

Pacific Seeds (Thai) Limited  
Report and financial statements  
31 March 2018

## Independent Auditor's Report

To the Shareholders of Pacific Seeds (Thai) Limited

### Opinion

I have audited the accompanying financial statements of Pacific Seeds (Thai) Limited (the Company), which comprise the statement of financial position as at 31 March 2018, and the related statements of income, changes in shareholders' equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Pacific Seeds (Thai) Limited as at 31 March 2018, its financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards for Non-Publicly Accountable Entities.

### Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Company in accordance with the Code of Ethics for Professional Accountants as issued by the Federation of Accounting Professions as relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

### Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Thai Financial Reporting Standards for Non-Publicly Accountable Entities, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I am responsible for the audit resulting in this independent auditor's report.

*Wato K.*

Wato Kayankannavee  
Certified Public Accountant (Thailand) No. 5423

EY Office Limited  
Bangkok: 12 April 2018

Pacific Seeds (Thai) Limited  
Statement of financial position  
As at 31 March 2018

		(Unit: Baht)	
	<u>Note</u>	<u>2018</u>	<u>2017</u>
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	6	60,285,272	156,741,438
Trade and other receivables	7	988,375,746	517,056,773
Short-term loans to related party	5	187,390,800	205,578,860
Inventories	8	636,921,654	441,567,912
Other current assets		<u>8,326,462</u>	<u>6,076,408</u>
<b>Total current assets</b>		<u>1,881,299,934</u>	<u>1,327,021,391</u>
<b>Non-current assets</b>			
Property, plant and equipment	9	148,353,240	160,699,248
Intangible assets		7,704,641	8,709,418
Deferred tax assets	13	64,802,917	53,399,857
Deposits		<u>235,565</u>	<u>304,765</u>
<b>Total non-current assets</b>		<u>221,096,363</u>	<u>223,113,288</u>
<b>Total assets</b>		<u><u>2,102,396,297</u></u>	<u><u>1,550,134,679</u></u>

The accompanying notes are an integral part of the financial statements.