

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED

FINANCIAL STATEMENTS

AND INDEPENDENT AUDITOR'S REPORT

FOR THE YEAR ENDED 31 DECEMBER 2018

EXPRESSED IN THAI BAHT

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2018

		In Baht	
<u>ASSETS</u>	<u>Notes</u>	2018	2017
CURRENT ASSETS			
Cash and cash equivalents	6	122,346,682	126,743,676
Short - term investments	7	190,107,389	430,199,999
Trade and other receivables	8	139,480,924	80,572,164
Accounts receivable - planters	9	8,059,329	43,684,135
Inventories	10	613,174,703	433,554,579
TOTAL CURRENT ASSETS		1,073,169,027	1,114,754,553
NON - CURRENT ASSETS			
Investment in related company	11	37,500,000	37,500,000
Investment property	12	22,128,578	22,128,578
Property, plant and equipment	13	379,018,851	352,721,715
Lease deposit	14	25,358,949	25,358,949
Intangible assets - software	15	8,843,088	9,525,604
Deferred tax assets	25	10,928,451	10,771,154
Other non - current assets		2,051,530	2,932,290
TOTAL NON - CURRENT ASSETS		485,829,447	460,938,290
TOTAL ASSETS		1,558,998,474	1,575,692,843

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

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT 31 DECEMBER 2018

<u>LIABILITIES AND SHAREHOLDERS' EQUITY</u>	Notes	In Baht	
		2018	2017
CURRENT LIABILITIES			
Trade and other payables	17	70,574,562	66,655,760
Current portion of liabilities under finance lease agreements	18	960,462	835,723
Accrued income tax		7,758,802	11,846,913
Other current liabilities		3,662,664	3,629,489
TOTAL CURRENT LIABILITIES		82,956,490	82,967,885
NON - CURRENT LIABILITIES			
Liabilities under finance lease agreements	18	1,687,058	2,709,125
Employee benefit obligations	19	49,643,277	46,228,984
TOTAL NON - CURRENT LIABILITIES		51,330,335	48,938,109
TOTAL LIABILITIES		134,286,825	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	20	38,115,000	38,115,000
Unappropriated		937,450,924	956,526,124
TOTAL SHAREHOLDERS' EQUITY		1,424,711,649	1,443,786,849
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		1,558,998,474	1,575,692,843

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

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2018

	Notes	In Baht	
		2018	2017
Revenues from sales	23	1,265,508,640	1,357,891,122
Cost of sales		(1,018,938,013)	(1,034,557,920)
Gross profit		246,570,627	323,333,202
Gain on exchange rate		19,173,026	34,633,299
Investment income		4,169,889	6,617,895
Other income		12,034,853	8,565,648
Profit before expenses		281,948,395	373,150,044
Selling expenses		(79,402,478)	(87,625,881)
Administrative expenses		(83,143,574)	(87,446,631)
Finance costs		(206,639)	(227,406)
Total expenses		(162,752,691)	(175,299,918)
Profit before income tax expenses		119,195,704	197,850,126
Income tax expenses	25	(21,714,097)	(37,443,941)
Net Profit for the year		97,481,607	160,406,185
Other comprehensive income for the year			
Other comprehensive income not to be reclassified to profit or loss in subsequent year			
Remeasurements of post - employment benefit obligations			
Actuarial gain (losses)		(2,768,463)	1,311,425
<u>Less</u> : Income tax effect	25	553,693	(262,285)
Total comprehensive income for the year		95,266,837	161,455,325
Basic earnings per share			
Profit for the year		0.26	0.42
Weighted average number of common shares (shares)		381,145,725	381,145,725

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CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2018

	<u>Notes</u>	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	21	-	-	-	(186,758,661)	(186,758,661)
Profit for the year		-	-	-	160,406,185	160,406,185
Other comprehensive income for the year		-	-	-	1,049,140	1,049,140
Total comprehensive income for the year		-	-	-	161,455,325	161,455,325
Balance as at 31 December 2017		<u>381,145,725</u>	<u>68,000,000</u>	<u>38,115,000</u>	<u>956,526,124</u>	<u>1,443,786,849</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	21	-	-	-	(114,342,037)	(114,342,037)
Profit for the year		-	-	-	97,481,607	97,481,607
Other comprehensive income for the year		-	-	-	(2,214,770)	(2,214,770)
Total comprehensive income for the year		-	-	-	95,266,837	95,266,837
Balance as at 31 December 2018		<u>381,145,725</u>	<u>68,000,000</u>	<u>38,115,000</u>	<u>937,450,924</u>	<u>1,424,711,649</u>

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

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2018

	In Baht	
	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before income tax expenses	119,195,704	197,850,126
Adjustments to reconcile net profit to net cash provided by (used in) operating activities		
Unrealized loss(gain) on exchange rate	991,892	(20,044)
Doubtful accounts	147,344	24,692
Gain on diminution in value of inventories	(2,869,757)	(26,225)
Gain from changes in value of investments	(203,171)	(199,999)
Gain on disposal of investments	(219,940)	(1,090,451)
Gain on disposal of assets and write off	(513,572)	(384,431)
Depreciation and amortization	43,704,953	43,824,241
Retirement employee benefit	4,319,830	4,867,371
Interest received	(3,321,027)	(4,190,554)
Interest expenses	206,639	227,406
Profit from operating activities before change in operational assets and liabilities	161,438,895	240,882,132
Decrease (increase) in operational assets		
Trade and other receivables	(60,746,127)	(11,324,702)
Accounts receivable - planters	35,477,462	4,571,673
Inventories	(176,750,367)	(88,462,899)
Other non - current assets	880,760	(1,285,346)
Increase (decrease) in operational liabilities		
Trade and other payables	2,730,900	(9,931,180)
Other current liabilities	(29,949)	449,377
Employee benefit obligations	(3,674,000)	(2,234,900)
Cash received (paid) from operation	(40,672,426)	132,664,155
Income tax paid	(25,405,813)	(51,673,716)
Net cash provided by (used in) operating activities	(66,078,239)	80,990,439

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CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED

STATEMENT OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

	In Baht	
	2018	2017
CASH FLOWS FROM INVESTING ACTIVITIES		
Decrease (Increase) in short - term investments	240,515,721	(78,227,815)
Cash paid for Investment in related company	-	(37,500,000)
Interest received	4,166,503	4,925,349
Proceeds from disposal of equipment	702,094	445,693
Cash paid for acquisition of plant and equipment	(68,231,493)	(60,980,027)
Cash paid for acquisition of computer software	(88,700)	(1,398,000)
Net cash provided by (used in) investing activities	177,064,125	(172,734,800)
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash paid for dividends	(114,278,913)	(186,416,152)
Interest paid	(206,639)	(227,406)
Payment for liabilities under finance lease agreements	(897,328)	-
Net cash used in financing activities	(115,382,880)	(186,643,558)
Net decrease in cash and cash equivalents	(4,396,994)	(278,387,919)
Cash and Cash Equivalents, beginning of year	126,743,676	405,131,595
Cash and Cash Equivalents, end of year	122,346,682	126,743,676
Supplement disclosures of cash flows information		
Non cash items		
Purchases of equipment under finance lease	-	3,544,848
Purchases of equipment by recording other payables	1,187,902	1,358,823

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