

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED

INTERIM FINANCIAL STATEMENTS

AND INDEPENDENT AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION
FOR THE THREE - MONTH AND NINE - MONTH PERIODS ENDED 30 SEPTEMBER 2018

EXPRESSED IN THAI BAHT

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2018

		In Baht	
		30 September 2018	31 December 2017
<u>ASSETS</u>	<u>Notes</u>	<u>(Unaudited)</u>	<u>(Audited)</u>
CURRENT ASSETS			
Cash and cash equivalents		98,418,299	126,743,676
Short - term investments	6	200,000,000	430,199,999
Trade and other receivables	7	142,726,469	80,572,164
Accounts receivable - planters	8	40,082,114	43,684,135
Inventories	9	653,599,355	433,554,579
TOTAL CURRENT ASSETS		<u>1,134,826,237</u>	<u>1,114,754,553</u>
NON - CURRENT ASSETS			
Investment in related company	10	37,500,000	37,500,000
Investment property	11	22,128,578	22,128,578
Property, plant and equipment	12	365,064,780	352,721,715
Lease deposit	13	25,358,949	25,358,949
Intangible assets - software	14	8,873,340	9,525,604
Deferred tax assets	21	10,136,355	10,771,154
Other non - current assets		2,535,994	2,932,290
TOTAL NON - CURRENT ASSETS		<u>471,597,996</u>	<u>460,938,290</u>
TOTAL ASSETS		<u><u>1,606,424,233</u></u>	<u><u>1,575,692,843</u></u>

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

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED
STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 30 SEPTEMBER 2018

<u>LIABILITIES AND SHAREHOLDERS' EQUITY</u>	Notes	In Baht	
		30 September 2018	31 December 2017
		(Unaudited)	(Audited)
CURRENT LIABILITIES			
Trade and other payables	16	79,268,373	66,655,760
Current portion of liabilities under finance lease agreements	17	940,834	835,723
Accrued income tax		19,086,791	11,846,913
Other current liabilities		3,696,397	3,629,489
TOTAL CURRENT LIABILITIES		102,992,395	82,967,885
NON - CURRENT LIABILITIES			
Liabilities under finance lease agreements	17	1,936,384	2,709,125
Employee benefit obligations	18	46,773,785	46,228,984
TOTAL NON - CURRENT LIABILITIES		48,710,169	48,938,109
TOTAL LIABILITIES		151,702,564	131,905,994
SHAREHOLDERS' EQUITY			
Share capital - Baht 1 par value			
Authorized shares			
381,145,725 common shares		381,145,725	381,145,725
Issued and paid - up shares			
381,145,725 common shares		381,145,725	381,145,725
Premium on share capital		68,000,000	68,000,000
Retained earnings			
Appropriated for legal reserve		38,115,000	38,115,000
Unappropriated		967,460,944	956,526,124
TOTAL SHAREHOLDERS' EQUITY		1,454,721,669	1,443,786,849
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		1,606,424,233	1,575,692,843

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

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE THREE - MONTH AND NINE - MONTH PERIODS ENDED 30 SEPTEMBER 2018

	In Baht				
	Note	For the three - month period ended		For the nine - month period ended	
		2018	2017	2018	2017
Revenues from sales		338,499,503	361,347,143	943,048,141	1,066,659,023
Cost of sales		(259,807,418)	(276,291,585)	(757,116,462)	(782,867,263)
Gross profit		78,692,085	85,055,558	185,931,679	283,791,760
Gain(Loss) on exchange rate		(6,454,023)	15,244,155	26,216,350	22,728,188
Investment income		777,374	1,520,082	3,276,703	5,087,206
Other income		1,582,714	2,653,938	10,921,278	7,801,159
Profit before expenses		74,598,150	104,473,733	226,346,010	319,408,313
Selling expenses		(21,441,459)	(22,553,156)	(59,039,216)	(65,510,004)
Administrative expenses		(19,274,968)	(20,976,047)	(60,262,017)	(63,256,174)
Finance costs		(50,050)	(61,730)	(160,344)	(167,112)
Total expenses		(40,766,477)	(43,590,933)	(119,461,577)	(128,933,290)
Profit before income tax expenses		33,831,673	60,882,800	106,884,433	190,475,023
Income tax expenses	21	(6,137,265)	(12,137,927)	(19,721,588)	(37,959,947)
Net Profit for the period		27,694,408	48,744,873	87,162,845	152,515,076
Other comprehensive income for the period		-	-	-	-
Total comprehensive income for the period		27,694,408	48,744,873	87,162,845	152,515,076
Basic earnings per share					
Profit for the period		0.07	0.13	0.23	0.40
Weighted average number of common shares (shares)		381,145,725	381,145,725	381,145,725	381,145,725

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

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE NINE - MONTH PERIOD ENDED 30 SEPTEMBER 2018

	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 2017		381,145,725	68,000,000	38,115,000	981,829,460	1,469,090,185
Dividend paid	19	-	-	-	(186,758,661)	(186,758,661)
Profit for the period		-	-	-	152,515,076	152,515,076
Other comprehensive income for the period		-	-	-	-	-
Total comprehensive income for the period		-	-	-	152,515,076	152,515,076
Balance as at 30 September 2017		<u>381,145,725</u>	<u>68,000,000</u>	<u>38,115,000</u>	<u>947,585,875</u>	<u>1,434,846,600</u>
Balance as at 1 January 2018		381,145,725	68,000,000	38,115,000	956,526,124	1,443,786,849
Dividend paid	19	-	-	-	(76,228,025)	(76,228,025)
Profit for the period		-	-	-	87,162,845	87,162,845
Other comprehensive income for the period		-	-	-	-	-
Total comprehensive income for the period		-	-	-	87,162,845	87,162,845
Balance as at 30 September 2018		<u>381,145,725</u>	<u>68,000,000</u>	<u>38,115,000</u>	<u>967,460,944</u>	<u>1,454,721,669</u>

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

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED
STATEMENT OF CASH FLOWS
FOR THE NINE - MONTH PERIOD ENDED 30 SEPTEMBER 2018

	In Baht	
	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before income tax expenses	106,884,433	190,475,023
Adjustments to reconcile net profit to net cash used in operating activities		
Unrealized loss(gain) on exchange rate	724,309	(770,563)
Doubtful accounts	42,460	1,540
Gain on diminution in value of inventories	(3,961,256)	(1,048,860)
Gain from changes in value of investments	-	(7,604)
Gain on disposal of investments	(317,722)	(1,090,451)
Gain on disposal of assets	(286,077)	(384,431)
Depreciation and amortization	36,394,984	33,641,146
Retirement employee benefit	3,239,901	3,754,849
Interest received	(2,351,164)	(3,658,103)
Interest expenses	160,344	167,112
Profit from operating activities before change in operational assets and liabilities	140,530,212	221,079,658
Decrease (increase) in operational assets		
Trade and other receivables	(62,848,888)	(59,615,565)
Accounts receivable - planters	3,559,561	23,393,297
Inventories	(216,083,520)	(139,136,681)
Other non - current assets	396,296	(953,584)
Increase (decrease) in operational liabilities		
Trade and other payables	11,421,637	(12,389,995)
Other current liabilities	30,996	3,336,404
Employee benefit obligations	(2,695,100)	(1,756,400)
Cash received (paid) from operation	(125,688,806)	33,957,134
Income tax paid	(11,846,911)	(51,665,570)
Net cash used in operating activities	(137,535,717)	(17,708,436)

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

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED
STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE NINE - MONTH PERIOD ENDED 30 SEPTEMBER 2018

	In Baht	
	2018	2017
CASH FLOWS FROM INVESTING ACTIVITIES		
Decrease in short - term investments	230,517,721	1,772,185
Cash paid for Investment in related company	-	(37,500,000)
Interest received	2,321,438	3,815,842
Proceeds from disposal of equipment	417,561	445,693
Cash paid for acquisition of plant and equipment	(46,937,593)	(52,006,034)
Cash paid for acquisition of computer software	(88,700)	(508,200)
Net cash provided by (used in) investing activities	186,230,427	(83,980,514)
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash paid for dividends	(76,192,113)	(186,351,191)
Interest paid	(160,344)	(167,112)
Payment for liabilities under finance lease agreements	(667,630)	-
Net cash used in financing activities	(77,020,087)	(186,518,303)
Net decrease in cash and cash equivalents	(28,325,377)	(288,207,253)
Cash and Cash Equivalents, beginning of period	126,743,676	405,131,595
Cash and Cash Equivalents, end of period	98,418,299	116,924,342
<u>Supplement disclosures of cash flows information</u>		
Non cash items		
Purchases of equipment under finance lease	-	3,760,547
Purchases of equipment by recording other payables	1,190,976	442,969

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