

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

INTERIM FINANCIAL STATEMENTS

AND INDEPENDENT AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2013

EXPRESSED IN THAI BAHT

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2013

		In Baht			
		Consolidated		Separate	
		financial statements		financial statements	
		31 March 2013	31 December 2012	31 March 2013	31 December 2012
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
<u>ASSETS</u>	<u>Notes</u>	<u>(Restated)</u>	<u>(Restated)</u>	<u>(Restated)</u>	<u>(Restated)</u>
CURRENT ASSETS					
Cash and cash equivalents		199,555,463	354,250,608	180,955,674	327,082,224
Short - term investments	8	255,900,000	205,600,000	250,000,000	200,000,000
Trade and other receivables	9	109,836,658	60,671,633	106,246,183	64,578,302
Accounts receivable - planters	10	18,109,682	49,733,247	18,109,682	49,733,247
Inventories	11	465,861,642	356,817,670	465,861,642	356,817,670
Other current assets		<u>3,187,861</u>	<u>2,657,543</u>	<u>3,108,859</u>	<u>2,603,227</u>
TOTAL CURRENT ASSETS		<u>1,052,451,306</u>	<u>1,029,730,701</u>	<u>1,024,282,040</u>	<u>1,000,814,670</u>
NON - CURRENT ASSETS					
Fixed deposits pledged as collateral		15,009,310	14,942,195	-	-
Investment in subsidiary		-	-	23,353,658	23,353,658
Property, plant and equipment	12	371,131,942	381,281,051	370,348,602	380,463,619
Computer software - installation		4,578,806	4,578,806	4,578,806	4,578,806
Deferred tax assets	6	7,235,634	7,013,679	6,947,562	6,729,889
Other non - current assets		<u>1,857,159</u>	<u>4,204,971</u>	<u>1,856,259</u>	<u>4,204,071</u>
TOTAL NON - CURRENT ASSETS		<u>399,812,851</u>	<u>412,020,702</u>	<u>407,084,887</u>	<u>419,330,043</u>
TOTAL ASSETS		<u>1,452,264,157</u>	<u>1,441,751,403</u>	<u>1,431,366,927</u>	<u>1,420,144,713</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
STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 MARCH 2013

		In Baht			
		Consolidated		Separate	
		financial statements		financial statements	
		31 March 2013	31 December 2012	31 March 2013	31 December 2012
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
			(Restated)		(Restated)
LIABILITIES AND SHAREHOLDERS' EQUITY		Notes			
CURRENT LIABILITIES					
Trade and other payables	13	72,355,958	93,435,016	71,591,825	91,601,251
Accrued income tax		21,372,414	17,236,470	20,667,602	16,616,562
Other current liabilities		3,236,288	2,827,322	3,202,568	2,767,340
TOTAL CURRENT LIABILITIES		96,964,660	113,498,808	95,461,995	110,985,153
NON - CURRENT LIABILITIES					
Employee benefit obligations	14	30,776,306	29,588,203	29,335,948	28,169,254
TOTAL LIABILITIES		127,740,966	143,087,011	124,797,943	139,154,407
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		837,262,466	811,403,667	819,308,259	793,729,581
TOTAL SHAREHOLDERS' EQUITY		1,324,523,191	1,298,664,392	1,306,568,984	1,280,990,306
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		1,452,264,157	1,441,751,403	1,431,366,927	1,420,144,713

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
STATEMENT OF COMPREHENSIVE INCOME
FOR THE THREE - MONTH PERIOD ENDED 31 MARCH 2013

	In Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2013	2012	2013	2012
<u>Note</u>	(Restated)		(Restated)	
Revenues from sales	307,594,557	325,473,509	305,092,671	320,025,251
Cost of sales	(248,498,519)	(247,714,239)	(248,498,519)	(246,636,579)
Gross profit	59,096,038	77,759,270	56,594,152	73,388,672
Gain (loss) on exchange rate	11,348,502	(4,136,839)	8,491,191	(4,241,551)
Other income	3,509,971	2,585,958	3,549,244	2,644,437
Profit before expenses	73,954,511	76,208,389	68,634,587	71,791,558
Selling expenses	(23,050,412)	(25,051,544)	(19,571,731)	(21,324,815)
Administrative expenses	(21,202,711)	(20,383,649)	(19,722,210)	(18,850,887)
Total expenses	(44,253,123)	(45,435,193)	(39,293,941)	(40,175,702)
Profit before Income tax expenses	29,701,388	30,773,196	29,340,646	31,615,856
Income tax expenses	16 (3,842,589)	(5,002,669)	(3,761,968)	(5,006,518)
Profit for the period	25,858,799	25,770,527	25,578,678	26,609,338
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	25,858,799	25,770,527	25,578,678	26,609,338
Profit attributable to:				
Equity holders of the parent	25,858,799	25,770,527	25,578,678	26,609,338
Non - controlling interests	-	-	-	-
	25,858,799	25,770,527	25,578,678	26,609,338
BASIC EARNINGS PER SHARE				
Net profit attributable to equity holders of the parent	0.07	0.07	0.07	0.07

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 STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE THREE - MONTH PERIOD ENDED 31 MARCH 2013

	<u>Note</u>	In Baht					Total
		Issued and paid-up share capital	Premium on share capital	Retained earnings		Other components of equity	
				Appropriated for legal reserve	Unappropriated		
Balance as at 1 January 2012 - as previously reported		381,145,725	68,000,000	38,115,000	683,011,392	-	1,170,272,117
Cumulative effect of the change in accounting policy relating to income tax	6	-	-	-	7,689,616	-	7,689,616
Balance as at 1 January 2012 - as restated		381,145,725	68,000,000	38,115,000	690,701,008	-	1,177,961,733
Total comprehensive income for the period		-	-	-	25,770,527	-	25,770,527
Balance as at 31 March 2012		<u>381,145,725</u>	<u>68,000,000</u>	<u>38,115,000</u>	<u>716,471,535</u>	-	<u>1,203,732,260</u>
Balance as at 1 January 2013 - as previously reported		381,145,725	68,000,000	38,115,000	804,389,988	-	1,291,650,713
Cumulative effect of the change in accounting policy relating to income tax	6	-	-	-	7,013,679	-	7,013,679
Balance as at 1 January 2013 - as restated		381,145,725	68,000,000	38,115,000	811,403,667	-	1,298,664,392
Total comprehensive income for the period		-	-	-	25,858,799	-	25,858,799
Balance as at 31 March 2013		<u>381,145,725</u>	<u>68,000,000</u>	<u>38,115,000</u>	<u>837,262,466</u>	-	<u>1,324,523,191</u>

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(Unaudited)

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED
SEPARATE STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE THREE - MONTH PERIOD ENDED 31 MARCH 2013

	In Baht						
	Note	Issued and paid - up share capital	Premium on share capital	Retained earnings		Other components of equity	Total
				Appropriated for legal reserve	Unappropriated		
Balance as at 1 January 2012 - as previously reported		381,145,725	68,000,000	38,115,000	668,777,872	-	1,156,038,597
Cumulative effect of the change in accounting policy relating to income tax	6	-	-	-	7,421,223	-	7,421,223
Balance as at 1 January 2012 - as restated		381,145,725	68,000,000	38,115,000	676,199,095	-	1,163,459,820
Total comprehensive income for for the period		-	-	-	26,609,338	-	26,609,338
Balance as at 31 March 2012		<u>381,145,725</u>	<u>68,000,000</u>	<u>38,115,000</u>	<u>702,808,433</u>	-	<u>1,190,069,158</u>
Balance as at 1 January 2013 - as previously reported		381,145,725	68,000,000	38,115,000	786,999,692	-	1,274,260,417
Cumulative effect of the change in accounting policy relating to income tax	6	-	-	-	6,729,889	-	6,729,889
Balance as at 1 January 2013 - as restated		381,145,725	68,000,000	38,115,000	793,729,581	-	1,280,990,306
Total comprehensive income for for the period		-	-	-	25,578,678	-	25,578,678
Balance as at 31 March 2013		<u>381,145,725</u>	<u>68,000,000</u>	<u>38,115,000</u>	<u>819,308,259</u>	-	<u>1,306,568,984</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

STATEMENT OF CASH FLOWS

FOR THE THREE - MONTH PERIOD ENDED 31 MARCH 2013

	In Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2013	2012	2013	2012
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before income tax expenses	29,701,388	30,773,196	29,340,646	31,615,856
Adjustments to reconcile net profit to net cash used in operating activities				
Unrealized loss (gain) on exchange rate	199,117	(470,515)	137,474	(432,511)
Doubtful accounts	64,910	68,444	64,910	68,444
Loss on diminution of inventories (reversal)	(143,241)	507,069	(143,241)	507,069
Loss (gain) on disposal of equipment and written off	(18,888)	(3,029)	1,111	(3,029)
Depreciation	13,519,017	13,564,366	13,421,926	13,470,372
Provisions for employee benefit obligations	1,188,103	931,834	1,166,694	912,588
Profit from operating activities before change in operational assets and liabilities	44,510,406	45,371,365	43,989,520	46,138,789
Decrease (Increase) in operational assets				
Trade accounts receivable	(49,611,465)	(41,957,801)	(42,052,678)	(44,156,381)
Accounts receivable - planters	31,558,655	17,356,335	31,558,655	17,356,335
Inventories	(108,900,731)	(109,552,290)	(108,900,731)	(107,650,006)
Other current assets	(530,316)	1,099,710	(505,631)	(759,652)
Other non - current assets	2,445,632	(179,339)	2,444,785	(179,339)
Increase (Decrease) in operational liabilities				
Trade and other payables	(17,647,635)	(9,421,552)	(16,578,003)	(8,927,662)
Other current liabilities	408,966	(327,782)	435,228	(248,092)
Cash paid from operation	(97,766,488)	(97,611,354)	(89,608,855)	(98,426,008)
Income tax paid	(26,422)	(22,820)	(25,575)	(21,706)
Net cash used in operating activities	<u>(97,792,910)</u>	<u>(97,634,174)</u>	<u>(89,634,430)</u>	<u>(98,447,714)</u>

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CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

STATEMENT OF CASH FLOWS (CONTINUED)

FOR THE THREE - MONTH PERIOD ENDED 31 MARCH 2013

	In Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2013	2012	2013	2012
CASH FLOWS FROM INVESTING ACTIVITIES				
Decrease (Increase) in short - term investments	(50,300,000)	50,000,000	(50,000,000)	50,000,000
Increase in fixed deposits pledged as collateral	(67,115)	(68,290)	-	-
Proceeds from disposal of equipment	20,000	8,598	-	8,598
Cash paid for acquisition of plant and equipment (Supplement of cash flows information)	(6,555,120)	(7,925,072)	(6,492,120)	(7,922,277)
Cash paid for acquisition of computer software	-	(890,074)	-	(890,074)
Net cash provided by (used in) investing activities	<u>(56,902,235)</u>	<u>41,125,162</u>	<u>(56,492,120)</u>	<u>41,196,247</u>
Net decrease in cash and cash equivalents	(154,695,145)	(56,509,012)	(146,126,550)	(57,251,467)
Cash and Cash Equivalents, Beginning of period	<u>354,250,608</u>	<u>261,771,921</u>	<u>327,082,224</u>	<u>242,783,021</u>
Cash and Cash Equivalents, End of period	<u><u>199,555,463</u></u>	<u><u>205,262,909</u></u>	<u><u>180,955,674</u></u>	<u><u>185,531,554</u></u>
<u>Supplement disclosures of cash flows information</u>				
<u>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	(3,371,020)	(8,123,025)	(3,308,020)	(8,120,230)
Increase (Decrease) in payable from acquisition of assets	(3,184,100)	197,953	(3,184,100)	197,953
Cash paid for acquisition of plant and equipment	<u>(6,555,120)</u>	<u>(7,925,072)</u>	<u>(6,492,120)</u>	<u>(7,922,277)</u>

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