



CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED

PART 1 EXECUTIVE SUMMARY

General information

Name	Chiangmai Frozen Foods Public Company Limited
Office Location	149/34 Soi Anglo Plaza, Surawongse Road, Kwaeng Suriyawongse, Bangrak, Bangkok 10500, Thailand.
Registration	0107537000513 (Old registration no. Bor Mor Jor 298)
Telephone	(662)238-4091,634-0061-4
Facsimile	(662)238-4090
Website	www.cmfrozen.com
Business Type	Manufacture and Export of Frozen Vegetables and Fruits such as Green Beans, Soy Beans, Carrot, Baby Corn, Sweet Corn, Mango, Pineapple etc.
Capacity	42,000 Metric Tons per Year
Factory (Branch)	1 st Plant No. 92 Moo 3, Chiangmai-Phrao Road, Nongjom, Sansai, Chiangmai Province 50210, Thailand. 2 nd Plant No. 299 Moo 14, Chiangmai-Phrao Road, Mae Fag Mai, Sansai, Chiangmai Province 50290, Thailand.
Registered Capital	381,146,251 common shares each with par value 1 baht and in the aggregate value of 381,146,251 baht.
Paid-up Capital	381,145,725 common shares each with par value 1 baht and in the aggregate value of 381,145,725 baht.

Shares in juristic persons held by the company from 10% upwards.

Name	Agrifood Processing Co., Ltd.
Location	149/34 Soi Anglo Plaza, Surawongse Rd., Kwaeng Suriyawongse, Bangrak, Bangkok 10500, Thailand.
Business Type	Sell Frozen Sweet Corns and Pouch Sweet Corns
Registered Capital	120 million baht
Paid-up Capital	30 million baht
Percentage of Shareholding	100 % by the company.



CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED

Other referred juristic persons

Registrar	Thailand Securities Depository Co., Ltd. 62 The Stock Exchange of Thailand Building, 4,6-7 th Floor, Rachadapisek Road, Klongtoey, Bangkok 10110, Thailand. Tel.(662)229-2800,654-5599 Fax.(662)359-1262-3
Auditor	Mr.Pradit Rodloytuk,C.P.A.(Thailand) No. 0218 or Miss Nongram Laoha-areedilok,C.P.A.(Thailand) No. 4334 AST Master Office of 790/12 Thonglor Tower, Soi Tonglor 18, Sukhumvit Road 55, Klongtoey, Bangkok 10110, Thailand. Tel.(662)381-5716, 381-8016
Legal Advisor	Mr. Wanchandr Sivaboonyawongs, Wisal & Associates Law Co., Ltd. 83-85 Soi Anuman Rajathon, Dejo Road, Khet Bangrak, Bangkok 10500, Thailand. Tel.(662)266-8217-8
Financial Institution	Siam Commercial Bank Public Co., Ltd. Mizuho Corporate Bank, Ltd. – Bangkok Office. Siam City Bank Public Co., Ltd.



CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED

SUMMARY FINANCIAL INFORMATION OF THE COMPANY

Financial Statements

(Unit: Thousand Baht)

Particular	Consolidated			Separate		
	2010	2009	2008	2010	2009	2008
Total assets	1,358,830	1,305,482	1,270,155	1,345,187	1,289,365	1,258,285
Total liabilities	87,860	97,415	74,022	86,466	95,083	71,824
Shareholders' equity	1,270,970	1,208,067	1,196,133	1,258,721	1,194,282	1,186,461
Sale revenue	1,367,578	1,321,455	1,275,570	1,349,072	1,294,066	1,239,871
Total income	1,410,874	1,336,247	1,292,067	1,388,513	1,306,608	1,258,081
Gross profit	338,720	408,062	348,578	321,855	381,700	316,344
Net profit (loss)	158,188	211,167	142,306	159,724	207,054	136,680

Financial Ratio

Particular	Consolidated			Separate		
	2010	2009	2008	2010	2009	2008
Net profit ratio per total income %	11.57	15.98	11.16	11.84	16.00	11.02
Return on equity %	12.45	17.48	11.90	12.69	17.34	11.52
Return on assets %	11.64	16.18	11.20	11.87	16.06	10.86
Net profit(loss) per share Baht	0.42	0.55	0.37	0.42	0.54	0.36
Annual Dividend per share Baht	0.35	0.50	0.30	0.35	0.50	0.30
Stock Dividend per share Baht	-	-	0.10	-	-	0.10
Book value per share Baht	3.33	3.17	3.14	3.30	3.13	3.11
Net assets value per share Baht	3.57	3.43	3.33	3.53	3.38	3.30



CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED

Clarification from Chairman of Board of Directors

To: The Shareholders;

In the year 2010, the company earned total income amount 1,367.6 million baht, increased from the year 2009 amount 46.1 million baht comes to 3.5%, having net profit amount 158.2 million baht, (decreased) by amount (53.0) million baht comes to 25.1%, having sale volume in the year 2010 amount 26,458 metric tons increased from the year 2009 amount 2,420 metric tons or 10.1%.

The resolution in the meeting of the Board of Company agree to pay dividend to the Shareholders amount 381,145,725 shares in rate 0.35 baht per share, comes to amount 133,401,003.75 baht.

As for the year 2011, the company puts sale target at 27,000 metric tons. Lastly, the company believes that under an endeavor and confident of the customers toward the company would help the company able to score a success in running the business and having good business result in order the company would be able to pay dividend to the Shareholders regularly.

(Mr. Prayoon Pholpipattanaphong)

Chairman

February 26, 2011



CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED

Clarification of Chairman of the Audit Committee

To: The Shareholders;

As the Board of Company have resolved to nominate the Board of Audit Committee which comprise three independent non-executives directors, namely Mr. Santichai Suakanonth as Chairman of the Board of Audit Committee, Mr. Amnuay Yossuck, Ph.D. and Mr. Ampon Ruayfupant as Audit Committee to perform the duties assigned from the Board of Company which mentioned clearly in the Audit Committee Charter which is according to the provision of the Stock Exchange of Thailand.

During the year 2010, the Board of Audit Committee conducted 4 meetings with External Auditors, Management and Internal Auditor to review as limit and responsibility by having the significant duties summarized as follows:

1. Review the Financial Statements quarterly and Annual Financial Statements of 2010 and adequately listen the clear explanations and report from the Management and Auditor in related subject. Therefore, the Audit Committee's opinion is to coordinate with the External Auditors that said quarterly annual financial statements are correct and sufficiently disclosed for all material respects in conformity with the generally accepted accounting principles.
2. Review the disclosure of connected and related information between the company, subsidiary company and concerned company and it is of opinion that such related information has adequately and correctly disclosed.
3. Review the compliance with the laws and regulation of Securities and Stock Exchange and related law with the company business and found no material flaw.
4. Promote the independence of internal audit operation, agreeing with internal audit plan and reviewing to have the adequacy and effective internal control system and found no significant weakness of control that may have adverse impact.

(Mr. Santichai Suakanonth)

Chairman of the Audit Committee



CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED

PART 2 STOCK ISSUANCE COMPANY

1. Risk

Nature factor

The Company is a manufacturer and dealer of Frozen Fruits and Vegetables product which mainly use Green Beans, Soy Beans and Sweet Corns as raw material for producing at ratio 41% of producing cost. But since these raw materials are the agriculture raw material that mainly depends on the season and nature factors, therefore the company may affect from its shortage.

To serve this risk, the company would increase more volume of producing in next stage due to raw material could be able to grow 2-3 stages a year and harvesting life is about 30 days. Therefore, if the problem arises in any stage of growing, the company would increase more growing area in next stage.

Marketing

The Company has presently exported Frozen Fruits and Vegetables product to Japan market valued 1,025.6 million baht or 76.0% of the total sale which this dependence on Japan market at high proportion would affect the company business from their economic to slow down. And/or change on the trade policy of such country.

However, as the products of the company which is food type necessary for standard of living and Japanese peoples like to consume Soy Beans and Frozen Soy Beans, so the affective from depending on Japan market as a main would not be so risk.

To serve for this risk, the company has tried to look for other markets in Europe and U.S.A. by 2010 the company would be able to export to such markets at 5.8% of the total sale.

Exchange rate

As the company has its value export at 82.2% of the total sale with all currency sold in US Dollar, so the company may be affected due to strong exchange rate, would make the company receive less baht value from less exchange rate.

The measurement to reduce risk in this case, the company has made a US exchange forward contract which can reduce moderate risk from foreign exchange rate in which the company will make advance sell about 200,000-1,000,000 US Dollars periods time 3 - 12 months.



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Quality products

Quality products that must free from chemical causes the company having risk in returning products from the customers if incapable to control the quality to free from chemical as agreed with the customers.

The standard measure of controlling quality products which is an impact incur from chemical residue, the company has paid much strictness on using chemical in which the company has arranged detector for detecting chemical residue which presently the company available 6 detectors to capable to detect the chemical residue more than 250 kinds whereas the company uses the chemical about 20 kinds.

2. BUSINESS CHARACTER

1) HISTORY

The Company has manufactured and exported Frozen Fruits and Vegetables since 1990 under joint-venture between Thai, Taiwan and Japan having appointed Board of Company comprised 5 directors from Thai group (exclude independent directors) led by Mr. Prayoon Pholpipattanaphong and group of 2 Foreigners. The Company has permitted from the Securities and Stock Exchange of Thailand to be a registered company on January 19, 1993 and started buying-selling shares in the Securities and Stock Exchange on January 25, 1993. Furthermore, the company has obtained investment promotion from the investment promotion committee since 1988 till present.

2) To carry on business of the company, subsidiary company and income ratio

The Company is a Manufacturer and Exporter of Frozen Fruits and Vegetables which to be brought the agricultural products as raw materials to pass the processing methods then brings to keep at storing room with temperature -25 degrees Celsius.

The products of the company are categorized as follows:

Frozen Vegetables such as Green Beans, Soy Beans, Carrots, Baby Corns, Sweet Corns etc

Frozen Fruits such as Mangoes, Pineapples etc

Pouch Sweet Corns.



CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED

Structure of Revenue

In Thousand Baht

Products	2010	%	2009	%	2008	%
Frozen Vegetables	1,346,700	99.8	1,292,202	99.9	1,227,346	99.0
Frozen Fruits	209	-	493	-	12,525	1.0
Sweet Corn	2,163	0.2	1,372	0.1	-	-
Total	1,349,072	100.0	1,294,067	100.0	1,239,871	100.0

Product markets	2010	%	2009	%	2008	%
Overseas	1,109,487	82.2	1,057,959	81.8	1,013,074	81.7
Domestic	239,585	17.8	236,108	18.2	226,797	18.3
Total	1,349,072	100.0	1,294,067	100.0	1,239,871	100.0

Remark: Domestic sale, partly from indirect export which is exported by Agrifood Processing Co., Ltd.
(Subsidiary)

Nature of Customers	Percentage		
	Oversea Market	Domestic Market	Total
Total sale value	82.2	17.8	100.00
Sale of frozen vegetables	82.2	17.8	100.00
Sale of frozen fruits	-	100.0	100.00



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Operation cycle	Percentage		
	2010	2009	2008
1 st Quarter	23.00	23.00	19.00
2 nd Quarter	31.00	32.00	31.00
3 rd Quarter	25.00	27.00	27.00
4 th Quarter	21.00	18.00	23.00
Total	100.00	100.00	100.00

Subsidiary company

Agrifood Processing Co., Ltd., distributes Frozen Sweet Corns and Pound Sweet Corns.

Structure of Income

(Unit: Thousand baht)

Particular	2010	%	2009	%	2008	%
Revenue from sales	248,377	98.2	248,206	98.9	248,489	99.8
Others income	4,475	1.8	2,871	1.1	533	0.2
Total	252,852	100.0	251,077	100.0	249,022	100.0

3) Business target

The Company has a target of expanding business but under studying.

3. To carry on business of each products

1) Character of products or service

Products of the company are Frozen Fruits and Vegetables which pass a quality standard production process and have obtained various standard certification such as ISO 9002, HACCP, GMP.

Right and limitation in carrying business

Number of promotion certificates;

1st Certificate No. 1727/Sor Or./1988

2nd Certificate No. 1063/Sor Or./1993

3rd Certificate No. 1397/1994

4th Certificate No. 1465/1999

5th Certificate No. 1545(3)/2004



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Particular	1st Certificate	2nd Certificate	3rd Certificate	4th Certificate	5th Certificate
Plant number	1	1	2	2	2
Promotion certificate date	12/12/1988	28/04/1993	7/07/1994	28/10/1999	6/07/2004
Business capacity (tons / year)	10,000	5,000	12,000	15,000	5,850
Validity of promotion certificate (years)	7	6	8	8	8
Effective dates of promotion certificate	1/02/1990	1/11/1994	3/03/1996	1/11/2001	N/A
Expiry dates of promotion certificate	1/02/1997	1/11/2000	3/03/2004	1/11/2009	N/A
Granted investment promotion in the:- -Manufacture of Vegetables & Fruits -Cold storage service	yes	yes	yes	yes	yes
Type of business:- 1.3 Food manufacture or preservation 1.8 Food manufacture 1.17 Cold storage business	1.3	1.8	1.8	1.8	1.17
Exemption from company income tax	yes	yes	yes	yes	yes
Deduction of two times of transportation and electricity fee for 10 years as from income earning commencement	yes	yes	yes	yes	yes
After the expiry of promotion certificate, deduction of 50% per year company income tax for 5 years	yes	yes	yes	yes	yes

As an investment promoted company, the company is required to comply with the conditions and regulations as stipulated in the Investment Promotion Certification.



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(2) Marketing and competition condition

Marketing strategy

The industrial of manufacturing frozen fruits and vegetables use the modern technology. The products are able to retain for its color, nutrition value with taste like fresh one, no preservative added and also can keep for long, comfortable and easy when to eat. This is a new line of industrial products which add a new way for the consumers who are able to buy and eat all year.

Important of competitive tactics

1. Quality of products with standard, fresh, delicious
2. Regular delivery at time of need
3. Reasonable or lower price than competitor but better in quality
4. To provide discount when quantity order is high
5. To pay visit and take care customers closely

Advantages

1. The company has very strong market status.
2. High rank executives of the company are entirely experienced with knowledge of trading in agricultural products for a decade
3. Main products of the company is the produces from agriculture of good quality, fresh and safety
4. The growing areas are of plentiful and able to grow throughout the year and few affect from nature like wind storm, heavy rain and flood when compare with the competitor country like China and Taiwan.

Disadvantages

1. The delivery distant both inland and sea are farther when compare to the competitor in foreign country which make the delivery cost higher.
2. Uncertainty of money value
3. Size of growing areas is small, supervision of growing areas and control of chemical usage are done harder



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Target customers

Target customers of the company are the Department Store, Hotel, Japanese Restaurant which will emphasize on middle class group and business group who need the goods in form of half-cooked, clean, healthy and easy consume.

Pricing policy

It is the policy of the company to sell products at reasonable price, when compares the price of foreign competitors, price of the company's product is neighboring or a bit higher but better in quality.

Distribution and distribution channels

Almost all the company's products exported to the overseas are through the distribution channels of:-

Domestic There are two channels:

1. Direct distribution to the factory approx.0.1% of the total sale
2. The distribution is done through the representative, that is P.P. Food Supply Co., Ltd., having distributed proportion 0.8% of the total sale and Agrifood Processing Co., Ltd., having distributed proportion 16.9% of the total sale.

Overseas There are two channels:

1. Distribute directly to the customers which mainly are Department Stores and various supermarkets in foreign with distribution rate approximate 65.5% to Japan of the total sale and approximate 6.2% to U.S.A., Sweden, Denmark, Taiwan and China.
2. Distribute through the representative such as Itochu Corporation and Ing Shiang Co., Ltd., which are the main shareholders of the company by having sale proportion approximate 10.5% of the total sale in which the company will pay the commission to the representative at the rate of 1.5-3.0% of sale value (F.O.B.).

Representatives

Since most of the company's products are exported, so the company will consider to appoint suitable representative, to avoid matching customers of each other and the principal conditions for each purchases order from overseas is that the customer has to open a letter of credit in the company's name or make a payment by telegraphic transfer payable directly to the company make the operation result as passed, the company has a very low bad debt incurred from selling its products.



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Nature of customers

Most customers of the company are Department Stores and Supermarkets in foreign. The Company is confident that, based on the good relationship maintained among the partners, the company will not lose any of its customers. On the contrary, the company has been prosperous and has had continuous good performances since the commencement of its business in 1990. Nevertheless, chance to lose an important customers of the company is still existing. Then the company has tried to penetrate more markets. At present, the company is able to export more products to other markets apart from Japan market that are U.S.A., Sweden, Denmark, Taiwan and China.

(3) Arrangement and services

Products of the company are the produce bought from the farmers in project, covering areas of 14 provinces of Northern region- Chiang Mai, Chiang Rai, Phare, Nan, Phayao, Lamphun, Mae Hong Son, Lampang, Phichit, Phetchabun, Kamphaeng Phet, Phitsanulok, Sukhothai and Tak in which the company will arrange seeds, fertilizers and insecticide to the farmers for substitution and the company shall buy their produces under guarantee price. During growing period, there will be the specialist which is our agricultural promotion officer to provide knowledge and advice to the farmers for nursing, fertilizing and taking care for using chemical in order to obtain quality of produces, safe for consumer and highest yield per rai. When the produces could harvest, the company would buy at guarantee price and deduct the cost of seeds, fertilizer and insecticide from the produces price.

Production capacity, production volume and production value

Particular	Unit	2010	2009	2008
Full production capacity	Metric tons	42,000	42,000	42,000
Actual production volume	Metric tons	22,276	27,242	24,310
Actual rate of usage capacity	%	53.04	64.86	57.88
Increase (decrease) rate of production volume	%	(18.23)	12.06	0.63
Increase (decrease) rate of production value	%	(16.21)	7.88	8.60

Remark: There are three production shifts. Actual production, which depends on the volume of raw materials supplied to the factory, ranges from one to three shifts.



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Buying portion of Raw Material :

Domestic: Approx. 200 distributor sold raw material at 96.9%

Foreign : The Company imports raw material at 3.1%

Affects on environment

Wasted water that passed the process of the company may affect on environment. So the company takes to pass the system of reforming wasted water in order to meet the requirement of department of industrial works before to let to the system of drain water. For the remainder of raw material from the process, the company will sell in the form of advantage to use as animal feed make no wasted things to effect the environment.

(4) Undelivered goods

Since the company produces the goods for selling all year and delivery according to order regularly, so no undelivered goods remain.

4. Research and development

The company has made research and development in the field of ready to eat food and trial a new variety seeds.

	Unit	2010	2009	2008
Expenses for research and development	Baht	9,410,222	6,413,332	5,869,058

5. Assets for business operation

Type of assets	Type of possession	Value (Million baht)	Burden
Land of office building, No.149/32-34 Soi Anglo Plaza, Surawongse Road, Bangrak, Bangkok 54.4 Square wahs	Owner	25.6	No encumbered with a charge
Land 1 st Plant No.92 Moo 3 Chiangmai-Phrao Road, Nongjom, Sansai, Chiangmai 15 rais 36.6 Square wahs	Owner	3.1	The Siam Commercial Bank Amount 48.29 Million baht
Land 2 nd Plant No. 299 Moo 14 Chiangmai-Phrao Road,	Owner	34.7	The Siam Commercial



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Maefagmai, Sansai,Chiangmai 27 rais 3 ngan 98.9 Square wahs			Bank Amount 31.29 Million baht
Land 2 nd Plant No. 299 Moo 14 Chiangmai-Phrao Road, Maefagmai, Sansai,Chiangmai 15 rais 1 ngan 53.6 Square wahs	Owner	7.2	No encumbered with a charge
Land 2 nd Plant No. 299 Moo 14 Chiangmai-Phrao Road, Maefagmai, Sansai,Chiangmai 16 rais 108.2 Square wahs	Owner	9.6	No encumbered with a charge
Land 2 nd Plant No. 299 Moo 14 Chiangmai-Phrao Road, Maefagmai, Sansai,Chiangmai 6 rais 54.3 Square wahs	Owner	3.2	No encumbered with a charge
Land –New Cold storage No. 299/1 Moo 14 Chiangmai-Phrao Road, Maefagmai,Sansai,Chiangmai 8 rais 3 ngan 97 square wahs	Owner	5.4	No encumbered with a charge
Land at Amphur Bangragum,Phitsunulok Province 154 rais 30 square wahs	Owner	15.4	No encumbered with a charge
Office Building, 4 Floors, 3 Units No. 149/32-34 Soi Anglo Plaza, Surawongse Road, Bangrak,Bangkok	Owner	5.2	No encumbered with a charge
1 st Plant Building No. 92 Moo 3 Chiangmai-Phrao Road, Nongjom,Sansai, Chiangmai	Owner	35.9	The Siam Commercial Bank amount 35.41 Million Baht
2 nd Plant Building No. 299 Moo 14 Chiangmai-Phrao Road, Maefagmai,Sansai,Chiangmai	Owner	68.2	The Siam Commercial Bank amount 59.11 Million Baht
New cold storage No. 299/1 Moo 14 Chiangmai-Phrao Road, Maefagmai,Sansai,Chiangmai	Owner	73.5	No encumbered with a charge
Machine for manufacture frozen vegetables & fruits	Owner	110.7	No encumbered with a charge



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6. Future project

The Company has its own future project but under studying.

7. Legal disputes

None

8. Capital structure

(1) Security of company

The Company's registered capital is 381,146,251 baht, paid up of 381,145,725 baht, divided into 381,145,725 common shares and each with par value of 1 baht.

(2) Shareholders as at March 16, 2010

The first ten major shareholders	Amount of shares	Percentages
1. Norten Agricultural Co., Ltd.	66,755,700	17.51
2. Itochu Corporation	50,440,665	13.23
3. Itochu (Thailand) Ltd.	25,789,335	6.77
4. Nomura Securities Co., Ltd.	19,057,313	5.00
5. Mr. Lan Mu Chiou + spouse	18,030,830	4.73
6. Mr.Prapas Pholpipattanaphong + spouse	16,001,200	4.20
7. Thai and VDR Co., Ltd.	15,460,012	4.06
8. Mr. Suphat Pholpipattanaphong	14,815,839	3.89
9. Mr. Barutboosun Kwatra	10,00,000	2.62
10.Bank Julius Baer and Co., Ltd.	9,000,000	2.36
Total	245,350,894	64.37
Other Shareholders	135,794,831	35.63
Total	381,145,725	100.00
Thai Nationality Shareholders	220,231,063	57.78
Foreign Nationality Shareholders	160,914,662	42.22
Japanese	78,447,470	20.58
Taiwanese	51,480,878	13.51



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British	19,281,701	5.06
Swiss	9,198,150	2.41
American	1,989,482	0.52
English	260,600	0.07
German	229,090	0.06
Others	27,291	0.01

(3) Dividend payment policy

Normally, the company has a policy to pay dividend 60% of net profit except in case there is a plan to expand investment, then will consider to pay dividend as financial appropriate.

Record of Dividend and Stock Dividend payments

Year	Rate (Baht/share)	Amount of shares (in million)	Date of closing register book for the right of dividend	Dividend payment dates
2005	0.25	314,997,360	May 08,2006	May 25,2006
2006	0.35	314,997,360	May 02,2007	May 23,2007
2007	0.30	346,496,592	May 13,2008	May 30,2008
2008	0.40	346,496,592	May 13-14,2009	May 29,2009
2009	0.25	381,145,725	Aug.28,31,2009	Sep.11,2009
2009	0.25	381,145,725	May 13-14,2010	May 27,2010
2010	0.35	381,145,725	May 12-13,2011	May 27,2011



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Items	Unit	2010	2009	2008	2007	2006	2005
Net profit	,000baht	158,188	211,167	142,306	99,920	105,737	88,386
Amount of shares	,000shares	381,146	381,146	346,497	346,497	314,997	314,997
Par value	Baht/share	1.00	1.00	1.00	1.00	1.00	1.00
Profit per shares	Baht/share	0.42	0.55	0.37	0.30	0.34	0.32
Book value	Baht/share	3.33	3.17	3.14	3.46	3.61	4.18
Annual dividend	,000baht	133,401	190,573	103,949	103,949	78,749	78,749
Stock dividend	,000baht	-	-	34,650	-	31,500	-
Annual dividend	Baht/share	0.35	0.50	0.30	0.30	0.25	0.25
Stock dividend	Baht/share	-	-	0.10	-	0.10	-
Payout ratio	%	84.33	90.25	97.39	104.03	104.27	89.10

Remark: Weighted average number of common shares for the year 2005 = 277,025,712 shares, year 2006 = 314,997,360 shares and year 2007 = 334,242,096 shares.

Rights and equality of shareholders

Board of Company have fully realized an important of shareholders by intending the shareholders to be treated equally on the process of good corporate governance. The Company then opens a chance for the shareholders to participate by presenting the subject that think its important to put in the agenda of Ordinary Shareholder Meeting and presenting person name of knowledgeable, ability and appropriate qualified for receiving consideration of electing as company director and enable to send the question concerning agenda of meeting to the Board of Director in advanced before meeting day and the company is still aware of the right of shareholders in receiving the company information with correct, sufficient, in time and equal to make decision in Shareholder Meeting. Therefore, in every Shareholder Meeting, the company will send a letter of convening meeting with document information for meeting that contains full details and sufficient inclusive Board of Director comments in every agenda toward securities registrar of the company in order to reach in hand of the shareholders before meeting 14 days as fixed by law and the shareholders are still able to study an information for meeting in advanced through website of the company at least 30 days before Shareholder Meeting day to open a chance to the shareholders having time to study such information in details. Besides, the company has still given facilities to the shareholders in participating the Shareholders Meeting by fixing day, time and venue to reach



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convenient and having appropriate size for serving meeting attendant sufficiently and in case the shareholders are unable to attend the meeting by themselves then able to delegate other persons or Independent Director of either of their company to attend and cast a vote by proxy.

Shareholders' Meetings

Board of Director manage to have Shareholder Meeting as Annual Ordinary Meeting within 4 months from the date ended of accounting year of the company and have a policy to give facilities to every shareholder equally, open a chance for shareholders to inquire suspicion, propose an opinion and use the right to vote clearly and justice and manage minutes of a meeting completely and spread out minutes of a meeting toward the Securities and Stock Exchange of Thailand and report through website of the company within 14 days from date of Shareholder Meeting.

Basis and method of casting a vote in electing director are as follows:

1. One shareholder has a vote equal to one share/one vote.
2. Each shareholder must use all existing vote as 1 to elect one person or many persons as director but can not share the vote to anyone more or less.
3. A person which receives maximum vote respectively shall be elected as director equal to number of available director as it must be and must elect in that time. In case a person which is elected respectively by having equal vote exceed number of director that must have or must elect in that time, let the Chairman vote for arbitrating.

9. Management

(1) Structure of Management

Board of Company

Names	Position	Type of director
1. Mr. Prayoon Pholpipattanaphong	Chairman	Executive director
2. Mr. Prapas Pholpipattanaphong	Managing Director	Executive director
3. Mr. Suwat Phongphasura	Director	Executive director



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4. Mr. Prayuth Pholpipatanaphong	Director	Executive director
5. Mr. Ankoon Pholpipattanaphong	Director	Executive director
6. Mr. Lan Mu Chiou	Director	Non-executive director
7. Mr. Kenichi Tai	Director	Non-executive director
8. Mr. Santichai Suakanonth	Director	Independent director
9. Mr. Amnuay Yossuck	Director	Independent director
10 Mr. Ampon Ruayfupant	Director	Independent director
11. Dr. Phusit Wonglorsaichon	Director	Independent director
By Mr.Sakda Phimmuang as Secretary to the Board of Director		

Board of Audit Committee

Names	Position	Type of director
1. Mr. Santichai Suakanonth	Chairman	Independent director
2. Mr. Amnuay Yossuck	Director	Independent director
3. Mr. Ampon Ruayfupant	Director	Independent director
By Mr. Suphot Sutthiprapa as Secretary to the Board of Audit Committee		

Board of Executive Directors

Names	Position	Type of director
1. Mr. Prayoon Pholpipattanaphong	Chairman	Executive director
2. Mr. Prapas Pholpipattanaphong	Managing Director	Executive director
3. Mr. Suwat Phongphasura	Director	Executive director
4. Mr. Prayuth Pholpipatanaphong	Director	Executive director
5. Mr. Ankoon Pholpipattanaphong	Director	Executive director
By Mr. Ankoon Pholpipattanaphong as Secretary to the Board of Executive Director		



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Board of Nomination and Remuneration Committee

Names	Position	Type of director
1. Mr. Amnuay Yossuck	Chairman	Independent director
2. Mr. Santichai Suakanonth	Director	Independent director
3. Mr. Ampon Ruayfupant	Director	Independent director
4. Mr. Prapas Pholpipattanaphong	Director	Executive director
5. Mr. Wanchandr Sivaboonyawongs	Director	Legal Advisor
By Mr. Wanchandr Sivaboonyawongs as Secretary to the Board of Nomination & Remuneration Committee		

Board of Risk Management Committee

Names	Position	Type of director
1.Mr.Prapas Pholpipattanaphong	Chairman	Executive director
2.Mr.Suwat Phongphasra	Director	Executive director
3.Mr.Ankoon Pholpipattanaphong	Director	Executive director
4.Mr.Prayuth Pholpipattanaphong	Director	Executive director
5.Mr.Wanchandr Sivaboonyasongs	Director	Legal advisor
6.Mr.Sakda Phimmuang	Director	Accounting manager
By Mr.Sakda Phimmuang as Secretary to the Board of Risk Management Committee		



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Executives

Names	Position	Education
1.Mr.Kang Chan Lung	Senior Plant Manager	Bachelor of Food Science
2.Mr.Sakda Phimmuang	Accounting Manager	Bachelor of Accounting, MBA
3.Miss Piyalak Chuapoodee	Plant Manager	Bachelor of Food Science
4.Mr. Rangsit Ojaroen	Office Manager	Bachelor of Art in Economic
5.Miss Warissara Kangkanka	Office Manager	Diploma
6.Miss Chanita Tiparadee	Vice Accounting Manager	Bachelor of Accounting
7.Miss Thanarat Thepyothin	Vice Office Manager	M.S.-Art in Industrial Psychology
8.Mr. Piroj Charoensanti	Vice Plant Manager	Mechanical Engineer
9.Mr. Sairung Boontom	Assis.Office Manager	Agricultural Education Horticulture
10.Mr.Apidate Koonprayong	Assis.Plant Manager	Bachelor of Food Science
11.Mr. Boonmee Saman	Assis.Plant Manager	Bachelor of Plant Science (Agronomy)
12.Mr. Thanom Chaiwong	Assis.Quality Assurance & Development Manager	Master of Food Science
13.Mr. Chanwit Suwannarat	Assis.Quality Assurance & Development Manager	Bachelor of Food Science

Directors - Subsidiaries Company (Agrifood Processing Co., Ltd.)

1. Mr. Prayoon Pholpipattanaphong
2. Mr. Prapas Pholpipattanaphong
3. Mr. Prayuth Pholpipattanaphong
4. Mr. Ankoon Pholpipattanaphong
5. Mr. Suwat Phongphasura



CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED

Biography of the Directors

1. Mr. Prayoon Pholpipattanaphong

Type of director	Executive director
Age	77 years
Education	Accounting profession
Director training program	DAP-15
Experience	Chairman of Chiangmai Frozen Foods PCL.(1988-present)
Positions in other listed companies	None
Positions in non-listed companies	Director of Agrifood Processing Co., Ltd.(2003-present)
Positions in rival companies / related companies	None
Meeting attendance in 2010	Board of Director Meeting 4 / 4 times Executive Director Meeting 1 / 1 time
No. of years on the board	23 years
CM Shareholding on Mar. 16'2010	306,517 shares or 0.08%

2. Mr. Prapas Pholpipattanaphong

Type of director	Executive director
Age	62 years
Education	High school certificate
Director training program	DAP-8
Experience	Managing Director of Chiangmai Frozen Foods PCL.(1988-present)
Positions in other listed companies	None
Positions in non-listed companies	Director of Agrifood Processing Co., Ltd.(2003-present)
Positions in rival companies / related companies	None
Meeting attendance in 2010	Board of Director Meeting 4 / 4 times Executive Director Meeting 1 / 1 time



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	Nomination & Remuneration Committee Meeting 2 / 2 times Risk Management Committee Meeting 1 / 1 time
No. of years on the board	23 years
CM Shareholding + spouse on Mar. 16'2010	16,001,200 shares or 4.20%

3. Mr. Suwat Phongphasura

Type of director	Executive director
Age	69 years
Education	High school certificate
Director training program	DAP-12
Experience	Executive director of Chiangmai Frozen Foods PCL.(1988-present)
Positions in listed companies	None
Positions in non-listed companies	Director of Agrifood Processing Co., Ltd.(2004-present)
Positions in rival companies / related companies	None
Meeting attendance in 2010	Board of Director Meeting 4 / 4 times Executive Director Meeting 1 / 1 time Risk Management Committee Meeting 1 / 1 time
No. of years on the board	23 years
CM Shareholding on Mar. 16'2010	2,450,250 shares or 0.64%

4. Mr. Prayuth Pholpipatanaphong

Type of director	Executive director
Age	63 years
Education	Bachelor of Science, Chulalongkorn University
Director training program	None
Experience	Business Development Manager – Chiangmai Frozen Foods PCL.(2003-present)



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	Director- Esso Thailand(2000-2001) Laboratory Chemist – Good Year Thailand (1973-1975)
Positions in listed companies	None
Positions in non-listed companies	Executive Director- Agrifood Processing Co., Ltd. (2003-present)
Positions in rival companies / related companies	None
Meeting attendance in 2010	Board of Director Meeting 3 / 4 times Executive Director Meeting 1 / 1 time Risk Management Committee Meeting 1 / 1 time
No. of years on the board	1 year
CM Shareholding on Mar. 16'2010	1,052 shares or -%

5. Mr. Ankoon Pholpipattanaphong

Type of director	Executive director
Age	41 years
Education	Bachelor of Communication Art, MBA-USA.
Director training program	DAP-12, UFS-10
Experience	Director & Marketing Manager of Chiangmai Frozen Foods PCL.(2000-present) Assis.Managing Director of Chiangmai Frozen Foods PCL.(2007-present) Company's Secretary of Chiangmai Frozen Foods PCL.(2008-present)
Positions in listed companies	None
Positions in non-listed companies	Director of Agrifood Processing Co., Ltd.(2003-present)
Positions in rival companies / related companies	None
Meeting attendance in 2010	Board of Director Meeting 4 / 4 times



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	Executive Director Meeting 1 / 1 time Risk Management Committee Meeting 1 / 1 time
No. of years on the board	11 years
CM Shareholding + spouse + minor child on Mar. 16'2010	4,247,100 shares or 1.11%

6. Mr. Lan Mu Chiou

Type of director	Non-executive director
Age	63 years
Education	High school certificate
Director training program	None
Experience	Director of Chiangmai Frozen Foods PCL.(1988-present)
Positions in listed companies	None
Positions in non-listed companies	None
Positions in rival companies / related companies	None
Meeting attendance in 2010	Board of Director Meeting 3 / 4 times
No. of years on the board	23 years
CM Shareholding + spouse on Mar. 16'2010	18,030,830 shares or 4.73%

7. Mr. Kenichi Tai

Type of director	Non-executive director
Age	45 years
Education	Bachelor – Economy Department, Keio University
Director training program	None
Experience	Executive – Itochu Corporation (1989-2010) Executive – Itochu (Thailand) Ltd. (2010-present)
Positions in listed companies	None
Positions in non-listed companies	None



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Positions in rival companies / related companies	None
Meeting attendance in 2010	Board of Director Meeting 3 / 4 times
No. of years on the board	1 year
CM Shareholding + spouse on Mar. 16'2010	None

8. Mr. Santichai Suakanonth

Type of director	Independent director
Age	77 years
Education	Bachelor of Accounting, Thammasat University Certified Public Accountant Registration No.422
Director training program	DAP-15, ACP13/2549
Experience	Manager of Krungsriyudhya Bank, Perchit Office (1993-1995)
Positions in listed companies	None
Positions in non-listed companies	None
Positions in rival companies / related companies	None
Meeting attendance in 2010	Board of Director Meeting 4 / 4 times Audit Committee Meeting 4 / 4 times Nomination & Remuneration Committee Meeting 2 / 2 time
No. of years on the board	19 years
CM Shareholding on Mar. 16'2010	45,738 shares or 0.01%

9. Mr. Amnuay Yossuck

Type of director	Independent director
Age	74 years
Education	Bachelor of Economics, Thammasat University MBA Arisona, U.S.A.



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	Honorary Doctorate Degree
Director training program	DAP-15
Experience	Deputy Minister, Ministry of Public Health(1981-1983) Deputy Minister, Ministry of Finance (1983-1985) Deputy Minister, Ministry of Commerce (1985-1986) Prime Minister Adviser (1988-1990) Deputy Minister, Ministry of Foreign Affairs (1985-1986)
Positions in listed companies	None
Positions in non-listed companies	Chairman of Board of Director of Piriyaopol International (1986-present) President of Mae Joe University Council (1999-present)
Positions in rival companies / related companies	None
Meeting attendance in 2010	Board of Director Meeting 4 / 4 times Audit Committee Meeting 4 / 4 times Nomination & Remuneration Committee Meeting 2 / 2 times
No. of years on the board	18 years
CM Shareholding on Mar. 16'2010	667,920 shares or 0.18%

10. Mr. Ampon Ruayfupant

Type of director	Independent director
Age	42 years
Education	Master of Business-Finance, Cornell University
Director training program	None
Experience	Risk Management Manager of GE Capital(1994-1996)
Positions in listed companies	None
Positions in non-listed companies	Executive director of Pilot Knit Sport Wear Co., Ltd.(2000-present)
Positions in rival companies / related	None



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companies	
Meeting attendance in 2010	Board of Director Meeting 4 / 4 times Audit Committee Meeting 4 / 4 times Nomination & Remuneration Committee Meeting 2 / 2 times
No. of years on the board	5 years
CM Shareholding on Mar. 16'2010	71,874 shares or 0.02%

11. Mr. Phusit Wonglorsaichon

Type of director	Independent director
Age	40 years
Education	D.B.A. Business Administration Nova Southeastern University, U.S.A. M.B.A., Business Administration (Honor) University of Indianapolis, U.S.A. B.S., Material Science, Ceramics Chulalongkorn University
Director training program	None
Experience	University of the Thai Chamber of Commerce Lecturer (2008-present) Director of CEO MBA (Chinese Business) Program (2008-present) Director of D.B.A. (Management) (2008-present) Director of Family Business & SMEs Study Center (2007)
Positions in listed companies	None
Positions in non-listed companies	None
Positions in rival companies / related companies	None
Meeting attendance in 2010	Board of Director Meeting 3 / 4 times



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No. of years on the board	1 year
CM Shareholding on Mar. 16'2010	None

Limit of duty authority of Board of Company

1. Board of Director have an authority according to the regulation of the company which include supervision and management the company in accordance with law, objective, regulation and resolution at the shareholder meeting.
2. To formulate visibility, direction and tactics of the company.
3. To give approval for important tactics and policy including objective, financial target and company plan also follow up, supervise to have practice as planned.
4. To manage having account system, financial report and auditing inclusive supervise for having an internal control system and internal audit to be efficiently and effective.
5. To investigate supervising and manage to amend problem of conflicts on benefits that may arise inclusive related subject.
6. To formulate set management line of risk and supervise executive for having system or efficiently process in risk management.
7. To supervise in having system or mechanism of paying suitable remuneration to the high rank of executive to create inducement power both in short-run and long-run.
8. To supervise for having appropriately way of communicate with each group of shareholder and who has common interest of the company appropriately.
9. Allow to have disclosure of correct data, clear, reliably and high standard.
10. To be a leader and good example in practice.

Balance of power for Non-executive Directors

To appoint director of the company is according to the agreement of shareholders group that cooperated in establishing the company that formulate the director of the company comes from representative of main shareholders group as per share portion in which Board of Company Director consist of 11 Directors as follows:

- 5 Executive Directors
- 2 Non-executive Directors
- 4 Independent Directors



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The Chairman of the company though is having blood relations with Managing Director but each of them has a view in freely operation. Also Board of Company structure consist of directors represented from two main shareholders group which would incur balance of power and 4 Independent Directors can freely verify and upright. Therefore it convinces that the Chairman and Managing Director have served their duty extremely in the capacity as representative of shareholders and having appropriate balance of power.

Aggregation or segregation of positions

The Chairman and Managing Director are not the same person so as to make the role separated clearly.

Board of Directors' Meeting

1. The Company formulate advance table of the Board of Director Meeting yearly by formulating to have a regular meeting at least one time/quarter and each director acknowledges of it.
2. The Chairman and Managing Director joint in consideration for agenda meeting.
3. To manage in sending invitation letter for meeting, agenda of a meeting and document for meeting to the directors in advanced at least 7 days before meeting enable to have time for considering information sufficiently.
4. To formulate in having the directors attend the meeting with quorum when having considered to resolve in important matters such as list of obtained or distributed assets of the company and subsidiary company that affect to the company, expansion of investment project, formulate work level of executive power, formulate financial executing policy and risk management above all.
5. In the meeting, if any director who has common interest in the considering agenda, must depart from the meeting before begin considering in that agenda.
6. Every director has a right to present the subject to the agenda of a meeting, examine document for meeting and other important documents. If any doubt, other directors and management must operate for answering that doubt.
7. Company Secretary or one who has assigned must manage minutes of the Board of Director Meeting completely within time formulated by the law.

Board of Sub-Committees

The Board of Company have appointed Board of Sub-committee to help in supervising the activity of the company as follows:



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Board of Executive Directors

Established on January 4, 2000 consist of 3 Executive Directors, appointed more 1 person on March 22, 2005 and more 1 person on August 13, 2010 total 5 persons by formulating authority as follows:

1. To formulate an executive policy and operation direction to coordinate with policy and company objectives with intends to create security and maximum advantage to the company.
2. To governance the management to proceed as policy that formulate with efficiently and effectively.
3. To have authority to consent in buying assets investment, other expenditures and or borrow money in amount not exceed 30 million baht per time. In case amount exceed 30 million baht, let ask approval from the Board of Company meeting first, except in necessity urgent case, let give consent prior payment and inform Board of Director later.
4. To act others as assigned by Board of Company.

“Mr. Prayoon Pholpipattanaphong, Chairman or Mr. Prapas Pholpipattanaphong, Managing Director or Mr. Suwat Phongphasura gives signature and stamp of the company”

Board of Audit Committee

Established on August 28, 1998 with holding term an office each time 3 years, consist of 3 directors which are all Independent Directors and one Independent Director is knowledgeable in accounting and financial which names are as follows:

1. Mr. Santichai Suakanonth Chairman
2. Mr. Amnuay Yossuck Audit Committee
3. Mr. Ampon Ruayfupant Audit Committee

By Mr. Suphot Sutthiprapa as Secretary to the Board of Audit Committee

Audit Committee hold regular meeting. In the year 2010, they held total 4 times meeting and reported to the Board of Company. Audit Committees have a duty to consider and proceed as follows:

1. To verify report of company financial before propose to the Board of Director.
2. To provide advice concerning appointing and fixing remuneration of company auditor to join together with auditor concerning objectives, limit, guide line and inspection plan including problem find during inspection and the point that auditor thinks it has important essence.



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3. To join together with company interior audit concerning objectives and inspection planning, an assessment effective of internal control system of the company and adequacy of resources that use in internal inspection include report of inspection result and problem find during inspection.
4. To provide consultation and consider reviewing inspection result and proposal both independent auditor and internal audit section include follow up the operation of management to such proposal in order to propose to the Board of Company for acknowledgement.
5. To supervise in having acted according to the law and provision of the section that governance the company.
6. To supervise in having executed important risk of the company.

Board of Nomination & Remuneration Committee

Established on August 13, 2009 with holding term each time 3 years. There are 5 Directors, consist of 3 Independent Directors, 1 Executive Director and 1 Legal Advisor in which Independent Director performs duty as Chairman, having an authority to select appropriate qualified person to be director as provision of the company and qualified as the provision of Securities and Stock Exchange of Thailand and Securities and Exchange Commission to present toward Board of Company to consider for approval and present to the Shareholder Meeting for appointing and have an authority to consider the style and basis of paying remuneration of directors to recommend an opinion toward Board of Company and Board of Company will present in the Shareholder Meeting for approval.

Board of Risk Management Committee

The company manage to have Board of Risk Management Committee having 6 Directors, consisted of 4 Executive Directors, 1 Executives and 1 Legal Adviser to consider formulating the policy and system of risk management, follow up result in risk management from the process of pointing out, analyze, manage assess, follow up and report in system inclusive to provide supporting by managing to have advisory of risk management process to various internal sections through follow up to have continuously and regularly practice to the whole company.



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Meeting attendance of each director concludes as follows:

Name list	Period of rank hold	Attending meeting / total meeting (times)		
		Normal meeting	Special meeting	Total
1.Mr. Prayoon Pholpipattanaphong	3 years	4 / 4	-	4 / 4
2.Mr. Prapas Pholpipattanaphong	3 years	4 / 4	-	4 / 4
3.Mr. Suwat Phongphasura	3 years	4 / 4	-	4 / 4
4.Mr. Prayuth Pholpipattanaphong	3 years	3 / 4	-	3 / 4
5.Mr. Ankoon Pholpipattanaphong	3 years	4 / 4	-	4 / 4
6.Mr. Lan Mu Chiou	3 years	3 / 4	-	3 / 4
6.Mr. Shigeto Tamaoki	3 years	1 / 4	-	1 / 4
7.Mr. Kenichi Tai	3 years	1 / 4	-	1 / 4
8.Mr. Santichai Suakanonth	3 years	4 / 4	-	4 / 4
9.Mr. Amnuay Yossuck	3 years	4 / 4	-	4 / 4
10.Mr. Ampon Ruayfupant	3 years	4 / 4	-	4 / 4
11.Dr. Phusit Wonglorsaichon	3 years	3 / 4	-	3 / 4

Remark:

- 1.Mr. Shigeto Tamaoki resigned from Director on May 4, 2010.
- 2.Mr. Prayuth Pholpipattanaphong was a company director on April 30, 2010.
- 3.Dr. Phusit Wonglorsaichon was a company director on April 30, 2010.
- 4.Mr. Kenichi Tai was a company director on August 13, 2010.

Meeting attendance of each sub-committee concludes as follows:

Name list	Board of Executive Directors	Board of Audit Committee	Board of Nomination & Remuneration Committee	Board of Risk Management Committee
1.Mr. Prayoon Pholpipattanaphong	1 / 1			



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2.Mr. Prapas Pholpipattanaphong	1 / 1		2 / 2	1 / 1
3.Mr. Suwat Phongphasura	1 / 1			1 / 1
4.Mr. Prayuth Pholpipattanaphong	1 / 1			1 / 1
5.Mr. Ankoon Pholpipattanaphong	1 / 1			1 / 1
6.Mr. Santichai Suakanonth		4 / 4	2 / 2	
7.Mr. Amnuay Yossuck		4 / 4	2 / 2	
8.Mr. Ampon Ruayfupant		4 / 4	2 / 2	
9.Mr. Wanchandr Sibaboonyawongse			2 / 2	1 / 1
10.Mr. Sakda Phimmuang				1 / 1

Board of Company's Report

Board of Company are responsible for total Financial Statements of the Company and Subsidiary Company and Financial Statements news that appears in Annual Report. Such Financial Statements have managed as per general certified standard account in Thailand by choosing to use an appropriate account policy and keep practiced regularly. The Company has used discretion carefully and best estimate in making Financial Statements including disclose important information sufficiently in note to Financial Statements.

Board of Company have managed to maintain Internal Control System with effective to incur conviction reasonably that information in accounting is correct, having usage of company assets with efficiently and able to know the weak point to prevent from dishonest or abnormal proceeding.

In this circumstances, Board of Company have appointed Board of Audit Committee which consist of Independent Directors whose responsible concerning quality of Financial Statements subject and to review an adequacy of internal inspection system. Report of the Board of Audit Committee have already shown in Annual Report.

(2) Selection of Directors and Executives

Board of Nomination and Remuneration Committee perform duty in selecting appropriate qualified person to be director as provision of the company to present toward Board of Company to consider giving approval and present to the Shareholder Meeting to resolve in electing.

Ratio of the directors representing the shareholder of each group 5 Thais : 2 Foreigners (except Independent Directors) due to group of Pholpipattanaphong family, Taiwan group and Japan group held the shares



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total exceed 60%, so nomination of company directors can not be done if without receive consent from such shareholder group.

In the Shareholder Meeting must have shareholders and proxy from shareholders (if any) to attend meeting not less than 25 persons and must hold the shares total not less than one third of 381,145,725 shares to be as quorum.

Each shareholder has to use all their vote to elect one person or many persons as director but can not share the vote to either of them more or less.

To nominate director must receive approval from the Shareholder Meeting. The person who gets highest vote respectively will be elected as director according to the number of available directors or election that time. In case of the elected respective person who has equal vote exceed quota, final vote will be made by Chairman for arbitration.

The Company formulates to have the descent plan of high rank executives to maintain conviction with the investors and officers that the operation of the company would receive continuation in proper time.

(3) Self-assessment of Board of Company

Board of Company have performed its duty completely and have realized fully to the effective improvement on more and more performance by having self-assessment of Board of Company which is an assessment yearly and for an annual assessment of 2010 which concludes that performance effective of Board of Company are in good to very good basis.

(4) Remuneration for Directors and Executives

The Company has fixed clearly and transparently the remuneration for Directors and Executives in the appropriate basis to uphold as Directors and Executives with required qualification. The Directors that assigned as Audit Committee will receive additional remuneration according to the volume of work.

Remuneration amount: In the year 2010, the company has paid various remuneration to the Directors and Executives as following details:

Remuneration in value

Directors

(Unit : Baht)

Names	Position	2010	2009
1.Mr. Prayoon Pholpipattanaphong	Chairman	400,000	400,000
2.Mr. Prapas Pholpipattanaphong	Managing Director	400,000	400,000



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3.Mr. Suwat Phongphasura	Executive Director	400,000	400,000
4.Mr. Prayuth Pholpipatanaphong	Executive Director	269,590	-
5.Mr. Ankoon Pholpipattanaphong	Executive Director	400,000	400,000
6.Mr. Lan Mu Chiou	Director	400,000	400,000
7.Mr. Lu Tsung Jen	Director	-	153,425
8.Mr. Shigeto Tamaoki	Director	143,562	400,000
9.Mr. Kenichi Tai	Director	154,520	-
10.Mr. Santichai Suakanonth	Independent Director	400,000	400,000
11.Mr. Amnuay Yossuck	Independent Director	400,000	400,000
12.Mr. Ampon Ruayfupant	Independent Director	400,000	400,000
13.Dr. Phusit Wonglorsaichon	Independent Director	269,590	-
Total		4,037,262	3,753,425

- Remark**
1. Mr.Lu, Tsung-Jen, passed away on June 9, 2009.
 2. Mr. Shigeto Tamaoki resigned from Director on May 4, 2010.
 3. Mr. Prayuth Pholpipatanaphong was a company director on April 30, 2010
 4. Dr. Phusit Wonglorsaichon was a company director on April 30, 2010.
 5. Mr. Kenichi Tai was a company director on August 13, 2010.

Audit Committee

(Unit : Baht)

Names	Position	2010	2009
1.Mr. Santichai Suakanonth	Chairman	480,000	480,000
2.Mr. Amnuay Yossuck	Director	240,000	240,000
3.Mr. Ampon Ruayfupant	Director	240,000	240,000
Total		960,000	960,000

Executive Directors and Executives

Particular	Year 2010		Year 2009	
	No. of person	Total amount (baht)	No. of person	Total amount (baht)
Salary	7	20,963,380	7	21,700,800
Bonus, remuneration	7	8,911,976	7	10,404,951



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Retirement age	1	3,349,800	-	-
Cost of living	7	32,800	7	33,600
House rental	1	45,000	1	54,000
Social security fund	7	61,500	7	50,400
Provident fund	7	628,901	7	651,024
Sub total	7	33,993,357	7	32,894,775
Grand total		38,990,619		37,608,200

Other remuneration not in value

- Director: none
- Executive Directors and Executives: Provident fund 3% of payroll, office car.

Audit fees

- The Company and Subsidiaries paid audit fees for 2010 amount 630,000 baht.
- Other service: none

(5) Policy on Corporate Governance

Board of Company have realized the important of Good Corporate Governance for clearness, to add limit of ability in work racing and add confident to the Shareholders, investors and every concerned, then have formulated the operation policy for cooperating governance by covering the following keystones:

1. The Company will serve the shareholders and people who have common interest in equal manner with justice for everyone.
2. Board of Company are intended to build up lasting growth of the company in long-run, to execute the company activity with careful and caution under regulation frame of law and business morality. All this Board of Company will perform duty with full capability in order to produce maximum advantage toward the shareholders, and other peoples who have common interest, also take care of not having conflict on interest arises and responsible toward decision and self-performance.
3. The Company will operate with clearness, able to check and disclose sufficiently information to every party concern.
4. The Company will conduct the business with always thinking of risk and will execute risk appropriately.



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5. The Company has formulated an important policy that will be the operation direction of the company in advance every year. Board of Company will pay an important toward internal control and inspection system by governance executive section to proceed as efficiency policy.
6. The Company has managed business morality to let directors, executives and every officers practice.

Leadership and Vision

Board of Company have participated in formulating visibility, mission, tactics, objective and business plan of the company, also governance the management to operate as per formulated business plan efficiently and effectively as to add maximum value in economic to the business and maximum security to the Shareholders.

Conflict on interest

Board of Company have executed carefully and cautiously to prevent conflict on interest when incur any matter that may cause conflict on interest. Board of Audit Committee will learn about the subject that get conflict on interest and related subject and have considered the suitability thoroughly every time by formulating to have practice according to the basis of Securities and Stock Exchange in which prices and conditions as if doing subject with outsiders and disclose details, subject value, partnership, reason/necessity in the annual report and type 56-1 also have disclosed in notes to Financial Statements heading, general information and account with related person.

Various groups of stakeholders

Board of Company acknowledged and aware of the right of concerned people who have common interest and have a policy to support in incurring a cooperation between the company with peoples who have common interest in creating advantage among themselves and take care firmly that peoples who have common interest have received well protected and served by paying important toward the right of every group who have common interest such as officers, customers, co-traders, competitors, shareholders and whole society with formulate a practical line for directors, executives and officers clearly in business morality inclusive provide a way that peoples who have common interest will claim to the company in case not receive justice from the performance of the company whether by directors, executives or officers of the company.

Business Morality

Board of Company have permitted discipline of business morality to promote the directors, executives and every rank of officers to hold in practice regularly as usual which the directors, executives and every officers have signed for document concerning such discipline and confirmed in practice which regards as practical



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standard frame of the company, also all Board of Company have assigned one who responsible to follow up result of practice continuously and always revise such discipline appropriately.

Board of Company Director have an intently to build up the process of Good Corporate Governance that standardizes and allow scatter the practice to every rank of the officers of the whole company to create real culture of Good Corporate Governance, so wish the directors, executives and every officer to hold in practice according to the policy of Good Corporate Governance 1st revise edition which has received permission to modify from the Board of Company Meeting no. 1/2008 dated February 28, 2008 (policy of Good Corporate Governance obtained first permission from the Board of Company Meeting no. 1/2004 Dated March 25, 2004).

Company secretary

The Company manages to have company secretary to perform duty of supervising activity of the Board of Company inclusive to cooperate in the following various matters:

1. To give primary advice to the directors concerning provision, rule, discipline and various regulations of the company and follow up to act properly and regularly inclusive alteration report of important point to the directors.
2. To manage shareholder meeting and Board of Director Meeting in accordance with law, regulation of the company and various practices.
3. To record the proceedings of Shareholder Meeting and Board of Company Meeting inclusive follow up to act as resolution at the Shareholder Meeting and resolution at the Board of Company.
4. To supervise in having disclose information and report news in responsible part in accordance with discipline and provision of Securities and Stock Exchange of Thailand and Securities and Exchange Commission.
5. To contact and communicate with General Shareholders to learn about various right and information of the company.
6. To supervise activity of the Board of Company.

Society and Environments

The Company is fully aware of the responsibility toward society and environment by holding the principle of “use human to create work and use work to create human”.

In the year 2010, the company proceeded various projects for society and environments as follows:

1. Social support for internal company



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- 1.1 Sports relation for “stop narcotic drugs” activity.
- 1.2 Songkran celebration day activity.
- 1.3 Doing merit by giving food alms to bonzes in the morning activity
- 1.4 National Mother Day 12th August celebration activity.
- 1.5 Family relations for “stop narcotic drugs” activity.
- 1.6 Energy preservation week and working safety activity.
- 1.7 Friends held friends activity.
2. Community support for nearby company
 - 2.1 “National Children’s Day” celebration activity, Jaedee-maekrow Municipality, Tambol Maefagmai, Amphur Sansai.
 - 2.2 Offering the Buddhist Lenten Caudles activity, Wat Sanpasuk, Tambol Nongjom, Amphur Sansai and Wat Vivakwanaram, Tambol Nongharn, Amphur Sansai, Chiangmai Province.
3. General social support for external company
 - 3.1 Friendship united games among organizations activity at Municipality, Tambol Jaedee Maekrow.
 - 3.2 “National Children’s Day” celebration activity at Chiangmai Zoo.
 - 3.3 Blood donation activity with Thai Red Cross, Nakorn Chiangmai hospital.
 - 3.4 Presentation of Pha Pa Samukkee for memorial restoration activity of Wat Sanpasuk, Tambol Nongjom, Amphur Sansai.
 - 3.5 Aluminum rings donation activity for re-donating to the synthetic legs foundation.
 - 3.6 Used books donation for children / for away schools activity.
4. Natural and environment supports.
 - 4.1 Forest creation in “Environment World Day” activity at Wat Maefag, Tambol Maefagmai, Amphur Sansai.
 - 4.2 Milk / refreshment cartons donation activity for recycle procedures.



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Relations with investors

Board of Company realize that company information both concern and not concern with financial are entirely effected to the decision of investor and who have common interest of the company. Board of Company then have a policy to let the executives section disclosing complete information to correspond with truth, reliable, regular and in time which the company has paid an important and kept throughout practicing. With regard to work in investment relation, the company has not set up this section owing such activity is not much but has assigned **Company Secretary** to contact and communicate with institution investors, shareholders, analyst and state concerned which the investors can see the company information at Website : <http://www.cmfrozen.com> or contact at phone : (662) 238-4091 or at E-mail address : info@cmfrozen.com

(6) Usage control of inner information

The Company has a policy and method of governing the executives in taking the company information to use for personal interest as follows:

1. Provide knowledge to the directors including various section of executives concerning the duty that must report of self-holding securities, married couple and child of un-attain majority and lesson of penalty formulation according to Royal Act of Securities and Stock Exchange of 1992 and according to the provision of Securities and Stock Exchange of Thailand.
2. Formulate the executives to report changing of holding securities toward Securities and Exchange Commission as clause 59 of Royal Act of Securities and Stock Exchange of 1992 and manage to dispatch this copy report to the company in the same day of dispatching report toward Securities and Exchange Commission.
3. The executives are prohibited to use internal information that not yet disclosed for making buying-selling of company securities before that information would disclose to the public and are prohibited to disclose the information that are important essence to the outsider with is regarded as one of the rule concerning with the working of the company as well.



CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED

(7) Personnel

Particular	Male	Female	Total
Management/Administration Department	26	47	73
Manufacture/Technical Engineering Department	93	23	116
Daily employees	413	1,156	1,569
Total	532	1,226	1,758

- No change shall be made on number of employee or an dispute in labor during the passed three years.
- The remuneration of the employee amount 231,037,307.- million baht comprises salary, wages, remuneration, bonus, overtime, diligent cowries, hospital charge, cost of insurance group, cost of living, provident fund 3% of salary.
- The development on employee has made every year by inviting outside scholar to train and provide knowledge both in practical, safety on working and to cooperate in developing association. Besides, the company has sent them to receive training in various training institute regularly.

10. Controlling system and Internal Audit

The Company pays an important on internal control system with efficiently both in executing level and practical level, then has formulated duty, operation power of proceeding and executives in writing, having control usage of company assets to incur advantage and available development of good internal control system in regard to financial and accounting include effective report system.

The Company has an internal inspection section which are appointed by Board of Executive Director with an approval of Board of Audit Committee to perform inspection duty to ensure that the main practical and important financial activity of the company have proceeded as estimated way with efficiently inclusive inspection of performance as law and provision of the company as per work chains.

Risk Management

Board of Company are awared of the important risk management and see that such process is one of the most important component of good corporate governance. So it manages to have risk management process which is standard system and more efficiently by assigning the Board of Risk Management Committee to formulate the



CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED

policy, objectives, tactics in risk management and risk level that the company acceptable inclusive notify these matters to everyone in association to acknowledge for aware an important and is to make culture in risk management to incur in every rank of the company enabling to bring for continuously practice to overtake changed situation for being as practice on background of risk management inclusive take care of having formulate to follow up method of risk management result appropriately owing it is an important final step that effect toward success of risk management and formulate for reporting to the Board of Company.

11. Interrelated transactions

Conflict of interests

Board of Company have executed carefully and cautiously to prevent conflict on benefit when any matter that may cause conflict on benefit. Board of Audit Committee will learn about the subject that get conflict on benefit and related subject and have considered the suitability cautiously every time by formulating to have practiced according to the basis of Securities and Stock Exchange of Thailand in which prices and conditions are as if doing subject with outsider and have already disclosed details, subject value, partnership, reason/necessity in the annual report and type 56-1 also have disclosed in notes to Financial Statements heading : general information and account with related person.

The Company has a policy to fix the selling price of the products to the related company as trade agreement in the same manner with sages should do with general partners under same circumstances.

The necessity of listing among themselves, owing the company established from business cooperation between investor Thai, Taiwan and Japan to Manufacture and Export Frozen Fruits and Vegetables to Japan which the Japanese investor is running the business of buying and selling with branch all the world, the most important is to have a lot of market base in Japan. Therefore this is a good opportunity for the company to use as our export base. Meanwhile, the company has tried to look for further new customers. For domestic sale, the company has sold through P.P. Foods Supply Co., Ltd., which the executive has a good relationship with main shareholder of the company. With reason that Thailand is the land with plenty of fresh fruits and vegetables in season, able to buy throughout the year with cheap price which cause popularity of frozen fruits / vegetables in domestic and declined the important is that price is expensive, also very few customers in Thailand, so the company is necessary to distribute through such company to have more way of distributing and to release the



CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED

product that can not export. However, the company is in position to accept every new customer which intends to sell our product by fixing the sale price as per market same with everyone.

For the step of making list among themselves will be in accordance with the business mechanic in all respects both in fixing the price, provide discount and credit by the authorized officer who responsible directly with an approval of the executives. For the shareholders who have common interest, take no part in such approval. However, to fix the price, provide discount and credit shall be in accordance with the market mechanic which the company has treated in the same way with every customer of the company.

In future this making list among themselves shall have to continue further with thinking of the company maximum advantage that the company would receive as main.

P.P. Foods Supply Co., Ltd.

P.P. Foods Supply Co., Ltd., which the executive has relationship with the main shareholder of the company acts as representative to distribute in domestic, having its distribution value in 2010 amount 10.9 million baht or 0.8% of the total sale.

Itochu Corporation

Itochu Corporation does a buying and selling business in Japan. Itochu is a major shareholder of the company which holds 13.23% of the company's shares. It is represented by Mr. Kenichi Tai as a director of the company. Itochu's sales value in 2010 was 135.8 million baht or 10.1% of the total sale.

Ing Shiang Co.,Ltd.

Ing Shiang Co., Ltd., is a company that conducts business transaction of buying-selling within Taiwan. Managed by Mr. Lu Yu Chin who is a major shareholder of the company which holds 1.6% of the company's shares. In 2010 had a sale value through Ing Shiang Co., Ltd., amount 5.5 million baht or 0.4% of the total sale.

Agrifood Processing Co., Ltd.

Agrifood Processing Co., Ltd., (AFP) is a joint-venture company between Chiangmai Frozen Foods Public Company Limited with investment portion 51% with River Kwai International Food Industry Co., Ltd., (RKI) with investment portion 49% to conduct business of buying-selling. Presently Agrifood Processing Co., Ltd., has bought Canned and Frozen Sweet Corns products from Chiangmai Frozen Foods Public Company Limited. Later, on July 1, 2004 the company had bought common share investment from RKI that being held in AFP by 49% total amount 8.1 million baht resulted the company had shareholding portion in AFP increased from 51% to 100%.



CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED

In 2010, AFP is having total buying value 227.7 million baht or 16.9% of the total sale and has rented an office building from Chiangmai Frozen Foods Public Company Limited, 4th floor No. 149/32-33 Soi Anglo Plaza, Surawongse Road, Kwaeng Suriyawongse, Khet Bangrak, Bangkok with number of area 102 square meters, monthly rental 25,500.- baht by making year by year contract.

12. Explanation and analysis financial situation and operation result:

a) Practical result in business proceeding

In the year 2010, the company had sale volume amount 26,458 metric tons, increased from last year amount 2,420 metric tons or 10.1% and higher than sale plan that put down at 1,258 metric tons or 5.0%.

b) Operation result

The Company obtained net profit in 2010 amount 158.2 million baht, (decreased) from 2009 amount (53.0) million baht or 25.1% with following details:

(Unit: Million baht)

Revenues	
Sale (decreased) from (decreased) of average exchange rate	(79.8)
Sale increased from increased of average sales price	6.6
Sale increased from increased of sale volume	128.2
Other income increased	26.9
Total Revenues Increased	81.9
Expenses	
Cost of sales increased	114.9
Selling expenses increased	9.6
Administrative expenses increased	2.0
Managements' remuneration increased	1.4
Income tax	1.4
Total Expenses Increased	129.3
Net Profit (Decreased) - Separate	(47.4)
Net Profit from Subsidiary (Agrifood) (decreased)	(5.6)
Net Profit (Decreased) - Consolidated	(53.0)



CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED

c) Financial situation

At December 31, 2010, the company had the assets amount 1,345 million baht, increased from last year 56 million baht by having increased of cash, deposit and short term investment amount 167 million baht, account receivable-trade increased amount 14 million baht, inventories (decreased) amount (92) million baht, net fixed assets (decreased) amount (21) million baht and other assets (decreased) amount (12) million baht.

The ratio of liquidity of the company is at level 10.0 and ratio of quick liquidity is at level 6.0 which is very good whereas the company has ratio of debt against shareholders at level 0.1 only.

The Company has its expense for investment in fixed assets amount 48 million baht by using from financial source that derived from the company operation.

For subsidiary company, in 2010, Agrifood Processing Co., Ltd., had the total assets amount 53.0 million baht, total liabilities amount 17.4 million baht and shareholders' equity amount 35.6 million baht.

**d) Factor and main influence that may effect on
operation or financial situation in further**

In the year 2011, the company believes that it would exportable approx. 27,000 metric tons and expects that the operation result would neighboring with the year 2010.

13. OTHER CONCERN INFORMATIONS

None



CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED

REPORT OF CERTIFIED PUBLIC ACCOUNTANT

To The Board of Directors and Shareholders of

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED

I have audited the consolidated balance sheets of **CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND SUBSIDIARY** as at December 31, 2010 and 2009, the consolidated statements of income, changes in shareholders' equity and cash flows for the years then ended. I have also audited the separate financial statements of **CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED**. These financial statements are the responsibility of the Company's management as to their correctness and completeness of the presentation. My responsibility is to express an opinion on these financial statements based on my audits.

I conducted my audits in accordance with generally accepted auditing standards. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audits provide a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of **CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND SUBSIDIARY** and of **CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED** as at December 31, 2010 and 2009, the results of their operations and their cash flows for the years then ended in conformity with generally accepted accounting principles.

(PRADIT RODLOYTUK)

Certified Public Accountant

Registration No. 218

Ast Master Co.,Ltd.

February 25, 2011



CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND SUBSIDIARY

BALANCE SHEETS

AS AT DECEMBER 31, 2010 AND 2009

In Baht

		Consolidated		Separate	
		financial statements		financial statements	
<u>ASSETS</u>	<u>Notes</u>	2010	2009	2010	2009
CURRENT ASSETS					
Cash and cash equivalents	6	180,543,896	267,997,777	159,538,653	242,470,505
Short - term investments	7	305,563,080	50,000,000	300,000,000	50,000,000
Trade accounts receivable - related companies	5.2, 8	8,393,339	8,047,337	21,678,626	15,625,755
- other companies - net	8	44,525,784	36,213,991	36,831,724	29,209,790
Loan to related company	5.2	-	24,500,000	-	24,500,000
Inventories - net	9	309,958,460	401,603,038	309,958,460	401,603,038
Other current assets					
Accounts receivable - planters - net	10	36,184,230	26,671,709	36,184,230	26,671,709
Value added tax receivable		1,633,661	1,638,826	1,611,619	1,624,182
Others		1,822,277	1,205,201	1,808,861	1,188,969
Total other current assets		39,640,168	29,515,736	39,604,710	29,484,860
TOTAL CURRENT ASSETS		888,624,727	817,877,879	867,612,173	792,893,948
NON - CURRENT ASSETS					
Fixed deposits pledged as collateral	11	14,491,685	14,416,580	-	-
Investments in subsidiary	12	-	-	23,353,658	23,353,658
Property, plant and equipment - net	13	426,340,446	448,455,591	424,849,043	448,386,945
Non operating assets - net	14	23,369,146	21,076,158	23,369,146	21,076,158
Computer software - net	15	2,798,886	182,260	2,798,886	182,260
Other non - current assets		3,205,087	3,473,214	3,204,187	3,472,314
TOTAL NON - CURRENT ASSETS		470,205,250	487,603,803	477,574,920	496,471,335
TOTAL ASSETS		1,358,829,977	1,305,481,682	1,345,187,093	1,289,365,283

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



CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND SUBSIDIARY

BALANCE SHEETS (CONTINUED)

AS AT DECEMBER 31, 2010 AND 2009

In Baht

		Consolidated		Separate	
		financial statements		financial statements	
LIABILITIES AND SHAREHOLDERS' EQUITY	Notes	2010	2009	2010	2009
CURRENT LIABILITIES					
Trade accounts payable		37,844,294	47,923,858	37,844,294	47,923,858
Payable from acquisition of assets		2,240,552	717,998	2,240,552	717,998
Accrued income tax		1,375,966	749,651	1,375,966	-
Accrued expenses - related companies	5.2	4,037,604	3,650,486	3,501,026	3,122,059
- other companies		39,949,425	43,041,639	39,131,689	42,016,575
Other current liabilities		2,412,106	1,330,862	2,372,857	1,302,702
TOTAL CURRENT LIABILITIES		87,859,947	97,414,494	86,466,384	95,083,192
SHAREHOLDERS' EQUITY					
Share capital - Baht 1 par value					
Authorized shares					
381,146,251 common shares	17	381,146,251	381,146,251	381,146,251	381,146,251
Issued and paid - up shares					
381,145,725 common shares		381,145,725	381,145,725	381,145,725	381,145,725
Premium on share capital		68,000,000	68,000,000	68,000,000	68,000,000
Retained earnings					
Appropriated for legal reserve	18	38,115,000	38,115,000	38,115,000	38,115,000
Unappropriated		783,709,305	720,806,463	771,459,984	707,021,366
TOTAL SHAREHOLDERS' EQUITY		1,270,970,030	1,208,067,188	1,258,720,709	1,194,282,091
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		1,358,829,977	1,305,481,682	1,345,187,093	1,289,365,283

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



CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND SUBSIDIARY

STATEMENTS OF INCOME

FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009

In Baht

	<u>Note</u>	Consolidated financial statements		Separate financial statements	
		2010	2009	2010	2009
Revenues from sales		1,367,578,383	1,321,454,879	1,349,072,122	1,294,066,043
Cost of sales		(1,028,858,624)	(913,392,443)	(1,027,217,303)	(912,365,692)
Gross profit		338,719,759	408,062,436	321,854,819	381,700,351
Gain on exchange rate		33,428,610	6,221,129	29,645,028	3,606,131
Other income		9,866,876	8,570,892	9,795,857	8,935,473
Profit before expenses		382,015,245	422,854,457	361,295,704	394,241,955
Selling expenses		(128,365,184)	(119,022,195)	(110,964,710)	(101,338,706)
Administrative expenses		(52,674,602)	(50,607,932)	(50,173,559)	(48,241,079)
Managements' remuneration		(41,344,419)	(40,126,400)	(38,990,619)	(37,608,200)
Profit before income tax		159,631,040	213,097,930	161,166,816	207,053,970
Income tax	23	(1,443,142)	(1,930,709)	(1,443,142)	-
NET PROFIT		158,187,898	211,167,221	159,723,674	207,053,970
Net profit attributable to:					
Equity holders of the parent		158,187,898	211,167,221	2,159,723,674	207,053,970
Minority interest of the subsidiary		-	-	-	-
		158,187,898	211,167,221	2,159,723,674	207,053,970
BASIC EARNINGS PER SHARE					
NET PROFIT		0.42	0.55	0.42	0.54
Weighted average number of common shares (shares)		381,145,725	381,145,725	381,145,725	381,145,725

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



CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND SUBSIDIARY

CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDER'S EQUITY

FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009

In Baht

	Notes	Issued and paid-up share capital	Premium on share capital	Retained earnings		Total
				Appropriated for legal reserve	Unappropriated	
BALANCE as at January 1, 2009		346,496,592	68,000,000	34,650,000	746,986,060	1,196,132,652
Net profit		-	-	-	211,167,211	211,167,211
Increase in appropriated for legal reserve	18	-	-	3,465,000	(3,465,000)	-
Stock dividends	17	34,649,133	-	-	(34,649,133)	-
Dividends paid	19	-	-		(199,232,685)	(199,232,685)
BALANCE as at December 31, 2009		381,145,725	68,000,000	38,115,000	720,806,463	1,208,067,188
BALANCE as at January 1, 2010		381,145,725	68,000,000	38,115,000	720,806,463	1,208,067,188
Net profit		-	-	-	158,187,898	158,187,989
Dividends paid	19	-	-	-	(95,285,056)	(95,285,056)
BALANCE as at December 31, 2010		381,145,725	68,000,000	38,115,000	783,709,305	1,270,970,030

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



CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND SUBSIDIARY

SEPARATE STATEMENTS OF CHANGES IN SHAREHOLDER'S EQUITY

FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009

In Baht

	Notes	Issued and paid-up share capital	Premium on share capital	Retained earnings		Total
				Appropriated for legal reserve	Unappropriated	
BALANCE as at January 1, 2009		346,496,592	68,000,000	34,650,000	737,314,214	1,186,460,806
Net profit		-	-	-	207,053,970	207,053,970
Increase in appropriated for legal reserve	18	-	-	3,465,000	(3,465,000)	-
Stock dividends	17	34,649,133	-	-	(34,649,133)	-
Dividends paid	19	-	-	-	(199,232,685)	(199,232,685)
BALANCE as at December 31, 2009		381,145,725	68,000,000	38,115,000	707,021,366	1,194,282,091
BALANCE as at January 1, 2010		381,145,725	68,000,000	38,115,000	707,021,366	1,194,282,091
Net profit		-	-	-	159,723,674	159,723,674
Dividends paid	19	-	-	-	(95,285,984)	(95,285,056)
BALANCE as at December 31, 2010		381,145,725	68,000,000	38,115,000	717,459,984	1,258,720,709

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



CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND SUBSIDIARY

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009

In Baht

	Consolidated financial statements		Separate financial statements	
	2010	2009	2010	2009
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before income tax	159,631,040	213,097,930	161,166,816	207,053,970
Adjustments to reconcile net profit to net cash provided by operating activities				
Unrealized gain on exchange rate	(35,384)	(128,127)	(43,931)	(117,344)
Reversal of doubtful accounts	(6,646)	(14,064)	(6,646)	(14,064)
Reversal of loss on diminution of inventories	(582,859)	(491,095)	(582,859)	(491,095)
Loss (Gain) on disposal of equipment and written off	(1,180,123)	293,974	(665,639)	293,974
Depreciation	68,496,491	68,780,389	68,140,249	68,564,892
Amortization of computer software	182,260	338,162	182,260	338,162
Amortization of withholding tax	1,798	-	-	-
Profit from operating activities before change in operational				
assets and liabilities	226,506,577	281,877,169	228,190,250	275,628,495
Decrease (Increase) in operational assets				
Trade accounts receivable - related companies	(346,562)	14,751,689	(6,049,412)	22,877,626
Trade accounts receivable - other companies	(8,293,130)	24,902,673	(7,598,304)	19,928,955
Inventories	92,227,437	(47,925,301)	92,227,437	(47,925,301)
Accounts receivable - planters	(9,505,875)	(91,098)	(9,505,875)	(91,098)
Value added tax receivable	5,165	(167,766)	12,563	(415,012)
Other current assets	(617,076)	3,178,116	(619,892)	3,126,810
Other non - current assets	268,127	(2,240,957)	268,127	(2,240,957)
Increase (Decrease) in operational liabilities				
Trade accounts payable	(10,079,564)	15,305,001	(10,079,564)	15,477,327
Accrued expenses - related companies	404,399	114,498	395,809	(197,192)
Accrued expenses - other companies	(3,185,530)	8,507,903	(2,978,202)	8,410,671
Other current liabilities	1,081,244	(300,688)	1,070,155	(232,168)
Cash receipt from operation	288,465,212	297,911,239	285,333,092	294,345,156
Income tax paid	(818,625)	(2,035,308)	(67,176)	(70,268)
Net cash provided by operating activities	287,646,587	295,875,931	285,265,916	294,274,888

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



CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND SUBSIDIARY

STATEMENTS OF CASH FLOWS (CONTINUED)

FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009

In Baht

	Consolidated financial statements		Separate financial statements	
	2010	2009	2010	2009
CASH FLOWS FROM INVESTING ACTIVITIES				
Decrease (Increase) in short - term investments	(255,563,080)	90,000,000	(250,000,000)	90,000,000
Increase in fixed deposits pledged as collateral	(75,105)	(176,938)	-	-
Cash receipt from loan to related company	24,500,000	-	24,500,000	-
Proceeds from disposal of vehicle and equipment	1,188,316	455,653	673,830	455,653
Cash paid for acquisition of plant and equipment (Supplement of cash flows information 1)	(46,360,424)	(33,878,585)	(44,581,423)	(33,828,267)
Cash paid for acquisition of non operating land	(3,190,590)	-	(3,190,590)	-
Cash paid for acquisition of computer software	(407,845)	-	(407,845)	-
Net cash provided by (used in) investing activities	(279,908,728)	56,400,130	(273,006,028)	56,627,386
CASH FLOWS FROM FINANCING ACTIVITIES				
Cash paid for dividends (Supplement of cash flows information 2)	(95,191,740)	(198,921,374)	(95,191,740)	(198,921,374)
Net cash used in financing activities	(95,191,740)	(198,921,374)	(95,191,740)	(198,921,374)
Net increase (decrease) in cash and cash equivalents	(87,453,881)	153,354,687	(82,931,852)	151,980,900
Cash and cash equivalents, beginning of year	267,997,777	114,643,090	242,470,505	90,489,605
Cash and cash equivalents, end of year	180,543,896	267,997,777	159,538,653	242,470,505
Supplement disclosures of cash flows information				
1. Property, Plant and Equipment				
Details of acquisition of plant and equipment during the year are as follows:				
Acquisition of plant and equipment during the year	(47,882,978)	(33,376,788)	(46,103,977)	(33,326,470)
Increase (Decrease) in payable from acquisition of assets	1,522,554	(501,797)	1,522,554	(501,797)
Cash paid for acquisition of plant and equipment	(46,360,424)	(33,878,585)	(44,581,423)	(33,828,267)
2. Cash paid for dividends				
Dividends paid	(95,285,056)	(199,232,685)	(95,285,056)	(199,232,685)
Increase in accrued dividends	93,316	311,311	93,316	311,311
Cash paid for dividends	(95,191,740)	(198,921,374)	(95,191,740)	(198,921,374)

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



1. GENERAL INFORMATION

Chiangmai Frozen Foods Public Company Limited was a public company limited and was listed on the Stock Exchange of Thailand in 1993. The Group are engaged in business of manufacturing and exporting of frozen fruits and vegetable and transmuted sweet corn distribution. The address of its registered office are as follows : Head Office is located at 149/34 floor 3rd – 4th Soi Anglo Plaza, Surawongse road, Surawongse, Bangrak, Bangkok.

Branch Office 1 is located at 92 Moo.3, Chiangmai – Phrao road, Tumbol Nongjom, Amphur Sansai, Chiangmai.

Branch Office 2 is located at 299 Moo.14, Chiangmai – Phrao road, Tumbol Maefak mai, Amphur Sansai, Chiangmai.

2. BASIS FOR CONSOLIDATED FINANCIAL STATEMENTS AND SEPARATE FINANCIAL STATEMENTS PREPARATION

The consolidated and the separate financial statements have been prepared in accordance with Thai Generally Accepted Accounting Principles under the Accounting Act, B.E.2543 being those Thai Accounting Standards issued under the Accounting Profession Act, B.E. 2547 and the financial reporting requirements of the Securities and Exchange Commission under the Securities and Exchange Act B.E. 2535.

The preparation of financial statements in conformity with Thai generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the amounts of revenues and expenses in the reported periods. Although these estimates are based on management's best knowledge of current events and actions, actual results may differ from those estimates.

The financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies.

The consolidated financial statements include the financial statements of Chiangmai Frozen Foods Public Company Limited and Subsidiary, Agrifood Processing Company Limited, with the holding of 100% of authorized share.

The significant transactions between the Company and its subsidiary have been eliminated in the consolidated financial statements.



“The Company” represents “Chiangmai Frozen Foods Public Company Limited,” while “The Group” represents “Chiangmai Frozen Foods Public Company Limited” and its subsidiary which is “Agrifood Processing Company Limited”.

3. ADOPTION OF NEW ACCOUNTING STANDARDS

New accounting standards, new financial reporting standards, amendments to accounting standards and accounting framework

a) Accounting framework

The amendment of the accounting framework was announced by the Federation of Accounting Professions on May 26, 2010 with effect on May 26, 2010.

b) New accounting standards, new financial reporting standards and amendments to accounting standards

The following new accounting standards, new financial reporting standards and amendments to accounting standards were announced by the Federation of Accounting Professions and are mandatory for the accounting periods beginning on or after January 1, 2011 and January 1, 2013. The Group has elected not to early adopt these standards.

Effective for the period beginning on or after January 1, 2011

TAS 1 (Revised 2009)	Presentation of Financial Statements
TAS 2 (Revised 2009)	Inventories
TAS 7 (Revised 2009)	Statement of Cash Flows
TAS 8 (Revised 2009)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (Revised 2009)	Events after the Reporting Period
TAS 11 (Revised 2009)	Construction Contracts
TAS 16 (Revised 2009)	Property, Plant and Equipment
TAS 17 (Revised 2009)	Leases
TAS 18 (Revised 2009)	Revenue
TAS 19	Employee Benefits
TAS 23 (Revised 2009)	Borrowing Costs
TAS 24 (Revised 2009)	Related Party Disclosures
TAS 26	Accounting and Reporting by Retirement Benefit Plans



TAS 27 (Revised 2009)	Consolidated and Separate Financial Statements
TAS 28 (Revised 2009)	Investments in Associates
TAS 29	Financial Reporting in Hyperinflationary Economies
TAS 31 (Revised 2009)	Interests in Joint Ventures
TAS 33 (Revised 2009)	Earnings per Share
TAS 34 (Revised 2009)	Interim Financial Reporting
TAS 36 (Revised 2009)	Impairment of Assets
TAS 37 (Revised 2009)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (Revised 2009)	Intangible Assets
TAS 40 (Revised 2009)	Investment Property
TFRS 2	Shared-based Payment
TFRS 3 (Revised 2009)	Business Combinations
TFRS 5 (Revised 2009)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 6	Exploration for and Evaluation of Mineral Resources
TFRIC 15	Agreements for the Construction of Real Estate

Effective for the period beginning on or after January 1, 2013

TAS 12	Income taxes
TAS 20 (Revised 2009)	Accounting for Government Grants and Disclosure of Government Assistance
TAS 21 (Revised 2009)	The Effects of Changes in Foreign Exchange Rates

Management has presently determined the effects from adoptions of the new accounting standards on the consolidated financial statements of the Group. Significant accounting standards for which having direct effect to the Group are as follows:

TAS 16 (revised 2009) - Property, plant and equipment

The principal changes introduced by the revised TAS 16 and affecting the Group are that

- (a) Costs of asset dismantlement, removal and restoration have to be included as asset costs and subject to annual depreciation.
- (b) The depreciation charge has to be determined separately for each significant part of an asset.
- (c) In determining the depreciable amount, the residual value of an item of property, plant and equipment has to be measured at the amount estimated receivable currently for the asset if the asset were already of the



age and in the condition expected at the end of its useful life. Furthermore, the residual value and useful life of an asset have to be reviewed at least at each financial year-end.

The revised TAS 16 (revised 2009) permits as a transitional provision that these changes may be introduced prospectively from the year of introduction. The Group intends to adopt this transitional provision which the management has already determined that no any material impact on the financial statements.

TAS 19 - Employee benefits

The accounting standard, Employee Benefits has been in effect for financial periods beginning on or after January 1, 2011. The Group therefore has not presently accounted for the costs of post-employment benefits under defined benefit plans; other long-term employee benefits; and termination benefits until such costs are incurred. This accounting standard includes the requirements to recognise expenses and provision for employee benefits in the period in which the service is performed. The standard requires actuarial assumptions to measure the obligations and expenses of long-term benefits and to measure on a discounted basis due to the settlement of these benefits would incur in the subsequent years of services. The transitional provisions of TAS 19 permit the transitional liability computed from period of service years of employees prior to its effective date, to be recognised and accounted for in four options. The Group has selected to adjust the amount to the retained earnings at the initial adoption of this standard.

Management has determined that the transitional liability as at January 1, 2011 for employee benefits is Baht 22.9 million for the Group and Baht 21.8 million for the Company and retained earnings for the Group would be decreased Baht 22.9 million and Baht 21.8 million for the Company.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principle accounting policies adopted in the preparation of the Group are as follows:

4.1 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand, cash at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

Deposits at financial institutions that are restricted in use are presented as “Fixed deposits pledged as collateral” as part of non - current assets in the balance sheets.

4.2 Accounts receivable

Accounts receivable are carried at original invoice amount less allowance for doubtful accounts.



4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CON'T)

4.3 Allowance for doubtful accounts

The Group provide allowance for doubtful accounts equal to the estimated losses that may be incurred in the collection of receivables and receivables- planters. The estimated losses are based on the collection experiences and the review of the current status of the existing receivables. Bad debts are written off during the year in which they are identified.

4.4 Inventories

Inventories are stated at the lower of cost or net realisable value. Cost is determined by the weighted average method. The cost of purchase comprises both the purchase price and costs directly attributable to the acquisition of the inventory, such as import duties and transportation charges, less all attributable discounts, allowances or rebates. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads, the latter being allocated on the basis of normal operating activities. Net realisable value is the estimate of the selling price in the ordinary course of business, less the costs of completion and selling expenses.

At the end of year, the Company considers the physical of finished goods in the estimation of adequately allowance for obsolete.

4.5 Investments in subsidiary

Subsidiary, which is those entities in which the Group has an interest of more than one half of the voting rights or otherwise has power to exercise control over the operations are consolidated. Subsidiary is consolidated from the date on which control is transferred to the Group and are no longer consolidated from the date that control ceases. All intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated; unrealised losses are also eliminated unless cost cannot be recovered. Where necessary, accounting policies of subsidiary has been changed to ensure consistency with the policies adopted by the Group. Investment in subsidiary is reported by using the cost method of accounting in the separate financial statements.

4.6 Property, plant and equipment

Property, plant and equipment are initially recorded at cost. All assets except for land are stated at historical cost less accumulated depreciation.



4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CON'T)

Depreciation of plant and equipment are calculated on the straight line method over their estimated useful lives as follows:

Buildings	20 years
Machineries and equipment	5-10 years
Vehicles	5 years
Office equipment and fixtures	5 years

When assets are sold or retired, the Group will eliminated their costs and accumulated depreciation from the accounts and any gain or loss resulting from their disposal is included in the statements of income.

Building-in-progress and machinery under installation are stated at cost. These assets are not depreciated until such time as the relevant assets are completed and ready for their intended operational use.

4.7 Non-operating assets

Non-operating assets are stated at the lower of cost and net realizable value.

4.8 Intangible asset and amortization

Intangible asset is computer software which is stated at historical cost and amortized using the straight line method over its useful life (3 – 5 years).

4.9 Finance leases

Leases of assets where the Group have substantially been transferred all the risks and rewards of ownership are classified as finance leases. Finance leases are recognized as assets and liabilities at the inception of the lease at the lower of the fair value of the leased property or the present value of the minimum lease payments. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The interest element of the finance cost is charged to the income statement over the lease period. The lease payment amount net of finance charges is recorded as the reduction of the outstanding liability. The depreciable assets acquired under finance leases are depreciated over the useful life of the assets.



4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CON'T)

4.10 Impairment of assets

The Group reviewed the impairment of assets whenever events or changes in circumstances indicate that the recoverable amount of assets is below the carrying amount (the higher of an assets selling price or value in use). The review is made for individual assets or the cash generating unit.

In case that the carrying value of an asset exceeds its recoverable amount, the Group recognize the impairment losses in the statements of income. The reversal of impairment losses recognized in prior years is recorded as other income when there is an indication that the impairment losses recognized for the assets no longer exist or are decreased.

4.11 Foreign currency transactions

Foreign currency transactions are translated into Thai Baht using the exchange rates prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currency are translated to Thai Baht at the exchange rate prevailing at the balance sheet date. Gains and losses resulting from the settlement of foreign currency transactions and from the translation of monetary assets and liabilities denominated in foreign currencies, are recognized in the statement of income.

4.12 Provisions

Provisions are recognized when the Group have a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. Where the Company and subsidiary expect a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain.

4.13 Revenue recognition

The Group recognized sales as income when goods are delivered and the risks and rewards are transferred to customers.

Interest income is recognized on a time proportion basis that reflects the effective yield on the asset.

4.14 Basic earnings per share

Basic earnings per share is calculated by dividing the net income by weighted average number of paid - up common shares during the years.



4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CON'T)

4.15 Financial instruments

Financial assets carried on the balance sheet include cash and cash equivalents, fixed deposit, trade accounts receivable, loan to and other accounts receivable. Financial liabilities carried on the balance sheet include trade accounts payable, accrued income tax and accrued expenses. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item.

4.16 Related parties

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the Company, including holding companies, subsidiary and fellow subsidiary are related parties of the Company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the enterprise, key management personnel, including directors and officers of the Company and close members of the family of these individuals and companies associated with these individuals also constitute related parties. In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

5. TRANSACTIONS WITH RELATED COMPANIES

5.1 Relationships and pricing policies

The relationship and pricing policies among the Company, Subsidiary and related companies are as follows:

	Relationship
<u>Subsidiary :</u>	
Agrifood Processing Co., Ltd.	Shareholding and Directorship
<u>Related companies :</u>	
C&W Interfoods Co.,Ltd.	Common shareholder
Itochu Corporation Co., Ltd.	Shareholder
P.P. Foods Supply Co., Ltd.	Common shareholder
Ing Shiang Co., Ltd.	Common shareholder
Agri World Co.,Ltd.	Common Shareholders and directors
C.T.Prosper Group Co.,Ltd.	Common Shareholders and directors
Wonder Interfoods Co.,Ltd	Share held by close relative of directors
	Pricing policy



Sales	At normal business prices, as same as other entities
Rental revenue	At contract price which had been agreed upon
Service income	At price which had been agreed upon
Service expense	At price which had been agreed upon
Commission	At rate 1.50 – 3.00% of sales
Loan to	At interest rate 3.25% per annum

5.2 Balances of transactions with subsidiary and related companies

Balances of transactions among the Company, Subsidiary and related companies as at December 31, 2010 and 2009 are as follows:

	In Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2010	2009	2010	2009
Trade accounts receivable				
AgriFood Processing Co., Ltd.	-	-	15,976,965	9,543,913
Itochu Corporation Co., Ltd.	4,531,292	5,031,350	1,839,614	3,065,855
P. P. Foods Supply Co., Ltd.	1,449,210	1,881,500	1,449,210	1,881,500
Ing shiang Co., Ltd.	2,412,837	1,134,487	2,412,837	1,134,487
Total	8,393,339	8,047,337	21,678,626	15,625,755
Accrued interest				
C&W Interfoods Co.,Ltd.	-	67,627	-	67,627
Long - term loans to				
C&W Interfoods Co.,Ltd.	-	24,500,000	-	24,500,000

In 2005 the Company entered into an agreement to lend to related company (C&W Interfoods Co.,Ltd.), amount to Baht 24.5 million. The full principal repayment was due within 2010. The interest is repayable on monthly basis at the last day of each month under the interest rate of 3.25% per annum. Such loan was guaranteed by Wonder Interfoods Co.,Ltd., which is the major shareholder of C&W Interfoods Co.,Ltd. and Mr.Nirand Pholpipattanapong, the director of C&W Interfoods Co.,Ltd. The company has received entire repayment of principal and interest receivable from related company on June 21, 2010.



CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND SUBSIDIARY
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2010 AND 2009

	In Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2010	2009	2010	2009
Accrued expenses				
Itochu Corporation Co., Ltd.	1,072,486	882,570	535,908	354,143
P. P. Foods Supply Co., Ltd.	287,839	379,771	287,839	379,771
Ing shiang Co., Ltd.	2,677,279	2,375,552	2,677,279	2,375,552
Agri World Co.,Ltd.	-	12,593	-	12,593
Total	4,037,604	3,650,486	3,501,026	3,122,059
Deposit				
Agrifood Processing Co., Ltd.	-	-	30,000	30,000

5.3 Revenue and expenses among the Company, subsidiary and related companies

Revenue and expenses among the Company, subsidiary and related companies for the years then ended December 31, 2010 and 2009 are as follows:

	In Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2010	2009	2010	2009
Revenues from sales				
Agrifood Processing Co., Ltd.	-	-	229,871,281	220,817,731
Itochu Corporation Co., Ltd.	202,234,102	180,196,249	135,775,204	124,680,790
P.P. Foods Supply Co., Ltd.	11,804,610	11,481,500	8,765,610	11,118,500
Ing shiang Co., Ltd.	5,489,709	4,581,605	5,489,709	3,931,813
Total	219,528,421	196,259,354	379,901,804	360,548,834
Other income				
Agrifood Processing Co., Ltd.	-	-	620,400	620,400
C.T.Prosper Group Co.,Ltd.	90,000	90,000	90,000	90,000
Total	90,000	90,000	710,400	710,400



Interest revenue

C&W Interfoods Co.,Ltd.	373,038	796,250	373,038	796,250
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Commission expenses

Itochu Corporation Co., Ltd.	4,158,872	3,592,901	2,797,542	2,515,287
P.P. Foods Supply Co., Ltd.	898,635	1,090,751	898,635	1,090,751
Ing shiang Co., Ltd.	2,814,850	2,438,723	2,814,850	2,438,723
Total	7,872,357	7,122,375	6,511,027	6,044,761

Service expenses

Agri World Co.,Ltd.	658,217	178,400	658,217	178,400
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6. CASH AND CASH EQUIVALENTS

	In Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2010	2009	2010	2009
Cash on hand	129,716	125,153	124,716	115,153
Regular checking accounts	138,401	285,057	-	-
Saving accounts	180,275,779	262,065,602	159,413,937	132,355,352
Fixed deposits :				
Less than 3 months	-	5,521,965	-	110,000,000
Total	180,543,896	267,997,777	159,538,653	242,470,505

The weighted average effective interest rates of deposits at financial institutions were 0.25% per annum (2009: 0.5% – 0.75% per annum).

7. SHORT – TERM INVESTMENTS

Short - term investments are deposits at financial institution which are 5 month and 8 month fixed deposits bear interest at the rate of 1.7% - 2.0% per annum (2009: 1.0% per annum).



8. TRADE ACCOUNTS RECEIVABLE – NET

The aging of outstanding balances as at December 31, 2010 and 2009 are as follows:

	In Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2010	2009	2010	2009
Accounts receivable – Related Companies				
Not yet due	7,428,607	7,550,688	20,713,894	15,129,106
Over due with 1 month to 3 months	897,188	496,649	897,188	496,649
Over due with 4 months to 6 months	67,544	-	67,544	-
Total accounts receivable – Related Companies	8,393,339	8,047,337	21,678,626	15,625,755
Trade accounts receivable – Other Companies				
Not yet due	42,246,806	28,854,127	34,552,746	22,413,926
Over due with 1 month to 3 months	2,278,978	7,359,864	2,278,978	6,795,864
Over due 12 months	2,751,014	2,751,014	2,751,014	2,751,014
Total accounts receivable – Other Companies	47,276,798	38,965,005	39,582,738	31,960,804
<u>Less Allowance for doubtful accounts</u>	<u>(2,751,014)</u>	<u>(2,751,014)</u>	<u>(2,751,014)</u>	<u>(2,751,014)</u>
Total accounts receivable – Other Companies- Net	44,525,784	36,213,991	36,831,724	29,209,790



9. INVENTORIES – NET

Consolidated financial statements and Separate financial statements

	In Baht					
	Cost		Allowance for diminution of inventories		Inventories - net	
	2010	2009	2010	2009	2010	2009
Finished goods and semi - finished products	264,095,906	352,489,131	(1,445,769)	(1,400,639)	262,650,137	351,088,492
Raw material and supplies	30,303,046	34,275,583	(138,966)	(776,947)	30,164,080	33,498,636
Seeds, insecticide fertilizer	17,215,357	17,077,032	(71,114)	(61,122)	17,144,243	17,015,910
Total	311,614,309	403,841,746	(1,655,849)	(2,238,708)	309,958,460	401,603,038

10. ACCOUNTS RECEIVABLE – PLANTERS – NET

	In Baht	
	2010	2009
Accounts receivable-planters	36,875,041	27,369,166
<u>Less</u> Allowance for doubtful accounts	(690,811)	(697,457)
Net	36,184,230	26,671,709

11. FIXED DEPOSITS PLEDGED AS COLLATERAL

As at December 31, 2010 and 2009, the subsidiary has fixed deposit amounted to Baht 14.5 million and Baht 14.4 million, respectively, which pledged as collateral against credit line from a local financial institution.

12. INVESTMENTS IN SUBSIDIARY

As at December 31, 2010 and 2009.

	Activities	Paid up Capital		At Cost
		(In Baht)	% Holdings	(In Baht)
Transmuted Sweet corn				
Agrifood Processing Co.,Ltd.	distribution	30,000,000	100.0	23,353,658



CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND SUBSIDIARY
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2010 AND 2009

13. PROPERTY, PLANT AND EQUIPMENT - NET

CONSOLIDATED FINANCIAL STATEMENTS	In Baht						
	Land and Improvement	Building and Improvement	Machineries and equipment	Vehicle	Office equipment and fixtures	Building in progress and machinery under installation	Total
As at December 31, 2009							
Cost	89,252,940	420,573,503	660,085,577	45,600,825	22,481,435	11,844,476	1,249,838,756
<u>Less</u> Accumulated depreciation	(6,307,701)	(216,254,808)	(520,708,031)	(32,617,815)	(19,965,975)	-	(795,854,330)
Impairment of assets	-	-	(5,528,835)	-	-	-	(5,528,835)
Net book amount	82,945,239	204,318,695	133,848,711	12,983,010	2,515,460	11,844,476	448,455,591
Transactions for the year ended December 31, 2010							
Opening net book amount	82,945,239	204,318,695	133,848,711	12,983,010	2,515,460	11,844,476	448,455,591
<u>Add</u> Acquisition	-	9,406,460	15,780,226	1,779,000	794,465	20,122,827	47,882,978
Transfer in (out)	-	10,482,487	11,779,134	-	-	(22,261,621)	-
Transfer to computer software	-	-	-	-	-	(2,391,041)	(2,391,041)
<u>Less</u> Disposals	-	-	(8,150)	(2)	(41)	-	(8,193)
Depreciation	-	(25,061,398)	(36,803,575)	(4,771,887)	(962,029)	-	(67,598,889)
Closing net book amount	82,945,239	199,146,244	124,596,346	9,990,121	2,347,855	7,314,641	426,340,446
As at December 31, 2010							
Cost	89,252,940	440,462,450	685,099,393	41,505,073	22,912,181	7,314,641	1,286,546,678
<u>Less</u> Accumulated depreciation	(6,307,701)	(241,316,206)	(554,974,212)	(31,514,952)	(20,564,326)	-	(854,677,397)
Impairment of assets	-	-	(5,528,835)	-	-	-	(5,528,835)
Net book amount	82,945,239	199,146,244	124,596,346	9,990,121	2,347,855	7,314,641	426,340,446



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13. PROPERTY, PLANT AND EQUIPMENT – NET (CON’T)

THE SEPARATE FINANCIAL STATEMENTS	In Baht					
	Land and Improvement	Building and Improvement	Machineries and equipment	Vehicle	Office equipment and fixtures	Building in progress and machinery under installation Total
At December 31, 2009						
Cost	89,252,940	420,573,503	660,085,577	44,626,073	21,352,309	1,247,734,878
<u>Less</u> Accumulated depreciation	(6,307,701)	(216,254,808)	(520,708,031)	(31,645,200)	(18,903,358)	(793,819,098)
Impairment of assets	-	-	(5,528,835)	-	-	(5,528,835)
Net book amount	82,945,239	204,318,695	133,848,711	12,980,873	2,448,951	448,386,945
Transactions for the year ended December 31, 2010						
Opening net book amount	82,945,239	204,318,695	133,848,711	12,980,873	2,448,951	448,386,945
<u>Add</u> Acquisition	-	9,406,460	15,780,226	-	794,464	46,103,977
Transfer in (out)	-	10,482,487	11,779,134	-	-	(22,261,621)
Transfer to computer software	-	-	-	-	-	(2,391,041)
<u>Less</u> Disposals	-	-	(8,150)	(1)	(40)	(8,191)
Depreciation	-	(25,061,398)	(36,803,575)	(4,439,296)	(938,378)	(67,242,647)
Closing net book amount	82,945,239	199,146,244	124,596,346	8,541,576	2,304,997	424,849,043
At December 31, 2010						
Cost	89,252,940	440,462,450	685,099,393	39,726,073	21,794,955	1,283,650,452
<u>Less</u> Accumulated depreciation	(6,307,701)	(241,316,206)	(554,974,212)	(31,184,497)	(19,489,958)	(853,272,574)
Impairment of assets	-	-	(5,528,835)	-	-	(5,528,835)
Net book amount	82,945,239	199,146,244	124,596,346	8,541,576	2,304,997	424,849,043



13. PROPERTY, PLANT AND EQUIPMENT – NET (CON'T)

Net book value of land and structures thereon of the Company amounted to Baht 134.7 million (2009: Baht 142.6 million) were mortgaged and pledged as collateral against bank overdrafts, short-term loans from financial institutions as discussed in Note 16 to the financial statements.

As at December 31, 2010, the Group and the Company has fully depreciated equipment which are still in use to approximately Baht 444.4 million and Baht 443.4 million, respectively.

(2009: Baht 406 million and Baht 405 million, respectively)

14. NON OPERATING ASSET - NET

	In Baht		
		Machineries and equipment	Total
	Land		
As at December 31, 2009			
Cost	18,050,121	20,997,561	39,047,682
<u>Less</u> Accumulative depreciation	-	(14,526,326)	(14,526,326)
<u>Less</u> Allowance for impairment	-	(3,445,198)	(3,445,198)
Net book value	18,050,121	3,026,037	21,076,158
Transactions for the year ended			
December 31, 2010			
Opening net book value	18,050,121	3,026,037	21,076,158
<u>Add</u> Acquisition of assets	3,190,590	-	3,190,590
<u>Less</u> Depreciation during the year	-	(897,602)	(897,602)
Ending net book value	21,240,711	2,128,435	23,369,146
As at December 31, 2010			
Cost	21,240,711	20,997,561	42,238,272
<u>Less</u> Accumulative depreciation	-	(15,423,928)	(15,423,928)
<u>Less</u> Allowance for impairment	-	(3,445,198)	(3,445,198)
Net book value	21,240,711	2,128,435	23,369,146

Non operating land of the Company amounting of Baht 21.2 million (2009 : Baht 18.1 million) was prepared for the plant expansion in the future.



15. COMPUTER SOFTWARE – NET

	In Baht
As at December 31, 2009	
Cost	1,690,810
<u>Less</u> Accumulative amortization	(1,508,550)
Net book value	182,260
Transaction for the year ended December 31, 2010	
Opening net book value	182,260
Transfer from property, plant and equipment	2,391,041
<u>Add</u> Acquisition of computer software	407,845
<u>Less</u> Amortization during the year	(182,260)
Ending net book value	2,798,886
As at December 31, 2010	
Cost	4,489,696
<u>Less</u> Accumulative amortization	(1,690,810)
Net book value	2,798,886

16. BANK OVERDRAFTS AND SHORT-TERM LOANS

As at December 31, 2010 and 2009, the Company has the overdrafts and short-term loans lines amounted to Baht 450.3 million and Baht 420 million, respectively. The facilities charge an interest at the rate of MOR per annum. Such overdrafts and short-term loans lines are secured over a part of the land and structures thereon and machineries of the company as discussed in Note 13 to the financial statements.

17. SHARE CAPITAL

- According to the resolution of the shareholders' meeting No.1/2009 held on April 30, 2009 the shareholders had the resolution as follows :
 - To approve the capital decreasing of the Company's authorized share capital from Baht 346,497,096 (346,497,096 of common shares with a par value of Baht 1 per share) to Baht 346,496,592 (346,496,592 of common shares with a par value of Baht 1 per share). The Company registered with the Ministry of Commerce on May 12, 2009.



- To approve the capital increasing amount to Baht 34,649,659 of the Company's authorized share capital from Baht 346,496,592 (346,496,592 of common shares with a par value of Baht 1 per share) to Baht 381,146,251 (381,146,251 of common shares with a par value of Baht 1 per share)

The Company registered with the Ministry of Commerce on June 2, 2009.

- On May 29, 2009, the Company paid stock dividends to the existing shareholders at the ratio of 10 existing common shares to 1 new common shares (rounding off fraction) totaling 34,649,133 shares at the rate Baht 0.10 per share with a par value of Baht 1 per share amount to Baht 34,649,133. The paid up share capital increased to Baht 381,145,725 (381,145,725 of common shares with a par value of Baht 1 per share). The Company registered with the Ministry of Commerce on June 2, 2009.

18. LEGAL RESERVE

Under the provisions of the Limited Public Company Act B.E 2535, the Company is required to appropriate at least 5% of its annual net income after deduction of the deficit brought forward (if any) as reserve fund until the reserve equal to 10% of authorized share capital. The reserve is not available for dividend distribution.

19. DIVIDENDS PAID

According to the resolution of the ordinary shareholders' meeting for the year 2010 held on April 30, 2010 had the resolution to approve the payment of cash dividends at Baht 0.5 per share to the shareholders of 381,145,725 shares totaling Baht 190.6 million from operational result of year 2009. The Company paid dividends in 2 periods:

- On September 11, 2009, the Company paid interim dividend approved by the Board of Directors No.4/2009 held on August 13, 2009 at Baht 0.25 per share of 381,145,725 shares totaling Baht 95.3 million.
- The Company had already paid remaining dividend on May 27, 2010 at Baht 0.25 per share of 381,145,725 shares totaling Baht 95.3 million. However, dividends of Baht 1,375 were not paid to certain shareholders due to disqualification.

According to the resolution of the ordinary shareholders' meeting for the year 2009 held on April 30, 2009 had the resolution to approve the payment of cash dividends and stock dividends. To pay cash dividends from operations for the year 2007 - 2008 under the Board of Investment Promotional Certificate No.1465/2542 to the shareholders for 346,496,592 shares, at Baht 0.30 per share amounted to Baht 103,947,503 and to pay stock dividends from operations for the year 2007 - 2008 under the Board of



Investment Promotional Certificate No.1465/2542 to the existing shareholders at the ratio of 10 existing common shares to 1 common shares (throw away fraction) at the rate Baht 0.10 per share amounted to 34,649,133 shares with a par value of Baht 1 per share amounted to Baht 34,649,133. The Company paid such dividends on May 29, 2009. However, dividends of Baht 1,475 were not paid to certain shareholders due to disqualification.

20. EXPENSES BY NATURE

Significant expenses by nature are as follows :

	In Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2010	2009	2010	2009
Changes in finished goods, semi -				
finished products and raw materials	88,346,857	(57,761,945)	88,346,857	(57,761,945)
Purchase of finished goods	1,641,321	1,026,750	-	-
Purchase raw materials	414,494,876	494,259,042	414,494,876	494,259,042
Depreciation and amortization	68,678,751	69,118,551	68,322,509	68,903,054
Staff costs	194,557,037	179,824,941	193,006,387	178,250,352

21. PROMOTIONAL PRIVILEGES

By virtue of the provisions of Industrial Investment Promotion Act. B.E. 2520, the Company was granted certain privileges as follows :

- 21.1 Under the Board of Investment Promotional Certificate No. 1727/2531, exemption from payment of income tax for 7 years starting from the commencement date of the promoted business on February 1, 1990 to February 1, 1997.
- 21.2 Under the Board of Investment Promotional Certificate No.1063/2536, exemption from payment of income tax for 6 years starting from the commencement date of the promoted business on November 1, 1994 to November 1, 2000.



21.3 Under the Board of Investment Promotional Certificate No.1397/2537, exemption from payment of income tax for 8 years starting from the commencement date of the promoted business on March 3,1996 to March 3,2004.

21.4 Under the Board of Investment Promotional Certificate No.1465/2542 , exception from payment of income tax for 8 years starting from the commencement date of the promoted business on November 1, 2001 to November 1,2009.

21.5 Under the Board of Investment Promotional Certificate No.1545(3)/2547, exception from payment of income tax for 8 years starting from the commencement date of the promoted business.

As a promoted industry, the Company must comply with certain conditions and restrictions provided for in the promotional certificate.

Sales classified as promoted and non-promoted business, for the years ended December 31, 2010 and 2009 are summarized as follows:

	In Thousand Baht					
	2010			2009		
	Non-			Non-		
	Promoted	Promoted		Promoted	Promoted	
	Business	Business	Total	Business	Business	Total
Export sales	1,109,487	-	1,109,487	1,057,958	-	1,057,958
Domestic sales	237,422	2,163	239,585	234,736	1,371	236,107
Total	1,346,909	2,163	1,349,072	1,292,694	1,371	1,294,065

22. SEGMENT INFORMATION

The Group are engaged in business of manufacturing and exporting of frozen fruits and vegetables, transmuted sweet corn distribution and frozen dough and bakery products and operate in one geographical area in Thailand. Therefore, these financial statements do not present the geographical segment.

The details of business segment information for the years ended December 31, 2010 and 2009 are as follows:



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	In Thousand Baht					
	Frozen Products		Transmuted Products		Total	
	2010	2009	2010	2009	2010	2009
Sales	1,363,673	1,318,791	3,905	2,664	1,367,578	1,321,455
Cost of sales	(1,025,369)	(910,324)	(3,490)	(3,069)	(1,028,859)	(913,393)
Gross profit (Loss)	338,304	408,467	415	(405)	338,719	408,062
Selling expenses	(128,037)	(118,809)	(328)	(213)	(128,365)	(119,022)
Profit (Loss) from operating	210,267	289,658	87	(618)	210,354	289,040
Gain on exchange rate					33,429	6,221
Other income					9,867	8,571
Central expenses					(94,019)	(90,734)
Profit before income tax					159,631	213,098
Income tax					(1,443)	(1,931)
Net profit					158,188	211,167
Property , plant and equipment						
- net by segment as at						
December 31,	350,278	370,647	31,119	31,939	381,397	402,586
Property , plant and equipment						
- net which cannot be						
classified by segment					44,943	45,870
Other assets					932,490	857,026
Total assets					1,358,830	1,305,482



22. SEGMENT INFORMATION (CON'T)

The details of business segment information for the years ended December 31, 2010 and 2009 are as follows:

Separate financial statements

	In Thousand Baht					
	Frozen Products		Transmuted Products		Total	
	2010	2009	2010	2009	2010	2009
Sales	1,346,909	1,292,695	2,163	1,371	1,349,072	1,294,066
Cost of sales	(1,025,331)	(910,324)	(1,886)	(2,042)	(1,027,217)	(912,366)
Gross profit (Loss)	321,578	382,371	277	(671)	321,855	381,700
Selling expenses	(110,787)	(101,231)	(178)	(107)	(110,965)	(101,338)
Profit (Loss) from operating	210,791	281,140	99	(778)	210,890	280,362
Gain on exchange rate					29,645	3,606
Other income					9,796	8,935
Central expenses					(89,164)	(85,849)
Profit before income tax					161,167	207,054
Income tax					(1,443)	-
Net profit					159,724	207,054
Property , plant and equipment						
- net by segment as at						
Deceember 31,	350,278	370,647	31,119	31,939	381,397	402,586
Property , plant and equipment						
- net which cannot be						
classified by segment					43,452	45,801
Other assets					920,338	840,978
Total assets					1,345,187	1,289,365



23. CORPORATION INCOME TAX

Corporation income tax has been calculated on net income for the period after adding back reserve provisions and expenses which are disallowable for tax computation purpose.

Royal Decree No. 475 B.E. 2551 dated August 6, 2008 grants companies listed on the Stock Exchange of Thailand a reduction in the corporate income tax rate from 30% to 25% for taxable profit not exceeding Baht 300 million for the three consecutive accounting periods beginning on or after January 1, 2008.

The subsidiary records income tax based on the actual amount currently payable according to the tax legislation at 30% of net profit.

24. PROVIDENT FUND

The Company established a contributory registered provident fund in accordance with the Provident fund Act.B.E.2530 Under the provident fund, the Company contributes an amount equivalent to the employees' contribution, which is 3% of their basic salaries. The company appointed The Siam Commercial Bank Public Co., Ltd. as a fund manager to manage the fund in accordance with the Provident Fund Act (B.E. 2530), which was amended by the Provident Fund Act (No.2) (B.E. 2542), under supervision of the Office of the Securities and Exchange Commission.

The Company's contribution net of the refund amount for the years ended December 31, 2010 and 2009 amounted to Baht 1.6 million.

25. FINANCIAL INSTRUMENTS

As at December 31, 2010 the Company and subsidiary have no policy to perform speculate or trade the financial instrument transaction derivatives.

25.1 Credit risk

The Group exposed to credit risks mainly relating to their trade accounts receivable. However, the management has policies to provide adequate allowances for any possible losses that might be incurred in connection with their receivables.

25.2 Foreign Currency Risk and Risk Management

The Group exposure to foreign currency risk relates primarily to their business transactions which are denominated in foreign currencies. The Group have policies to hedge such risks by using derivative financial instruments. As at December 31, 2010, the Group have outstanding forward foreign exchange selling contracts total of U.S. Dollars 8.0 million in exchange of Baht 242.1 million with 3 commercial banks. The contract will be due in July 2011. Per comparative between fair value and



contract value, the loss amounting Baht 2.7 million is incurred. As at December 31, 2010, the Group have accrued commission amounting of U.S.Dollars 141,481 which are not hedged.

25.3 Interest rate risk

The Group were exposed to interest risks because it held deposits to financial institutions. However, such financial assets are month short-term, the Company and subsidiary believed that the future fluctuation on market interest rate would not provided significant effect to their operation and cash flow; therefore, no financial derivative was adopted to manage such risks.

25.4 Fair value of financial instruments

The financial assets and liabilities include cash and cash equivalents, short-term investment, trade accounts receivable, trade accounts payable, accrued income tax and accrued expenses. Their carried values approximate to their fair values.

26. COMMITMENT AND CONTINGENT LIABILITIES

As at December 31, 2010

- 26.1 The Company has commitment to pay the uncalled investments in Agrifood Processing Co., Ltd. amounting to approximately Baht 90.0 million.
- 26.2 The Company has commitments for software license with a local company amounting of Baht 0.9 million.
- 26.3 The Company were contingently liability for bank guarantees issued in favor of government agency amounting to approximately Baht 8.9 million.

27. RECLASSIFICATION

Certain amounts in the financial statements for the year ended December 31, 2009 have been reclassified to conform to the current year's classification but with no effect to previously reported net income or shareholders' equity. The reclassifications are as follows:

	In Baht			
	Consolidated financial statement		Separate financial statements	
	As previously		As previously	
	Reclassification	reported	Reclassification	reported
Trade accounts payable	47,923,858	48,641,856	47,923,858	48,641,856
Payable from acquisition of assets	717,998	-	717,998	-



28. CAPITAL MANAGEMENT

The primary objective of the Company's capital management is to ensure that it has an appropriate financial structure and preserves the ability to continue its business as a going concern.

As at December 31, 2010 debt to equity ratio in the consolidated financial statements and separate financial statement are 0.07:1.

29. SUBSEQUENT EVENT

At the Board of Directors' meeting held on February 25, 2011, the Board approved to propose in the Shareholders' meeting to consider the approval of the appropriation of dividends of Baht 0.35 per share, amounting to Baht 133.4 million.

30. APPROVAL OF FINANCIAL STATEMENTS

These consolidated financial statements and separate financial statements have been approved by the Board of Directors of the Company on February 25, 2011.