

**CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY**

FINANCIAL STATEMENTS

AND INDEPENDENT AUDITOR'S REPORT

FOR THE YEAR ENDED 31 DECEMBER 2014

EXPRESSED IN THAI BAHT

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

<b>ASSETS</b>	<b>Notes</b>	In Baht			
		Consolidated		Separate	
		financial statements		financial statements	
		2014	2013	2014	2013
<b>CURRENT ASSETS</b>					
Cash and cash equivalents	6	172,884,587	175,934,456	129,142,093	150,493,438
Short - term investments	7	296,000,000	406,000,000	290,000,000	400,000,000
Trade and other receivables	8	91,582,071	95,990,917	91,561,035	94,744,394
Accounts receivable - planters	9	24,830,901	39,644,803	24,830,901	39,644,803
Inventories	10	436,665,630	339,471,694	436,665,630	339,471,694
<b>TOTAL CURRENT ASSETS</b>		<b>1,021,963,189</b>	<b>1,057,041,870</b>	<b>972,199,659</b>	<b>1,024,354,329</b>
<b>NON - CURRENT ASSETS</b>					
Fixed deposits pledged as collateral	11	-	15,197,026	-	-
Investment in subsidiary	12	-	-	23,353,658	23,353,658
Property, plant and equipment	13	347,231,135	367,991,602	347,150,536	367,505,586
Computer software - installation	14	6,751,545	4,037,904	6,751,545	4,037,904
Deferred tax assets	25	9,323,351	8,118,798	9,094,351	7,894,870
Other non - current assets		1,760,986	1,760,186	1,760,086	1,759,286
<b>TOTAL NON - CURRENT ASSETS</b>		<b>365,067,017</b>	<b>397,105,516</b>	<b>388,110,176</b>	<b>404,551,304</b>
<b>TOTAL ASSETS</b>		<b>1,387,030,206</b>	<b>1,454,147,386</b>	<b>1,360,309,835</b>	<b>1,428,905,633</b>

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

**CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY**  
**STATEMENT OF FINANCIAL POSITION (CONTINUED)**  
**AS AT 31 DECEMBER 2014**

		In Baht			
		Consolidated		Separate	
		financial statements		financial statements	
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>	Notes	2014	2013	2014	2013
<b>CURRENT LIABILITIES</b>					
Trade and other payables	16	74,187,092	81,671,642	72,768,713	79,896,062
Accrued income tax		1,664,468	7,164,707	957,239	6,879,075
Other current liabilities		3,377,117	3,179,695	3,346,266	3,028,847
<b>TOTAL CURRENT LIABILITIES</b>		<b>79,228,677</b>	<b>92,016,044</b>	<b>77,072,218</b>	<b>89,803,984</b>
<b>NON - CURRENT LIABILITIES</b>					
Employee benefit obligations	17	40,303,820	35,301,931	40,303,820	34,182,292
<b>TOTAL LIABILITIES</b>		<b>119,532,497</b>	<b>127,317,975</b>	<b>117,376,038</b>	<b>123,986,276</b>
<b>SHAREHOLDERS' EQUITY</b>					
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	18	38,115,000	38,115,000	38,115,000	38,115,000
Unappropriated		780,236,984	839,568,686	755,673,072	817,658,632
<b>TOTAL SHAREHOLDERS' EQUITY</b>		<b>1,267,497,709</b>	<b>1,326,829,411</b>	<b>1,242,933,797</b>	<b>1,304,919,357</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>1,387,030,206</b>	<b>1,454,147,386</b>	<b>1,360,309,835</b>	<b>1,428,905,633</b>

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**CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 DECEMBER 2014**

	In Baht		
	Consolidated		Sepai
	financial statements		financial st
Note	2014	2013	2014
Revenues from sales	1,413,563,770	1,426,501,997	1,386,115,871
Cost of sales	(1,140,891,010)	(1,112,921,285)	(1,140,891,010)
<b>Gross profit</b>	<b>272,672,760</b>	<b>313,580,712</b>	<b>245,224,861</b>
Gain (loss) on exchange rate	(29,632,910)	17,716,686	(22,921,227)
Other income	19,786,397	19,116,538	19,476,309
<b>Profit before expenses</b>	<b>262,826,247</b>	<b>350,413,936</b>	<b>241,779,943</b>
Selling expenses	(100,515,836)	(104,589,553)	(87,221,743)
Administrative expenses	(91,816,981)	(89,108,615)	(87,425,652)
Total expenses	(192,332,817)	(193,698,168)	(174,647,395)
<b>Profit before Income tax expenses</b>	<b>70,493,430</b>	<b>156,715,768</b>	<b>67,132,548</b>
Income tax expenses	25 (10,067,343)	(20,897,795)	(9,360,319)
<b>Profit for the year</b>	<b>60,426,087</b>	<b>135,817,973</b>	<b>57,772,229</b>
<b>Other comprehensive income for the year</b>			
Actuarial losses - net of tax	(1,604,257)	(936,436)	(1,604,257)
<b>Total comprehensive income for the year</b>	<b>58,821,830</b>	<b>134,881,537</b>	<b>56,167,972</b>
<b>Profit attributable to:</b>			
Equity holders of the parent	60,426,087	135,817,973	57,772,229
Non - controlling interests	-	-	-
	<b>60,426,087</b>	<b>135,817,973</b>	<b>57,772,229</b>
<b>Total comprehensive income attributable to:</b>			
Equity holders of the parent	58,821,830	134,881,537	56,167,972
Non - controlling interests	-	-	-
	<b>58,821,830</b>	<b>134,881,537</b>	<b>56,167,972</b>
<b>BASIC EARNINGS PER SHARE</b>			
Net profit attributable to equity holders of the parent	0.16	0.36	0.15

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

rate
payments
<u>2013</u>
1,407,755,784
<u>(1,112,921,285)</u>
294,834,499
11,157,296
<u>19,195,791</u>
<u>325,187,586</u>
(89,282,182)
<u>(83,913,927)</u>
<u>(173,196,109)</u>
151,991,477
<u>(19,918,315)</u>
<u>132,073,162</u>
<u>(1,427,593)</u>
<u>130,645,569</u>
132,073,162
<u>-</u>
<u>132,073,162</u>
130,645,569
<u>-</u>
<u>130,645,569</u>
<u>0.35</u>

**CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY**  
**CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY**  
**FOR THE YEAR ENDED 31 DECEMBER 2014**

	Notes	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	19	-	-	-	(106,716,518)	-	(106,716,518)
Total comprehensive income for the year		-	-	-	134,881,537	-	134,881,537
Balance as at 31 December 2013		<u>381,145,725</u>	<u>68,000,000</u>	<u>38,115,000</u>	<u>839,568,686</u>	-	<u>1,326,829,411</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	19	-	-	-	(118,153,532)	-	(118,153,532)
Total comprehensive income for the year		-	-	-	58,821,830	-	58,821,830
Balance as at 31 December 2014		<u>381,145,725</u>	<u>68,000,000</u>	<u>38,115,000</u>	<u>780,236,984</u>	-	<u>1,267,497,709</u>

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

**CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED**  
**SEPARATE STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**  
**FOR THE YEAR ENDED 31 DECEMBER 2014**

	Notes	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	19	-	-	-	(106,716,518)	-	(106,716,518)
Total comprehensive income for the year		-	-	-	130,645,569	-	130,645,569
Balance as at 31 December 2013		<u>381,145,725</u>	<u>68,000,000</u>	<u>38,115,000</u>	<u>817,658,632</u>	<u>-</u>	<u>1,304,919,357</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	19	-	-	-	(118,153,532)	-	(118,153,532)
Total comprehensive income for the year		-	-	-	56,167,972	-	56,167,972
Balance as at 31 December 2014		<u>381,145,725</u>	<u>68,000,000</u>	<u>38,115,000</u>	<u>755,673,072</u>	<u>-</u>	<u>1,242,933,797</u>

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

**CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY**

**STATEMENT OF CASH FLOWS**

**FOR THE YEAR ENDED 31 DECEMBER 2014**

	In Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2014	2013	2014	2013
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Profit before income tax expenses	70,493,430	156,715,768	67,132,548	151,991,477
Adjustments to reconcile net profit to net cash provided by operating activities				
Unrealized gain on exchange rate	(78,376)	(939,458)	(78,376)	(846,512)
Doubtful accounts	41,075	-	41,075	-
Loss on diminution in value of inventories (reversal)	114,697	(2,822,922)	114,697	(2,822,922)
Loss(gain) on disposal and amortization	(2,245,466)	23,825	(1,762,642)	43,824
Depreciation and amortization	60,278,862	59,698,261	59,891,649	59,303,846
Loss on impairment of intangible assets	-	2,634,787	-	2,634,787
Retirement employee benefit	6,120,567	5,000,683	6,095,206	4,686,047
Profit from operating activities before change in operational assets and liabilities	134,724,789	220,310,944	131,434,157	214,990,547
Decrease (Increase) in operational assets				
Trade and other receivables	4,527,072	(31,561,389)	3,301,585	(26,570,360)
Accounts receivable - planters	14,772,827	10,088,444	14,772,827	10,088,444
Inventories	(97,308,633)	20,168,898	(97,308,633)	20,168,898
Other non - current assets	(800)	2,444,785	(800)	2,444,785
Increase (Decrease) in operational liabilities				
Trade and other payables	(9,160,770)	(8,388,608)	(7,658,569)	(8,315,522)
Other current liabilities	68,799	180,985	188,796	90,119
Benefits paid by the plan	(1,299,000)	(457,500)	(1,299,000)	(457,500)
<b>Cash receipt from operation</b>	46,324,284	212,786,559	43,430,363	212,439,411
Income tax paid	(16,371,070)	(31,840,567)	(16,080,571)	(30,463,884)
Net cash provided by operating activities	29,953,214	180,945,992	27,349,792	181,975,527

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**CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY**

**STATEMENT OF CASH FLOWS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2014**

	In Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2014	2013	2014	2013
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Decrease (increase) in short - term investments	110,000,000	(200,400,000)	110,000,000	(200,000,000)
Increase (decrease) in fixed deposits pledged as collateral	15,197,026	(254,831)	-	-
Proceeds from disposal of equipment	2,406,580	171,879	1,892,561	151,879
Cash paid for acquisition of plant and equipment <i>(Supplement of cash flows information 1)</i>	(39,825,349)	(49,976,078)	(39,812,358)	(49,913,078)
Cash paid for acquisition of computer software	(2,756,431)	(2,257,984)	(2,756,431)	(2,257,984)
Net cash used in (provided by) investing activities	<u>85,021,826</u>	<u>(252,717,014)</u>	<u>69,323,772</u>	<u>(252,019,183)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Cash paid for dividends <i>(Supplement of cash flows information 2)</i>	(118,024,909)	(106,545,130)	(118,024,909)	(106,545,130)
Net cash used in financing activities	<u>(118,024,909)</u>	<u>(106,545,130)</u>	<u>(118,024,909)</u>	<u>(106,545,130)</u>
Net decrease in cash and cash equivalents	(3,049,869)	(178,316,152)	(21,351,345)	(176,588,786)
Cash and Cash Equivalents, Beginning of year	175,934,456	354,250,608	150,493,438	327,082,224
Cash and Cash Equivalents, End of year	<u>172,884,587</u>	<u>175,934,456</u>	<u>129,142,093</u>	<u>150,493,438</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	(39,636,719)	(46,440,417)	(39,623,728)	(46,377,417)
Decrease in payable from acquisition of assets	(188,630)	(3,535,661)	(188,630)	(3,535,661)
Cash paid for acquisition of plant and equipment	<u>(39,825,349)</u>	<u>(49,976,078)</u>	<u>(39,812,358)</u>	<u>(49,913,078)</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	128,623	171,388	128,623	171,388
Cash paid for dividends	<u>(118,024,909)</u>	<u>(106,545,130)</u>	<u>(118,024,909)</u>	<u>(106,545,130)</u>

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