

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

BALANCE SHEETS

AS AT JUNE 30, 2003 AND DECEMBER 31, 2002

		IN BAHT		
		CONSOLIDATED		THE COMPA
		June 30, 2003	December 31, 2002	June 30, 2003
		"UNAUDITED"		"UNAUDITED"
<u>LIABILITIES AND SHAREHOLDERS' EQUITY</u>	<u>Notes</u>	<u>"REVIEWED"</u>	<u>"AUDITED"</u>	<u>"REVIEWED"</u>
CURRENT LIABILITIES				
Overdraft and short - term loans from financial institutions	8	25,791,895	5,918,301	761,975
Accounts payable - trade		79,911,503	58,567,784	67,448,781
Current portion of liabilities under finance lease contracts		1,379,090	385,573	-
Current portion of liabilities under hire purchase contracts		494,548	479,351	-
Current portion of long-term loans	10	5,500,000	2,550,000	-
Other current liabilities				
Accrued income tax and accrued expenses		32,270,604	26,195,345	29,890,267
Others		3,933,603	3,019,439	3,504,064
Total other current liabilities		36,204,207	29,214,784	33,394,331
TOTAL CURRENT LIABILITIES		149,281,243	97,115,793	101,605,087
NON - CURRENT LIABILITIES				
Liabilities under finance lease contracts - net		3,736,694	717,374	-
Liabilities under hire purchase contracts - net		-	251,180	-
Long - term loan from a related company	9	7,500,000	-	-
Long - term loans - net	10	44,500,000	40,930,851	-
TOTAL NON - CURRENT LIABILITIES		55,736,694	41,899,405	-
TOTAL LIABILITIES		205,017,937	139,015,198	101,605,087
SHAREHOLDERS' EQUITY				
Share capital - Common shares, Baht 10 par value				
Authorized shares 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		727,577,561	709,935,515	727,577,561
Total Shareholders' Equity - Company		1,026,577,561	1,008,935,515	1,026,577,561
Minority interest		69,564,557	68,576,804	-
Total Shareholders' Equity		1,096,142,118	1,077,512,319	1,026,577,561
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		1,301,160,055	1,216,527,517	1,128,182,648

The accompanying notes are an integral part of the financial statements

NY ONLY

December 31,
2002

"AUDITED"

-

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 THREE-MONTH PERIODS ENDED JUNE 30, 2003 AND 2002

		IN BAHT		
		CONSOLIDATED		THE COMP/
	Note	2003	2002	2003
REVENUES				
Sales	3	361,758,962	247,031,377	347,867,955
Gain from exchange rate		1,300,975	-	1,300,975
Interest income		777,623	1,165,525	774,219
Other income		323,101	179,644	229,257
Total revenues		364,160,661	248,376,546	350,172,406
EXPENSES				
Cost of sales		227,080,673	152,193,018	210,924,472
Selling and administrative expenses		59,680,228	46,214,824	47,032,081
Share of losses from investments in subsidiaries at equity method		-	-	7,798,660
Director's remuneration		1,100,000	1,100,000	1,100,000
Total expenses		287,860,901	199,507,842	266,855,213
Income before interest expense and income tax		76,299,760	48,868,704	83,317,193
Interest expense		(1,079,386)	(12,719)	(2,799)
Income tax		(175,972)	(266,806)	(175,972)
Income after income tax		75,044,402	48,589,179	83,138,422
Minority interest in net loss of subsidiary		8,094,020	2,483,826	-
NET INCOME		83,138,422	51,073,005	83,138,422
BASIC EARNINGS PER SHARE				
NET INCOME		3.96	2.43	3.96

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

'UNAUDITED"
"REVIEWED"

ANY ONLY

2002

241,139,433

-

1,160,498

79,808

242,379,739

145,252,753

42,300,498

2,386,421

1,100,000

191,039,672

51,340,067

(256)

(266,806)

51,073,005

-

51,073,005

2.43

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF INCOME

FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2003 AND 2002

		IN BAHT		
		CONSOLIDATED		THE COMP
	Note	2003	2002	2003
REVENUES				
Sales	3	562,855,712	408,806,964	533,868,462
Gain from exchange rate		2,441,710	102,988	2,441,710
Interest income		1,728,506	2,814,503	1,725,102
Other income		998,237	516,898	762,172
Total revenues		568,024,165	412,241,353	538,797,446
EXPENSES				
Cost of sales		391,139,143	274,826,172	358,683,883
Selling and administrative expenses		105,386,159	80,295,241	83,658,801
Share of losses from investments in subsidiaries at equity method		-	-	13,196,565
Director's remuneration		2,200,000	2,200,000	2,200,000
Total expenses		498,725,302	357,321,413	457,739,249
Income before interest expense and income tax		69,298,863	54,919,940	81,058,197
Interest expense		(1,956,422)	(14,985)	(3,509)
Income tax		(412,642)	(709,050)	(412,642)
Income after income tax		66,929,799	54,195,905	80,642,046
Minority interest in net loss of subsidiaries		13,712,247	3,333,165	-
NET INCOME		80,642,046	57,529,070	80,642,046
BASIC EARNINGS PER SHARE				
NET INCOME		3.84	2.74	3.84

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ANY ONLY

2002

402,915,020

102,988

2,809,476

417,062

406,244,546

267,885,907

74,715,545

3,202,452

2,200,000

348,003,904

58,240,642

(2,522)

(709,050)

57,529,070

-

57,529,070

2.74

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
CONSOLIDATED
FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2003 AND 2002

		IN BAHT				
		Issued and fully paid-up share capital	Premium on share capital	Retained earnings Appropriated for legal reserve	Unappro- priated	Minority interest
	Note					
BALANCE as at January 1, 2002		210,000,000	68,000,000	21,000,000	702,867,773	9,401,380
Dividend	11	-	-	-	(84,000,000)	-
Increase in minority interest		-	-	-	-	52,966,835
Net income		-	-	-	57,529,070	-
BALANCE as at June 30, 2002		210,000,000	68,000,000	21,000,000	676,396,843	62,368,215
BALANCE as at January 1, 2003		210,000,000	68,000,000	21,000,000	709,935,515	68,576,804
Dividend	11	-	-	-	(63,000,000)	-
Increase in minority interest		-	-	-	-	987,753
Net income		-	-	-	80,642,046	-
BALANCE as at June 30, 2003		210,000,000	68,000,000	21,000,000	727,577,561	69,564,557

The accompanying notes are an integral part of the financial statements

"UNAUDITED"
"REVIEWED"

Total

1,011,269,153
(84,000,000)
52,966,835
57,529,070

1,037,765,058

1,077,512,319
(63,000,000)
987,753
80,642,046

1,096,142,118

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

THE COMPANY ONLY

FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2003 AND 2002

		IN BAHT			
		Issued and fully paid - up share capital	Premium on share capital	Retained earnings	
				Appropriated for legal reserve	Unappro- priated
	<u>Note</u>				
BALANCE as at January 1, 2002		210,000,000	68,000,000	21,000,000	702,867,773
Dividend	11	-	-	-	(84,000,000)
Net income		-	-	-	57,529,070
BALANCE as at June 30, 2002		<u>210,000,000</u>	<u>68,000,000</u>	<u>21,000,000</u>	<u>676,396,843</u>
BALANCE as at January 1, 2003		210,000,000	68,000,000	21,000,000	709,935,515
Dividend	11	-	-	-	(63,000,000)
Net income		-	-	-	80,642,046
BALANCE as at June 30, 2003		<u>210,000,000</u>	<u>68,000,000</u>	<u>21,000,000</u>	<u>727,577,561</u>

The accompanying notes are an integral part of the financial statements

"UNAUDITED"
"REVIEWED"
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Total

1,001,867,773
(84,000,000)
57,529,070
975,396,843

1,008,935,515
(63,000,000)
80,642,046
1,026,577,561

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2003 AND 2002

	IN BAHT		
	CONSOLIDATED		THE COMPANY
	2003	2002	2003
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income	80,642,046	57,529,070	80,642,046
Adjustments to reconcile net income to net cash provided by operating activities			
Depreciation	37,900,551	32,316,976	29,460,104
Unrealized loss (gain) on exchange rate	(337,768)	455,583	(380,519)
Gain on disposal of fixed assets	(181,698)	(17,490)	(224,291)
Reversal of provision for doubtful accounts	(1,704,800)	(1,444,094)	(1,704,800)
Provision for obsolescence	2,256,642	3,091,122	2,256,642
Share of losses from investments in subsidiaries at equity method	-	-	13,196,565
Minority interest in net loss of subsidiaries	(13,712,247)	(3,333,165)	-
Income from operating activities before change in operational assets and liabilities	104,862,726	88,598,002	123,245,747
Decrease (Increase) in operational assets			
Accounts receivable	(41,063,000)	(35,602,699)	(42,955,314)
Inventories	(59,383,758)	(42,490,125)	(57,264,843)
Accounts receivable - planters	17,047,998	6,743,355	17,047,998
Other current assets	(5,689,615)	(7,794,032)	(4,271,511)
Other non - current assets	(1,245,063)	6,057,448	(1,180,464)
Increase (Decrease) in operational liabilities			
Accounts payable - trade	21,300,968	(5,444,667)	25,062,204
Accrued income tax and accrued expenses	6,097,467	(3,126,822)	5,090,929
Other current liabilities	914,164	222,049	783,530
Net Cash Provided By Operating Activities	42,841,887	7,162,509	65,558,276

"UNAUDITED"

"REVIEWED"

ANY ONLY

2002

57,529,070

29,677,655

3,067,595

-

(588,807)

1,304,397

3,202,452

-

94,192,362

(33,557,450)

(38,382,123)

5,888,068

(471,126)

1,899,156

10,311,428

(4,660,620)

192,473

35,412,168
