

( Translation )  
**Minutes of Shareholders' Annual Ordinary Meeting of 2008**  
**of**  
**CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED**

**Time and venue** Held on April 30, 2008, time 10.05 a.m., at Montien Hotel “Montienthip Room” No. 54 Surawongse Road, Bangrak, Bangkok.

**There were 9 directors out of 11 directors attended this meeting as follows:**

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|-----------------------------------|---|
| 1. Mr. Prayoon Pholpipattanaphong | Chairman  |
| 2. Mr. Prayoon Pholpipattanaphong | Managing Director and Chairman of Risk Management Committee   |
| 3. Mr. Suwat Phongphasura         | Executive Director  |
| 4. Mr. Ankoon Pholpipattanaphong  | Executive Director, Ass. Managing Director, Marketing Manager, Risk Management Committee and Secretary of Company |
| 5. Mr. Shigeto Tamaoki            | Director  |
| 6. Dr. Olarn Chaipravat           | Independent Director  |
| 7. Mr. Santichai Suakanonth       | Independent Director, Nomination Committee and Chairman of Board of Audit Committee                               |
| 8. Mr. Amnuay Yossuck             | Independent Director, Audit Committee and Chairman of Board of Nomination Committee                               |
| 9. Mr. Ampon Ruayfupant           | Independent Director and Audit Committee  |

**Names of unattending persons directors**

- |                     |                                |
|---------------------|--------------------------------|
| 1. Mr. Lan Mu Chiou | Director ( Foreign residence ) |
| 2. Mr. Lu Tsung Jen | Director ( Foreign residence ) |

**Attending of executives and concerned units**

- |  |  |
|--|--|
| 1. Mr. Prayuth Pholpipattanaphong      | Business Development Manager and Risk Management Committee                       |
| 2. Mr. Sakda Phimmuang                 | Accounting Manager, Risk Management Committee and Secretary of Board of Director |
| 3. Mr. Wanchandr Sivaboonyawongs       | Legal Advisor and Risk Management Committee                                      |
| 4. Two Auditors                        |  |
| 5. Proxy of Thai Investors Association |  |

**Quorum** Mr. Prapas Pholpipattanaphong, Managing Director, acts as Chairman of the Meeting. Mr. Sakda Phimmuang is a Secretary of the Meeting.

Today there are 52 shareholders and proxies to attend a meeting, countable 209,380,172 shares more than one third of paid - up registered capital (paid - up registered capital  $346,496,592/3=115,498,864$  shares) or come to 60.43% to constitute a quorum then the meeting proceeds as following agendas:

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**Casting a vote** : This time meeting, there is no special agenda in voting, one share has one vote. Result of voting shall regard majority vote of attending shareholders and have a right to vote.

**Agenda 1 To consider certify the Minutes of the Annual Ordinary Shareholders Meeting of 2007**

The Chairman, requests the Meeting to consider the minutes of the Annual Ordinary Shareholders Meeting of 2007, which held on April 23, 2007 as already sent to all shareholders. The Chairman requests in the Meeting to consider and resolve.

**Resolution** The Meeting has considered, no shareholders in the Meeting asked any question, objection or request to amend the said minutes of the Annual Ordinary Shareholders Meeting of 2007 and resolved in unanimously with following votes:

Approve	209,380,172	votes
Disapprove	None	vote
Abstain from voting	None	vote

**Agenda 2 To acknowledge the Company's operating performance for the year 2007**

The Chairman informs in the meeting that the operation result in 2007, the company had a sale volume approx. 21,800 metric tons increased from previous year approx. 600 metric tons. The Company and subsidiary company earned total income 1,073 million bahts reduced from previous year amount 275 million bahts and gained net profit 99.9 million bahts reduced from previous year amount 5.8 million bahts which most affect arise from exchange rate that stronger from average exchange rate in 2006 at 37.79bahts/one dollar whereas in 2007 average exchange rate was at 34.47bahts/one dollar.

**Question from shareholders**

**Shareholder** : How's the investment result in the subsidiary company(AFP)?

**Company** : The Company sells the product to AFP in baht currency whereas AFP exports to abroad in US currency, so AFP receives affect moderation from stronger exchange rate.

**Shareholder** : Is there any expansion project on planting areas?

**Company** : The Company makes farming contract with the farmers and planting areas are owned by the farmers which are small size with 3-5 rais unlike foreign country which are large areas. If allows the farmers do in large areas, the farmers have to rent the areas, would make over investment. For arrangement in raw material, if raw materials are insufficient, the company will increase more production in the next season due to raw materials have about 30 days of harvesting season and plantable 2-3 stages a year.

**Shareholder** : Most products are sold to Japan. Is it possible or not to sell in other currency not US currency?

- Company :** The Company wish to sell in other currency but owing products of Frozen Soy Beans, Frozen Green Beans, all important competitors of the company in abroad are sold in US currency. Therefore, change may be possible but it takes time to negotiate.
- Shareholder :** How long can frozen products be stored?
- Company :** It can be stored for 18 months.
- Shareholder :** When will the 5<sup>th</sup> Investment Promotion Certificate begin to use?
- Company :** The 5<sup>th</sup> Certificate has began to use by having 8 year olds.
- Shareholder :** From which cause were the cost of research and development higher in 2007?
- Company :** The Company developed the matter of detecting venomous residue. Last year, there was a news that China faced problem of venomous residue in foods with eatable. The company then has paid the significant in first priority on food safety for the sake of consumers security. The company has bought venomous residue detector and presently can detect the venomous more than 200 kinds which go ahead trading competitors of the company.
- Shareholder :** Any good effect for the company on FTA Thai-Japan ?
- Company :** The Company obtains some advantage from reduction of import duty which is useful with the customers. The company obtains indirect advantage by asking for adjusted some more price.
- Shareholder :** From which cause are the farmers accounts receivable higher?
- Company :** Since the company makes farming contract with the farmers, the company has to arrange seeds, fertilizers and insecticides to the farmers. As passed, costs of fertilizers and insecticides were much higher. Therefore, farmers accounts receivable are higher according to an increment of fertilizers and insecticides costs. At present, the company produces more frozen sweet corns, farmers accounts receivable also get higher as portion.
- Shareholder :** Why list of deteriorate quality products are much reduced?
- Company :** Owing as passed, the company raised a reservation on deteriorate quality products at fix rate which was not coordinate with the facts. Later the company changed the policy of raising a reservation on deteriorate quality products as aging made reservation on deteriorate quality products much reduced. Therefore, reservation on deteriorate quality products that raised over of previous year becomes an income account in this year.
- Shareholder :** How does the policy of set up price similar or lower than competitors but better in quality?
- Company :** The Company has to compete with the manufactures in abroad, the products quality of the company is in the middle when compares with 2 main manufacturers. In future the company has to adjust higher price with stress

on foods safety. The products of the company would saleable at better price.

**Shareholder :** From which cause will the operation result of 2008 be lower than 2007 as estimation ?

**Company :** Owing the company sells the products in US currency and at present rate of exchange is stronger day by day. Therefore, the operation result in 2008 may moderation reduce from 2007.

**Shareholder :** Would like to know the project makes use from the land bought for factory expansion in the future.

**Company :** There are consulting in the company and whether to build a new factory or not depends on the consideration.

**Shareholder :** Has the company any plan to sell more products in the country or not?

**Company :** Products of the company are the products of premium level with high price. Local consumers are not yet quite accepted but Thailand is developing, premium level foods in future may be acceptable but would sell in not much quantity as Thailand has plenty of fresh fruits and vegetables which can consume the whole year round.

**Shareholder :** Would request the company to analyze the raising price of fertilizers and insecticides, how does affect the company?

**Company :** Much affect both in the matter of oils, fertilizers and insecticides as it makes much higher in capital. However, the company has to support the farmers otherwise the farmers would turn to plant other products. The company has to raise the selling price with the customers and customers would raise this selling price to the consumers.

**Shareholder :** What are the products of the company? Let advise.

**Company :** Main products of the company one Frozen Soy Beans, Frozen Green Beans, Frozen Sweet Corns, Frozen Baby Corns and Frozen Mixed Vegetables.

**Shareholder :** The Company brings all the profit to pay dividend which shows that the company has no expansion project, yes or no?

**Company :** The Company gains profit remaining in retained earnings which available more enough for expansion.

**Shareholder :** Why does the company buy all shares of AFP from River Kwai?

**Company :** The Company joined investment with River Kwai for producing Canned Sweet Corns. But when time passed, it appeared that Frozen Sweet Corns products had received a good turn from the customers more than Canned Sweet Corns. The company then bought the shares from River Kwai for all self proceeding.

**Shareholder :** Has the company a policy to increase an exportation to USA and Europe?

**Company :** The Company is trying to increase an exportation to USA.

**Shareholder :** Main market of the company is Japan. Any possibility to sell the products in year currency?

**Company :** It is under consideration.

All this, other details appear in the annual report that had already sent to shareholders.

When no any shareholder asked further questions, the Chairman requests in the Meeting to consider next agenda.

**Agenda 3 To approve the Financial Statements of the company for the year ended December 31,2007**

The Chairman, requests the Meeting to consider the Balance Sheet and Statements of Income for the year ended December 31,2007 which already passed an auditing from certified public accountant and requests for resolution.

**Resolution** The Meeting has considered, no further questions from the shareholders, then resolved in an unanimously approve the Balance Sheets and Statements of Income for the year ended December 31, 2007 with following votes:

Approve	209,380,172	votes
Disapprove	None	vote
Abstain from voting	None	vote

**Agenda 4 To consider approve the Dividend payment from the operation result of 2007**

The Chairman informs in the meeting that in 2007, the company gained net profit 99,920,309.-bahts come to profit per share 0.30baht by separating into profit obtained from the operation result of Investment Promotion Certificate No. 1465/1999 amount 96,852,742.-bahts deduct legal reserve 3,940,000.-bahts would remain net profit of such Promotion Certificate amount 92,912,742.-bahts and the Chairman informs in addition that the company still has profit remaining after paid dividend that was the profit obtained from the operation of Investment Promotion Certificate No. 1465/1999 in 2005 amount 24,418,861.-bahts and in 2006 amount 1,598,960.-bahts. Therefore, at the meeting of Board of Company Director No. 1/2008 on February 28,2008 then resolved in an unanimously allow the company to pay dividend in rate 0.30baht per share to the shareholders amount 346,496,592 shares come to amount 103,948,977.60bahts by paying from the profit from the operation result installment of January 1, 2005 to December 31, 2007 of Investment Promotion Certificate No. 1465/1999 by fixing the date of May 30, 2008 time 12.00 noon as the date of closing register book suspend transferring shares for the right in receiving dividend and fix the date of May 30, 2008 as the date of paying dividend which such dividend exempt not to be deducted government tax, then requests the meeting to consider and resolve.

**Resolution** The Meeting has considered, no further questions from any shareholder, then resolved in an unanimously approve the allocation of profit and paying the dividend as informed by the Chairman with following votes:

Approve	209,380,172	votes
Disapprove	None	vote
Abstain from voting	None	vote

**Agenda 5 To consider approve the appointment of the Directors to replace the Directors whose tenure have ended**

The Chairman informed the Meeting that there were three directors due to retire from being the Company's director by rotation this year as follows:

1. Mr. Suwat Phongphasura
2. Mr. Santichai Suakanonth
3. Mr. Amnuay Yossuck

In this regard, the Board of Directors, excluding the directors due to retire by rotation, had considered and agreed with the proposal of the Board of Nomination Committee to propose to the shareholder meeting to consider re-election of all 5 directors who were due to retire by rotation. This is due to all of them are knowledge able with capabilities and experience suitable for being directors of the Company. Therefore, the Board of Director proposed that the said person mentioned above should be re-appointed to serve as directors of the Company for another term.

The summary of each director's biography had been presented in order to support the consideration.

The shareholders had been informed that they could nominate other persons beside these 3 directors mentioned above to be directors of the Company. However, the nominated person must not be the prohibited person under the Royal Act of Public Limited Companies B.E. 2535, the Securities and Exchange Act B.E.2535, the regulations of the Stock Exchange of Thailand, the provisions of the Securities and Exchange Commission and the Articles of Association of the Company. Moreover, the nominated person must consent to such nomination. If such nominated person is selected, the Company will examine the qualification of such person prior to register such person as a director. In case that the Company found any prohibited qualification, the Company will not register him/her as a director of the Company.

No shareholders had any questions or nominated further person. The Chairman therefore, asked the Meeting to consider approve appointing the directors to replace the directors who were retiring by rotation in accordance with the Article of Association of the Company.

**Resolution** The Meeting has considered and resolved in an unanimously to approve re-election the directors by person respectively as follows: 1) Mr. Suwat Phongphasura 2) Mr. Santichai Suakanonth 3) Mr. Amnuay Yossuck to serve as directors for another term with following votes:

1. Mr. Suwat Phongphasura

Approve	209,380,172	votes
Disapprove	None	vote
Abstain from voting	None	vote

2. Mr. Santichai Suakanonth

Approve	209,380,172	votes
Disapprove	None	vote
Abstain from voting	None	vote

3. Mr. Amnuay Yossuck

Approve	209,380,172	votes
Disapprove	None	vote
Abstain from voting	None	vote

**Agenda 6 To consider approve the Directors' remuneration for the year 2008**

The Chairman informed the Meeting that in order to promote the work of the Board of Directors to create the value added of the Company, the Company should pay the remuneration to directors at an appropriate level to the duty and responsibility of the directors. The Board of Directors Meeting No. 1/2008 held on February 28, 2008 had considered and agreed that the Shareholders Meeting should approve the remuneration of directors in year 2008 as follows:

- Remuneration for 11 company's directors each 400,000.-bahts/year
- Remuneration for Chairman of Audit Committee 40,000.-bahts/month
- Remuneration for 2 Audit Committees each 20,000.-bahts/month

Shareholder had no further questions. The Chairman requests in the Meeting to consider and resolve.

**Resolution** The Meeting has considered and resolved in an unanimously to determine the remuneration of the Company's directors for the year 2008 with following votes:

Approve	209,380,172	votes
Disapprove	None	vote
Abstain from voting	None	vote

**Agenda 7 To appoint the Auditor for the year 2008 and fix the audit fee**

The Chairman requests Mr. Santichai Suakanonth, the director and the Chairman of Audit Committee, to clarify the details about this agenda to the Meeting to consider and approve on appointment of the auditor for the year 2008 and fix the audit fee.

The Chairman of Audit Committee had proposed to the Board of Directors Meeting No. 1/2008 on February 28,2008, by the Board of Directors approved to propose to the Shareholders Meeting to appoint AST Master Co., Ltd., to be the auditor of the Company by having one of the following persons:

1. Mr. Pradit Rodloytuk Certified Public Accountant License No. 0218
2. Miss Nongram Laoha-areedilok Certified Public Accountant License No. 4334
3. Mr. Chanunkorn Satiprapakul Certified Public Accountant License No. 6554

The auditor will examine and express their opinion on the Financial Statements of the Company in year 2008 and the persons who were nominated to be the auditor of the

Company have no relationship or no common interest with the Company or affiliates, the executives or the related person which will affect the independence of the audit work by proposing audit fees amount Baht520,000.- (Five Hundred Twenty Thousand Bahts). Shareholder had no further questions. The Chairman requests in the Meeting to consider and resolve.

**Resolution** The Meeting has considered and approve unanimously to appoint AST Master Co., Ltd., by having 1) Mr. Pradit Rodloytuk, CPA Registration No. 0218 2) Miss Nongram Laoa-areedilok, CPA Regsitation No. 4334 3) Mr. Chanunkorn Satiprapakul, CPA Registration No. 6554 to be the auditor of the Company in the year 2008 and approved to fix the audit fees in the total amount of Baht520,000.- (Five Hundred Twenty Thousand Bahts). The result of the vote was as follows:

Approve	209,380,170	votes
Disapprove	None	vote
Abstain from voting	None	vote

**Agenda 8 To consider other mattes ( if any )**

There was no further business to transact, the Chairman thanked the Shareholders who attended the Meeting.

The Meeting adjourned at 10.40 a.m.

Signed  
(Mr. Prapas Pholpipattanaphong)  
Chairman of the Meeting

Signed      Signature  
(Mr. Sakda Phimmuang)  
Secretary to the Board of Directors  
Minutes Recorder