63 GBP against USD	-	December 2015	
EUR	47	-	0.80 GBP against EUR	-	December 2015	

(Unaudited but reviewed)

As at 31 December 2013

Foreign currency	Bought amount (Million)	Sold Amount (Million)	Contractual exchange rate		Contractual maturity date
			Bought amount	Sold amount	
<u>The Company</u>					
USD	-	182	-	29.80 - 33.25 Baht against USD	January 2014 - July 2018
JPY	-	190	-	0.31 - 0.32 Baht against JPY	March 2014 - July 2014
EUR	-	436	-	38.46 - 45.70 Baht against EUR	January 2014 - June 2017
CNY	-	306	-	5.22 Baht against CNY	July 2014
<u>Subsidiaries</u>					
USD	-	243	-	30.27 - 33.07 Baht against USD	January 2014 - December 2014
JPY	-	97	-	0.30 - 0.33 Baht against JPY	January 2014 - May 2014
USD	32	-	1.36 EUR against USD	-	December 2014
EUR	84	-	0.84 GBP against EUR	-	December 2014
GBP	37	-	1.62 USD against GBP	-	December 2014

As at 30 September 2014, the Company and its local subsidiaries had outstanding option agreements with special conditions with financial institutions under which they had obligations to sell amounts of between USD 10 million up to USD 20 million (31 December 2013: between USD 34 million up to USD 55 million), depending on conditions stipulated in the agreements, at rates of Baht 32.40 to Baht 33.50 per USD 1 (31 December 2013: at rates of Baht 29.80 to Baht 32.32 per USD 1). These agreements will terminate within June 2015 (31 December 2013: August 2014) and the Company has outstanding option agreements with two local banks under which the Company has obligations to sell a total of EUR 200 million at rates of Baht 42.00 and Baht 42.50 per EUR 1. These agreements will terminate within May 2017. At the same time, the two local banks have obligations to buy a total of EUR 200 million at rates of Baht 42.00 and Baht 42.50 per EUR 1. These agreements will terminate within May 2017.

Moreover the overseas subsidiaries have outstanding option agreements as follows.

As at 30 September 2014

Foreign currency	Bought amount (Million)	Sold amount (Million)	Contractual exchange rate		Contractual maturity date
			Bought amount	Sold amount	
			1.30 - 1.38 USD against	1.30 - 1.38 USD against	December 2014 - December
EUR	14.8	22.2	EUR	EUR	2015
GBP	32.1	48.2	1.62 USD against GBP	1.62 USD against GBP	December 2014

As at 31 December 2013

Foreign currency	Bought amount (Million)	Sold amount (Million)	Contractual exchange rate		Contractual maturity date
			Bought amount	Sold amount	
			1.33 - 1.38 USD against	1.33 - 1.38 USD against	February 2014 - December 2014
EUR	47.6	66.4	EUR	EUR	

(Unaudited but reviewed)

GBP

1.62 - 1.63 USD against

July 2014 - December 2014

75.0 50.0

GBP

1.62 USD against GBP

The balances of financial assets and liabilities denominated in foreign currencies of the Company and its local subsidiaries are summarised below.

Foreign currency	Financial assets		Financial liabilities		Average exchange rate	
	30 September 2014	31 December 2013	30 September 2014	31 December 2013	30 September 2014	31 December 2013
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
USD	308	634	92	74	32.37	32.76
JPY	99	276	189	576	0.30	0.31
EUR	462	506	61	61	41.07	44.96
VND	-	2,395	-	-	0.0015	0.0016
CNY	-	300	-	-	5.27	5.39

24.2 Interest rate swap transaction agreements

The details of the interest rate swap agreements outstanding as at 30 September 2014 and 31 December 2013 are as follows:

The Company

As at 30 September 2014 and 31 December 2013				
	Principal amount	Interest Revenue Rate Swap agreements	Interest Expense Rate Swap agreements	Termination date
1	Baht 2,040 million (first 2 years) Baht 170 - 1,700 million (remaining 4 years)	Floating rate 3-month THBFIX plus 1.50% (first 2 years) Floating rate 3-month THBFIX plus 1.75% (remaining 4 years)	Fixed rate 4.52%	October 2016
2	Baht 510 million (first 2 years) Baht 42.5 - 425 million (remaining 4 years)	Floating rate 3-month THBFIX plus 1.50% (first 2 years) Floating rate 3-month THBFIX plus 1.75% (remaining 4 years)	Fixed rate 4.48%	October 2016
3	Baht 500 million	Floating rate 6-month THBFIX	Fixed rate 3.50%	August 2015

Subsidiaries

As at 30 September 2014				
	Principal amount	Interest Revenue Rate Swap agreements	Interest Expense Rate Swap agreements	Termination date
1	EUR 68 million	Floating rate 3-month EURIBOR	Fixed rate 2.70 %	October 2017
2	EUR 100 million	Floating rate 3-month EURIBOR	Fixed rate 2.73 %	October 2017

(Unaudited but reviewed)

3	USD 80 million	Floating rate 3-month LIBOR	Fixed rate 1.85 - 2.55%	February 2016
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As at 31 December 2013				
	Principal amount	Interest Revenue Rate Swap agreements	Interest Expense Rate Swap agreements	Termination date
1	EUR 88 million	Floating rate 3-month EURIBOR	Fixed rate 2.70 %	October 2017
2	EUR 123 million	Floating rate 3-month EURIBOR	Fixed rate 2.73 %	October 2017
3	USD 80 million	Floating rate 3-month LIBOR	Fixed rate 1.85 - 2.55%	February 2016

Cross Currency and Interest Rate Swap agreements

The Company

As at 30 September 2014					
	Currency and Interest Revenue Rate Swap agreements		Currency and Interest Expense Rate Swap agreements		Termination date
	Principal amount	Interest rate	Principal amount	Interest rate	
1	Baht 2,000 million	Fixed rate 1.78%	EUR 50 million	-	June 2015
2	Baht 1,997 million	Floating rate 6-month THBFX minus 1.75%	EUR 50 million	-	June 2017
3	Baht 614 million	Floating rate 3-month THBFX	USD 20 million	Floating rate 3-month LIBOR plus 0.20%	June 2016
4	Baht 614 million	Floating rate 3-month THBFX	USD 20 million	Fixed rate 1.54%	June 2018
5	USD 14 million	Floating rate LIBOR plus 0.92%	Baht 442 million	Fixed rate 4.00%	July 2018
6	USD 35 million	Floating rate LIBOR plus 0.92%	Baht 1,106 million	Fixed rate 3.62%	July 2017

As at 31 December 2013					
	Currency and Interest Revenue Rate Swap agreements		Currency and Interest Expense Rate Swap agreements		Termination date
	Principal amount	Interest rate	Principal amount	Interest rate	
1	Baht 674 million	Floating rate 3-month THBFX plus 2.31%	USD 22 million	Floating rate 3-month LIBOR plus 3.00%	June 2014
2	Baht 2,000 million	Fixed rate 1.78%	EUR 50 million	-	June 2015
3	Baht 1,997 million	Floating rate 6-month THBFX minus 1.75%	EUR 50 million	-	June 2017
4	Baht 614 million	Floating rate 3-month THBFX	USD 20 million	Floating rate 3-month LIBOR plus 0.20%	June 2016
5	Baht 614 million	Floating rate 3-month THBFX	USD 20 million	Fixed rate 1.54%	June 2018
6	USD 14 million	Floating rate LIBOR plus 0.92%	Baht 442 million	Fixed rate 4.00%	July 2018
7	USD 35 million	Floating rate	Baht 1,106 million	Fixed rate 3.62%	July 2017

(Unaudited but reviewed)

		LIBOR plus 0.92%			
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Subsidiary

As at 30 September 2014 and 31 December 2013					
	Currency and Interest Revenue Rate Swap agreements		Currency and Interest Expense Rate Swap agreements		Termination date
	Principal amount	Interest rate	Principal amount	Interest rate	
1	Baht 976 million	Floating rate 3-month THBFIX plus 2.94%	USD 32 million	Fixed rate 5.65%	March 2015

25. Events after reporting period

On 8 October 2014, Standard Chartered Private Equity Limited sent a notification to the Company expressing the intention to exercise its right to convert 42,857,143 units of convertible bonds, at the conversion price of Baht 52.91 per share, or equivalent to 45,360,045 shares of the Company at the par value of Baht 1 each. The Company registered the additional paid-up capital of Baht 45,360,045 from the existing paid-up capital of Baht 1,147,593,829 to Baht 1,192,953,874 with the Ministry of Commerce on 17 October 2014. The exercise of right to convert convertible bonds is in accordance with to the resolution of the Company's Extraordinary General Meeting on 2 September 2010.

On 13 November 2014, the Board of directors meeting of the Company approved a change in a par value of the ordinary shares, from 1 ordinary share at the par value of Baht 1 to 4 ordinary shares at the par value of Baht 0.25 each. As a result, the number of the Company's ordinary shares increased by 3,578,861,622 shares, from 1,192,953,874 shares to 4,771,815,496 shares. However, the Company's registered, issued and paid-up share capital shall remain unchanged at Baht 1,202,000,000 and Baht 1,192,953,874 respectively.

26. Approval of interim financial statements

These interim financial statements were authorised for issue by the Audit Committee and the Company's Board of Directors on 13 November 2014.