Karmarts Public Company Limited and its subsidiaries

Statement of financial position

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		31 March 2014	31 December 2013	31 March 2014	31 December 2013
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Current assets					
Cash and cash equivalents		85,892	68,728	85,796	68,525
Current investments	*7*	20,163	95,917	20,163	95,917
Trade and other receivables	*3, 5*	117,290	121,035	127,285	130,309
Current portion of finance lease receivables	*4*	1,266	1,200	1,266	1,200
Short-term loan to related party	*5*	-	-	27,380	23,780
Inventories	*6*	301,041	297,191	301,041	297,191
Other current assets	*8*	20,552	13,555	20,445	13,350
Total current assets		546,204	597,626	583,376	630,272
Non-current assets					
Restricted bank deposits	*9*	1,125	1,125	477	477
Finance lease receivables - net of current portion	*4*	2,695	2,969	2,695	2,969
Investments in associate	*10*	69,998	-	70,000	-
Investments in subsidiary companies	*11*	-	-	1,000	1,000
Investment properties	*12*	164,000	164,000	164,000	164,000
Property, plant and equipment	*13*	112,842	118,237	79,056	82,770
Intangible assets	*14*	8,500	8,857	1,425	1,367
Deferred tax assets		17,568	16,858	17,568	16,858
Other non-current assets	*15*	4,883	5,757	3,981	4,857
Total non-current assets		381,611	317,803	340,202	274,298
Total assets		927,815	915,429	923,578	904,570

The accompanying notes are an integral part of the financial statements.

Karmarts Public Company Limited and its subsidiaries

Statement of financial position (continued)

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		31 March 2014	31 December 2013	31 March 2014	31 December 2013
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity					
Current liabilities					
Bank overdrafts and short-term loans from banks	*16*	116,176	130,676	116,176	130,654
Trade and other payables	*5, 17*	40,647	85,494	39,876	84,707
Current portion of liabilities under finance lease agreements		5,000	6,889	3,008	2,948
Current portion of other long-term loans	*18*	1,335	1,879	-	-
Income tax payable		32,554	23,022	32,554	23,022
Other current liabilities		4,008	6,940	3,996	6,931
Total current liabilities		199,720	254,900	195,610	248,262
Non-current liabilities					
Liabilities under finance lease agreements - net of current portion		5,121	5,896	5,121	5,896
Other long-term loans - net of current portion	*18*	-	-	-	-
Provision for long-term employee benefits		7,510	7,510	7,464	7,464
Deferred tax liabilities		23,156	22,113	23,156	22,113
Total non-current liabilities		35,787	35,519	35,741	35,473
Total liabilities		235,507	290,419	231,351	283,735

The accompanying notes are an integral part of the financial statements.

Karmarts Public Company Limited and its subsidiaries

Statement of financial position (continued)

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		31 March 2014	31 December 2013	31 March 2014	31 December 2013
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Shareholders' equity					
Share capital					
Registered					
660,000,000 ordinary shares of Baht 0.60 each	*19, 20*	396,000	396,000	396,000	396,000
Issued and fully paid up					
636,962,831 ordinary shares of Baht 0.60 each (31 December 2013: 623,532,484 ordinary shares of Baht 0.60 each)	*19, 20*	382,178	374,120	382,178	374,120
Share premium	*19*	51,748	32,945	51,748	32,945
Capital reduction surplus		15,267	15,267	15,267	15,267
Retained earnings					
Appropriated - statutory reserve	*21*	20,484	18,257	20,484	18,257
Unappropriated		216,324	177,921	215,172	172,868
Other components of shareholders' equity		7,378	7,378	7,378	7,378
Equity attributable to owners of the Company		693,379	625,888	692,227	620,835
Non-controlling interests of the subsidiary		(1,071)	(878)	-	-
Total shareholders' equity		692,308	625,010	692,227	620,835
Total liabilities and shareholders' equity		927,815	915,429	923,578	904,570
		0	0	0	0

The accompanying notes are an integral part of the financial statements.

Directors

(Unaudited but reviewed)

Karmarts Public Company Limited and its subsidiaries

Income statement

For the three-month period ended 31 March 2014

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2014	2013	2014	2013
Revenues					
Sales and service income		204,619	186,710	204,643	186,784
Income from bus service operator		-	2,734	-	-
Interest income on hire purchase		61	94	61	94
Income from warehouse rental and warehouse services		6,603	6,594	6,603	6,594
Exchange gain		1,625	3,668	1,625	3,668
Other income		10,289	770	10,969	1,312
Total revenues		223,197	200,570	223,901	198,452
Expenses					
Cost of sales and service		102,706	90,771	102,730	90,845
Cost of bus service operator		2,126	2,145	-	-
Cost of warehouse rental and warehouse services		1,007	961	1,007	961
Selling expenses		42,319	28,914	42,319	28,914
Administrative expenses		21,874	22,816	20,694	21,296
Other expenses		-	94	-	94
Total expenses		170,032	145,701	166,750	142,110
Profit before share of loss from investments in associate, finance cost and income tax expenses		53,165	54,869	57,151	56,342
Share of loss from investments in associate		(2)	-	-	-
Profit before finance cost and income tax expenses		53,163	54,869	57,151	56,342
Finance cost		(2,515)	(3,197)	(2,409)	(2,913)
Profit before income tax expenses		50,648	51,672	54,742	53,429
Income tax expenses	*22*	(10,211)	(10,303)	(10,211)	(10,303)
Profit for the periods		40,437	41,369	44,531	43,126
Profit or loss attributable to:					
Equity holders of the Company		40,630	41,453	44,531	43,126
Non-controlling interests of the subsidiary		(193)	(84)		
		40,437	41,369		
					(Unit: Baht)
Basic earnings per share	*23*				
Profit attributable to equity holders of the Company		0.064	0.069	0.071	0.072
Weighted average number of common stock (shares)		631,590,692	600,000,000	631,590,692	600,000,000
Diluted earnings per share	*23*				
Profit attributable to equity holders of the Company		0.063	0.064	0.069	0.067
Weighted average number of common stock (shares)		648,979,080	648,349,515	648,979,080	648,349,515

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Karmarts Public Company Limited and its subsidiaries

Statement of comprehensive income

For the three-month period ended 31 March 2014

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Profit or loss for the periods	40,437	41,369	44,531	43,126
Other comprehensive income:				
Other comprehensive income for the periods	-	-	-	-
Total comprehensive income for the periods	40,437	41,369	44,531	43,126
Total comprehensive income attributable to:				
Equity holders of the Company	40,630	41,453	44,531	43,126
Non-controlling interests of the subsidiary	(193)	(84)		
	40,437	41,369		

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Karmarts Public Company Limited and its subsidiaries

Statement of cash flows

For the three-month period ended 31 March 2014

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Cash flows from operating activities				
Profit or loss before tax	50,648	51,672	54,742	53,429
Adjustments to reconcile profit or loss before tax to				
net cash provided by (paid from) operating activities: -				
Depreciation and amortisation	6,436	5,741	4,340	3,644
Increase in allowance for doubtful debts (reversal)	113	(2)	113	(2)
Increase in allowance for reducing cost of				
inventories to net realisable value (reversal)	1,729	(12)	1,729	(12)
Unrealised gain on exchange rate	(4,398)	(1,999)	(4,398)	(1,999)
Fixed assets written off	32	756	32	756
Gain from disposal of investments				
in securities and derivative	-3,055	-	-3,055	-
Unrealised loss (gain) on change in the value of				
investments in securities and derivative	(6,441)	95	(6,441)	95
Gain from disposal of equipment and intangible assets	(41)	(27)	(41)	(27)
Interest income	(35)	(95)	(730)	(651)
Interest expenses	1,249	2,347	1,142	1,763
Share of loss from invesments in associate	2	-	-	-
Profit from operating activities before				
changes in operating assets and liabilities: -	46,239	58,476	47,433	56,996
Operating assets (increase) decrease				
Trade and other receivables	3,692	(11,357)	2,971	(11,941)
Finance lease receivables	208	359	208	359
Inventories	(5,109)	(38,360)	(5,109)	(38,360)
Other current assets	(6,997)	(3,915)	(7,095)	(4,017)
Other non-current assets	874	283	876	283
Operating liabilities increase (decrease)				
Trade and other payables	(44,815)	7,083	(44,798)	6,838
Other current liabilities	(2,932)	(4,122)	(2,935)	(4,180)
Cash flows from (used in) operating activities	(8,840)	8,447	(8,449)	5,978
Cash paid for income tax	(345)	(320)	(345)	(308)
Net cash flows from (used in) operating activities	(9,185)	8,127	(8,794)	5,670

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Karmarts Public Company Limited and its subsidiaries

Statement of cash flows (continued)

For the three-month period ended 31 March 2014

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Cash flows from investing activities				
Interest income	35	95	730	651
Increase in short-term loans to related party	-	-	(3,600)	(2,130)
Proceeds from disposal of equipment	60	40	60	40
Proceeds from disposal of intangible assets	7	-	7	-
Proceeds from disposal of investments				
in securities and derivative	139,360	-	139,360	-
Purchase of investments in securities and derivative	(54,110)	(13,952)	(54,110)	(13,952)
Increase in investment in fixed deposit	-	(20,000)	-	(20,000)
Purchase of equipment	(1,044)	(3,371)	(1,044)	(3,371)
Purchase of intangible assets	(228)	(85)	(228)	(85)
Increase in investments in associate	(70,000)	-	(70,000)	-
Net cash from (used in) investing activities	14,080	(37,273)	11,175	(38,847)
Cash flows from financing activities				
Increase (decrease) in bank overdrafts and short-term				
loans from banks	(1,928)	297	(1,907)	279
Increase (decrease) in trust receipts	(8,207)	60,767	(8,207)	60,767
Cash paid under finance lease	(2,870)	(3,901)	(848)	(781)
Repayment of other long-term loans	(544)	(541)	-	-
Repayment of long-term loan from bank	-	(14,052)	-	(14,052)
Interest expenses	(1,043)	(2,208)	(1,009)	(1,621)
Cash receipt from exercise of warrants to				
subscribed ordinary share	26,861	-	26,861	-
Net cash from financing activities	12,269	40,362	14,890	44,592
Net increase in cash and cash equivalents	17,164	11,216	17,271	11,415
Cash and cash equivalents at beginning of periods	68,728	2,427	68,525	2,198
Cash and cash equivalents at end of periods	85,892	13,643	85,796	13,613
	0.00		0.00	
Supplemental cash flows information: -				
Non-cash transactions: -				
Sale of equipment that has not yet				
been collected	60	8	60	8
Transfer of inventories to equipment	470	-	470	-

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Karmarts Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the three-month period ended 31 March 2014

(Unit: Thousand Baht)

	Consolidated financial statements									
	Equity attributable to the parent's shareholders									
						Other components of shareholders' equity				
	Issued and paid-up share capital	Share premium	Capital reduction surplus	Retained earnings		Surplus on revaluation of assets	Total other components of owners of equity	Total equity attributable to owners of the Company	Non-controlling interests of the subsidiary	Total shareholders' equity
				Appropriated - statutory reserve	Unappropriated					
Balance as at 1 January 2013	360,000	-	15,267	9,830	173,055	9,222	9,222	567,374	(505)	566,869
Transfer to statutory reserve (Note 21)	-	-	-	2,156	-2,156	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	41,453	-	-	41,453	(84)	41,369
Balance as at 31 March 2013	360,000	-	15,267	11,986	212,352	9,222	9,222	608,827	(589)	608,238
Balance as at 1 January 2014	374,120	32,945	15,267	18,257	177,921	7,378	7,378	625,888	-878	625,010
Issuance of ordinary shares during the period from the exercise of warrants (Note 19 and 20)	8,058	18,803	-	-	-	-	-	26,861	-	26,861
Transfer to statutory reserve (Note 21)	-	-	-	2,227	(2,227)	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	40,630	-	-	40,630	(193)	40,437
Balance as at 31 March 2014	382,178	51,748	15,267	20,484	216,324	7,378	7,378	693,379	(1,071)	692,308

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Karmarts Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the three-month period ended 31 March 2014

(Unit: Thousand Baht)

	Separate financial statements							
						Other components of shareholders' equity		
	Issued and paid-up share capital	Share premium	Capital reduction surplus	Retained earnings		Surplus on revaluation of assets	Total other components of shareholders' equity	Total shareholders' equity
				Appropriated - statutory reserve	Unappropriated			
Balance as at 1 January 2013	360,000	-	15,267	9,830	160,435	9,222	9,222	554,754
Transfer to statutory reserve (Note 21)	-	-	-	2,156	-2,156	-	-	-
Total comprehensive income for the period	-	-	-	-	43,126	-	-	43,126
Balance as at 31 March 2013	360,000	-	15,267	11,986	201,405	9,222	9,222	597,880
Balance as at 1 January 2014	374,120	32,945	15,267	18,257	172,868	7,378	7,378	620,835
Issuance of ordinary shares during the period from the exercise of warrants (Note 19 and 20)	8,058	18,803	-	-	-	-	-	26,861
Transfer to statutory reserve (Note 21)	-	-	-	2,227	(2,227)	-	-	-
Total comprehensive income for the period	-	-	-	-	44,531	-	-	44,531
Balance as at 31 March 2014	382,178	51,748	15,267	20,484	215,172	7,378	7,378	692,227

The accompanying notes are an integral part of the financial statements.