

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED

FINANCIAL STATEMENTS

AND INDEPENDENT AUDITOR'S REPORT

FOR THE YEAR ENDED 31 DECEMBER 2017

EXPRESSED IN THAI BAHT

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2017

<u>ASSETS</u>	<u>Notes</u>	In Baht	
		2017	2016
CURRENT ASSETS			
Cash and cash equivalents	6	126,743,676	405,131,595
Short - term investments	7	430,199,999	350,681,734
Trade and other receivables	8	80,572,164	69,962,214
Accounts receivable - planters	9	43,684,135	48,280,500
Inventories	10	433,554,579	345,065,455
TOTAL CURRENT ASSETS		<u>1,114,754,553</u>	<u>1,219,121,498</u>
NON - CURRENT ASSETS			
Investment in related company	11	37,500,000	-
Investment property	12	22,128,578	22,128,578
Property, plant and equipment	13	352,721,715	330,294,513
Lease deposit	14	25,358,949	25,358,949
Intangible assets - software	15	9,525,604	8,556,610
Deferred tax assets	25	10,771,154	10,408,712
Other non - current assets		<u>2,932,290</u>	<u>1,646,944</u>
TOTAL NON - CURRENT ASSETS		<u>460,938,290</u>	<u>398,394,306</u>
TOTAL ASSETS		<u><u>1,575,692,843</u></u>	<u><u>1,617,515,804</u></u>

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 2017

<u>LIABILITIES AND SHAREHOLDERS' EQUITY</u>	Notes	In Baht	
		2017	2016
CURRENT LIABILITIES			
Trade and other payables	17	66,655,760	74,885,608
Current portion of liabilities under finance lease agreements	18	835,723	-
Accrued income tax		11,846,913	25,451,961
Other current liabilities		3,629,489	3,180,112
TOTAL CURRENT LIABILITIES		82,967,885	103,517,681
NON - CURRENT LIABILITIES			
Liabilities under finance lease agreements	18	2,709,125	-
Employee benefit obligations	19	46,228,984	44,907,938
TOTAL NON - CURRENT LIABILITIES		48,938,109	44,907,938
TOTAL LIABILITIES		131,905,994	148,425,619
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		956,526,124	981,829,460
TOTAL SHAREHOLDERS' EQUITY		1,443,786,849	1,469,090,185
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		1,575,692,843	1,617,515,804

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CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2017

	Note	In Baht	
		2017	2016
Revenues from sales		1,357,891,122	1,465,504,235
Cost of sales		<u>(1,034,557,920)</u>	<u>(1,062,169,278)</u>
Gross profit		323,333,202	403,334,957
Gain on exchange rate		34,633,299	8,317,785
Investment income		6,617,895	5,229,176
Other income		<u>8,565,648</u>	<u>8,246,352</u>
Profit before expenses		<u>373,150,044</u>	<u>425,128,270</u>
Selling expenses		(87,625,881)	(94,879,428)
Administrative expenses		<u>(87,446,631)</u>	<u>(86,398,111)</u>
Total expenses		<u>(175,072,512)</u>	<u>(181,277,539)</u>
Profit before finance costs and income tax expenses		198,077,532	243,850,731
Finance costs		<u>(227,406)</u>	<u>-</u>
Profit before income tax expenses		197,850,126	243,850,731
Income tax expenses	25	<u>(37,443,941)</u>	<u>(47,474,659)</u>
Profit for the year		160,406,185	196,376,072
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		1,311,425	-
Less : Income tax effect		<u>(262,285)</u>	<u>-</u>
Total comprehensive income for the year		<u>161,455,325</u>	<u>196,376,072</u>
BASIC EARNINGS PER SHARE			
Profit for the year		<u>0.42</u>	<u>0.52</u>
Weighted average number of common shares (shares)		<u>381,145,725</u>	<u>381,145,725</u>

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CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2017

	Note	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 2016		381,145,725	68,000,000	38,115,000	861,681,414	1,348,942,139
Dividend paid	21	-	-	-	(76,228,026)	(76,228,026)
Profit for the year		-	-	-	196,376,072	196,376,072
Other comprehensive income for the year		-	-	-	-	-
Total comprehensive income for the year		-	-	-	196,376,072	196,376,072
Balance as at 31 December 2016		<u>381,145,725</u>	<u>68,000,000</u>	<u>38,115,000</u>	<u>981,829,460</u>	<u>1,469,090,185</u>
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>

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CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2017

	In Baht	
	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before income tax expenses	197,850,126	243,850,731
Adjustments to reconcile net profit to net cash provided by (used in) operating activities		
Unrealized loss(gain) on exchange rate	(20,044)	1,742
Bad debts and doubtful accounts	24,692	58,112
Loss on diminution in value of inventories (reversal)	(26,225)	3,726,795
Unrealized gain from changes in value of investments	(199,999)	(681,734)
Gain on disposal of investments	(1,090,451)	-
Loss(gain) on disposal of assets	(384,431)	2,544,975
Depreciation and amortization	43,824,241	39,247,460
Retirement employee benefit	4,867,371	4,613,238
Interest	(4,190,554)	(4,547,442)
Interest expenses	227,406	-
Profit from operating activities before change in operational assets and liabilities	240,882,132	288,813,877
Decrease (Increase) in operational assets		
Trade and other receivables	(11,324,702)	9,124,414
Accounts receivable - planters	4,571,673	(23,948,375)
Inventories	(88,462,899)	103,080,437
Other non - current assets	(1,285,346)	(1,603,525)
Increase (Decrease) in operational liabilities		
Trade and other payables	(9,931,180)	(1,713,522)
Other current liabilities	449,377	7,695
Benefits paid by the plan	(2,234,900)	(640,200)
Cash received from operation	132,664,155	373,120,801
Interest paid	(227,406)	-
Income tax paid	(51,673,716)	(38,385,691)
Net cash provided by operating activities	<u>80,763,033</u>	<u>334,735,110</u>

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CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED

STATEMENT OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

	In Baht	
	2017	2016
CASH FLOWS FROM INVESTING ACTIVITIES		
Decrease in short - term investments	(78,227,815)	(50,000,000)
Interest received	4,925,349	4,286,691
Cash received from subsidiary liquidation	-	31,180,508
Cash paid for Investment in related company	(37,500,000)	-
Cash paid for lease deposit	-	(25,358,949)
Proceeds from disposal of equipment	445,693	641,060
Cash paid for acquisition of plant and equipment <i>(Supplement of cash flows information 1)</i>	(60,980,027)	(72,109,766)
Cash paid for acquisition of computer software	(1,398,000)	(1,389,949)
Net cash used in investing activities	(172,734,800)	(112,750,405)
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash paid for dividends <i>(Supplement of cash flows information 2)</i>	(186,416,152)	(76,639,140)
Net cash used in financing activities	(186,416,152)	(76,639,140)
Net Increase (decrease) in cash and cash equivalents	(278,387,919)	145,345,565
Cash and Cash Equivalents, Beginning of year	405,131,595	259,786,030
Cash and Cash Equivalents, End of year	126,743,676	405,131,595
<u>Supplement disclosures of cash flows information</u>		
1.Cash paid for acquisition of plant and equipment		
Details of acquisition of plant and equipment		
during the year are as follows :		
Acquisition of plant and equipment during the year	(65,883,698)	(66,497,796)
Increase in liabilities under finance lease agreements	3,544,848	-
Increase (Decrease) in payable from acquisition of assets	1,358,823	(5,611,970)
Cash paid for acquisition of plant and equipment	(60,980,027)	(72,109,766)
2.Cash paid for dividends		
Dividends paid	(186,758,661)	(76,228,026)
Increase (Decrease) in accrued dividends	342,509	(411,114)
Cash paid for dividends	(186,416,152)	(76,639,140)

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