

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND SUBSIDIARY

INTERIM FINANCIAL STATEMENTS

AND REVIEW REPORT OF CERTIFIED PUBLIC ACCOUNTANT

FOR THE THREE-MONTH PERIODS ENDED MARCH 31, 2009 AND 2008

EXPRESSED IN THAI BAHT

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND SUBSIDIARY

BALANCE SHEETS

AS AT MARCH 31, 2009 AND DECEMBER 31, 2008

		In Baht			
		Consolidated		Separate	
		financial statements		financial statements	
		March 31,	December 31,	March 31,	December 31,
		2009	2008	2009	2008
		"Unaudited"	"Audited"	"Unaudited"	"Audited"
<u>ASSETS</u>	<u>Notes</u>	<u>"Reviewed"</u>		<u>"Reviewed"</u>	
CURRENT ASSETS					
Cash and cash equivalents	5	246,688,954	114,643,090	222,250,248	90,489,605
Short - term investments	6	-	140,000,000	-	140,000,000
Trade accounts receivable - related companies	4.2,7	23,259,214	22,797,895	37,153,045	38,501,603
- other companies - net	7	92,882,468	60,999,071	84,593,688	49,031,840
Inventories-net	8	395,050,939	353,186,642	392,383,845	353,186,642
Other current assets					
Accounts receivable - planters - net	9	10,193,802	26,566,547	10,193,802	26,566,547
Value added tax receivable		1,632,040	1,471,060	1,587,286	1,209,170
Others		2,256,568	4,383,317	2,191,753	4,312,779
Total other current assets		14,082,410	32,420,924	13,972,841	32,088,496
TOTAL CURRENT ASSETS		771,963,985	724,047,622	750,353,667	703,298,186
NON - CURRENT ASSETS					
Fixed deposits pledged as collateral	10	14,332,915	14,239,642	-	-
Investments in subsidiary	11	-	-	23,353,658	23,353,658
Long - term loan to related company	4.2	24,500,000	24,500,000	24,500,000	24,500,000
Property, plant and equipment - net	12	480,818,347	487,280,190	480,637,009	487,046,365
Non operating land	13	16,107,988	16,107,988	16,107,988	16,107,988
Assets held for sale - net	14	2,296,799	2,296,799	2,296,799	2,296,799
Computer Software - net	15	447,000	520,422	447,000	520,422
Other non - current assets		1,345,581	1,161,989	1,344,681	1,161,089
TOTAL NON - CURRENT ASSETS		539,848,630	546,107,030	548,687,135	554,986,321
TOTAL ASSETS		1,311,812,615	1,270,154,652	1,299,040,802	1,258,284,507

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

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND SUBSIDIARY

BALANCE SHEETS(CONTINUED)

AS AT MARCH 31, 2009 AND DECEMBER 31, 2008

		In Baht			
		Consolidated		Separate	
		financial statements		financial statements	
		March 31,	December 31,	March 31,	December 31,
		2009	2008	2009	2008
		"Unaudited"	"Audited"	"Unaudited"	"Audited"
<u>LIABILITIES AND SHAREHOLDERS' EQUITY</u>	<u>Notes</u>	<u>"Reviewed"</u>		<u>"Reviewed"</u>	
CURRENT LIABILITIES					
Trade accounts payable		28,761,533	33,838,652	28,761,533	33,838,652
Other current liabilities					
Accrued expenses		34,197,225	38,551,798	32,264,487	36,622,505
Others		1,948,431	1,631,550	1,681,138	1,362,544
Total other current liabilities		36,145,656	40,183,348	33,945,625	37,985,049
TOTAL CURRENT LIABILITIES		64,907,189	74,022,000	62,707,158	71,823,701
SHAREHOLDERS' EQUITY					
Share capital - Baht 1 par value					
Authorized shares					
346,497,096 common shares		346,497,096	346,497,096	346,497,096	346,497,096
Issued and paid - up shares					
346,496,592 common shares		346,496,592	346,496,592	346,496,592	346,496,592
Premium on share capital		68,000,000	68,000,000	68,000,000	68,000,000
Retained earnings					
Appropriated for legal reserve	17	34,650,000	34,650,000	34,650,000	34,650,000
Unappropriated		797,758,834	746,986,060	787,187,052	737,314,214
Total shareholders' equity		1,246,905,426	1,196,132,652	1,236,333,644	1,186,460,806
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		1,311,812,615	1,270,154,652	1,299,040,802	1,258,284,507

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

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND SUBSIDIARY
STATEMENTS OF INCOME
FOR THE THREE-MONTH PERIODS ENDED MARCH 31, 2009 AND 2008

		In Baht			
		Consolidated		Separate	
		financial statements		financial statements	
		2009	2008	2009	2008
REVENUES					
Sales		307,639,753	237,378,498	299,991,482	232,840,808
Gain on exchange rate		-	1,647,852	-	1,177,717
Interest income		1,262,273	960,150	1,165,267	849,325
Other income		2,011,941	1,083,161	2,167,041	1,238,261
Total revenues		<u>310,913,967</u>	<u>241,069,661</u>	<u>303,323,790</u>	<u>236,106,111</u>
EXPENSES					
Cost of sales		207,196,872	188,713,272	207,196,872	187,984,455
Selling expenses		29,596,822	25,184,657	25,200,681	21,135,750
Administrative expenses		14,731,933	11,386,106	13,615,813	10,552,888
Managements' remuneration		8,067,661	8,610,106	7,437,586	7,992,843
Loss on diminution of inventories		-	5,137,010	-	5,137,010
Total expenses		<u>259,593,288</u>	<u>239,031,151</u>	<u>253,450,952</u>	<u>232,802,946</u>
Income before income tax		51,320,679	2,038,510	49,872,838	3,303,165
Income tax		<u>(547,905)</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET INCOME		<u>50,772,774</u>	<u>2,038,510</u>	<u>49,872,838</u>	<u>3,303,165</u>
Net income attributable to:					
Equity holders of the parent		50,772,774	2,038,510	49,872,838	3,303,165
Minority interest of the subsidiary		-	-	-	-
		<u>50,772,774</u>	<u>2,038,510</u>	<u>49,872,838</u>	<u>3,303,165</u>
BASIC EARNINGS PER SHARE					
NET INCOME		<u>0.15</u>	<u>0.01</u>	<u>0.14</u>	<u>0.01</u>
Weighted average number of common shares	shares	<u>346,496,592</u>	<u>346,496,592</u>	<u>346,496,592</u>	<u>346,496,592</u>

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

"Unaudited"

"Reviewed"

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE THREE-MONTH PERIODS ENDED MARCH 31, 2009 AND 2008

	In Baht				
	Issued and paid-up share capital	Premium on share capital	Retained earnings		Total
			Appropriated for legal reserve	Unappropriated	
BALANCE as at January 1, 2008	346,496,592	68,000,000	34,650,000	708,627,294	1,157,773,886
Net income	-	-	-	2,038,510	2,038,510
BALANCE as at March 31, 2008	<u>346,496,592</u>	<u>68,000,000</u>	<u>34,650,000</u>	<u>710,665,804</u>	<u>1,159,812,396</u>
BALANCE as at January 1, 2009	346,496,592	68,000,000	34,650,000	746,986,060	1,196,132,652
Net income	-	-	-	50,772,774	50,772,774
BALANCE as at March 31, 2009	<u>346,496,592</u>	<u>68,000,000</u>	<u>34,650,000</u>	<u>797,758,834</u>	<u>1,246,905,426</u>

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

"Unaudited"

"Reviewed"

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED
SEPARATE STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE THREE-MONTH PERIODS ENDED MARCH 31, 2009 AND 2008

	In Baht				
	Issued and paid - up share capital	Premium on share capital	Retained earnings		
			Appropriated for legal reserve	Unappropriated	Total
BALANCE as at January 1, 2008	346,496,592	68,000,000	34,650,000	704,582,104	1,153,728,696
Net income	-	-	-	3,303,165	3,303,165
BALANCE as at March 31, 2008	<u>346,496,592</u>	<u>68,000,000</u>	<u>34,650,000</u>	<u>707,885,269</u>	<u>1,157,031,861</u>
BALANCE as at January 1, 2009	346,496,592	68,000,000	34,650,000	737,314,214	1,186,460,806
Net income	-	-	-	49,872,838	49,872,838
BALANCE as at March 31, 2009	<u>346,496,592</u>	<u>68,000,000</u>	<u>34,650,000</u>	<u>787,187,052</u>	<u>1,236,333,644</u>

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

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND SUBSIDIARY

STATEMENTS OF CASH FLOWS

FOR THE THREE-MONTH PERIODS ENDED MARCH 31, 2009 AND 2008

	In Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2009	2008	2009	2008
CASH FLOWS FROM OPERATING ACTIVITIES				
Income before income tax	51,320,679	2,038,510	49,872,838	3,303,165
Adjustments to reconcile net income to net cash provided by (used in) operating activities				
Unrealized loss (Gain) on exchange rate	(193,068)	(22,259)	(156,284)	4,608
Bad debts and doubtful accounts (reversal)	(6,698)	115,923	(6,698)	115,923
Loss on diminution of inventories (reversal)	(767,879)	5,137,010	(767,879)	5,137,010
Gain on disposal of equipment	(26,465)	(745)	(26,465)	(745)
Depreciation	15,169,358	15,402,879	15,116,871	15,301,280
Amortization of computer software	73,422	81,056	73,422	81,056
Income from operating activities before change in operational assets and liabilities	65,569,349	22,752,374	64,105,805	23,942,297
Decrease (Increase) in operational assets				
Trade accounts receivable - related companies	(369,907)	(1,921,263)	1,431,925	935,861
Trade accounts receivable - other companies	(31,742,315)	(21,523,995)	(35,449,505)	(25,008,303)
Inventories	(41,096,418)	(40,607,873)	(38,429,324)	(40,480,469)
Accounts receivable - planters	16,379,443	21,528,479	16,379,443	21,528,479
Value added tax receivable	(160,980)	725,173	(378,116)	717,981
Other current assets	2,126,750	(293,757)	2,121,026	(290,800)
Other non - current assets	(161,848)	(235,658)	(161,848)	(236,748)
Increase (Decrease) in operational liabilities				
Trade accounts payable	(4,807,959)	(6,332,011)	(4,807,959)	(6,332,011)
Accrued expenses	(4,940,586)	(7,026,534)	(4,397,444)	(6,307,408)
Other current liabilities	316,881	(760,768)	318,594	243,661
Cash receipt (paid) from operation	1,112,410	(33,695,833)	732,597	(31,287,460)
Income tax paid	(23,063)	(21,731)	(21,744)	(20,641)
Net cash provided by (used in) operating activities	1,089,347	(33,717,564)	710,853	(31,308,101)

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

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND SUBSIDIARY

STATEMENTS OF CASH FLOWS (CONTINUED)

FOR THE THREE-MONTH PERIODS ENDED MARCH 31, 2009 AND 2008

	In Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2009	2008	2009	2008
CASH FLOWS FROM INVESTING ACTIVITIES				
Decrease in fixed deposits at financial institutions	139,906,727	46,384,694	140,000,000	50,000,000
Proceeds from disposal of equipment	29,561	748	29,561	748
Cash paid for acquisition of plant and equipment				
(cash flows information)	(8,979,771)	(9,068,814)	(8,979,771)	(9,057,844)
Net cash used in investing activities	130,956,517	37,316,628	131,049,790	40,942,904
Net increase in cash and cash equivalents	132,045,864	3,599,064	131,760,643	9,634,803
Cash and cash equivalents, beginning of period	114,643,090	142,307,959	90,489,605	122,171,317
Cash and cash equivalents, end of period	246,688,954	145,907,023	222,250,248	131,806,120
<u>Supplement disclosures of cash flows information</u>				
<u>Property, Plant and Equipment</u>				
Details of acquisition of plant and equipment				
during the period are as follows :				
Acquisition of plant and equipment during the period	(8,710,611)	(11,621,411)	(8,710,611)	(11,610,441)
Increase (decrease) in payable from acquisition of assets	(269,160)	2,552,597	(269,160)	2,552,597
Cash paid for acquisition of plant and equipment	(8,979,771)	(9,068,814)	(8,979,771)	(9,057,844)

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