

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND SUBSIDIARY
INTERIM FINANCIAL STATEMENTS
AND AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED 30 JUNE 2012 AND 2011

EXPRESSED IN THAI BAHT

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
STATEMENTS OF FINANCIAL POSITION
AS AT 30 JUNE 2012 AND 31 DECEMBER 2011

		In Baht			
ASSETS	Notes	Consolidated		Separate	
		financial statements		financial statements	
		30 June 2012	31 December 2011	30 June 2012	31 December 2011
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
CURRENT ASSETS					
Cash and cash equivalents		183,376,358	261,771,921	162,813,156	242,783,021
Short - term investments	5	155,600,000	155,600,000	150,000,000	150,000,000
Trade accounts receivable	6	186,914,711	55,043,283	189,234,509	54,656,632
Accounts receivable - planters	7	20,038,737	28,821,956	20,038,737	28,821,956
Inventories	8	387,102,305	336,257,594	385,040,473	336,257,594
Other current assets		8,272,837	6,063,152	8,170,991	5,810,084
TOTAL CURRENT ASSETS		941,304,948	843,557,906	915,297,866	818,329,287
NON - CURRENT ASSETS					
Fixed deposits pledged as collateral		14,803,349	14,672,090	-	-
Investment in subsidiary		-	-	23,353,658	23,353,658
Property, plant and equipment	9	388,172,646	407,198,912	387,161,934	406,033,043
Computer software - installation		3,866,747	2,976,673	3,866,747	2,976,673
Other non - current assets		4,204,971	5,054,007	4,204,071	5,053,107
TOTAL NON - CURRENT ASSETS		411,047,713	429,901,682	418,586,410	437,416,481
TOTAL ASSETS		1,352,352,661	1,273,459,588	1,333,884,276	1,255,745,768

The notes to interim financial statements are an integral part of these interim financial statements.

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
STATEMENTS OF FINANCIAL POSITION (CONTINUED)
AS AT 30 JUNE 2012 AND 31 DECEMBER 2011

		In Baht			
		Consolidated		Separate	
		financial statements		financial statements	
		30 June 2012	31 December 2011	30 June 2012	31 December 2011
<u>LIABILITIES AND SHAREHOLDERS' EQUITY</u>	Notes	(Unaudited)	(Audited)	(Unaudited)	(Audited)
CURRENT LIABILITIES					
Trade and other payables	10	86,083,036	69,410,638	84,874,405	68,303,082
Accrued income tax		16,336,599	4,801,658	15,943,253	3,895,749
Other current liabilities		2,810,178	2,733,864	2,757,933	2,608,996
TOTAL CURRENT LIABILITIES		105,229,813	76,946,160	103,575,591	74,807,827
NON - CURRENT LIABILITIES					
Employee benefit obligations	11	28,104,978	26,241,311	26,724,520	24,899,344
TOTAL LIABILITIES		133,334,791	103,187,471	130,300,111	99,707,171
SHAREHOLDERS' EQUITY					
Share capital - Baht 1 par value					
Authorized shares					
381,146,251 common shares		381,146,251	381,146,251	381,146,251	381,146,251
Issued and paid - up shares					
381,145,725 common shares		381,145,725	381,145,725	381,145,725	381,145,725
Premium on share capital		68,000,000	68,000,000	68,000,000	68,000,000
Retained earnings					
Appropriated for legal reserve		38,115,000	38,115,000	38,115,000	38,115,000
Unappropriated		731,757,145	683,011,392	716,323,440	668,777,872
TOTAL SHAREHOLDERS' EQUITY		1,219,017,870	1,170,272,117	1,203,584,165	1,156,038,597
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		1,352,352,661	1,273,459,588	1,333,884,276	1,255,745,768

The notes to interim financial statements are an integral part of these interim financial statements.

(Unaudited)

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE THREE - MONTH PERIODS ENDED 30 JUNE 2012 AND 2011

	In Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2012	2011	2012	2011
Revenues from sales	450,181,259	359,954,301	443,508,195	351,643,170
Cost of sales	(320,502,975)	(291,969,530)	(320,035,725)	(291,451,530)
Gross profit	129,678,284	67,984,771	123,472,470	60,191,640
Gain on exchange rate	5,551,809	7,315,081	4,226,567	6,439,590
Other income	4,469,498	2,970,422	4,462,694	3,006,138
Profit before expenses	139,699,591	78,270,274	132,161,731	69,637,368
Selling expenses	(32,085,759)	(34,441,699)	(28,284,572)	(29,949,525)
Administrative expenses	(19,897,391)	(19,981,947)	(18,599,779)	(19,091,803)
Total expenses	(51,983,150)	(54,423,646)	(46,884,351)	(49,041,328)
Profit before income tax	87,716,441	23,846,628	85,277,380	20,596,040
Income tax	(12,048,071)	(24,810)	(11,651,855)	(24,810)
Profit for the period	75,668,370	23,821,818	73,625,525	20,571,230
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	75,668,370	23,821,818	73,625,525	20,571,230
Profit attributable to:				
Equity holders of the parent	75,668,370	23,821,818	73,625,525	20,571,230
Non - controlling interests	-	-	-	-
	75,668,370	23,821,818	73,625,525	20,571,230
BASIC EARNINGS PER SHARE				
Net profit attributable to equity holders of the parent	0.20	0.06	0.19	0.05
Weighted average number of common shares (shares)	381,145,725	381,145,725	381,145,725	381,145,725

The notes to interim financial statements are an integral part of these interim financial statements.

(Unaudited)

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE SIX - MONTH PERIODS ENDED 30 JUNE 2012 AND 2011

	In Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2012	2011	2012	2011
Revenues from sales	775,654,768	623,975,322	763,533,446	613,270,586
Cost of sales	(568,217,214)	(525,804,948)	(566,672,304)	(525,286,948)
Gross profit	207,437,554	98,170,374	196,861,142	87,983,638
Gain (loss) on exchange rate	1,414,970	9,137,728	(14,984)	8,262,237
Other income	7,055,456	5,951,576	7,107,131	6,088,494
Profit before expenses	215,907,980	113,259,678	203,953,289	102,334,369
Selling expenses	(57,137,303)	(60,878,053)	(49,609,387)	(52,833,341)
Administrative expenses	(40,281,040)	(46,771,018)	(37,450,666)	(44,082,789)
Total expenses	(97,418,343)	(107,649,071)	(87,060,053)	(96,916,130)
Profit before income tax	118,489,637	5,610,607	116,893,236	5,418,239
Income tax	(16,384,224)	(24,810)	(15,988,008)	(24,810)
Profit for the period	102,105,413	5,585,797	100,905,228	5,393,429
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	102,105,413	5,585,797	100,905,228	5,393,429
Profit attributable to:				
Equity holders of the parent	102,105,413	5,585,797	100,905,228	5,393,429
Non - controlling interests	-	-	-	-
	102,105,413	5,585,797	100,905,228	5,393,429
BASIC EARNINGS PER SHARE				
Net profit attributable to equity holders of the parent	0.27	0.01	0.26	0.01
Weighted average number of common shares (shares)	381,145,725	381,145,725	381,145,725	381,145,725

The notes to interim financial statements are an integral part of these interim financial statements.

(Unaudited)

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE SIX - MONTH PERIODS ENDED 30 JUNE 2012 AND 2011

		In Baht				
	Notes	Issued and	Premium	Retained earnings		Other
		paid-up	on share	Appropriated		components
		share capital	capital	for legal reserve	Unappropriated	of equity
						Total
Balance as at 1 January 2011		381,145,725	68,000,000	38,115,000	760,614,291	-
Dividends paid	12	-	-	-	(133,399,254)	-
Total comprehensive income for the period		-	-	-	5,585,797	-
Balance as at 30 June 2011		<u>381,145,725</u>	<u>68,000,000</u>	<u>38,115,000</u>	<u>632,800,834</u>	<u>-</u>
Balance as at 1 January 2012		381,145,725	68,000,000	38,115,000	683,011,392	-
Dividends paid	12	-	-	-	(53,359,660)	-
Total comprehensive income for the period		-	-	-	102,105,413	-
Balance as at 30 June 2012		<u>381,145,725</u>	<u>68,000,000</u>	<u>38,115,000</u>	<u>731,757,145</u>	<u>-</u>

The notes to interim financial statements are an integral part of these interim financial statements.

(Unaudited)

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED
SEPARATE STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE SIX - MONTH PERIODS ENDED 30 JUNE 2012 AND 2011

		In Baht				
	Notes	Issued and	Premium	Retained earnings		Other
		paid - up	on share	Appropriated		components
		share capital	capital	for legal reserve	Unappropriated	of equity
						Total
Balance as at 1 January 2011		381,145,725	68,000,000	38,115,000	749,635,191	-
Dividends paid	12	-	-	-	(133,399,254)	-
Total comprehensive income for for the period		-	-	-	5,393,429	-
Balance as at 30 June 2011		<u>381,145,725</u>	<u>68,000,000</u>	<u>38,115,000</u>	<u>621,629,366</u>	<u>-</u>
Balance as at 1 January 2012		381,145,725	68,000,000	38,115,000	668,777,872	-
Dividends paid	12	-	-	-	(53,359,660)	-
Total comprehensive income for for the period		-	-	-	100,905,228	-
Balance as at 30 June 2012		<u>381,145,725</u>	<u>68,000,000</u>	<u>38,115,000</u>	<u>716,323,440</u>	<u>-</u>

The notes to interim financial statements are an integral part of these interim financial statements.

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

STATEMENTS OF CASH FLOWS

FOR THE SIX - MONTH PERIODS ENDED 30 JUNE 2012 AND 2011

	In Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2012	2011	2012	2011
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before income tax	118,489,637	5,610,607	116,893,236	5,418,239
Adjustments to reconcile net profit (loss) to net cash used in operating activities				
Unrealized gain on exchange rate	(1,029,768)	(437,293)	(1,001,580)	(408,735)
Doubtful accounts	44,203	279,340	44,203	279,340
Loss on diminution of inventories (reversal)	(193,627)	137,876	(193,627)	137,876
Loss (gain) on disposal of equipment and written off	(650,098)	2,544	(650,098)	2,544
Depreciation	32,379,929	34,889,812	32,191,547	34,706,251
Provisions for employee benefit obligations	1,863,667	1,573,187	1,825,176	1,537,314
Profit from operating activities before change in operational assets and liabilities	150,903,943	42,056,073	149,108,857	41,672,829
Decrease (Increase) in operational assets				
Trade accounts receivable	(130,789,999)	(43,513,534)	(133,531,366)	(47,097,857)
Accounts receivable - planters	8,739,016	25,245,677	8,739,016	25,245,677
Inventories	(50,651,084)	(78,143,036)	(48,589,252)	(75,577,541)
Other current assets	(2,209,685)	(403,992)	(2,360,907)	(381,258)
Other non - current assets	849,036	(905,767)	849,036	(907,437)
Increase (Decrease) in operational liabilities				
Trade and other payables	15,892,709	(4,691,171)	15,798,364	(4,506,152)
Other current liabilities	(112,865)	187,488	(40,242)	297,443
Cash paid from operation	(7,378,929)	(60,168,262)	(10,026,494)	(61,254,296)
Income tax paid	(4,849,283)	(1,447,170)	(3,940,504)	(1,445,500)
Net cash used in operating activities	(12,228,212)	(61,615,432)	(13,966,998)	(62,699,796)

The notes to interim financial statements are an integral part of these interim financial statements.

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

STATEMENTS OF CASH FLOWS (CONTINUED)

FOR THE SIX - MONTH PERIODS ENDED 30 JUNE 2012 AND 2011

	In Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2012	2011	2012	2011
CASH FLOWS FROM INVESTING ACTIVITIES				
Decrease in short - term investments	-	299,963,080	-	300,000,000
Increase in fixed deposits pledged as collateral	(131,259)	(60,330)	-	-
Proceeds from disposal of equipment	662,804	-	662,804	-
Cash paid for acquisition of plant and equipment (Supplement of cash flows information 1)	(12,638,341)	(13,352,410)	(12,605,116)	(13,330,745)
Cash paid for acquisition of computer software	(890,074)	(177,787)	(890,074)	(177,787)
Net cash provided by (used in) investing activities	(12,996,870)	286,372,553	(12,832,386)	286,491,468
CASH FLOWS FROM FINANCING ACTIVITIES				
Cash paid for dividends (Supplement of cash flows information 2)	(53,170,481)	(133,173,472)	(53,170,481)	(133,173,472)
Net cash provided by financing activities	(53,170,481)	(133,173,472)	(53,170,481)	(133,173,472)
Net Increase (decrease) in cash and cash equivalents	(78,395,563)	91,583,649	(79,969,865)	90,618,200
Cash and Cash Equivalents, Beginning of period	261,771,921	180,543,896	242,783,021	159,538,653
Cash and Cash Equivalents, End of period	183,376,358	272,127,545	162,813,156	250,156,853
<u>Supplement disclosures of cash flows information</u>				
<u>1. Cash paid for acquisition of plant and equipment</u>				
Details of acquisition of plant and equipment during the period are as follows :				
Acquisition of plant and equipment during the period	(13,366,369)	(11,485,219)	(13,333,144)	(11,463,554)
Increase (Decrease) in payable from acquisition of assets	728,028	(1,867,191)	728,028	(1,867,191)
Cash paid for acquisition of plant and equipment	(12,638,341)	(13,352,410)	(12,605,116)	(13,330,745)
<u>2. Cash paid for dividends</u>				
Dividends paid	(53,359,660)	(133,399,254)	(53,359,660)	(133,399,254)
Increase in accrued dividends	189,179	225,782	189,179	225,782
Cash paid for dividends	(53,170,481)	(133,173,472)	(53,170,481)	(133,173,472)

The notes to interim financial statements are an integral part of these interim financial statements.