

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
FINANCIAL STATEMENTS
AND INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015

EXPRESSED IN THAI BAHT

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2015

<u>ASSETS</u>	Notes	In Baht		
		Consolidated	Separate	
		<u>financial statements</u>	<u>financial statements</u>	
		2014	2015	2014
CURRENT ASSETS				
Cash and cash equivalents	6	172,884,587	259,786,030	129,142,093
Short - term investments	7	296,000,000	300,000,000	290,000,000
Trade and other receivables	8	91,582,071	78,777,184	91,561,035
Accounts receivable - planters	9	24,830,901	24,390,237	24,830,901
Receivable from the liquidation of a subsidiary	11	-	31,180,508	-
Inventories	10	<u>436,665,630</u>	<u>451,872,687</u>	<u>436,665,630</u>
TOTAL CURRENT ASSETS		<u>1,021,963,189</u>	<u>1,146,006,646</u>	<u>972,199,659</u>
NON - CURRENT ASSETS				
Investment in subsidiary	12	-	-	23,353,658
Property, plant and equipment	13	347,231,135	328,028,136	347,150,536
Computer software - installation	14	6,751,545	7,497,315	6,751,545
Deferred tax assets	24	9,323,351	7,046,170	9,094,351
Other non - current assets		<u>1,760,986</u>	<u>43,419</u>	<u>1,760,086</u>
TOTAL NON - CURRENT ASSETS		<u>365,067,017</u>	<u>342,615,040</u>	<u>388,110,176</u>
TOTAL ASSETS		<u>1,387,030,206</u>	<u>1,488,621,686</u>	<u>1,360,309,835</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 FINANCIAL POSITION (CONTINUED)
AS AT 31 DECEMBER 2015

		In Baht		
		Consolidated	Separate	
		financial statements	financial statements	
<u>LIABILITIES AND SHAREHOLDERS' EQUITY</u>	Notes	2014	2015	2014
CURRENT LIABILITIES				
Trade and other payables	16	74,187,092	82,160,665	72,768,713
Accrued income tax		1,664,468	13,000,451	957,239
Other current liabilities		<u>3,377,117</u>	<u>3,583,531</u>	<u>3,346,266</u>
TOTAL CURRENT LIABILITIES		79,228,677	98,744,647	77,072,218
NON - CURRENT LIABILITIES				
Employee benefit obligations	17	<u>40,303,820</u>	<u>40,934,900</u>	<u>40,303,820</u>
TOTAL LIABILITIES		119,532,497	139,679,547	117,376,038
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>
Issued and paid - up shares				
381,145,725 common shares		381,145,725	381,145,725	381,145,725
Premium on share capital		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
Unappropriated		<u>780,236,984</u>	<u>861,681,414</u>	<u>755,673,072</u>
TOTAL SHAREHOLDERS' EQUITY		1,267,497,709	1,348,942,139	1,242,933,797
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		1,387,030,206	1,488,621,686	1,360,309,835

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 COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2015

		In Baht			
		Consolidated		Separate	
		financial statements		financial statements	
Note	2015	2014	2015	2014	
Revenues from sales	1,419,894,639	1,413,563,770	1,419,894,639	1,386,115,871	
Cost of sales	(1,075,741,851)	(1,140,891,010)	(1,075,741,851)	(1,140,891,010)	
Gross profit	344,152,788	272,672,760	344,152,788	245,224,861	
Dividend income from subsidiary	5.3 -	-	16,799,993	-	
Gain on the liquidation of a subsidiary	11 -	-	7,826,850	-	
Other income	12,304,722	19,786,397	11,889,373	19,476,309	
Profit before expenses	356,457,510	292,459,157	380,669,004	264,701,170	
Selling expenses	(93,736,556)	(100,515,836)	(93,736,556)	(87,221,743)	
Administrative expenses	(84,310,772)	(91,816,981)	(84,187,354)	(87,425,652)	
Loss on exchange rate	(26,779,057)	(29,632,910)	(26,779,057)	(22,921,227)	
Total expenses	(204,826,385)	(221,965,727)	(204,702,967)	(197,568,622)	
Profit before Income tax expenses	151,631,125	70,493,430	175,966,037	67,132,548	
Income tax expenses	24 (32,072,653)	(10,067,343)	(31,843,653)	(9,360,319)	
Profit for the year	119,558,472	60,426,087	144,122,384	57,772,229	
Other comprehensive income for the year					
Other comprehensive income not to be reclassified to profit or loss in subsequent periods					
Remeasurements of post-employment benefit obligations					
Actuarial losses	17 -	(2,005,322)	-	(2,005,322)	
Less Income tax effect	24 -	401,065	-	401,065	
Total comprehensive income for the year	119,558,472	58,821,830	144,122,384	56,167,972	
Profit attributable to:					
Equity holders of the parent	119,558,472	60,426,087	144,122,384	57,772,229	
Non - controlling interests	-	-	-	-	
	119,558,472	60,426,087	144,122,384	57,772,229	
Total comprehensive income attributable to:					
Equity holders of the parent	119,558,472	58,821,830	144,122,384	56,167,972	
Non - controlling interests	-	-	-	-	
	119,558,472	58,821,830	144,122,384	56,167,972	
BASIC EARNINGS PER SHARE					
Net profit attributable to equity holders of the parent	0.31	0.16	0.38	0.15	

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

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2015

	Notes	In Baht				Total
		Issued and paid-up share capital	Premium on share capital	Retained earnings		
				Appropriated for legal reserve	Unappropriated	
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)
Profit for the year		-	-	-	60,426,087	60,426,087
Other comprehensive income for the year		-	-	-	(1,604,257)	(1,604,257)
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>
Balance as at 1 January 2015		381,145,725	68,000,000	38,115,000	780,236,984	1,267,497,709
Dividends paid	19	-	-	-	(38,114,042)	(38,114,042)
Profit for the year		-	-	-	119,558,472	119,558,472
Other comprehensive income for the year		-	-	-	-	-
Total comprehensive income for the year		-	-	-	119,558,472	119,558,472
Balance as at 31 December 2015		<u>381,145,725</u>	<u>68,000,000</u>	<u>38,115,000</u>	<u>861,681,414</u>	<u>1,348,942,139</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 2015

	<u>Notes</u>	In Baht				Total
		Issued and paid - up share capital	Premium on share capital	<u>Retained earnings</u>		
				for legal reserve	Unappropriated	
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)
Profit for the year		-	-	-	57,772,229	57,772,229
Other comprehensive income for the year		-	-	-	(1,604,257)	(1,604,257)
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>1,242,933,797</u>
Balance as at 1 January 2015		381,145,725	68,000,000	38,115,000	755,673,072	1,242,933,797
Dividends paid	19	-	-	-	(38,114,042)	(38,114,042)
Profit for the year		-	-	-	144,122,384	144,122,384
Other comprehensive income for the year		-	-	-	-	-
Total comprehensive income for the year		-	-	-	144,122,384	144,122,384
Balance as at 31 December 2015		<u>381,145,725</u>	<u>68,000,000</u>	<u>38,115,000</u>	<u>861,681,414</u>	<u>1,348,942,139</u>

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CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2015**

	In Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before income tax expenses	151,631,125	70,493,430	175,966,037	67,132,548
Adjustments to reconcile net profit to net cash provided by operating activities				
Unrealized gain on exchange rate	(38,602)	(78,376)	(38,602)	(78,376)
Doubtful accounts	(41,075)	41,075	(41,075)	41,075
Loss on diminution in value of inventories	1,260,484	114,697	1,260,484	114,697
Loss(gain) on disposal and amortization	(583,841)	(2,245,466)	(436,855)	(1,762,642)
Dividend income from subsidiary	-	-	(16,799,993)	-
Gain on the liquidation of a subsidiary	-	-	(7,826,850)	-
Depreciation and amortization	50,861,000	60,278,862	50,838,915	59,891,649
Retirement employee benefit	4,614,180	6,120,567	4,614,180	6,095,206
Profit from operating activities before change in operational assets and liabilities	207,703,271	134,724,789	207,536,241	131,434,157
Decrease (Increase) in operational assets				
Trade and other receivables	11,505,650	4,527,072	11,507,911	3,301,585
Accounts receivable - planters	481,739	14,772,827	481,739	14,772,827
Inventories	(16,467,541)	(97,308,633)	(16,467,541)	(97,308,633)
Other non - current assets	1,717,567	(800)	1,716,667	(800)
Increase (Decrease) in operational liabilities				
Trade and other payables	2,195,583	(9,160,770)	3,528,962	(7,658,569)
Other current liabilities	174,318	68,799	205,169	188,796
Benefits paid by the plan	(3,983,100)	(1,299,000)	(3,983,100)	(1,299,000)
Cash receipt from operation	203,327,487	46,324,284	204,526,048	43,430,363
Income tax refund	1,331,600	-	1,331,600	-
Income tax paid	(18,459,489)	(16,371,070)	(17,752,260)	(16,080,571)
Net cash provided by operating activities	186,199,598	29,953,214	188,105,388	27,349,792

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 (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

	In Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
CASH FLOWS FROM INVESTING ACTIVITIES				
Decrease (increase) in short - term investments	(4,000,000)	110,000,000	(10,000,000)	110,000,000
Increase (decrease) in fixed deposits pledged as collateral	-	15,197,026	-	-
Dividend income from subsidiary	-	-	16,799,993	-
Cash and cash equivalents in subsidiary at liquidation date (Note 11)	(31,242,211)	-	-	-
Proceeds from disposal of equipment	665,397	2,406,580	459,897	1,892,561
Cash paid for acquisition of plant and equipment <i>(Supplement of cash flows information 1)</i>	(25,723,860)	(39,825,349)	(25,723,860)	(39,812,358)
Cash paid for acquisition of computer software	(915,535)	(2,756,431)	(915,535)	(2,756,431)
Net cash used in (provided by) investing activities	(61,216,209)	85,021,826	(19,379,505)	69,323,772
CASH FLOWS FROM FINANCING ACTIVITIES				
Cash paid for dividends <i>(Supplement of cash flows information 2)</i>	(38,081,946)	(118,024,909)	(38,081,946)	(118,024,909)
Net cash used in financing activities	(38,081,946)	(118,024,909)	(38,081,946)	(118,024,909)
Net increase (decrease) in cash and cash equivalents	86,901,443	(3,049,869)	130,643,937	(21,351,345)
Cash and Cash Equivalents, Beginning of year	172,884,587	175,934,456	129,142,093	150,493,438
Cash and Cash Equivalents, End of year	259,786,030	172,884,587	259,786,030	129,142,093
<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	(31,569,792)	(39,636,719)	(31,569,792)	(39,623,728)
Decrease in payable from acquisition of assets	5,845,932	(188,630)	5,845,932	(188,630)
Cash paid for acquisition of plant and equipment	(25,723,860)	(39,825,349)	(25,723,860)	(39,812,358)
<u>2. Cash paid for dividends</u>				
Dividends paid	(38,114,042)	(118,153,532)	(38,114,042)	(118,153,532)
Increase in accrued dividends	32,096	128,623	32,096	128,623
Cash paid for dividends	(38,081,946)	(118,024,909)	(38,081,946)	(118,024,909)

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