

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

INTERIM FINANCIAL STATEMENTS

AND REVIEW REPORT OF CERTIFIED PUBLIC ACCOUNTANT

FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2006 AND 2005

EXPRESSED IN THAI BAHT

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

BALANCE SHEETS

AS AT SEPTEMBER 30, 2006 AND DECEMBER 31, 2005

		IN BAHT			
		CONSOLIDATED		THE COMPANY ONLY	
		September 30, 2006	December 31, 2005	September 30, 2006	December 31, 2005
		"UNAUDITED"		"UNAUDITED"	
<u>ASSETS</u>	<u>Notes</u>	<u>"REVIEWED"</u>	<u>"AUDITED"</u>	<u>"REVIEWED"</u>	<u>"AUDITED"</u>
CURRENT ASSETS					
Cash and cash equivalents		208,655,653	173,888,186	176,210,512	141,629,533
Trade accounts receivable - related companies	3.2,4	20,696,605	20,372,930	29,636,442	21,985,601
- other companies-net	4	101,011,658	75,072,666	43,537,694	43,982,919
Inventories-net	5	293,751,046	274,969,754	285,862,655	267,570,846
Other current assets					
Accounts receivable - planters- net	6	26,359,880	26,177,890	26,359,880	26,177,890
Receivables from sales of investments		-	1,298,736	-	1,298,736
Value added tax receivable		4,843,924	1,669,797	4,710,707	1,188,668
Others		6,164,408	4,460,452	3,596,140	1,520,298
Total other current assets		37,368,212	33,606,875	34,666,727	30,185,592
TOTAL CURRENT ASSETS		661,483,174	577,910,411	569,914,030	505,354,491
NON - CURRENT ASSETS					
Investments in subsidiaries at equity method	7	-	-	64,392,611	76,778,665
Long-term loan to related company	3.2	-	-	24,500,000	24,500,000
Property, plant and equipment - net	8	734,738,918	747,570,604	576,689,900	579,506,429
Intangible assets - net	9	1,460,483	1,774,298	1,299,825	1,534,907
Other non - current assets					
Fixed deposits pledged as collateral	17.1	3,610,634	4,675,988	-	-
Others		2,821,825	3,700,933	2,086,672	2,682,684
Total other non - current assets		6,432,459	8,376,921	2,086,672	2,682,684
TOTAL NON - CURRENT ASSETS		742,631,860	757,721,823	668,969,008	685,002,685
TOTAL ASSETS		1,404,115,034	1,335,632,234	1,238,883,038	1,190,357,176

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

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

BALANCE SHEETS(CONTINUED)

AS AT SEPTEMBER 30, 2006 AND DECEMBER 31, 2005

		IN BAHT			
		CONSOLIDATED		THE COMPANY ONLY	
		September 30, 2006	December 31,2005	September 30, 2006	December 31,2005
		"UNAUDITED"		"UNAUDITED"	
<u>LIABILITIES AND SHAREHOLDERS' EQUITY</u>	<u>Notes</u>	<u>"REVIEWED"</u>	<u>"AUDITED"</u>	<u>"REVIEWED"</u>	<u>"AUDITED"</u>
CURRENT LIABILITIES					
Bank Overdrafts	10	33,080,916	20,627,792	4,845,853	4,019,782
Trade accounts payable		75,599,317	58,768,380	34,230,815	36,901,874
Current portion of liabilities under finance lease agreements		1,130,974	1,634,679	-	-
Current portion of long-term loan	11	13,200,000	13,200,000	-	-
Other current liabilities					
Accrued income tax and accrued expenses		40,262,479	41,224,394	29,327,627	33,364,433
Others		5,372,733	4,592,189	1,808,485	6,455,885
Total other current liabilities		45,635,212	45,816,583	31,136,112	39,820,318
TOTAL CURRENT LIABILITIES		168,646,419	140,047,434	70,212,780	80,741,974
NON - CURRENT LIABILITIES					
Liabilities under finance lease agreements - net		86,817	797,188	-	-
Long - term loan from financial institution - net	11	1,600,000	12,600,000	-	-
Long - term loans from related companies	3.2	31,500,000	25,500,000	-	-
TOTAL NON - CURRENT LIABILITIES		33,186,817	38,897,188	-	-
TOTAL LIABILITIES		201,833,236	178,944,622	70,212,780	80,741,974
SHAREHOLDERS' EQUITY					
Share capital					
Authorized shares					
Common share 315,000,000 shares, Baht 1 par value		315,000,000	315,000,000	315,000,000	315,000,000
Issued and paid - up shares					
Common share 314,997,360 shares, Baht 1 par value		314,997,360	314,997,360	314,997,360	314,997,360
Premium on share capital		68,000,000	68,000,000	68,000,000	68,000,000
Retained earnings					
Appropriated for legal reserve	14	25,420,000	25,420,000	25,420,000	25,420,000
Unappropriated		760,252,898	701,197,842	760,252,898	701,197,842
Total parent's shareholders' equity		1,168,670,258	1,109,615,202	1,168,670,258	1,109,615,202
Minority interest		33,611,540	47,072,410	-	-
Total Shareholders' Equity		1,202,281,798	1,156,687,612	1,168,670,258	1,109,615,202
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		1,404,115,034	1,335,632,234	1,238,883,038	1,190,357,176

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

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF INCOME
FOR THE THREE-MONTH PERIODS ENDED SEPTEMBER 30, 2006 AND 2005

		IN BAHT		
		CONSOLIDATED		THE COMPANIES
		2006	2005	2006
REVENUES				
Sales and service income		354,757,400	354,814,417	278,618,118
Share of profit from investments in subsidiary				
at equity method		-	-	449,903
Gain on exchange rate		1,226,172	-	1,226,172
Interest income		1,276,198	4,544	1,255,150
Other income		2,876,690	6,984,866	1,448,647
Total revenues		360,136,460	361,803,827	282,997,990
EXPENSES				
Cost of sales and services		250,367,904	235,715,886	191,977,983
Selling and administrative expenses		68,073,877	69,460,348	45,761,784
Share of loss of investments in subsidiaries				
at equity method		-	-	2,418,885
Director's remuneration		1,233,334	1,100,000	1,233,334
Total expenses		319,675,115	306,276,234	241,391,986
Income before interest expenses and income tax		40,461,345	55,527,593	41,606,004
Interest expenses		(1,180,963)	(888,078)	(1,874)
Income tax		(193,867)	(441,945)	-
Income after income tax		39,086,515	54,197,570	41,604,130
Minority interest in net loss of subsidiary		2,517,615	5,584,617	-
NET INCOME		41,604,130	59,782,187	41,604,130
BASIC EARNINGS PER SHARE				
NET INCOME		0.13	0.19	0.13
Weighted average number of common shares	shares	314,997,360	314,997,360	314,997,360

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

"UNAUDITED"
"REVIEWED"

ANY ONLY

2005

291,570,966

4,336,263

-

241,347

5,973,431

302,122,007

189,880,605

45,987,603

5,365,614

1,100,000

242,333,822

59,788,185

(5,998)

-

59,782,187

-

59,782,187

0.19

314,997,360

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF INCOME
FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2006 AND 2005

		IN BAHT			
		CONSOLIDATED		THE COMPANY ONLY	
		2006	2005	2006	2005
REVENUES					
Sales and service income		1,049,957,382	990,723,755	854,455,502	829,381,070
Share of profit from investments in subsidiary					
at equity method		-	-	546,938	8,545,976
Gain on exchange rate		12,596,020	1,292,580	12,596,020	1,015,814
Interest income		2,660,263	555,891	2,757,002	920,864
Other income		7,676,087	12,591,595	4,838,271	10,326,799
Total revenues		1,072,889,752	1,005,163,821	875,193,733	850,190,523
EXPENSES					
Cost of sales and services		745,742,288	742,976,561	589,811,005	617,404,517
Selling and administrative expenses		195,509,301	204,411,617	131,076,612	135,409,472
Share of loss of investments in subsidiary					
at equity method		-	-	12,932,992	20,945,269
Director's remuneration		3,566,667	3,300,000	3,566,667	3,300,000
Total expenses		944,818,256	950,688,178	737,387,276	777,059,258
Income before interest expenses and income tax		128,071,496	54,475,643	137,806,457	73,131,265
Interest expenses		(3,488,465)	(2,892,606)	(2,061)	(189,996)
Income tax		(239,505)	(441,945)	-	-
Income after income tax		124,343,526	51,141,092	137,804,396	72,941,269
Minority interest in net loss of subsidiary		13,460,870	21,800,177	-	-
NET INCOME		137,804,396	72,941,269	137,804,396	72,941,269
BASIC EARNINGS PER SHARE					
NET INCOME		0.44	0.25	0.44	0.25
Weighted average number of common shares	shares	314,997,360	291,793,524	314,997,360	291,793,524

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

"UNAUDITED"

"REVIEWED"

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2006 AND 2005

		IN BAHT					
Notes		Issued and paid-up share capital	Premium on share capital	Retained earnings		Minority interest	Total
				Appropriated for legal reserve	Unappropriated		
	BALANCE as at January 1, 2005	210,000,000	68,000,000	21,000,000	774,729,161	69,224,325	1,142,953,486
12	Stock dividends	104,997,360	-	-	(104,997,360)	-	-
13	Dividends paid	-	-	-	(52,500,000)	-	(52,500,000)
	Net income	-	-	-	72,941,269	-	72,941,269
	Minority interest from investment in subsidiary	-	-	-	-	6,375,000	6,375,000
	Minority interest in net loss of subsidiary	-	-	-	-	(21,800,177)	(21,800,177)
	BALANCE as at September 30, 2005	<u>314,997,360</u>	<u>68,000,000</u>	<u>21,000,000</u>	<u>690,173,070</u>	<u>53,799,148</u>	<u>1,147,969,578</u>
	BALANCE as at January 1, 2006	314,997,360	68,000,000	25,420,000	701,197,842	47,072,410	1,156,687,612
13	Dividends paid	-	-	-	(78,749,340)	-	(78,749,340)
	Net income	-	-	-	137,804,396	-	137,804,396
	Minority interest in net loss of subsidiary	-	-	-	-	(13,460,870)	(13,460,870)
	BALANCE as at September 30, 2006	<u>314,997,360</u>	<u>68,000,000</u>	<u>25,420,000</u>	<u>760,252,898</u>	<u>33,611,540</u>	<u>1,202,281,798</u>

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

"UNAUDITED"

"REVIEWED"

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2006 AND 2005

		IN BAHT			
	Notes	Issued and paid - up share capital	Premium on share capital	Retained earnings	
				Appropriated for legal reserve	Unappropriated
					Total
BALANCE as at January 1, 2005		210,000,000	68,000,000	21,000,000	774,729,161
Stock dividends	12	104,997,360	-	-	(104,997,360)
Dividends paid	13	-	-	-	(52,500,000)
Net income		-	-	-	72,941,269
BALANCE as at September 30, 2005		314,997,360	68,000,000	21,000,000	690,173,070
BALANCE as at January 1, 2006		314,997,360	68,000,000	25,420,000	701,197,842
Dividends paid	13	-	-	-	(78,749,340)
Net income		-	-	-	137,804,396
BALANCE as at September 30, 2006		314,997,360	68,000,000	25,420,000	760,252,898

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