

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

BALANCE SHEETS

AS AT SEPTEMBER 30, 2003 AND DECEMBER 31, 2002

<u>ASSETS</u>	Notes	IN BAHT		
		CONSOLIDATED		THE COMP/
		September 30,	December 31,	September 30,
		2003	2002	2003
		"UNAUDITED"		"UNAUDITED"
		"REVIEWED"	"AUDITED"	"REVIEWED"
CURRENT ASSETS				
Cash and cash equivalents		69,815,783	79,309,846	61,537,020
Current investments				
Deposits at financial institutions-fixed deposits		100,000,000	122,823,229	100,000,000
Promissory notes		150,000,000	156,180,002	150,000,000
Accounts receivable - related companies	3,2,4	6,854,484	5,333,200	7,259,285
- other companies	4	66,262,300	33,546,975	46,251,109
Inventories-net		250,527,577	180,235,289	245,519,147
Other current assets				
Accounts receivable - planters- net		25,744,962	29,857,319	25,744,962
Current portion of receivables from sales of investments	5	4,265,128	5,314,083	4,265,128
Value added tax receivable		16,061,749	12,905,973	3,374,830
Others	3.2	6,045,104	2,773,257	4,320,917
Total other current assets		52,116,943	50,850,632	37,705,837
TOTAL CURRENT ASSETS		695,577,087	628,279,173	648,272,398
NON - CURRENT ASSETS				
Investments in subsidiaries at equity method	6	-	-	76,744,575
Property, plant and equipment - net	7,8,9	605,315,514	581,910,922	422,193,118
Other non - current assets				
Deposits pledged as collateral	13.1	758,935	-	-
Receivables from sales of investments - net	5	3,082,390	5,040,787	3,082,390
Others		4,452,027	1,296,635	3,991,159
Total other non - current assets		8,293,352	6,337,422	7,073,549
TOTAL NON - CURRENT ASSETS		613,608,866	588,248,344	506,011,242
TOTAL ASSETS		1,309,185,953	1,216,527,517	1,154,283,640

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

ANY ONLY

December 31,
2002

"AUDITED"

76,811,175

122,823,229

156,180,002

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

"

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF INCOME

FOR THE THREE-MONTH PERIODS ENDED SEPTEMBER 30, 2003 AND 2002

		IN BAHT		
		CONSOLIDATED		THE COMPA
	Notes	2003	2002	2003
REVENUES				
Sales	3.3	300,447,824	303,424,835	279,030,386
Gain from exchange rate		1,204,485	1,134,886	1,204,485
Interest income		659,040	865,076	659,040
Other income	3.3	3,786,807	748,745	3,174,219
Total revenues		<u>306,098,156</u>	<u>306,173,542</u>	<u>284,068,130</u>
EXPENSES				
Cost of sales		221,497,000	192,981,920	193,929,314
Selling and administrative expenses	3.3	61,298,432	48,259,058	45,638,265
Share of losses from investments in subsidiaries at equity method		-	-	10,968,878
Director's remuneration		1,100,000	1,100,000	1,100,000
Total expenses		<u>283,895,432</u>	<u>242,340,978</u>	<u>251,636,457</u>
Income before interest expense and income tax		22,202,724	63,832,564	32,431,673
Interest expense		(1,133,413)	(772,224)	(11)
Income tax		(181,190)	(216,269)	(181,190)
Income after income tax		20,888,121	62,844,071	32,250,472
Minority interest in net loss of subsidiary		11,362,351	4,396,473	-
NET INCOME		<u>32,250,472</u>	<u>67,240,544</u>	<u>32,250,472</u>
BASIC EARNINGS PER SHARE				
NET INCOME		<u>1.54</u>	<u>3.20</u>	<u>1.54</u>

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

UNAUDITED"
"REVIEWED"

NY ONLY

2002

288,966,388

1,134,886

865,076

526,342

291,492,692

177,320,723

41,391,070

4,224,062

1,100,000

224,035,855

67,456,837

(24)

(216,269)

67,240,544

-

67,240,544

3.20

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF INCOME
FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2003 AND 2002

		IN BAHT		
		CONSOLIDATED		THE COMP
	Notes	2003	2002	2003
REVENUES				
Sales	3.3	863,303,536	712,231,799	812,898,848
Gain from exchange rate		3,646,195	1,237,874	3,646,195
Interest income		2,387,546	3,679,579	2,384,142
Other income	3.3	4,785,044	1,265,643	3,936,391
Total revenues		<u>874,122,321</u>	<u>718,414,895</u>	<u>822,865,576</u>
EXPENSES				
Cost of sales		612,636,143	467,808,092	552,613,197
Selling and administrative expenses	3.3	166,684,591	128,554,299	129,297,066
Share of losses from investments in subsidiaries at equity method		-	-	24,165,443
Director's remuneration		3,300,000	3,300,000	3,300,000
Total expenses		<u>782,620,734</u>	<u>599,662,391</u>	<u>709,375,706</u>
Income before interest expense and income tax		91,501,587	118,752,504	113,489,870
Interest expense		(3,089,835)	(787,209)	(3,520)
Income tax		(593,832)	(925,319)	(593,832)
Income after income tax		87,817,920	117,039,976	112,892,518
Minority interest in net loss of subsidiaries		25,074,598	7,729,638	-
NET INCOME		<u>112,892,518</u>	<u>124,769,614</u>	<u>112,892,518</u>
BASIC EARNINGS PER SHARE				
NET INCOME		<u>5.38</u>	<u>5.94</u>	<u>5.38</u>

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

"UNAUDITED"
"REVIEWED"

ANY ONLY

2002

691,881,408

1,237,874

3,674,552

943,404

697,737,238

445,206,630

116,106,615

7,426,514

3,300,000

572,039,759

125,697,479

(2,546)

(925,319)

124,769,614

-

124,769,614

5.94

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
CONSOLIDATED
FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 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
<u>Notes</u>						
	BALANCE as at January 1, 2002	210,000,000	68,000,000	21,000,000	702,867,773	9,401,380
10	Dividend	-	-	-	(84,000,000)	-
	Increase in minority interest	-	-	-	-	48,570,362
	Net income	-	-	-	124,769,614	-
	BALANCE as at September 30, 2002	210,000,000	68,000,000	21,000,000	743,637,387	57,971,742
	BALANCE as at January 1, 2003	210,000,000	68,000,000	21,000,000	709,935,515	68,576,804
10	Dividend	-	-	-	(63,000,000)	-
	Increase in minority interest	-	-	-	-	10,152,902
	Net income	-	-	-	112,892,518	-
	BALANCE as at September 30, 2003	210,000,000	68,000,000	21,000,000	759,828,033	78,729,706

The accompanying notes are an integral part of the financial statements

"UNAUDITED"

"REVIEWED"

Total

1,011,269,153

(84,000,000)

48,570,362

124,769,614

1,100,609,129

1,077,512,319

(63,000,000)

10,152,902

112,892,518

1,137,557,739

"UNAUDITED"

"REVIEWED"

;

Total

1,001,867,773

(84,000,000)

124,769,614

1,042,637,387

1,008,935,515

(63,000,000)

112,892,518

1,058,828,033

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2003 AND 2002

	IN BAHT		
	CONSOLIDATED		THE COMPANY
	2003	2002	2003
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income	112,892,518	124,769,614	112,892,518
Adjustments to reconcile net income to net cash provided by operating activities			
Depreciation	59,434,554	44,543,819	46,152,817
Unrealized loss on exchange rate	1,074,263	168,819	1,028,038
Gain on disposal of fixed assets	(242,675)	(17,490)	(285,268)
Provision for (Reversal of) doubtful accounts	(456,929)	493,500	(456,929)
Provision for (Reversal of) obsolescence	3,437,799	(561,862)	3,437,799
Share of losses from investments in subsidiaries at equity method	-	-	24,165,443
Minority interest in net loss of subsidiaries	(25,074,598)	(7,729,638)	-
Income from operating activities before change in operational assets and liabilities	151,064,932	161,666,762	186,934,418
Decrease (Increase) in operational assets			
Accounts receivable	(35,023,557)	(7,559,272)	(23,066,654)
Inventories	(73,730,087)	8,069,770	(72,053,907)
Accounts receivable - planters	4,569,286	(4,934,996)	4,569,286
Other current assets	(6,645,958)	(4,553,210)	(3,501,490)
Other non - current assets	(305,830)	5,522,635	(1,013,709)
Increase (Decrease) in operational liabilities			
Accounts payable - trade	(824,742)	(5,408,685)	9,779,258
Accrued income tax and accrued expenses	740,890	(1,897,720)	(157,875)
Other current liabilities	941,901	(159,180)	14,696,461
Net Cash Provided By Operating Activities	<u>40,786,835</u>	<u>150,746,104</u>	<u>116,185,788</u>

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS (CONTINUED)

FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2003 AND 2002

IN BAHT		
CONSOLIDATED		THE COMP/
2003	2002	2003

CASH FLOWS FROM INVESTING ACTIVITIES

Increase in investment in subsidiaries	-	-	(35,022,500)
Decrease in deposits at financial institutions-fixed deposits	707,320	99,333,745	1,466,254
Proceeds from disposal of fixed assets	575,280	215,243	289,299
Acquisition of fixed assets	(83,171,751)	(129,290,962)	(64,063,171)
Net Cash Provided By (Used In) Investing Activities	(81,889,151)	(29,741,974)	(97,330,118)

CASH FLOWS FROM FINANCING ACTIVITIES

Increase in overdraft and short-term loans from financial institutions	20,700,745	14,798,999	1,333,199
Proceeds from long-term loan from related party	-	7,500,000	-
Proceeds from long -term loans	57,576,625	39,291,348	-
Repayment of long-term loans	(46,433,593)	-	-
Dividends paid	(63,000,000)	(84,000,000)	(63,000,000)
Cash received for capital from minority interest	35,227,500	56,300,000	-
Net Cash Provided By (Used In) Financing Activities	4,071,277	33,890,347	(61,666,801)

Net increase(decrease) in Cash and Cash Equivalents	(37,031,039)	154,894,477	(42,811,131)
Cash and Cash Equivalents, Beginning of period	256,846,822	168,159,465	254,348,151
Cash and Cash Equivalents, End of period	219,815,783	323,053,942	211,537,020

Supplement Disclosures of Cash Flows Information

Cash and cash equivalents consist of :-

Cash and deposits at financial institutions	69,815,783	221,723,364	61,537,020
Deposits at financial institutions-fixed deposits (3 months)	-	21,330,578	-
Promissory notes	150,000,000	80,000,000	150,000,000
Total	219,815,783	323,053,942	211,537,020

Cash paid during the period for :-

Interest expense	3,104,985	625,693	3,520
Corporate income tax	973,959	1,787,691	973,699

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

"UNAUDITED"

"REVIEWED"

ANY ONLY

2002

124,769,614

38,222,121

168,819

-

493,500

(561,862)

7,426,514

-

170,518,706

(845,614)

10,504,040

(4,934,996)

3,632,597

1,859,044

12,040,873

(3,405,762)

(70,882)

189,298,006

"UNAUDITED"

"REVIEWED"

ANY ONLY

2002

(29,200,000)

98,533,745

-

(13,365,044)

55,968,701

-

-

-

-

(84,000,000)

-

(84,000,000)

161,266,707

159,739,043

321,005,750

219,675,172

21,330,578

80,000,000

321,005,750

2,546

1,787,691