

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 2014

EXPRESSED IN THAI BAHT

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2014

		In Baht			
		Consolidated		Separate	
		financial statements		financial statements	
		31 March 2014	31 December 2013	31 March 2014	31 December 2013
ASSETS	Notes	(Unaudited)	(Audited)	(Unaudited)	(Audited)
CURRENT ASSETS					
Cash and cash equivalents		119,695,113	175,934,456	98,401,603	150,493,438
Short - term investments	6	406,000,000	406,000,000	400,000,000	400,000,000
Trade and other receivables	7	88,367,021	95,990,917	87,428,282	94,744,394
Accounts receivable - planters	8	10,369,727	39,644,803	10,369,727	39,644,803
Inventories	9	437,634,662	339,471,694	437,634,662	339,471,694
TOTAL CURRENT ASSETS		1,062,066,523	1,057,041,870	1,033,834,274	1,024,354,329
NON - CURRENT ASSETS					
Fixed deposits pledged as collateral		15,272,871	15,197,026	-	-
Investment in subsidiary		-	-	23,353,658	23,353,658
Property, plant and equipment	10	376,656,510	367,991,602	376,267,800	367,505,586
Computer software - installation		4,790,471	4,037,904	4,790,471	4,037,904
Deferred tax assets		8,195,965	8,118,798	7,960,995	7,894,870
Other non - current assets		1,820,686	1,760,186	1,819,786	1,759,286
TOTAL NON - CURRENT ASSETS		406,736,503	397,105,516	414,192,710	404,551,304
TOTAL ASSETS		1,468,803,026	1,454,147,386	1,448,026,984	1,428,905,633

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 2014

		In Baht			
		Consolidated		Separate	
		financial statements		financial statements	
		31 March 2014	31 December 2013	31 March 2014	31 December 2013
<u>LIABILITIES AND SHAREHOLDERS' EQUITY</u>	Notes	(Unaudited)	(Audited)	(Unaudited)	(Audited)
CURRENT LIABILITIES					
Trade and other payables	11	78,967,843	81,671,642	78,323,385	79,896,062
Accrued income tax		9,770,167	7,164,707	9,484,535	6,879,075
Other current liabilities		<u>3,366,273</u>	<u>3,179,695</u>	<u>3,331,631</u>	<u>3,028,847</u>
TOTAL CURRENT LIABILITIES		92,104,283	92,016,044	91,139,551	89,803,984
NON - CURRENT LIABILITIES					
Employee benefit obligations	12	<u>36,523,999</u>	<u>35,301,931</u>	<u>35,349,148</u>	<u>34,182,292</u>
TOTAL LIABILITIES		<u>128,628,282</u>	<u>127,317,975</u>	<u>126,488,699</u>	<u>123,986,276</u>
SHAREHOLDERS' EQUITY					
Share capital - Baht 1 par value					
Authorized shares					
381,146,251 common shares		<u>381,146,251</u>	<u>381,146,251</u>	<u>381,146,251</u>	<u>381,146,251</u>
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		<u>852,914,019</u>	<u>839,568,686</u>	<u>834,277,560</u>	<u>817,658,632</u>
TOTAL SHAREHOLDERS' EQUITY		<u>1,340,174,744</u>	<u>1,326,829,411</u>	<u>1,321,538,285</u>	<u>1,304,919,357</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		<u>1,468,803,026</u>	<u>1,454,147,386</u>	<u>1,448,026,984</u>	<u>1,428,905,633</u>

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 2014

	In Baht			
	Consolidated		Separate	
	financial statements		financial statements	
<u>Note</u>	2014	2013	2014	2013
Revenues from sales	326,206,403	307,594,557	320,081,547	305,092,671
Cost of sales	(247,457,024)	(248,498,519)	(247,457,024)	(248,498,519)
Gross profit	78,749,379	59,096,038	72,624,523	56,594,152
Gain (loss) on exchange rate	(23,361,660)	11,348,502	(18,420,730)	8,491,191
Other income	5,548,356	3,509,971	5,602,516	3,549,244
Profit before expenses	60,936,075	73,954,511	59,806,309	68,634,587
Selling expenses	(24,198,259)	(23,050,412)	(21,255,930)	(19,571,731)
Administrative expenses	(20,818,657)	(21,202,711)	(19,346,583)	(19,722,210)
Total expenses	(45,016,916)	(44,253,123)	(40,602,513)	(39,293,941)
Profit before Income tax expenses	15,919,159	29,701,388	19,203,796	29,340,646
Income tax expenses	14 (2,573,826)	(3,842,589)	(2,584,868)	(3,761,968)
Profit for the period	13,345,333	25,858,799	16,618,928	25,578,678
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	13,345,333	25,858,799	16,618,928	25,578,678
Profit attributable to:				
Equity holders of the parent	13,345,333	25,858,799	16,618,928	25,578,678
Non - controlling interests	-	-	-	-
	13,345,333	25,858,799	16,618,928	25,578,678
BASIC EARNINGS PER SHARE				
Net profit attributable to equity holders of the parent	0.04	0.07	0.04	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 2014

	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 2013	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>
Balance as at 1 January 2014	381,145,725	68,000,000	38,115,000	839,568,686	-	1,326,829,411
Total comprehensive income for the period	-	-	-	13,345,333	-	13,345,333
Balance as at 31 March 2014	<u>381,145,725</u>	<u>68,000,000</u>	<u>38,115,000</u>	<u>852,914,019</u>	-	<u>1,340,174,744</u>

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

(Unaudited)

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED
SEPARATE STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE THREE - MONTH PERIOD ENDED 31 MARCH 2014

	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 2013	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>
Balance as at 1 January 2014	381,145,725	68,000,000	38,115,000	817,658,632	-	1,304,919,357
Total comprehensive income for for the period	-	-	-	16,618,928	-	16,618,928
Balance as at 31 March 2014	<u>381,145,725</u>	<u>68,000,000</u>	<u>38,115,000</u>	<u>834,277,560</u>	-	<u>1,321,538,285</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 2014

	In Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2014	2013	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before income tax expenses	15,919,159	29,701,388	19,203,796	29,340,646
Adjustments to reconcile net profit to net cash used in operating activities				
Unrealized loss (gain) on exchange rate	(99,746)	199,117	(124,684)	137,474
Doubtful accounts	47,460	64,910	47,460	64,910
Loss on diminution of inventories (reversal)	330,630	(143,241)	330,630	(143,241)
Loss (gain) on disposal of equipment and written off	(1,555,852)	(18,888)	(1,555,852)	1,111
Depreciation	12,987,119	13,519,017	12,889,813	13,421,926
Retirement employee benefit	1,499,268	1,188,103	1,444,056	1,166,694
Profit from operating activities before change in operational assets and liabilities	29,128,038	44,510,406	32,235,219	43,989,520
Decrease (Increase) in operational assets				
Trade accounts receivable	7,676,358	(49,611,465)	7,394,736	(42,052,678)
Accounts receivable - planters	29,227,616	31,558,655	29,227,616	31,558,655
Inventories	(98,493,598)	(109,431,047)	(98,493,598)	(109,406,362)
Other non - current assets	(60,500)	2,445,632	(60,500)	2,444,785
Increase (Decrease) in operational liabilities				
Trade and other payables	(3,145,384)	(17,647,635)	(2,014,262)	(16,578,003)
Other current liabilities	186,578	408,966	302,784	435,228
Employee benefit obligations	(277,200)	-	(277,200)	-
Cash paid from operation	(35,758,092)	(97,766,488)	(31,685,205)	(89,608,855)
Income tax paid	(44,309)	(26,422)	(45,533)	(25,575)
Net cash used in operating activities	(35,802,401)	(97,792,910)	(31,730,738)	(89,634,430)

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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 2014

	In Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2014	2013	2014	2013
CASH FLOWS FROM INVESTING ACTIVITIES				
Increase in short - term investments	-	(50,300,000)	-	(50,000,000)
Increase in fixed deposits pledged as collateral	(75,845)	(67,115)	-	-
Proceeds from disposal of equipment	1,683,720	20,000	1,683,720	-
Cash paid for acquisition of plant and equipment (Supplement of cash flows information)	(21,292,250)	(6,555,120)	(21,292,250)	(6,492,120)
Cash paid for acquisition of computer software	(752,567)	-	(752,567)	-
Net cash used in investing activities	<u>(20,436,942)</u>	<u>(56,902,235)</u>	<u>(20,361,097)</u>	<u>(56,492,120)</u>
Net decrease in cash and cash equivalents	(56,239,343)	(154,695,145)	(52,091,835)	(146,126,550)
Cash and Cash Equivalents, Beginning of period	<u>175,934,456</u>	<u>354,250,608</u>	<u>150,493,438</u>	<u>327,082,224</u>
Cash and Cash Equivalents, End of period	<u><u>119,695,113</u></u>	<u><u>199,555,463</u></u>	<u><u>98,401,603</u></u>	<u><u>180,955,674</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	(21,779,895)	(3,371,020)	(21,779,895)	(3,308,020)
Increase (Decrease) in payable from acquisition of assets	487,645	(3,184,100)	487,645	(3,184,100)
Cash paid for acquisition of plant and equipment	<u>(21,292,250)</u>	<u>(6,555,120)</u>	<u>(21,292,250)</u>	<u>(6,492,120)</u>

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