

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 SIX-MONTH PERIODS ENDED 30 JUNE 2014

EXPRESSED IN THAI BAHT

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2014

		In Baht			
		Consolidated		Separate	
		financial statements		financial statements	
		30 June 2014	31 December 2013	30 June 2014	31 December 2013
<u>ASSETS</u>	<u>Notes</u>	<u>(Unaudited)</u>	<u>(Audited)</u>	<u>(Unaudited)</u>	<u>(Audited)</u>
CURRENT ASSETS					
Cash and cash equivalents		124,104,374	175,934,456	106,162,378	150,493,438
Short - term investments	6	346,000,000	406,000,000	340,000,000	400,000,000
Trade and other receivables	7	152,211,845	95,990,917	149,325,387	94,744,394
Accounts receivable - planters	8	31,111,243	39,644,803	31,111,243	39,644,803
Inventories	9	359,030,789	339,471,694	358,012,421	339,471,694
TOTAL CURRENT ASSETS		1,012,458,251	1,057,041,870	984,611,429	1,024,354,329
NON - CURRENT ASSETS					
Fixed deposits pledged as collateral		15,331,860	15,197,026	-	-
Investment in subsidiary		-	-	23,353,658	23,353,658
Property, plant and equipment	10	367,408,967	367,991,602	367,105,556	367,505,586
Computer software - installation		5,292,183	4,037,904	5,292,183	4,037,904
Deferred tax assets		8,667,676	8,118,798	8,421,663	7,894,870
Other non - current assets		1,760,186	1,760,186	1,759,286	1,759,286
TOTAL NON - CURRENT ASSETS		398,460,872	397,105,516	405,932,346	404,551,304
TOTAL ASSETS		1,410,919,123	1,454,147,386	1,390,543,775	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 30 JUNE 2014

		In Baht			
		Consolidated		Separate	
		financial statements		financial statements	
		30 June 2014	31 December 2013	30 June 2014	31 December 2013
<u>LIABILITIES AND SHAREHOLDERS' EQUITY</u>	Notes	(Unaudited)	(Audited)	(Unaudited)	(Audited)
CURRENT LIABILITIES					
Trade and other payables	11	108,036,106	81,671,642	107,151,250	79,896,062
Accrued income tax		9,054,028	7,164,707	9,054,028	6,879,075
Other current liabilities		3,318,046	3,179,695	3,278,250	3,028,847
TOTAL CURRENT LIABILITIES		120,408,180	92,016,044	119,483,528	89,803,984
NON - CURRENT LIABILITIES					
Employee benefit obligations	12	37,751,767	35,301,931	36,521,704	34,182,292
TOTAL LIABILITIES		158,159,947	127,317,975	156,005,232	123,986,276
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		765,498,451	839,568,686	747,277,818	817,658,632
TOTAL SHAREHOLDERS' EQUITY		1,252,759,176	1,326,829,411	1,234,538,543	1,304,919,357
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		1,410,919,123	1,454,147,386	1,390,543,775	1,428,905,633

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 JUNE 2014

		In Baht			
		Consolidated financial statements		Separate financial statements	
Note	2014	2013	2014	2013	
Revenues from sales	407,845,883	443,272,927	401,100,444	440,315,374	
Cost of sales	(310,478,349)	(335,272,338)	(311,496,717)	(335,272,338)	
Gross profit	97,367,534	108,000,589	89,603,727	105,043,036	
Gain (loss) on exchange rate	(9,136,475)	25,645,020	(5,743,520)	20,578,798	
Other income	5,811,442	6,073,884	5,834,617	6,070,853	
Profit before expenses	94,042,501	139,719,493	89,694,824	131,692,687	
Selling expenses	(27,537,413)	(30,671,560)	(23,901,054)	(27,053,372)	
Administrative expenses	(29,748,098)	(23,559,091)	(28,609,911)	(22,414,781)	
Total expenses	(57,285,511)	(54,230,651)	(52,510,965)	(49,468,153)	
Profit before Income tax expenses	36,756,990	85,488,842	37,183,859	82,224,534	
Income tax expenses	16 (6,019,026)	(10,541,036)	(6,030,069)	(9,879,224)	
Profit for the period	30,737,964	74,947,806	31,153,790	72,345,310	
Other comprehensive income for the period	-	-	-	-	
Total comprehensive income for the period	30,737,964	74,947,806	31,153,790	72,345,310	
Profit attributable to:					
Equity holders of the parent	30,737,964	74,947,806	31,153,790	72,345,310	
Non - controlling interests	-	-	-	-	
	<u>30,737,964</u>	<u>74,947,806</u>	<u>31,153,790</u>	<u>72,345,310</u>	
BASIC EARNINGS PER SHARE					
Net profit attributable to equity holders of the parent	<u>0.08</u>	<u>0.20</u>	<u>0.08</u>	<u>0.19</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 SIX - MONTH PERIOD ENDED 30 JUNE 2014

	In Baht			
	Consolidated		Separate	
	financial statements		financial statements	
Note	2014	2013	2014	2013
Revenues from sales	734,052,286	750,867,484	721,181,991	745,408,045
Cost of sales	(557,935,373)	(583,770,857)	(558,953,741)	(583,770,857)
Gross profit	176,116,913	167,096,627	162,228,250	161,637,188
Gain (loss) on exchange rate	(32,498,135)	36,993,522	(24,164,250)	29,069,989
Other income	11,359,798	9,583,855	11,437,133	9,620,097
Profit before expenses	154,978,576	213,674,004	149,501,133	200,327,274
Selling expenses	(51,735,672)	(53,721,972)	(45,156,984)	(46,625,103)
Administrative expenses	(50,566,755)	(44,761,802)	(47,956,494)	(42,136,991)
Total expenses	(102,302,427)	(98,483,774)	(93,113,478)	(88,762,094)
Profit before Income tax expenses	52,676,149	115,190,230	56,387,655	111,565,180
Income tax expenses	(8,592,852)	(14,383,625)	(8,614,937)	(13,641,192)
Profit for the period	44,083,297	100,806,605	47,772,718	97,923,988
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	44,083,297	100,806,605	47,772,718	97,923,988
Profit attributable to:				
Equity holders of the parent	44,083,297	100,806,605	47,772,718	97,923,988
Non - controlling interests	-	-	-	-
	44,083,297	100,806,605	47,772,718	97,923,988
BASIC EARNINGS PER SHARE				
Net profit attributable to equity holders of the parent	0.12	0.26	0.13	0.26

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 SIX - MONTH PERIOD ENDED 30 JUNE 2014

	<u>Notes</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 2013		381,145,725	68,000,000	38,115,000	811,403,667	-	1,298,664,392
Dividends paid	13	-	-	-	(106,716,518)	-	(106,716,518)
Total comprehensive income for the period		-	-	-	100,806,605	-	100,806,605
Balance as at 30 June 2013		<u>381,145,725</u>	<u>68,000,000</u>	<u>38,115,000</u>	<u>805,493,754</u>	-	<u>1,292,754,479</u>
Balance as at 1 January 2014		381,145,725	68,000,000	38,115,000	839,568,686	-	1,326,829,411
Dividends paid	13	-	-	-	(118,153,532)	-	(118,153,532)
Total comprehensive income for the period		-	-	-	44,083,297	-	44,083,297
Balance as at 30 June 2014		<u>381,145,725</u>	<u>68,000,000</u>	<u>38,115,000</u>	<u>765,498,451</u>	-	<u>1,252,759,176</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 PERIOD ENDED 30 JUNE 2014

	<u>Notes</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 2013		381,145,725	68,000,000	38,115,000	793,729,581	-	1,280,990,306
Dividends paid	13	-	-	-	(106,716,518)	-	(106,716,518)
Total comprehensive income for the period		-	-	-	97,923,988	-	97,923,988
Balance as at 30 June 2013		<u>381,145,725</u>	<u>68,000,000</u>	<u>38,115,000</u>	<u>784,937,051</u>	-	<u>1,272,197,776</u>
Balance as at 1 January 2014		381,145,725	68,000,000	38,115,000	817,658,632	-	1,304,919,357
Dividends paid	13	-	-	-	(118,153,532)	-	(118,153,532)
Total comprehensive income for the period		-	-	-	47,772,718	-	47,772,718
Balance as at 30 June 2014		<u>381,145,725</u>	<u>68,000,000</u>	<u>38,115,000</u>	<u>747,277,818</u>	-	<u>1,234,538,543</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 SIX - MONTH PERIOD ENDED 30 JUNE 2014

	In Baht			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2014	2013	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before income tax expenses	52,676,149	115,190,230	56,387,655	111,565,180
Adjustments to reconcile net profit to net cash provided by operating activities				
Unrealized loss(gain) on exchange rate	138,412	(1,133,822)	117,576	(1,005,345)
Doubtful accounts	178,071	-	178,071	-
Loss on diminution in value of inventories (reversal)	255,280	(1,437,979)	255,280	(1,437,979)
Loss(gain) on disposal and amortization	(1,620,279)	2,840,209	(1,620,279)	2,860,208
Depreciation	30,307,519	33,818,640	30,111,924	33,623,162
Retirement employee benefit	2,998,536	2,376,206	2,888,112	2,333,388
Profit from operating activities before change in operational assets and liabilities	84,933,688	151,653,484	88,318,339	147,938,614
Decrease (Increase) in operational assets				
Trade and other receivables	(56,362,396)	(88,404,572)	(54,701,285)	(88,947,257)
Accounts receivable - planters	8,355,489	21,533,387	8,355,489	21,533,387
Inventories	(19,814,375)	(41,254,898)	(18,796,007)	(40,246,983)
Other non - current assets	-	2,394,785	-	2,394,785
Increase (Decrease) in operational liabilities				
Trade and other payables	26,756,405	(1,986,413)	27,646,789	(967,314)
Other current liabilities	4,614	481,598	115,666	396,909
Benefits paid by the plan	(548,700)	(185,100)	(548,700)	(185,100)
Cash receipt from operation	43,324,725	44,232,271	50,390,291	41,917,041
Income tax paid	(7,252,409)	(17,307,846)	(6,966,777)	(16,685,233)
Net cash provided by operating activities	36,072,316	26,924,425	43,423,514	25,231,808

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 SIX - MONTH PERIOD ENDED 30 JUNE 2014

	In Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2014	2013	2014	2013
CASH FLOWS FROM INVESTING ACTIVITIES				
Decrease (increase) in short - term investments	60,000,000	(50,400,000)	60,000,000	(50,000,000)
Increase in fixed deposits pledged as collateral	(134,834)	(132,332)	-	-
Proceeds from disposal of equipment	1,749,981	38,766	1,749,981	18,766
Cash paid for acquisition of plant and equipment (Supplement of cash flows information 1)	(30,243,471)	(10,438,266)	(30,230,481)	(10,375,266)
Cash paid for acquisition of computer software	(1,254,279)	(495,000)	(1,254,279)	(495,000)
Net cash used in (provided by) investing activities	<u>30,117,397</u>	<u>(61,426,832)</u>	<u>30,265,221</u>	<u>(60,851,500)</u>
CASH FLOWS FROM FINANCING ACTIVITIES				
Cash paid for dividends (Supplement of cash flows information 2)	(118,019,795)	(106,530,953)	(118,019,795)	(106,530,953)
Net cash used in financing activities	<u>(118,019,795)</u>	<u>(106,530,953)</u>	<u>(118,019,795)</u>	<u>(106,530,953)</u>
Net decrease in cash and cash equivalents	(51,830,082)	(141,033,360)	(44,331,060)	(142,150,645)
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>124,104,374</u></u>	<u><u>213,217,248</u></u>	<u><u>106,162,378</u></u>	<u><u>184,931,579</u></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	(29,854,586)	(6,923,201)	(29,841,596)	(6,860,201)
Decrease in payable from acquisition of assets	(388,885)	(3,515,065)	(388,885)	(3,515,065)
Cash paid for acquisition of plant and equipment	<u>(30,243,471)</u>	<u>(10,438,266)</u>	<u>(30,230,481)</u>	<u>(10,375,266)</u>
<u>2.Cash paid for dividends</u>				
Dividends paid	(118,153,532)	(106,716,518)	(118,153,532)	(106,716,518)
Increase in accrued dividends	133,737	185,565	133,737	185,565
Cash paid for dividends	<u>(118,019,795)</u>	<u>(106,530,953)</u>	<u>(118,019,795)</u>	<u>(106,530,953)</u>

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