

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 AND NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2013

EXPRESSED IN THAI BAHT

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2013

		In Baht			
		Consolidated		Separate	
		financial statements		financial statements	
		30 September 2013	31 December 2012	30 September 2013	31 December 2012
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
<u>ASSETS</u>	<u>Notes</u>		(Restated)		(Restated)
CURRENT ASSETS					
Cash and cash equivalents		165,263,663	354,250,608	131,166,658	327,082,224
Short - term investments	8	356,000,000	205,600,000	350,000,000	200,000,000
Trade and other receivables	9	102,285,913	60,671,633	113,385,404	64,578,302
Accounts receivable - planters	10	26,518,148	49,733,247	26,518,148	49,733,247
Inventories	11	397,302,582	356,817,670	395,353,510	356,817,670
Other current assets		<u>3,265,566</u>	<u>2,657,543</u>	<u>3,151,495</u>	<u>2,603,227</u>
TOTAL CURRENT ASSETS		<u>1,050,635,872</u>	<u>1,029,730,701</u>	<u>1,019,575,215</u>	<u>1,000,814,670</u>
NON - CURRENT ASSETS					
Fixed deposits pledged as collateral		15,138,475	14,942,195	-	-
Investment in subsidiary		-	-	23,353,658	23,353,658
Property, plant and equipment	12	353,089,400	381,281,051	352,503,916	380,463,619
Intangible - computer software		3,034,355	4,578,806	3,034,355	4,578,806
Deferred tax assets	6	7,420,482	7,013,679	7,123,847	6,729,889
Other non - current assets		<u>1,810,186</u>	<u>4,204,971</u>	<u>1,809,286</u>	<u>4,204,071</u>
TOTAL NON - CURRENT ASSETS		<u>380,492,898</u>	<u>412,020,702</u>	<u>387,825,062</u>	<u>419,330,043</u>
TOTAL ASSETS		<u>1,431,128,770</u>	<u>1,441,751,403</u>	<u>1,407,400,277</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 30 SEPTEMBER 2013

		In Baht			
		Consolidated		Separate	
		financial statements		financial statements	
		30 September 2013	31 December 2012	30 September 2013	31 December 2012
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
			(Restated)		(Restated)
<u>LIABILITIES AND SHAREHOLDERS' EQUITY</u>					
CURRENT LIABILITIES					
Trade and other payables	13	56,712,236	93,435,016	55,687,675	91,601,251
Accrued income tax		7,065,100	17,236,470	6,958,081	16,616,562
Other current liabilities		3,252,037	2,827,322	3,063,710	2,767,340
TOTAL CURRENT LIABILITIES		67,029,373	113,498,808	65,709,466	110,985,153
NON - CURRENT LIABILITIES					
Employee benefit obligations	14	32,785,912	29,588,203	31,302,736	28,169,254
TOTAL LIABILITIES		99,815,285	143,087,011	97,012,202	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		844,052,760	811,403,667	823,127,350	793,729,581
TOTAL SHAREHOLDERS' EQUITY		1,331,313,485	1,298,664,392	1,310,388,075	1,280,990,306
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		1,431,128,770	1,441,751,403	1,407,400,277	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 30 SEPTEMBER 2013

	In Baht			
	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
<u>Note</u>		(Restated)		(Restated)
Revenues from sales	372,478,091	397,239,672	365,264,766	389,487,121
Cost of sales	(274,733,447)	(286,870,043)	(274,733,447)	(286,244,443)
Gross profit	97,744,644	110,369,629	90,531,319	103,242,678
Other income	3,166,988	5,494,346	3,229,238	5,536,818
Profit before expenses	100,911,632	115,863,975	93,760,557	108,779,496
Loss on exchange rate	(6,884,158)	(762,207)	(6,095,527)	(1,251,389)
Selling expenses	(27,328,479)	(28,174,367)	(22,712,332)	(23,651,327)
Administrative expenses	(21,307,587)	(20,897,610)	(20,032,735)	(19,716,298)
Total expenses	(55,520,224)	(49,834,184)	(48,840,594)	(44,619,014)
Profit before Income tax expenses	45,391,408	66,029,791	44,919,963	64,160,482
Income tax expenses	17 (6,832,402)	(9,821,504)	(6,729,664)	(9,395,392)
Profit for the period	38,559,006	56,208,287	38,190,299	54,765,090
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	38,559,006	56,208,287	38,190,299	54,765,090
Profit attributable to:				
Equity holders of the parent	38,559,006	56,208,287	38,190,299	54,765,090
Non - controlling interests	-	-	-	-
	38,559,006	56,208,287	38,190,299	54,765,090
BASIC EARNINGS PER SHARE				
Profit attributable to equity holders of the parent	0.10	0.15	0.10	0.14

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 NINE - MONTH PERIOD ENDED 30 SEPTEMBER 2013

	In Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2013	2012	2013	2012
<u>Note</u>	(Restated)		(Restated)	
Revenues from sales	1,123,345,575	1,172,894,440	1,110,672,811	1,153,020,567
Cost of sales	(858,504,304)	(855,087,257)	(858,504,304)	(852,916,747)
Gross profit	264,841,271	317,807,183	252,168,507	300,103,820
Gain (loss) on exchange rate	30,109,364	652,763	22,974,462	(1,266,373)
Other income	12,750,843	12,549,802	12,849,335	12,643,949
Profit before expenses	307,701,478	331,009,748	287,992,304	311,481,396
Selling expenses	(81,050,451)	(85,311,670)	(69,337,435)	(73,260,714)
Administrative expenses	(66,069,389)	(61,178,650)	(62,169,726)	(57,166,964)
Total expenses	(147,119,840)	(146,490,320)	(131,507,161)	(130,427,678)
Profit before Income tax expenses	160,581,638	184,519,428	156,485,143	181,053,718
Income tax expenses	17 (21,216,027)	(26,830,865)	(20,370,856)	(26,016,235)
Profit for the period	139,365,611	157,688,563	136,114,287	155,037,483
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	139,365,611	157,688,563	136,114,287	155,037,483
Profit attributable to:				
Equity holders of the parent	139,365,611	157,688,563	136,114,287	155,037,483
Non - controlling interests	-	-	-	-
	139,365,611	157,688,563	136,114,287	155,037,483
BASIC EARNINGS PER SHARE				
Profit attributable to equity holders of the parent	0.37	0.41	0.36	0.41

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 NINE - MONTH PERIOD ENDED 30 SEPTEMBER 2013

In Baht						
Notes	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	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
Dividends paid	15	-	-	(53,359,660)	-	(53,359,660)
Total comprehensive income for the period	-	-	-	157,688,563	-	157,688,563
Balance as at 30 September 2012	<u>381,145,725</u>	<u>68,000,000</u>	<u>38,115,000</u>	<u>795,029,911</u>	<u>-</u>	<u>1,282,290,636</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
Dividends paid	15	-	-	(106,716,518)	-	(106,716,518)
Total comprehensive income for the period	-	-	-	139,365,611	-	139,365,611
Balance as at 30 September 2013	<u>381,145,725</u>	<u>68,000,000</u>	<u>38,115,000</u>	<u>844,052,760</u>	<u>-</u>	<u>1,331,313,485</u>

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

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED
SEPARATE STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE NINE - MONTH PERIOD ENDED 30 SEPTEMBER 2013

		In Baht					
		Issued and paid - up share capital	Premium on share capital	Retained earnings		Other components of equity	Total
	Notes			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
Dividends paid	15	-	-	-	(53,359,660)	-	(53,359,660)
Total comprehensive income for the period		-	-	-	155,037,483	-	155,037,483
Balance as at 30 September 2012		<u>381,145,725</u>	<u>68,000,000</u>	<u>38,115,000</u>	<u>777,876,918</u>	-	<u>1,265,137,643</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
Dividends paid	15	-	-	-	(106,716,518)	-	(106,716,518)
Total comprehensive income for the period		-	-	-	136,114,287	-	136,114,287
Balance as at 30 September 2013		<u>381,145,725</u>	<u>68,000,000</u>	<u>38,115,000</u>	<u>823,127,350</u>	-	<u>1,310,388,075</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 NINE - MONTH PERIOD ENDED 30 SEPTEMBER 2013

	In Baht			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2013	2012	2013	2012
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before income tax expenses	160,581,638	184,519,428	156,485,143	181,053,718
Adjustments to reconcile net profit to net cash provided by operating activities				
Unrealized loss on exchange rate	575,484	235,847	677,974	184,427
Doubtful accounts	-	35,068	-	35,068
Reversal on diminution in value of inventories	(1,163,689)	(252,580)	(1,163,689)	(252,580)
Loss (gain) on disposal and amortization	2,822,867	(2,613,658)	2,842,866	(2,605,334)
Depreciation	47,981,244	50,211,678	47,686,298	49,926,623
Loss on impairment of assets	-	319,265	-	319,265
Provisions for employee benefit obligations	3,564,309	2,795,501	3,500,082	2,737,764
Profit from operating activities before change in operational assets and liabilities	214,361,853	235,250,549	210,028,674	231,398,951
Decrease (Increase) in operational assets				
Trade and other receivables	(42,177,888)	(35,664,369)	(49,473,200)	(40,361,691)
Accounts receivable - planters	23,215,099	1,511,019	23,215,099	1,511,019
Inventories	(39,321,223)	(58,809,833)	(37,372,151)	(54,908,699)
Other current assets	(604,671)	(1,481,184)	(548,267)	(1,633,831)
Other non - current assets	2,394,785	849,036	2,394,785	849,036
Increase (Decrease) in operational liabilities				
Trade and other payables	(33,384,801)	(10,268,869)	(32,575,597)	(10,158,133)
Other current liabilities	252,067	78,092	123,722	148,125
Benefits paid	(366,600)	(151,500)	(366,600)	(151,500)
Cash receipt from operation	124,368,621	131,312,941	115,426,465	126,693,277
Income tax paid	(31,797,552)	(21,225,446)	(30,423,296)	(19,923,321)
Net cash provided by operating activities	92,571,069	110,087,495	85,003,169	106,769,956

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 (CONTINUED)

FOR THE NINE - MONTH PERIOD ENDED 30 SEPTEMBER 2013

	In Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2013	2012	2013	2012
CASH FLOWS FROM INVESTING ACTIVITIES				
Increase in short - term investments	(150,400,000)	-	(150,000,000)	-
Increase in fixed deposits pledged as collateral	(196,280)	(195,903)	-	-
Proceeds from disposal of equipment	85,215	3,281,130	65,215	3,272,780
Cash paid for acquisition of plant and equipment (Supplement of cash flows information 1)	(23,248,644)	(16,243,839)	(23,185,645)	(16,210,614)
Cash paid for acquisition of intangible	(1,254,435)	(1,602,133)	(1,254,435)	(1,602,133)
Net cash used in investing activities	<u>(175,014,144)</u>	<u>(14,760,745)</u>	<u>(174,374,865)</u>	<u>(14,539,967)</u>
CASH FLOWS FROM FINANCING ACTIVITIES				
Cash paid for dividends (Supplement of cash flows information 2)	(106,543,870)	(53,173,001)	(106,543,870)	(53,173,001)
Net cash used in financing activities	<u>(106,543,870)</u>	<u>(53,173,001)</u>	<u>(106,543,870)</u>	<u>(53,173,001)</u>
Net Increase (Decrease) in cash and cash equivalents	(188,986,945)	42,153,749	(195,915,566)	39,056,988
Cash and cash equivalents, beginning of period	354,250,608	261,771,921	327,082,224	242,783,021
Cash and cash equivalents, end of period	<u>165,263,663</u>	<u>303,925,670</u>	<u>131,166,658</u>	<u>281,840,009</u>
<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	(19,898,789)	(17,425,784)	(19,835,790)	(17,392,559)
Increase (Decrease) in payable from acquisition of assets	(3,349,855)	1,181,945	(3,349,855)	1,181,945
Cash paid for acquisition of plant and equipment	<u>(23,248,644)</u>	<u>(16,243,839)</u>	<u>(23,185,645)</u>	<u>(16,210,614)</u>
<u>2. Cash paid for dividends</u>				
Dividends paid	(106,716,518)	(53,359,660)	(106,716,518)	(53,359,660)
Increase in accrued dividends	172,648	186,659	172,648	186,659
Cash paid for dividends	<u>(106,543,870)</u>	<u>(53,173,001)</u>	<u>(106,543,870)</u>	<u>(53,173,001)</u>

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