

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

BALANCE SHEETS

AS AT DECEMBER 31, 2003 AND 2002

<u>ASSETS</u>	<u>Notes</u>	IN BAHT		
		CONSOLIDATED		THE COMP.
		2003	2002	2003
CURRENT ASSETS				
Cash and cash equivalents	5	198,419,235	256,846,822	183,051,935
Current investments				
Deposits at financial institutions-fixed deposits	6	100,000,000	101,466,255	100,000,000
Accounts receivable - related companies	4.2,7	11,152,082	5,333,200	18,594,923
- other companies	7	56,517,943	33,546,975	31,408,813
Inventories-net	8	283,023,286	180,235,289	277,325,259
Other current assets				
Accounts receivable - planters- net	9	24,081,353	29,857,319	24,081,353
Current portion of receivables from sales of investments	10	4,747,368	5,314,083	4,747,368
Value added tax receivable		14,667,341	12,905,973	2,146,768
Others	4.2	2,870,767	2,773,257	1,899,729
Total other current assets		46,366,829	50,850,632	32,875,218
TOTAL CURRENT ASSETS		695,479,375	628,279,173	643,256,148
NON - CURRENT ASSETS				
Investments in subsidiaries at equity method	11	-	-	77,845,542
Property, plant and equipment - net	12	600,191,821	581,910,922	420,834,361
Other non - current assets				
Deposits pledged as collateral	25.1	760,838	-	-
Receivables from sales of investments - net	10	1,513,459	5,040,787	1,513,459
Others		2,376,246	1,296,635	2,047,129
Total other non - current assets		4,650,543	6,337,422	3,560,588
TOTAL NON - CURRENT ASSETS		604,842,364	588,248,344	502,240,491
TOTAL ASSETS		1,300,321,739	1,216,527,517	1,145,496,639

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

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

BALANCE SHEETS

AS AT DECEMBER 31, 2003 AND 2002

		IN BAHT		
		CONSOLIDATED		THE COMP.
<u>LIABILITIES AND SHAREHOLDERS' EQUITY</u>	<u>Notes</u>	<u>2003</u>	<u>2002</u>	<u>2003</u>
CURRENT LIABILITIES				
Overdraft and short - term loans from financial institutions	13	35,566,555	5,918,301	772,368
Accounts payable - trade		59,356,711	58,567,784	51,267,152
Current portion of liabilities under finance lease contracts	14	1,752,830	385,573	-
Current portion of liabilities under hire purchase contracts	15	251,180	479,351	-
Current portion of long-term loans	16	12,100,000	2,550,000	-
Short - term loan from related peson	4.2	3,000,000	-	-
Other current liabilities				
Share subscription payable	4.2	-	-	9,800,000
Accrued income tax and accrued expenses	4.2	28,822,303	26,195,345	26,609,247
Others	4.2	2,573,355	3,019,439	11,726,724
Total other current liabilities		31,395,658	29,214,784	48,135,971
TOTAL CURRENT LIABILITIES		143,422,934	97,115,793	100,175,491
NON - CURRENT LIABILITIES				
Liabilities under finance lease contracts - net	14	3,911,303	717,374	-
Liabilities under hire purchase contracts - net	15	-	251,180	-
Long - term loans - net	16	37,900,000	40,930,851	-
TOTAL NON - CURRENT LIABILITIES		41,811,303	41,899,405	-
TOTAL LIABILITIES		185,234,237	139,015,198	100,175,491
SHAREHOLDERS' EQUITY				
Share capital - Common shares, Baht 10 par value				
Authorized share capital 21,000,000 shares				
Issued and fully paid - up 21,000,000 shares		210,000,000	210,000,000	210,000,000
Premium on share capital		68,000,000	68,000,000	68,000,000
Retained earnings				
Appropriated for legal reserve		21,000,000	21,000,000	21,000,000
Unappropriated		746,321,148	709,935,515	746,321,148
Total Shareholders' Equity - Company		1,045,321,148	1,008,935,515	1,045,321,148
Minority interest	18	69,766,354	68,576,804	-
Total Shareholders' Equity		1,115,087,502	1,077,512,319	1,045,321,148
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		1,300,321,739	1,216,527,517	1,145,496,639

The accompanying notes are an integral part of the financial statements

ANY ONLY
2002

254,348,151

101,466,255

5,333,200

25,886,546

176,903,039

29,857,319

5,314,083

2,194,576

2,218,016

39,583,994

603,521,185

65,887,517

404,286,795

-

5,040,787

127,888

5,168,675

475,342,987

1,078,864,172

ANY ONLY
2002

-
42,386,577
-
-
-
-
-
24,821,546
2,720,534
27,542,080
69,928,657

-
-
-
-
69,928,657

210,000,000
68,000,000
21,000,000
709,935,515
1,008,935,515
-
1,008,935,515
1,078,864,172

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF INCOME

FOR THE YEARS ENDED DECEMBER 31, 2003 AND 2002

		IN BAHT		
		CONSOLIDATED		THE COMPANIES
	Notes	2003	2002	2003
REVENUES				
Sales	4.3	1,096,402,180	852,132,933	1,021,468,592
Gain on exchange rate		7,707,769	-	7,707,769
Interest income		3,105,908	5,179,887	3,079,301
Other income	4.3	8,036,636	1,828,580	7,016,484
Total revenues		<u>1,115,252,493</u>	<u>859,141,400</u>	<u>1,039,272,146</u>
EXPENSES				
Cost of sales		821,222,953	603,251,854	735,081,396
Selling and administrative expenses		219,397,076	166,882,645	166,760,789
Loss on exchange rate		-	1,581,698	-
Share of losses from investments in subsidiaries at equity method		-	-	32,864,476
Director's remuneration		<u>4,400,000</u>	<u>4,400,000</u>	<u>4,400,000</u>
Total expenses		<u>1,045,020,029</u>	<u>776,116,197</u>	<u>939,106,661</u>
Income before interest expense and income tax		70,232,464	83,025,203	100,165,485
Interest expense		(4,109,693)	(1,516,181)	(4,764)
Income tax		<u>(775,088)</u>	<u>(2,738,356)</u>	<u>(775,088)</u>
Income after income tax		65,347,683	78,770,666	99,385,633
Minority interest in net loss of subsidiaries	18	<u>34,037,950</u>	<u>12,297,076</u>	<u>-</u>
NET INCOME		<u><u>99,385,633</u></u>	<u><u>91,067,742</u></u>	<u><u>99,385,633</u></u>
BASIC EARNINGS PER SHARE	3.13			
NET INCOME		<u><u>4.73</u></u>	<u><u>4.34</u></u>	<u><u>4.73</u></u>

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

NY ONLY
2002

816,035,391

-

5,173,988

1,305,902

822,515,281

564,480,023

146,873,071

1,138,693

11,814,838

4,400,000

728,706,625

93,808,656

(2,558)

(2,738,356)

91,067,742

-

91,067,742

4.34

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CONSOLIDATED CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2003 AND 2002

		IN BAHT				
		Issued and	Premium	Retained earnings		Minority
		paid-up	on share	Appropriated	Unappro-	interest
		share capital	capital	for legal	priated	
<u>Notes</u>				reserve		
BALANCE	as at January 1, 2002	210,000,000	68,000,000	21,000,000	702,867,773	9,401,380
Dividend	19	-	-	-	(84,000,000)	-
Increase in minority interest		-	-	-	-	59,175,424
Net income		-	-	-	91,067,742	-
BALANCE	as at December 31, 2002	<u>210,000,000</u>	<u>68,000,000</u>	<u>21,000,000</u>	<u>709,935,515</u>	<u>68,576,804</u>
BALANCE	as at January 1, 2003	210,000,000	68,000,000	21,000,000	709,935,515	68,576,804
Dividend	19	-	-	-	(63,000,000)	-
Increase in minority interest		-	-	-	-	1,189,550
Net income		-	-	-	99,385,633	-
BALANCE	as at December 31, 2003	<u>210,000,000</u>	<u>68,000,000</u>	<u>21,000,000</u>	<u>746,321,148</u>	<u>69,766,354</u>

The accompanying notes are an integral part of the financial statements

Total

1,011,269,153

(84,000,000)

59,175,424

91,067,742

1,077,512,319

1,077,512,319

(63,000,000)

1,189,550

99,385,633

1,115,087,502

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2003 AND 2002

		IN BAHT			
		Issued and	Premium	Retained earnings	
		paid - up	on share	Appropriated	Unappro-
		share capital	capital	for legal	priated
				reserve	
	<u>Notes</u>				
BALANCE as at January 1, 2002		210,000,000	68,000,000	21,000,000	702,867,773
Dividend	19	-	-	-	(84,000,000)
Net income		-	-	-	91,067,742
BALANCE as at December 31, 2002		<u>210,000,000</u>	<u>68,000,000</u>	<u>21,000,000</u>	<u>709,935,515</u>
BALANCE as at January 1, 2003		210,000,000	68,000,000	21,000,000	709,935,515
Dividend	19	-	-	-	(63,000,000)
Net income		-	-	-	99,385,633
BALANCE as at December 31, 2003		<u>210,000,000</u>	<u>68,000,000</u>	<u>21,000,000</u>	<u>746,321,148</u>

The accompanying notes are an integral part of the financial statements

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Total

1,001,867,773

(84,000,000)

91,067,742

1,008,935,515

1,008,935,515

(63,000,000)

99,385,633

1,045,321,148

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2003 AND 2002

	IN BAHT		
	CONSOLIDATED		THE COMPA
	2003	2002	2003
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income	99,385,633	91,067,742	99,385,633
Adjustments to reconcile net income to net cash provided by operating activities			
Depreciation	73,215,437	62,805,266	55,041,574
Unrealized loss (gain) exchange rate	176,337	(273,385)	176,337
Loss (gain) on disposal of fixed assets	229,242	(22,158)	(328,606)
Provision for (Reversal of) doubtful accounts	(641,774)	928,539	(641,774)
Provision for obsolescence	10,987,484	1,482,797	10,987,484
Share of losses from investments in subsidiaries at equity method	-	-	32,864,476
Minority interest in net loss of subsidiaries	(34,037,950)	(12,297,076)	-
Income from operating activities before change in operational assets and liabilities	149,314,409	143,691,725	197,485,124
Decrease (Increase) in operational assets			
Accounts receivable	(28,844,958)	17,914,193	(18,839,098)
Inventories	(113,775,481)	(43,751,139)	(111,409,704)
Accounts receivable - planters	6,417,740	(9,285,394)	6,417,740
Other current assets	(1,901,798)	(2,863,509)	323,175
Other non - current assets	3,000,749	5,505,832	2,161,119
Increase (Decrease) in operational liabilities			
Accounts payable - trade	788,927	(8,626,847)	8,880,575
Accrued income tax and accrued expenses	2,562,332	(122,368)	1,723,074
Other current liabilities	(446,084)	45,700	9,006,190
Net Cash Provided By Operating Activities	17,115,836	102,508,193	95,748,195

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS (CONTINUED)

FOR THE YEARS ENDED DECEMBER 31, 2003 AND 2002

	IN BAHT		
	CONSOLIDATED		THE COMPAN
	2003	2002	2003
CASH FLOWS FROM INVESTING ACTIVITIES			
Increase in investment in subsidiaries	-	-	(35,022,500)
Decrease in deposits at financial institutions-fixed deposits	705,417	99,333,745	1,466,255
Proceeds from disposal of fixed assets	776,527	219,916	490,234
Acquisition of fixed assets	(92,502,105)	(152,079,627)	(71,750,768)
Net Cash Provided By (Used In) Investing Activities	(91,020,161)	(52,525,966)	(104,816,779)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase in overdraft and short-term loans from financial institutions	29,648,254	5,918,301	772,368
Proceeds from short-term loan from related person	3,000,000	-	-
Proceeds from long -term loans	57,576,625	46,217,774	-
Repayment of long-term loans	(46,975,641)	(903,445)	-
Dividends paid	(63,000,000)	(84,000,000)	(63,000,000)
Cash received for capital from minority interest	35,227,500	71,472,500	-
Net Cash Provided By (Used In) Financing Activities	15,476,738	38,705,130	(62,227,632)
Net increase(decrease) in Cash and Cash Equivalents	(58,427,587)	88,687,357	(71,296,216)
Cash and Cash Equivalents, Beginning of year	256,846,822	168,159,465	254,348,151
Cash and Cash Equivalents, End of year	198,419,235	256,846,822	183,051,935
<u>Supplement Disclosures of Cash Flows Information</u>			
<u>Cash paid during the year for :-</u>			
Interest expense	3,909,089	1,787,949	4,764
Corporate income tax	988,136	3,280,515	987,585

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

ANY ONLY

2002

91,067,742

52,502,872

(367,264)

(4,668)

928,539

1,482,797

11,814,838

-

157,424,856

25,574,622

(40,418,889)

(9,285,394)

4,953,872

2,667,303

14,182,187

(1,496,167)

58,104

153,660,494

UNY ONLY

2002

(43,777,500)

98,533,745

4,673

(29,812,304)

24,948,614

-

-

-

-

(84,000,000)

-

(84,000,000)

94,609,108

159,739,043

254,348,151

2,558

3,280,009