

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 SIX-MONTH PERIODS ENDED 30 JUNE 2020

EXPRESSED IN THAI BAHT

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2020

<u>ASSETS</u>	Notes	In Baht	
		30 June 2020	31 December 2019
		(Unaudited)	(Audited)
CURRENT ASSETS			
Cash and cash equivalents		219,376,941	180,330,606
Other current financial assets	7	191,379,428	191,211,768
Trade and other receivables	8	110,672,984	109,318,368
Accounts receivable-planters	9	20,168,491	17,672,477
Short-term loans to other company	10	13,600,000	13,600,000
Inventories	11	457,014,059	499,857,102
Derivatives assets	25	7,175,938	-
TOTAL CURRENT ASSETS		1,019,387,841	1,011,990,321
NON-CURRENT ASSETS			
Other non-current financial assets	12	37,500,000	37,500,000
Investment property	13	22,128,578	22,128,578
Property, plant and equipment	14	415,980,327	425,475,538
Lease deposit on land	15	25,358,949	25,358,949
Intangible assets-software computer	16	9,328,260	9,689,452
Deferred tax assets	23	14,517,394	15,032,523
Other non-current assets		2,175,856	2,093,845
TOTAL NON-CURRENT ASSETS		526,989,364	537,278,885
TOTAL ASSETS		1,546,377,205	1,549,269,206

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 JUNE 2020

	Notes	In Baht	
		30 June 2020 (Unaudited)	31 December 2019 (Audited)
<u>LIABILITIES AND SHAREHOLDERS' EQUITY</u>			
CURRENT LIABILITIES			
Trade and other payables	18	63,604,871	54,728,044
Current portion of lease liabilities	19	1,483,397	1,575,033
Accrued income tax		1,901,082	8,271,865
Derivatives liabilities	25	11,999,854	-
Other current liabilities		4,119,536	3,568,978
TOTAL CURRENT LIABILITIES		<u>83,108,740</u>	<u>68,143,920</u>
NON-CURRENT LIABILITIES			
Lease liabilities	19	1,246,058	1,931,063
Employee benefit obligations	20	61,999,201	69,323,939
TOTAL NON-CURRENT LIABILITIES		<u>63,245,259</u>	<u>71,255,002</u>
TOTAL LIABILITIES		<u>146,353,999</u>	<u>139,398,922</u>
SHAREHOLDERS' EQUITY			
Share capital-Baht 1 par value			
Authorized shares			
381,145,725 common shares		<u>381,145,725</u>	<u>381,145,725</u>
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		915,156,772	922,609,559
Other component of equity		(2,394,291)	-
TOTAL SHAREHOLDERS' EQUITY		<u>1,400,023,206</u>	<u>1,409,870,284</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		<u>1,546,377,205</u>	<u>1,549,269,206</u>

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

(Unaudited)

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED 30 JUNE 2020

	Notes	In Baht			
		For the three-month period ended		For the six-month period ended	
		2020	2019	2020	2019
Revenues from sales	22	317,100,812	312,611,419	616,201,653	585,678,604
Cost of sales		<u>(258,263,567)</u>	<u>(276,717,484)</u>	<u>(520,987,214)</u>	<u>(527,264,136)</u>
Gross profit		58,837,245	35,893,935	95,214,439	58,414,468
Gain (loss) on exchange rate		(15,314,159)	8,673,531	(14,672,426)	11,169,633
Interest income		879,763	800,349	1,420,026	1,429,466
Investment income		230,025	364,022	532,157	498,536
Other income		<u>3,043,384</u>	<u>2,236,551</u>	<u>5,089,122</u>	<u>4,543,025</u>
Profit before expenses		47,676,258	47,968,388	87,583,318	76,055,128
Cost of distributions		(17,180,094)	(18,517,370)	(34,948,474)	(35,085,304)
Administrative expenses		<u>(18,176,179)</u>	<u>(22,023,572)</u>	<u>(37,542,551)</u>	<u>(42,731,755)</u>
Profit (loss) from operating activities		12,319,985	7,427,446	15,092,293	(1,761,931)
Finance costs		<u>(39,796)</u>	<u>(61,812)</u>	<u>(84,994)</u>	<u>(112,055)</u>
Profit (loss) before Tax income (expense)		12,280,189	7,365,634	15,007,299	(1,873,986)
Tax income (expense)	23	<u>(2,169,464)</u>	<u>1,526,182</u>	<u>(2,340,627)</u>	<u>1,421,876</u>
Net Profit (loss) for the period		10,110,725	8,891,816	12,666,672	(452,110)
Other comprehensive income for the period					
Other comprehensive income to be reclassified to profit or loss in subsequent period					
Change in fair value of hedging instruments of cash flow hedges		56,421,868	-	(17,129,495)	-
Less : Tax effect	23	<u>(11,284,374)</u>	-	3,425,899	-
Other comprehensive income not to be reclassified to profit or loss in subsequent period					
Remeasurements of post-employment benefit obligations					
Actuarial losses		-	(3,067,620)	-	(3,067,620)
Less : Tax effect	23	<u>-</u>	<u>613,524</u>	<u>-</u>	<u>613,524</u>
Other comprehensive income for the period		45,137,494	(2,454,096)	(13,703,596)	(2,454,096)
Total comprehensive income for the period		<u>55,248,219</u>	<u>6,437,720</u>	<u>(1,036,924)</u>	<u>(2,906,206)</u>
Basic earnings (loss) per share					
Profit (loss) for the period		<u>0.027</u>	<u>0.023</u>	<u>0.033</u>	<u>(0.001)</u>

(Unaudited)

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2020

	In Baht						
	Notes	Issued and paid-up share capital	Premium on share capital	Retained earnings		Other component of equity	
				Appropriated for legal reserve	Unappropriated	Change in fair value of hedging instruments of cash flow hedges	
						Total	
Balance as at 1 January 2019		381,145,725	68,000,000	38,115,000	937,450,924	-	1,424,711,649
Dividend paid	21	-	-	-	(41,925,278)	-	(41,925,278)
Loss for the period		-	-	-	(452,110)	-	(452,110)
Other comprehensive income for the period		-	-	-	(2,454,096)	-	(2,454,096)
Total comprehensive income for the period		-	-	-	(2,906,206)	-	(2,906,206)
Balance as at 30 June 2019		381,145,725	68,000,000	38,115,000	892,619,440	-	1,379,880,165
Balance as at 1 January 2020		381,145,725	68,000,000	38,115,000	922,609,559	-	1,409,870,284
Commulative effects from changes in accounting policies	5	-	-	-	2,746,571	11,309,305	14,055,876
Balance as at 1 January 2020 - as restated		381,145,725	68,000,000	38,115,000	925,356,130	11,309,305	1,423,926,160
Dividend paid	21	-	-	-	(22,866,030)	-	(22,866,030)
Profit for the period		-	-	-	12,666,672	-	12,666,672
Other comprehensive income for the period		-	-	-	-	(13,703,596)	(13,703,596)
Total comprehensive income for the period		-	-	-	12,666,672	(13,703,596)	(1,036,924)
Balance as at 30 June 2020		381,145,725	68,000,000	38,115,000	915,156,772	(2,394,291)	1,400,023,206

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

(Unaudited)

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED
STATEMENT OF CASH FLOWS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2020

	In Baht	
	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit (loss) before tax income (expenses)	15,007,299	(1,873,986)
Adjustments to reconcile net profit (loss) to net cash provided by operating activities		
Unrealized loss on exchange rate	982,271	1,304,049
Loss on diminution in value of inventories (reversal)	556,279	384,557
Doubtful accounts	(10,695)	72,382
Gain from changes in value of investments	(268,651)	(126,999)
Gain on disposal of investments	(263,506)	(160,286)
Gain on disposal of assets	(77,494)	(59,161)
Depreciation and amortization	28,858,601	26,127,835
Retirement employee benefit	2,278,902	12,939,956
Change in fair value of forward exchange contracts	5,264,266	-
Interest income	(1,420,026)	(1,429,466)
Interest expenses	84,994	112,055
Profit from operating activities before change in operational assets and liabilities	50,992,240	37,290,936
Decrease (increase) in operational assets		
Trade and other receivables	(1,937,218)	3,202,541
Accounts receivable-planters	(2,485,319)	(13,620,156)
Inventories	42,286,764	65,243,675
Other non-current assets	(82,011)	(381,323)
Increase (decrease) in operational liabilities		
Trade and other payables	7,764,615	(3,449,264)
Other current liabilities	575,733	226,036
Employee benefit obligations	(9,603,640)	(1,511,100)
Cash received from operation	87,511,164	87,001,345
Income tax paid	(8,284,351)	(7,775,622)
Net cash used in operating activities	79,226,813	79,225,723

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(Unaudited)

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED

STATEMENT OF CASH FLOWS (CONTINUED)

FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2020

	In Baht	
	2020	2019
CASH FLOWS FROM INVESTING ACTIVITIES		
Increase in short-term investments	364,497	3,990
Interest received	1,020,357	1,236,048
Short-term loans to other company	-	(13,600,000)
Proceeds from disposal of equipment	90,829	93,037
Cash paid for acquisition of plant and equipment	(17,814,071)	(49,412,860)
Cash paid for acquisition of computer software	(89,250)	(681,800)
Net cash used in investing activities	<u>(16,427,638)</u>	<u>(62,361,585)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash paid for dividends	(22,891,205)	(41,959,726)
Interest paid	(84,994)	(112,055)
Payment for lease liabilities	(776,641)	(703,884)
Net cash used in financing activities	<u>(23,752,840)</u>	<u>(42,775,665)</u>
Net increase (decrease) in cash and cash equivalents	39,046,335	(25,911,527)
Cash and cash equivalents, beginning of period	<u>180,330,606</u>	<u>122,346,682</u>
Cash and cash equivalents, end of period	<u><u>219,376,941</u></u>	<u><u>96,435,155</u></u>
Supplement disclosures of cash flows information		
Non cash items		
Purchases of equipment lease liabilities	-	2,317,823
Purchases of equipment by recording as other payables	1,112,212	2,055,292
Increase in accrued dividends	25,175	34,448

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