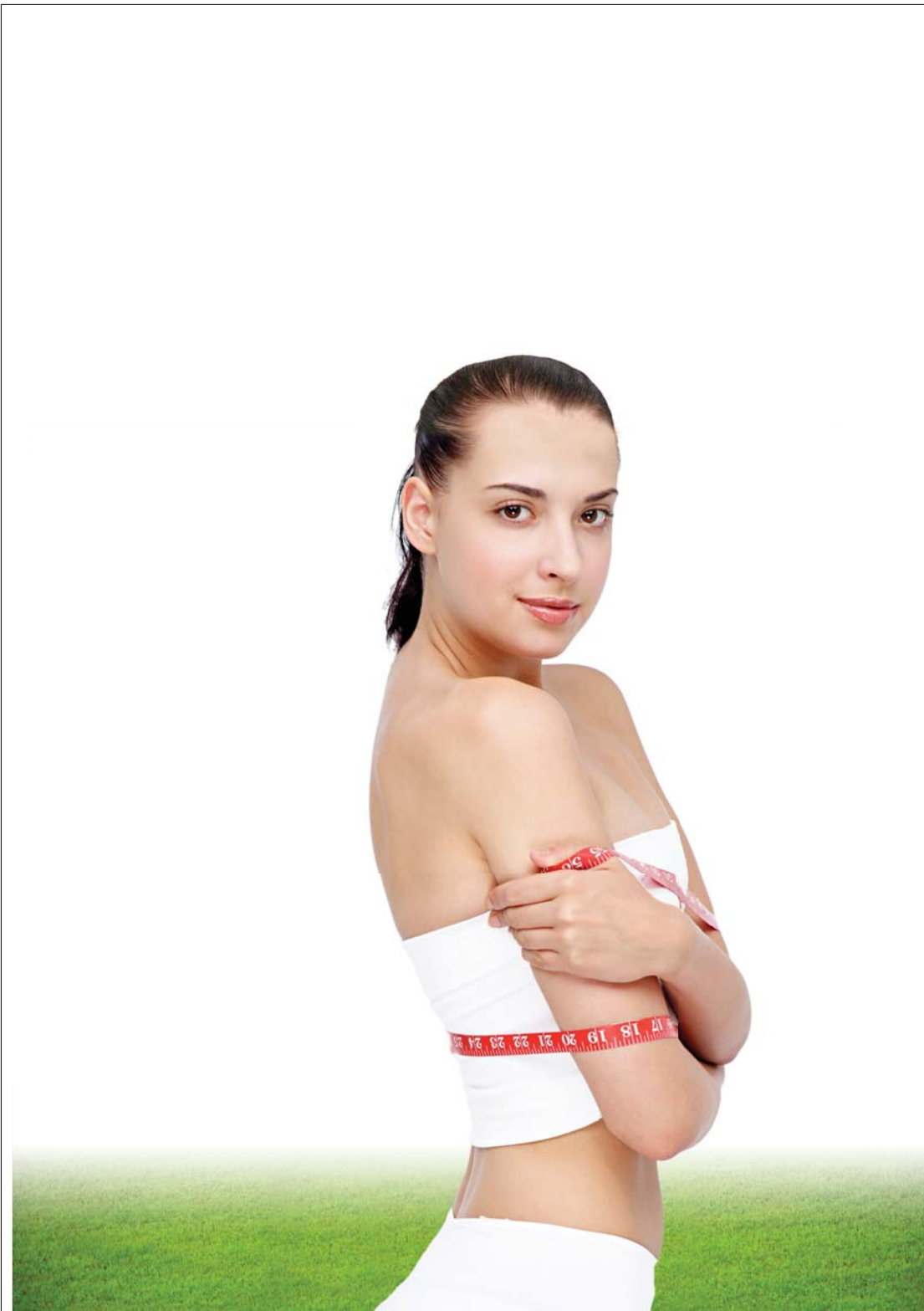


Malee[®] BRAND



2009 Annual Report



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FINANCIAL SUMMARY/Revenue Structure



		2009	2008	2007
TOTAL REVENUE	Million Baht	3,146	3,748	4,068
SALES REVENUE	Million Baht	3,083	3,704	4,004
GROSS PROFIT	Million Baht	735	660	667
NET EARNINGS	Million Baht	131	(295)	(93)
EARNINGS PER SHARE	Baht	1.9	(4.2)	(1.3)
BOOK VALUE PER SHARE	Baht	4.7	(3.5)	0.7
TOTAL ASSETS	Million Baht	2,152	1,974	2,343
TOTAL LIABILITIES	Million Baht	1,825	2,216	2,292
SHAREHOLDERS' EQUITY	Million Baht	327	(243)	52

SIGNIFICANT FINANCIAL RATIO

LIQUIDITY RATIO		2009	2008	2007
CURRENT RATIO	Time	0.5	0.5	0.6
QUICK RATIO	Time	0.3	0.2	0.3
CASHFLOW FROM OPERATION RATIO	Time	0.1	0.1	0.1
A/R TURNOVER RATIO	Time	7.3	8.0	8.2
AVERAGE COLLECTION PERIOD	Days	50.2	45.6	43.8
INVENTORY TURNOVER RATIO	Time	5.2	5.1	5.3
AVERAGE AGE OF INVENTORY	Days	69.9	71.3	67.8
A/P TURNOVER RATIO	Time	2.2	2.4	2.9
AVERAGE PAYMENT METHOD	Days	168.9	149.7	125.2
CASH CYCLE	Days	(48.8)	(32.8)	(13.6)

PROFITABILITY RATIO		2009	2008	2007
GROSS PROFIT RATIO	%	23.8	17.8	16.6
NET PROFIT RATIO	%	4.2	(7.9)	(2.3)
RETURN ON EQUITY RATIO	%	312.7	N/A	(94.4)

EFFICIENCY RATIO		2009	2008	2007
RETURN ON ASSETS RATIO	%	6.3	(13.7)	(4.0)
RETURN ON FIXED ASSETS RATIO	%	12.6	(31.7)	(9.0)
ASSETS TURNOVER RATIO	Time	1.5	1.7	1.8

FINANCIAL POLICY RATIO		2009	2008	2007
DEBT TO EQUITY RATIO	Time	5.6	N/A	44.3
DEBT SERVICE COVERAGE RATIO	Time	5.1	1.2	3.0
DIVIDEND PAYOUT RATIO	%	0.0	0.0	0.0



Revenue Structure

Malee BRAND[®]

	2009		2008		2007	
	Million Baht	%	Million Baht	%	Million Baht	%
Domestic	2,417	77.82%	3,006	80.89%	2,652	66.37%
Export	689	22.18%	710	19.11%	1,344	33.63%
Total Sales	3,106	100.00%	3,716	100.00%	3,996	100.00%

Remarks : Export sales are F.O.B. value. Sales in financial statements include F.O.B, C&F, C.I.F.



Malee - The 100% Fruit Extract

Message from the Honorary Chairman



I would like to express my sincere gratitude to all members of the Board of Directors, management and our employees who have been inspired with passion and determination with great contribution and dedication to improve operational management that drive the Company's success with profit under pressure of volatilities of global economy in the year 2009.

For the year 2010, I feel confidence that with the company's capabilities through the concerted efforts of our people and its production facilities together with the trust of "Malee" brand, the company will continue to actively pursue valuable business development opportunities.

I would also be highly grateful for your continued supports and future patronage for the sustainable growth of the Company.

May you find continued success and prosperity over many years to come.

Mr. Vanchai Chirathivat
The Honorary Chairman
Malee Sampran PLC.

Message from the Chairman



The world economic crisis has begun in the United State of America since 2008, and followed by the counties in Western Europe. In addition, internal politic is uncertainty. That inevitably affected economy of Thailand, which counts on export around 70%. Moreover, those negative factors affected the confidence of internal and external consumers.

However, the results of having great contribution and dedication throughout 2008 and 2009, production management, production cost, marketing, and selling and administrative expenses were efficiently improved. That reflected in much higher profit than the year 2007 and 2008.

The company's capabilities and the success of last year improvement will be further developed in 2010. The company very intends and remains confident that its 2010 target will be certainly achieved and the company's share will be traded in the stock market as usual

The company realizes the global warming problem at the present and in the near future, so the company has created the alternative energy project of BIO Gas (Pond Type) which used waste water from production. That considerably reduced utility expenses. The company has continuously developed in order to use clean energy for all productions.

Lastly, on behalf of **Malee Sampran Public Co., Ltd.**, I would like to thank you all stakeholders for your kind corporation and continuing support.

Chatchai Boonyarat
Chairman
Malee Sampran Public Company Limited



General Information

Malee BRAND

Malee Sampran Public Company Limited.

Registration number 0107535000079

401/1 Phaholyothin Road, Lumlookka, Pathumthani 12130, Thailand

Tel. 0-662 992 5800 to 15, Fax. 0-662 992 5850 (central office), 0-662 992 5818-9 (export sales)

website: <http://www.malee.co.th>

Contact Person: Ananya Chatudomskul Tel: 0-662 992 5800 Ext. 4010, E-mail: ananya_cha@malee.co.th

The manufacturer and distributor of Canned Fruits, Canned Sweet Corn, Canned Pineapple, Pineapple Juice Concentrate, UHT Fruit Juices and Beverages.

Ordinary Share allotment 70,000,000 share of Baht 10 par value

Malee Enterprise Company Limited.

Registration number 1105535109621

Abico Building, 3th Floor, 401/1 Phaholyothin Road, Lumlookka, Pathumthani 12130, Thailand.

Tel. 0-662 992 5821 to 32, Fax. 0-662 992 5833 (central office), 0-662 992 5834 to 5 (sales)

Website: <http://www.malee.co.th>

The distributor of Canned Fruits, UHT Fruit Juices and Pasteurized Fruit Juice, UHT and Pasteurized Milk, and Beverages.

Share allotment 10,000,000 ordinary shares of Baht 10 par value.

Number of shares held by the Company 9,998,800 shares (99.99%)

Agri Sol Limited,

Registration number 0135551007374

Office: 401/1 Abico Building, Phaholyothin Road, Lumlookka, Pathumthani 12130, Thailand

Tel: 0-662 992 5800 to 14, Fax: 0-662 992 5819 <http://www.malee.co.th>

Factory and branch office No.: 110 Moo 9, Tambol Bangpaeng, Amphoe Banpaeng,

Nakornphanom 48140, Thailand

Operating in Agro-Industrial business with care of environment, the manufacturer and distributor of Canned Sweet Corn.

Share allotment 14,500,000 ordinary shares of Baht 10 par value.

Number of shares held by Malee Sampran Public Company Limited 14,499,994 shares (99.99%)



Malee Supply Company Limited. Registration number 1105526039594

Abico Building, 3th Floor, 401/1 Phaholyothin Road, Lumlookka, Pathumthani 12130, Thailand.

Share allotment 175,000 ordinary shares of Baht 10 par value. Number of shares held by the company 170,800 shares held by the Company 170,800 shares (97%)

Dormant.

Icon Foods, LLC.

8070 La Jolla Shores Drive # 465

La Jolla, CA 92037

Tel. 1 858 456 3929 , Fax. 1 858 777 3447

Importer of Canned pineapple

Paid up capital USD 50,500. Number of shares held by the Company 99%

Dormant.

Other Reference

Securities Registrar

Thailand Securities Depository Co.,Ltd.

4th Floor, The Stock Exchange of Thailand Bldg.

62 Rajadapisek Road, Klongteoy Bangkok 10110

Tel: 0-2229-2800, 0-2654-5999

Auditor

Mr. Pichai Dachanapirom, Certified Public Accountant No. 2421

Mr. Pojana Asavasontichai, Certified Public Accountant No. 4891

Miss Chantra Wongsri-Udomporn, Certified Public Account No. 4996

Dhamniti Auding Co., Ltd.

267/1 Pracharaj Sai 1 Road

Bangsue, Bangkok 10800

Tel: 0-2587-8080

Legal

Allen & Overy

19th Floor, Phayathai Plaza

128 Phayathai Road, Rajathavee

Bangkok 10400

Tel: 0-2216-5481-2

Contact Person

Miss Ananya Chatudomskul

Tel: 0-662 992 5800 ext. 4010

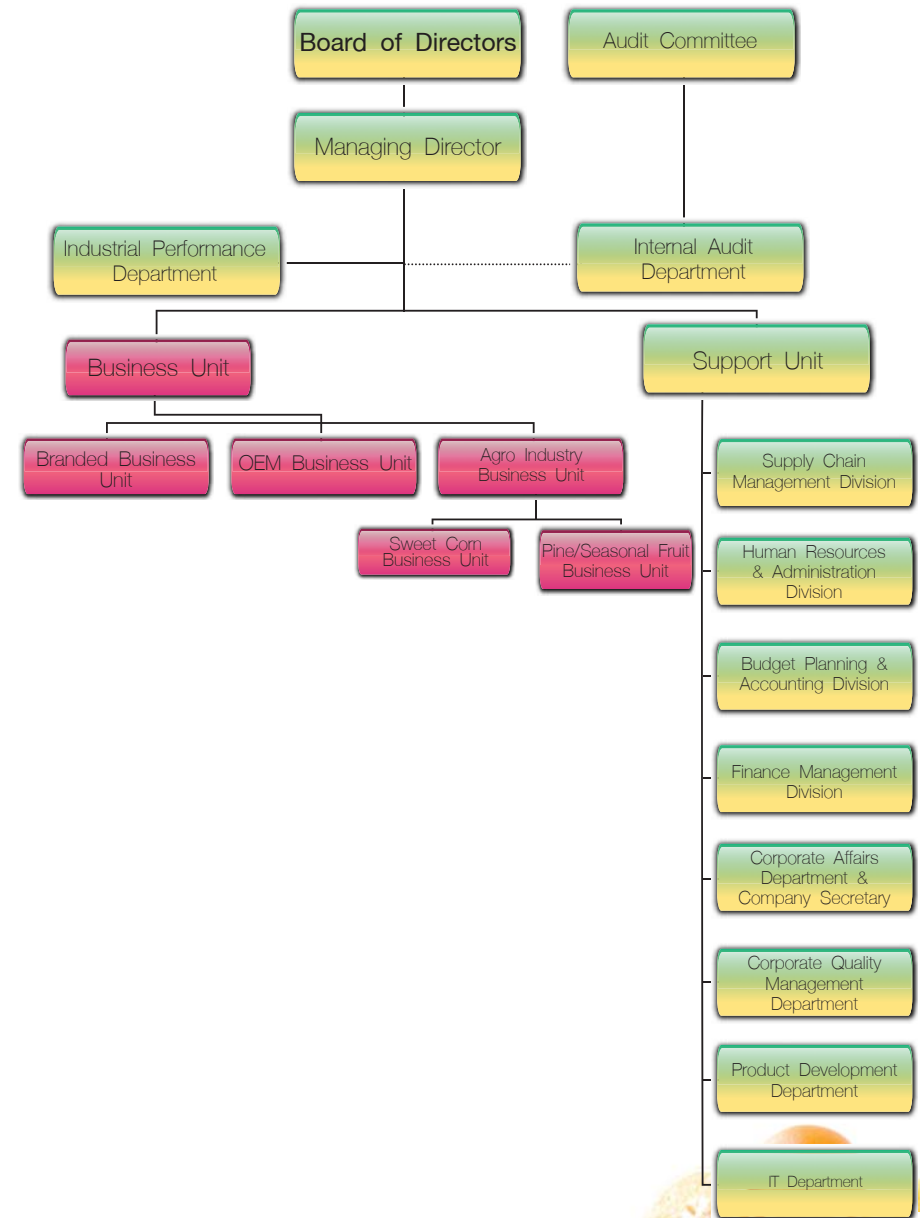
E-mail: ananya_cha@malee.co.th





Organization Chart 2009

Malee BRAND[®]



Malee The Green Fruit Expert



Nature of Business



Malee Sampran PCL is the manufacturer and distributor to domestic and abroad. The main business is divided into

- **Processed fruits business:** canned sweet corn, sweet corn in pouch pack, canned pineapple, pineapple in pouch pack, pineapple juice concentrate, canned tropical fruit cocktail, canned seasonal fruits (rambutan, lychee, longan, mango, etc.).
- **Beverages business:** UHT and pasteurized fruit and vegetable juice, tea, coffee and drinking water packed in the format of can, UHT, plastic bottle (PET) under “Malee” and clients’ trademarks. UHT and pasteurized milk under Chokchai Farm trademark and UHT corn milk under Malee I-Corn trademark.
- **Canned fruit business:** Canned fruit packed in can format under “Malee”, “First Choice”, and “Farmer” trademark.

Malee Sampran Public Company Limited is completely developed and secured our raw material supplies through the contract farming, seeding knowledge, supporting in agricultural in order to ensure sufficient and quality of the raw material supplies and to meet the demand of customers as well as the controlled quality according to the standards of GMP, HACCP, BRC, IFS, HALAN Q-MARK of The Federation of Thai industries and SR-MARK of Ministry of Commerce

Malee Enterprise Company Limited, the subsidiary, is responsible for domestic marketing and distribution of all products, by the company’s sales team and through appointed distributors nationwide.

Main products distributed by Malee Enterprise Company Limited are :

1. Canned fruits under “Malee”, “First Choice”, “Farmer” and “Malee Food Service” brands.
2. Canned, UHT and pasteurized fruit and vegetable juice under “Malee”, “Malee Health Plus”, Malee Veggies”, “Malee Juice Mix”, “Malee Juice Mix Kids”, “Malee Self Plus”, “Malee Tropical” and “Malee Food Service brand
3. UHT Corn Milk Drink under “Malee I-Corn” Brand
4. UHT and pasteurized milk under “Chokchai Farm” Brand
5. PET Drinking water under “Malee” brand



With effective marketing plan and continual product development of Malee Enterprise Company Limited, Malee brand has positioned itself in consumer's mind for over four decades and is known as the market leader of premium quality canned fruit in Thailand all along and has risen both sales and market share of fruit juice over 10%. We gain good image of best selection of quality products for our consumers. As a result, we received 2009 Superbrands Awards from Superbrands UK institution and 2009 Trusted Brand Awards (Gold) in the category of packet drink from Reader's Digest for the 7 consecutive years. Also Malee has been ranked at 305 by Asia Top 1000 Brands in Fruit Juice category in Thailand Market

Malee Sampran PCL has demonstrated social and the environmental responsibility. We realize the importance of wastewater treatment systems efficiency improvement therefore we have received the award winning of Outstanding Environmental Factory from the competition of industrial plants at Nakhon Pathom Province, the award winning of Watery Environmental Protection from the Committee of Environmental Protection Industry and Social Responsibility Mark from the Department of Commerce on 15th May, 2009. Over 40 years, Malee Sampran PCL has committed to innovate and develop production process and technology in various areas at the same modernize level as developed countries. Besides, we focus on developing company standards such as quality of product, quality of processing and quality of packaging to meet international standard. The main development is to consider the importance in the health and safety of consumers. We have received standard certification which is widely accepted by domestic and international organizations in many countries such as HACCP, GMP, Kosher, Q Mark, IFS etc.

Summary of major changes in the past year

In 2009, company has set up more tactical and strategically marketing plan and focused more on new product development in order to reach consumers of all ages and to expand markets and distribution channels. This is the summary of all activities that occurring in the past year.

- **Packaging “Prisma brik”** 100% UHT Fruit Juice has been improved the design and color theme of the packaging to look beautiful, fresh, and outstanding on shelves.
- **100% UHT Fruit Juice** under Malee Health Plus brand — To reach the needs of health conscious consumers, in 2009, the company has launched the new products concept with added health benefit nutrients that deliver the higher value than normal fruit juice. It comes with 3 flavors, 100% Pomegranate Juice with Folate and Grape Seed extract, 100% Blackcurrant Juice with Omega 3, and 100% Orange Juice with Omega3. With their unique health benefits, these 3 flavours help promote good blood pressure and maintain good blood vessels.
- **100% Veggies V9** — The most outstanding of mixed fruit and vegetable juice over others in the present market because of its prominent point of 9 sources of vitamins and minerals have been improved taste to be more delicious and fresher.
- **100% Pasteurized Fruit Juice** - Malee pasteurized fruit juice has been redesigned the packaging to look fresher, brighter, more dominant and more outstanding on the shelves. We also introduced new pack size, twin packs (value for money pack), to match consumer needs and suit people's cost of living.
- **Canned Fruit Malee Brand**, low sugar range size 8.25 oz, is served for health conscious consumers. It comes with 2 products, Rambutan and Longan. The selling point of these products are its 50% lower sugar than normal heavy syrup canned fruit, low in calorie, lower carbohydrate than heavy syrup by around 35% and ready to eat with the flip flop spoon. Malee has been appointed as exclusive supplier of canned fruit in 7-Eleven for 3 consecutive years.
- **Corn Milk Malee I-corn Brand** has been improved product taste of all flavours to be fresh, creamy, and as squeeze from fresh corn.
- **UHT Milk and Pasteurised Milk Chokchai Farm Brand** have been distributed to more new channels such as schools, convenient stores, and pasteurized agents
- **Increasing distribution channels and expanding consumer base** through Amway, Loxley, Chomthana Co., Ltd. (distributor of Ice Cream Crema) via school, and bus tour operators.
- **Malee Sampran Public Co., Ltd.** has established **Agri Sol Limited** for a subsidiary company which is registered on 31 July 2008 for the manufacture and distributor of canned fruits, canned sweet corn and sweet corn in pouch pack. The capital registration is Baht 145,000,000 (Baht one hundred and forty five million). Malee Sampran Public Company Limited held 14,499,994 shares (99.99%). It has not yet started the operation in 2008.





Industry Review and Trends in 2010



Pineapple Business

Thailand export value of canned pineapple in 2009 is 13,905 million baht, dropped by 18.5% compared with last year due to the decreasing global demand for the product especially on significant markets such as Germany and Japan. Meanwhile, the export from China and Vietnam has gradually increasing.

Industry trend for the year 2010 for canned pineapple is expected to slowly improve due to the unfavorable factor such as higher cost of tinplate, paper carton, fuel and appreciation of Thai baht currencies.

The export value of pineapple juice concentrate in 2009 is 6,315 million baht, or 20% increase from last year due to the high global demand. It is expected a continuous growth of pineapple juice concentrate due to strong demand of pineapple juice concentrate and EU decision to exempt import duties on pineapple juice concentrate.

Sweet Corn Business

Thailand export value of canned sweet corn in 2009 is 5,105 million baht, steadily increased by 5.4% compared with the previous year due suitable weather condition that have had positive impact on the crop and good quality of Thai sweet corn that has yielded the positive feedback from overseas buyers.

However, Thai sweet corn packers have got impacts from the antidumping, a measures imposed by European Commission. Consequently, sweet corn producers have to start negotiations with other potential countries. The major challenge to Thai sweet corn industry includes Chinese packers who offer very low price while improving their quality up to other packers' standard.

There are many unfavorable factors for the growth of canned sweet corn in 2010 such as higher cost of tinplate, paper carton, fuel and fluctuation of Thai baht currencies. For this reason, the company decides to emphasize on exporting canned sweet corn to new potential market with more purchasing power.

Vegetable and fruit juices business

Beverage consumption trends of healthy fruit and vegetable juice showed consistent high growth rates for many years because consumers realize the healthy benefit of fruits and vegetables that gains increasing popularity over the years. In the year 2009, fruit juice market is expected to have sales of 8.50 billion baht, or about 250 million liters, by separating into firstly premium segment 2.70 billion baht, or about 41 million liters with regression rate of approximately 5% divided into UHT market 2.3 billion baht, at growth rate of 3% while Malee gains 22% market share and pasteurized market 0.40 billion baht, at 24% rate of regression. Secondly medium segment sized 0.58 billion baht, or about 12 million liters. Thirdly economy segment is worth approximately 2.66 billion or 120 million liters and finally super economy segment is worth 1.80 billion, or approximately 57 million liters. The rest are the other segments worth 0.76 billion baht or about 20 million liters. 25-60% Fruit juice showed continual growth for approximately 5-20% from 2008 and the market is likely to continue to grow in the future because people are likely to reduce drinking other types of beverage, such as sparkling water and turned to drink more fruit juice.

The growth rate of Fruit juice market has always been good during the last 3 years at average rate 10-20% (Source: AcNielsen, May. 2009) due to various boosted factors such as increasing health conscious consumers, and the current lifestyle of consumers that



demands convenience. However, in 2009 growth of the fruit juice market started to slow down because of economic downturn that put pressures on consumers spending. Price barrier is one of the factors since the price of fruit juice is 50 baht per liter considered relatively high compared to other types of beverage. Also the entry of healthy beverages such as functional drink makes an impact on the market and high competition of new competitors from different beverages. The Company continues to focus on the full market penetration and continued to increase growth and market share.

In 2009 the company planned to introduce new innovative product concept to the market which offers higher benefit than general fruit juice under "Malee Health Plus" Brand. It is added health benefit nutrients such as Omega 3 or Folate, or Grape seed extract which come at 3 different flavours to choose, 100% Pomegranate Juice with Folate and Grape Seed extract, 100% Blackcurrant Juice with Omega 3, and 100% Orange Juice with Omega3, to meet the consumer needs seeking greater value fruit juice. This can help Malee create more sales and increase market share. Besides we also improve the taste of vegetables juice to be more delicious for Thai consumers. Moreover we have redeveloped new color and new design of packaging both UHT and pasteurized to help the products stand out on shelf. Also we have launched the new package sizes of pasteurized juice to be more value for money which has been accepted by consumers. We have expanded new distribution channels such as Amway, Loxley, or Chomthana (sole distributor of Ice Cream Cremo) to penetrate school channels as a result we can penetrate new consumer groups and gain broader distribution.

Canned Fruit business

Consumption of canned fruit mostly is subject to various festivals such as Chinese New Year, or New Year, etc. The majority of consumers will consume in the household. Canned fruit market can be divided as follows according to the quality or size of the fruit.

- Premium Market. Contributes approximately 60% of total market which Malee is the brand leader. The growth is relatively slow in 2009 by approximately 5%.
- Economy market. Contributes approximately 25% by House Brand and manufacturers' brands with growth rate at 7%.
- Low range market. Contributes approximately 15% from domestic manufacturers distributed in UPC and from China. Growth rate is at approximately at 10%.

(Source: AcNielsen, May. 2009).

The slowdown of economic condition caused consumers turning to consume more economy segment canned fruit because of lower prices at the acceptable quality (Value for money), which makes premium market growth slow down. This impacts Malee directly as the brand leader in premium market. In 2009, Malee canned fruit showed only about 3% growth compared to last year, but we still sustain the growth due to several reasons. For example, Malee brand is still the best quality product in consumer point of view and they remain loyalty to Malee brand, we have continual marketing activities and increase the frequency of promotion of economy and low range segment under "First Choice" and "Farmer" brand that helped maintain the sales base of economy and low range segment. Moreover, Malee continues to maintain the exclusive supplier of canned fruit in 7-Eleven for 3 consecutive years helping the image of Malee as the brand leader in convenient store. In 2009, Malee also introduced products under healthy concept which is low sugar canned fruit that no any competitor does before. In 2010 Malee will target continuing growth in the canned fruit business for at least 5% and the company continues to reinforce its leadership in the market by introducing new products that meet consumer needs and complementing with a new marketing plan to stimulate market and consumption.

Cereal Beverages business and UHT and pasteurized milk business

Cereal Beverages business

Compared to last year, 2009 cereal beverage market showed increasing growth trend by 60% due to the introduction of new products which stimulate consumption from new users or switch users from other beverages. Malee got decline in this business by 26% because some flavours have been discontinued, or consumers have more variety of healthy beverages to choose, or competitors consistently introduce new products to market. This reduces our competitiveness, although we have improved product taste to be as fresh as fresh corn milk. However in 2010 Malee will continue to develop innovative products that provide greater health benefits because of the positive trend and popular signal of cereal beverage market that consumers still look for quality healthy products for themselves. We continue to introduce new flavours to Amway since it targets directly to health conscious consumers. The company is expected to continue to sustain positive growth in the next year to come.

UHT and Pasteurized Milk Business

Thailand still has a record of low milk consumption at only 14.19 liters per person per year compared with that in Southeast Asia which is at 60 liters per person per year and all around the world at 103.9 liters per person per year. The Government has launched a variety of campaign for Thai people to stimulate more milk consumption. In May 2009, the government has announced to reduce the cost of raw milk to 16.50 baht / kg for Thai manufacturers to reduce retail price and lessen cost of living of Thai people.

Liquid Milk category can be divided into different markets based on a wide range of materials used to produce and manufacturing processes, however the main markets are:

- UHT milk market. Retail price is controlled by the Department of internal trade, Ministry of Commerce, contributed by approximately 23% of the total category (Source: AcNielsen, May. 2009) with the highest proportion of sales was plain flavour milk. This market can be divided into different segment such as Adult milk UHT, Child milk UHT, or all family milk UHT. This market showed continual growth even though it's slow down to 5%.
- Pasteurised milk market. Market price is also controlled by the Department of internal trade, Ministry of Commerce, contributed by approximately 9% of the total category (Source: AcNielsen, May 2009) and showed 9% growth.

UHT milk products of Malee PCL has accounted for 13% of total company's dairy business, decreased 23% while the pasteurised milk has accounted for 87% but showed 17% growth, making an overall of company's dairy business has grown by 8%. The reason of regression of UHT milk market was from stagnant market conditions, and slower growth and a relatively limited sales channels. Compared to pasteurized milk market, it represents higher market growth and distribution is increasing continuously from appointing more agents. Our strategies are to penetrate existing users of pasteurized milk to consume Chokchai Farm brand or to use agents to proactively offer home delivery service. We also market directly to the factory or food service sectors who use pasteurized milk as raw material in production. In 2010, the company has targeted growth of both UHT milk and pasteurised milk under Chokchai Farm brand. With expansion of new consumer base, adding more new channels and new distribution and developing new product line or features that meet consumer needs, enabling retail price uplift.



BIO Gas - UASB Pond Type

The biogas generating system had been developed from the factory waste treatment plant. They had been utilized as a replacement for boilers fuel oil. This application can reduce the fuel oil usage for about 275,000 liters per year.

The waste water digesting process that generates the biogas is very efficient. The outflow into the waste water treatment plant is cleaner and hence effect in reducing the air blower units causing the saving in electrical consumption for about Baht 2 million per year.





Shareholding Structure and Management



MAJOR SHAREHOLDERS AS OF DECEMBER 31, 2009

No.	Name of shareholders	No. of share	Percentage
1.	Thailand Securities Depository Co., Ltd., for Depositors	25,895,591	36.99%
2.	Thailand Securities Depository Co., Ltd., for Depositors	21,764,000	31.09%
3.	Abico Holdings Public Company Limited.	17,840,700	25.49%
4.	Miss Siriluck Wittayanupong	3,150,000	4.50%
5.	CDI Co., Ltd.	700,000	1.00%
	Total	69,350,291	99.07%

SHAREHOLDING BY THE DIRECTORS AS OF DECEMBER 31, 2009

Name	As of Dec 31, 2009	Amount Change	As of Dec 31, 2008
Mr.Chatchai Boonyarat	-	-	-
Mrs. Chintana Boonyarat	-	-	-
Mr. Prin Chirathivat	-	-	-
Mr. Kitti Vilaivarangkul	-	-	-
Mr. Pandit Mongkolkul	-	-	-
Mr. Khemadhat Sukondhasingha	-	-	-
Mr. Mati Tungpanich	-	-	-
Mr. Supatana Upanigkit	-	-	-

THE BOARD OF DIRECTORS

Mr. Chatchai Boonyarat	Chairman
Mrs. Chintana Boonyarat	Director
Mr. Prin Chirathivat	Director
Mr. Kitti Vilaivarangkul	Director
Mr. Pandit Mongkolkul	Director
Mr. Khemadhat Sukondhasingha	Director / Chairman of Audit Committee / Independent Director
Mr. Mati Tungpanich	Director / Member of Audit Committee / Independent Director
Mr. Supatana Upanigkit	Director / Member of Audit Committee / Independent Director
Mr. Rangsan Kongpiam	The Company Secretary

THE AUTHORITY AND DUTIES OF THE BOARD OF DIRECTOR

The Board of Directors is comprised of Executive Director and Non-Executive Directors of the company. The Board of Directors has the power and duties to manage the Company in accordance with the laws, objectives, Articles of Association and resolutions of shareholder meetings. To perform in accordance with its authority and responsibilities, the Board of Directors may appoint director or directors or other persons to perform any tasks on behalf of directors. The Board of Directors shall hold a meeting at



least once in every three (3) months. Two authorized directors to bind the Company shall be authorized to sign with the Company's seal affixed in documents, instruments or other significant letters to bind the Company. The shareholders meeting or the meeting of the Board of Directors may determine and amend the directors' name authorized to sign to bind the Company with the Company's seal affixed. No director shall operate any business or become a partner in ordinary partnerships or become a partner with unlimited liability in limited partnerships or become a director of other juristic persons which have the same nature as and are in competition with the business of the Company, unless he notifies the shareholders meeting prior to the resolution for his appointment. A director shall notify the Company without delay if he has an interest in a contract entered into with the Company or holds shares or debentures in an increased or decreased amount of the Company or an affiliate company. Specific management accountabilities are as follows:

- Review and assess the company's strategy, major operational plan, risk assessment policy, annual budget and business plans. Follows up on the implementation of the plans, monitors the company performance. Monitors major investment expenditure, including joint venture agreements, and divestment of business.
- Nominate, determine the remuneration for, and evaluate management performance on a regular basis, (or if necessary, terminate the management). Review to ensure continuous management succession plan.
- Review the remuneration for Directors and management. Ensure that the Nomination process is done officially and transparency.
- Ensure the controlling system for finance and accounting is reliable. Including the assurance that the internal audit, risk assessment, financial control, and legal compliance process are adequate.
- Audit and resolve the issues of conflict of interest among management, the Board of Directors, and shareholders. This must also includes the issues of misuse of the company's assets and inappropriate related party's transaction.
- Appoint a suitable qualified person as a Director. Ensure that the structure and operational procedures comply with good governance and appropriate ethical standards.
- The Directors should make decision for the company's business with good judgment, being independent from the influence from management and other beneficiary group. They should allocate adequate time for the business and be attentive in performing their duties according to their responsibility.

THE AUDIT COMMITTEE

Mr. Khemadhat Sukondhasingha	Chairman of Audit Committee
Mr. Mati Tungpanich	Member of Audit Committee
Mr. Supatana Upanigkit	Member of Audit Committee

THE AUTHORITY AND DUTIES OF THE AUDIT COMMITTEE

- Reviewed the quarterly and annual financial statements with Company's management to present to the Board of Directors. To ensure the accuracy and creditability of the financial information as well as sufficient and timely disclosure of significant matters.
- Reviewed Company performance to ensure the Company's compliance with the securities and stock exchange laws, the Stock Exchange of Thailand's rules and regulations.

- Considered and supported the disclosure of any connected transactions which may cause conflicts of interest.
- To ensure that internal control system was performed properly and effectively.
- Considered and proposed the appointment of external auditor.
- Considered and approved the annual internal audit plan. Acknowledged the internal auditor's report, monitored the company's investment projects and provided useful recommendations
- Reviewed company risk management and made suggestion to help minimize those risks.

THE EXECUTIVE COMMITTEE

Mr. Chatchai Boonyarat	Chairman
Mrs. Chintana Boonyarat	Director
Mr. Kitti Vilaivarangkul	Director
Mr. Pandit Mongkolkul	Director

THE AUTHORITY AND DUTIES OF EXECUTIVE COMMITTEE

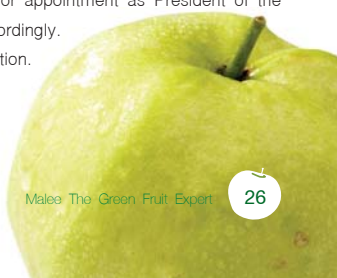
1. Assist the Board of Directors in overseeing management, operation and policies of business and also issuing policies in order to achieve the targeted budget and strategy as approved by the Board of Directors.
2. Consider the Company's annual budget before submission to the Board of Directors for approval.
3. Prepare and propose strategy, business and operation plan to the Board of Directors for approval.
4. Consider new business start up in compliance with the Company's policy before submission to the Board of Directors for approval.
5. Periodically review normal and non-normal courses of businesses operated by business departments.
6. Review and comment on monthly profit and loss report presented by management.
7. Perform any other act delegated by the Board of Directors and approved by the Executive Committee.

THE NOMINATING AND REMUNERATION COMMITTEE

Mr. Mati Tungpanich	Chairman
Mr. Khemadhat Sukondhasingha	Director
Mrs. Chintana Boonyarat	Director

AUTHORITY AND DUTY OF NOMINATING AND REMUNERATION COMMITTEE

- Consider the selection and screening of individuals of individuals with suitable qualifications for appointment as Directors of the Company and propose names of candidates for the Board of Directors. Presentation to the Shareholders' Meeting authorization accordingly.
- Review the selection and screening of individuals with suitable qualifications for appointment as President of the Company and proposal of candidates for the Board of Directors authorization accordingly.
- Present guidelines for the determination of Executive management level remuneration.
- Consider and screen remuneration for Directors, for subsequent proposal to the Board of Directors and eventual authorization by the Shareholders' Meeting.
- Consider and screen remuneration for the President, for approval by the Board of Director.



- Recommend guidelines for the issue of warrants under the Directors and employees share purchase program, for authorization by the Board of Directors, Shareholders and the Securities Exchange Commission.
- Oversee the allocation of warrants for Director and employee share purchase plans as authorized by item (4) above, to Directors and employees in accordance with the objectives of the program.

NOMINATION OF DIRECTORS

The appointment of the Company's directors shall be made by the Shareholder meeting. The Directors of the Company shall be a qualified person and not prohibited by law. The Board of Directors has a minimum of five directors appointed by the shareholder meeting. The selection criteria and procedures of the Board of Directors are provided below:

1. Each shareholder shall have a number of votes equal to the number of shares held.
2. The appointment of a director may be processed by voting to elect one or several persons as director or directors as deemed appropriate by the shareholder meeting. However, each shareholder must exercise all the votes he has under item 1 and cannot divide his votes to any person particularly.
3. The candidates shall be ranked in order descending from the highest number of votes received to the lowest, and shall be elected as directors equivalent to be elected. If there is a tie in the last to be elected and this exceeds the said number of directors, the presiding Chairman shall have an additional casting vote.

At the every annual general meeting of shareholders, one third of the directors shall be retired. If the number is not a multiple of three, then the number nearest to one-third shall be retired. A retiring director is eligible for re-election.

In the case of a vacancy on the Board of Directors for reasons otherwise than by rotation, the Board of Directors shall elect any person who is qualified and not subject to the prohibited qualifications under law on public limited company as the substitute director at the subsequent Board of Directors meeting, unless the remaining term of office of the said director is less than two (2) months. The aforesaid substitute director shall retain his office only for the remaining term of office of the director whom he replaces. The resolution of the Board of Directors under the first paragraph shall consist of votes of not less than three-fourths (3/4) of the remaining directors.

PRINCIPLES FOR NOMINATING INDEPENDENT DIRECTORS

- Individuals must possess the qualification for as determined.
- Director must be able to perform their duties and express opinions using independent, individual judgment. This must be conducted with ethics and a primary concern for the organization's interests.
- Candidates must possess all the qualifications as specified by the Stock Exchange of Thailand, as follows

- o Must not hold more than 1 percent of the total number of shares with voting rights of the Company, companies within the group, associated companies or persons with potential conflict of interest (including persons related parties in accordance with Measure 258 of the securities Act)
- o Has no participation in management, Is not an employee, staff member or consultant receiving a regular salary; nor is an individual with controlling authority in the Company, companies within the Group associated companies or persons with potential conflict of interest. This includes relationships involving persons providing professional service to the Company or companies within the Group, such as auditors or legal counsel. Individuals must not have previously had benefits or interests as aforementioned, for a period of not less than 1 year.
- o Candidates must not have relationships of a business nature, such as being a customer, raw material supplier, creditor / debtor, have accounts receivables or payables with relation to relation to borrowings. Individuals must not have benefits or interests — whether directly or indirectly — with regard to both the finances and management of the Company, companies within the Group, associated companies or persons with potential conflict of interest of a nature that comprises independence.
- o Individuals must not be close relatives with management or majority shareholder of the Company, companies within the Group, associated companies or persons with potential conflict of interest. Nominees must not have appointed as representatives to safeguard the interests of Directors or majority shareholders.
- o Individuals must not possess any other characteristics which would compromise the independence of the Board of Directors.

THE RISK MANAGEMENT COMMITTEE

Mr. Khemadhat Sukondhasingha	Chairman
Mr. Mati Tungpanich	Director
Mr. Supatana Upanigkit	Director
Mr. Pandit Mongkolkul	Director

THE AUTHORITY AND DUTIES OF RISK MANAGEMENT COMMITTEE

- Assist the Board of Directors to set out the strategies and measures to control the Company's risk.
- Review the risk exposures of the Company's businesses, identify the acceptable level of risk, and control effectively.
- Review with management the strategies, frameworks and procedures that lead to the mitigation of material risk.
- Review reports from management of the steps that it has taken to monitor, mitigate and control the risk.
- Perform any other act delegated by the Board of Directors and approved by the Risk Management Committee.

COMPANY'S SECRETARY

By Securities and Exchange Act (No. 4) B.E.2551 to proclaim that the board of director of company shall appoint a company secretary responsible for the company matters on behalf of the company or the board of directors. The company appointed individuals with the requisite qualifications and experience to assume the duties of company secretary. The qualifications, characteristic and responsibilities of the position have been determined as follows:

Qualification

- Bachelors degree
- Knowledge of legal principles in related to the Company and the SEC
- Good human relations and communications skills
- Prior experience in this position
- Knowledge of Corporate Governance issues

Responsibilities

- 1.Preparing and keeping the following documents
 - A register of directors
 - A notice calling director meeting, a minute of meeting of the board of directors and an annual report of the company:
 - A notice calling shareholder meeting and minute of shareholders' meeting
- 2.Keeping a report on interest filed by a director or an executive
- 3.Performing any other acts as specified in the notification of the Capital Market Supervisory Board.
- 4.Supervise the disclosure of information and reporting in accordance with law and related regulations pertaining to good corporate governance.

Remuneration for Directors and Management

a) Directors' remuneration in 2009, for 8 persons, was Baht 2,860,000.-

b) Executive directors and Management's remuneration in 2009, for 12 persons, was Baht 17,470,975.33
(as of 31 December 2009, total managements are 8 persons including with Executive directors for 4 persons)

Other remuneration

Provident Fund of Management for 8 persons in 2009, was Baht 201,251.74

Company's Committee, Number of Attendance and Remuneration for year

NAME OF DIRECTOR	DURATION OF TENURE	NUMBER OF ATTENDANCE OF MEETING (TIME)				Annual REMUNERATION	MEETING PER DIEM				TOTAL
		BOD	AC	EXCOM	NR.		BOD	AC	EXCOM	NR.	
1 Mr Chatchai Boonyarat Chairman of the Board of Director Chairman of the Executive Director	2007-2010	5/5	-	12/12	-	-	200,000	-	480,000	-	680,000
2 Mrs.Chiriana Boonyarat - Director - Member of the Executive Director - Member of the Nominating and Remuneration Committee	2007-2010	5/5	-	12/12	1/1	-	100,000	-	240,000	10,000	350,000
3 Mr. Pirin Chirathivat - Director	2007-2010	5/5	-	-	-	-	100,000	-	-	-	100,000
4 Mr. Khemsadhat Sukondhasingha - Director - Chairman of the Audit Committee - Independent Director - Chairman of the Compensation Committee - Member of the Nominating and Remuneration Committee	2008-2011	4/5	4/4	-	1/1	100,000	90,000	160,000	80,000	10,000	440,000
5 Mr. Mati Tungpanich - Director - Member of the Audit Committee - Independent Director - Chairman of the Nominating and Remuneration Committee	2009-2012	4/5	4/4	4/4	1/1	100,000	90,000	80,000	40,000	20,000	330,000
6 Mr. Kitti Wiavavangkul - Director - Member of the Executive Director	2008-2011	5/5	-	12/12	4/4	-	100,000	-	240,000	-	340,000
7 Mr. Pandit Mongkolkul - Director - Member of the Executive Director	2008-2011	5/5	-	12/12	4/4	-	100,000	-	240,000	40,000	380,000
8 Mr. Supatana Upangthi - Director - Member of the Executive Director - Member of the Audit Committee	2009-2012	3/5	2/4	3/4	3/4	100,000	60,000	50,000	-	30,000	240,000
Total						300,000	840,000	290,000	1,200,000	190,000	2,860,000

REMARK : a) Duration of Tenure - At the every annual general meeting of shareholders, one third of the directors shall be retired. If the number is not a multiple of three, b) then the number nearest to one — third shall be retired. A retiring director is eligible for re-election.

BOD = BOARD OF DIRECTOR
AC = AUDIT COMMITTEE
RM = RISK MANAGEMENT COMMITTEE

EXCOM = EXECUTIVE COMMITTEE
NR = NOMINATING AND REMUNERATION COMMITTEE



Policy on Corporate Governance

The Board of Directors of Malee Sampran Public Company Limited deems the good corporate governance as the Company's policy which contains principles and best practices as follows:

1. Operates with consideration to the rights and equality of shareholders and other stakeholders, such as employees, trading partners, community, and creditors, by:

- 1.1 Protecting the shareholders' interest, and treating all shareholders equally. Refrain from limiting shareholders to have access to the company information, and to attend shareholders' meeting. In 2009, the Shareholders' Meeting had been held on Friday 24th April 2009 from 10.00 a.m. at ABICO Building, 6th floor, 401/1 Moo 8, Phaholyothin Road, Lumlookka, Pathumthani 12130. The members of the Board of Directors including the Chairman of the Audit Committee participated the Meeting. The company followed the correct procedure for convening the Meeting as specified by Laws, from the summons to attend the Meeting, the distribution of relevant documents and the agenda; and the provision of sufficient information and time for shareholders to consider the details prior to the Meeting date. The company also offered options to the shareholders who were unable to attend the Meeting by assigning their right of proxy to the independent Directors to participate and vote on their behalf. The proxy documents and instructions for appointing a proxy. The documents are sent to all shareholders 14 days prior to the Meeting date. The Chairman of the Meeting further informed the shareholders as to the method for voting using ballots, prior to commencement of the Meeting. During the process of counting votes, The Independent Director and external auditor representatives were witnesses in conjunction with company employees. Furthermore, all shareholders were given equal opportunity to inspect details of the company's operations, raise questions and express opinions. The Minutes are also presented on the company's website.
- 1.2 Ensuring that those rights of the stakeholders are protected and well practiced.
- 1.3 Providing written documents to show the company's responsibilities to stakeholders.
- 1.4 Presenting the timely information on important issues, which have significant impacts to stakeholders. The reports must be presented with simplicity and consistency.



2. Structure, Roles, Duties, Responsibilities and Independence of the Board of Directors

2.1 The Board of Directors is comprised of Executive Director and Non-Executive Directors. A number of the Non-Executive Directors will be assigned by the Board of Directors to independently review and give comments against the conflicts of interest, which may occur. The tasks are such as reporting on the company financial matters by the Audit Committee, nomination of Board members by the Nomination Committee, remuneration for Directors and the management by the Remuneration Committee.

2.2 To practice in accordance to the law, and the objectives, rules and regulations of Malee Sampran Public Co., Ltd.

2.3 Accountable to manage important and specific issues as follows:

- Review and assess the company's strategy, major operational plans, risk assessment policy, annual budget and business plans. Follows up on the implementation of the plans, monitors the company performance. Monitors major investment expenditure, including joint venture agreements, and divestment of business.
- Nominate, determine the remuneration for, and evaluate management performance on a regular basis, (or if necessary, terminate the management). Review to ensure continuous management succession plan.
- Review the remuneration for Directors and management. Ensure that the nomination process is done officially and with transparency.
- Ensure the controlling system for finance and accounting is reliable. Including the assurance that the internal audit, risk assessment, financial control, and legal compliance processes are adequate.
- Audit and resolve the issues of conflict of interest among management, the Board of Directors, and shareholders. This must also includes the issues of misuse of the company's assets, and inappropriate related party's transaction.
- Appoint a suitable and qualified person as a Director. Ensure that the structure and operational procedures comply with good governance and appropriate ethical standards.
- The Directors should make decision for the company's business with good judgment, being independent from the influence from management and other beneficiary group. They should allocate adequate time for the business and be attentive in performing their duties according to their responsibility.

3. Information disclosure and transparency:

To ensure that the Company properly discloses the significant information in time, and with transparency, the Board of Directors should provide an investor relation unit to represent the company in communicating with institutional investors, shareholders, general analysts and state agencies concerned. The Board should provide adequate resources to develop knowledge and communication skill of the investor relation officer, so that the presentation could be made properly.

4. Controlling and risk management system. The Board of Directors has the responsibility to identify risks in the business, and to ensure that the company has the process to manage the risks, by:

- 4.1 Providing an efficient internal control system, measures for operational control and to manage the risks. Attention must be given to the early warning signals.
- 4.2 Providing an efficient communication among independent auditors, shareholders, the Board of Directors, and the management, which have been linked altogether by the Audit Committee.
- 4.3 Internal Audit Office has significant roles in the management control and financial reporting system. The Company must set up the internal audit activities as a separate unit within the company.

5. Business Ethics:

The company should provide code of ethical conduct for all the Directors, management, and employees to ensure that they understand the standard practices as expected by the Company and stakeholders such as shareholders, trading partners, creditors, and community etc. The Board should fully support this code of ethics, and distribute to all employees.

Code of Ethics of Malee Group

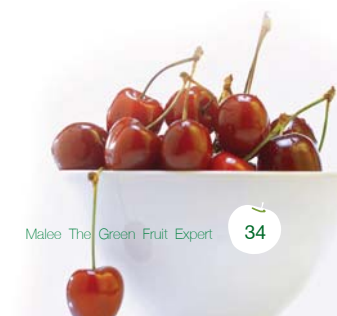
Objectives of Malee Group are to produce goods of high quality, to be sold at reasonable prices, to establish relationship with all stakeholders, and to be responsible for the environment, community and society. The best practices are therefore set up as the guiding principle for the Directors, management, and employees.

Control of Internal Information

The company has put in place a system where all company directors and management must report their share purchasing activities to ensure that they do not use insider information for personal gain in trading of Company shares. Furthermore, the Company has also informed all directors and management of the personal legal liabilities and punishment associated with such act.

Employees

Number of Employees as at 31 December 2009	1,379	persons
Employee Costs for the year 2009	251,544,132	Baht



The Audit Committee has quarterly reviewed the internal control system with external and internal auditors. The Company has an adequate internal control system for its business, which includes protection and prevention of the properties, fraud, and reliability of financial and operation reports.

The management and internal auditor concluded that its internal control system is adequate and effective. There were no irregularities and significant errors found.





Related Transactions



Please see notes to consolidated financial statements as at 31 December 2009 for No. 5. Related Party Transactions.

Related Party Transactions

Related parties are these parties linked to companies in the Group as follow :

Related Companies	Business Type	Relation ship
Subsidiaries		
Malee Enterprise Company Limited	Distributor	Shareholders/Co-directors
Malee Supply Company Limited	Distributor (Dormant)	Shareholders/Co-directors
Icon Foods, LLC.	Distributor (Dormant)	Shareholders/Co-directors
Agri Sol Company Limited	Manufacture and distributor	Shareholders/Co-directors
Related parties		
Abico Holding Public Company Limited	Holding company (investment)	Company's shareholder/Co-directors
Abico Land Company Limited	Real estate developer	Co-directors
Abico Daily Farm Company Limited	Produce service of ready to drink milk and fruit juices	Group of companies/Co-director
Chokchai Milk Company Limited	Chokchai brand owner	Relate with Apico Holding Public Company Limited
PPO Farm Company Limited	Agriculture and dairy farm	Co-directors
Central Food Retail Company Limited	Department store	Co-directors
Robinson Department Store Company Limited	Department store	Co-directors
Big C Supercenter Public Company Limited	Department store	Co-directors
Dhanamitr Factoring Company Limited	Factoring	Co-directors
Export-Import Bank of Thailand	Commercial Bank	Co-directors
CG Broker Company Limited	Insurance	Co-directors



During the years, the Company had significant trading transactions with its subsidiary and related parties, which have been concluded on commercial terms and bases agreed upon in the ordinary course of businesses between the Company and those companies. Below is a summary of those transactions.

		Baht			
		Consolidated financial statements		Separate financial statements	
	Pricing policy	2009	2008	2009	2008
Transactions with subsidiary					
(Eliminated in the consolidated financial statements)					
Sales of goods	Cost plus margin	-	-	1,012,295,903	1,108,121,358
Guarantee fee	0.25 percent of the guarantee amount	-	-	750,000	750,000
Land and plant rental expense	Contract price	-	-	5,800,000	-
Interest expense - loan	MLR + 0.15% - 0.25%	-	-	2,381,869	-
Transactions with related parties					
Sales of goods	Cost plus margin	157,226,503	235,965,430	-	-
Building rental expenses	Contract price	10,986,906	11,375,844	6,582,661	6,971,599
Produce service	Cost plus margin	54,328,141	59,585,856	54,328,141	59,585,856
Sale promotion expense	Contract price	14,702,330	29,190,279	-	-
Insurance expense	Contract price	1,457,989	1,937,150	1,397,139	1,888,012
Interest expense - factoring	Market yield	2,408,567	2,402,882	-	-
Interest expense - loan	Market yield	374,414	2,095,019	374,414	2,095,019

The balances of the accounts as at December 31, 2009 and 2008 between the Company and those related companies are as follows:

		Baht			
		Consolidated financial statements		Separate financial statements	
		2009	2008	2009	2008
Trade accounts and notes receivable					
Subsidiary					
	Malee Enterprise Co., Ltd.	-	-	539,623,192	457,870,555
	Agri Sol Co., Ltd.	-	-	18,931,925	-
	Total	-	-	558,555,117	457,870,555
Related parties					
	Chokchai Milk Limited	1,088,540	1,088,540	1,088,540	1,088,540
	Central Food Retail Company Limited	20,556,374	26,442,323	-	-
	Big C Supercenter Public Company Limited	-	28,072,503	-	-
	Total	21,644,914	55,603,366	1,088,540	1,088,540
Other accounts receivable					
Subsidiary					
	Agri Sol Co., Ltd.	-	-	6,734,958	-
Related parties					
	Abico Daily Farm Company Limited	8,566,870	5,596,665	8,566,870	5,596,665
	Dhanamitr Factoring Company Limited	4,370	-	-	-
	Total	8,571,240	5,596,665	8,566,870	5,596,665
Short-term loans from financial institutions					
Related parties					
	Export-Import Bank of Thailand	-	54,802,000	-	54,802,000
	Total	-	54,802,000	-	54,802,000
Trade accounts payable					
Subsidiary					
	Malee Enterprise Co., Ltd.	-	-	250,926	60,239
Related parties					
	Abico Daily Farm Company Limited	4,748,725	2,201,482	4,748,725	2,201,482
	Chokchai Milk Company Limited	-	7,896	-	7,896
	Total	4,748,725	2,209,378	4,748,725	2,209,378
Factoring payable					
Related party					
	Export-Import Bank of Thailand	-	6,025,502	-	6,025,502
	Dhangmitr Factoring Company Limited	24,923,852	34,490,020	-	-
	Total	24,923,852	40,515,522	-	6,025,502
Accrued expenses and accrued interest and other account payable					
Subsidiary					
	Agri Sol Co., Ltd.	-	-	6,010,000	-
Related parties					
	Abico Land Company Limited	161,507	171,455	132,014	138,422
	CG Broker Company Limited	1,449,801	1,442,168	1,397,139	1,409,409
	Export-Import Bank of Thailand	-	14,313	-	14,313
	Central Food Retail Company Limited	4,208,274	1,703,685	-	-
	Big C Supercenter Public Company Limited	-	721,742	-	-
	Total	5,819,582	4,053,363	1,529,153	1,562,144



Board of Directors



1. Mr. Chatchai Boonyarat	Chairman
2. Mrs. Chintana Boonyarat	Director
3. Mr. Prin Chirathivat	Director
4. Mr. Kitti Vilaivarangkul	Director
5. Mr. Pandit Mongkolkul	Director
6. Mr. Khemadhat Sukondhasingha	Director / Chairman of Audit Committee Independent Director
7. Mr. Mati Tungpanich	Director / Member of Audit Committee Independent Director
8. Mr. Supatana Upanigkit	Independent Director / Member of Audit Committee
9. Mr. Rangsak Kongpiam	The Company Secretary

Board of Directors's Profile

Mr. Chatchai Boonyarat Chairman

Graduated with a Bachelor's Degree in Chemical Engineering from Chulalongkorn University and Master's Degree in Manufacturing Engineering from Boston University, USA and also participated in the Chairman 2000 Program from Thai Institute of Directors Association. Formerly the President of the Thai Food Processor Association (TFPA); Chairman of Food Industry Club of the Federation of Thai Industries; Chairman of ASEAN Food Processing Industries; Vice Chairman, Federation of Thai Industries Honorable Secretary General of the Federation of Thai Industries; and Honorable Secretary General of the ASEAN Chamber of Commerce and Industry (ASEAN-CCI).

Currently, apart from being the Chairman of the Company and group of companies, he is also Vice Chairman, Chairman SME Committee, Chairman Committee on Economic Affairs Thai Chamber of Commerce, Committee Member of National Food Institute, Committee Member of The Office of Small and Medium Enterprises Promotion, Committee Member of The Institute for Small and Medium Enterprise Development, Expert Member of Trade Competitive Committee, Expert Member in private sector for science to Patent Committee Department of Intellectual, Price Controlling Member Committee to Department of Internal Trade Ministry of Commerce, Performance Agreement Committee to State Enterprise Policy Office Ministry of Finance. Executive Board to The Support Arts and Crafts International Center of Thailand, Patent Committee and The Sub-Committee on Screening Agriculture Project for Agricultural Research Development Agency (ARDA) and Sub-Committee on Tax Incentives of BOI.

Mrs. Chintana Boonyarat Director

Graduated with a Bachelor's Degree in business from Menlo College, USA, and also participated in the Directors Certification Program DCP 5/2000 from Thai Institute of Directors Association.

Currently, as Director of Malee Sampran Plc; Executive Director of Central Marketing Group Co., Ltd.; President of Central Trading Co., Ltd.; Director of Tiger Eyes Trading (Thailand) Co., Ltd.; Abico Holdings Public Company Limited; Director of Board of Trade of Thailand.



Mr. Prin Chirathivat

Director

Graduated with a Bachelor's Degree in Accounting from Skidmore College, USA and Master Degree in Business Administration from Sasin Graduate Institute of Business Administration and also participated in the Directors Certification Program DCP 2/2000; Director Accreditation Program DAP 35/2005; Audit Committee Program ACP 6/2005; The Role of Chairman 11/2005 from Thai Institute of Directors Association; CFO (Chief Financial Officer Certification Program 6/2006 and Graduate Diploma in Management of Public Economy 4/2005 from King Prajadhipok's Institute.

Currently, Executive Director-Finance of Central Group of Companies; Executive Director of Central Pattana Public Company Limited; Executive Director of Fabrica Co., Ltd.; Director and Executive Director of Central Retail Corporation Co., Ltd.; Director of Central Plaza Hotel Public Company Limited; Advisory Committee of Market for Alternative Investment (MAI); Chairman of Audit Committee of Bua Luang Security Public Company Limited and Chiangrai Rajabhat University Steering Support Committee.

Mr. Kitti Vilaivarangkul

Director

Graduated with a Bachelor's Degree in Accounting from Ramkhamhaeng University (2nd Class Honors) and Master Degree in Business Administration from Thammasat University. Formerly working for Siam Commercial Bank Public Co., Ltd. and Singburi Sugar Co., Ltd. and also participated in the Directors Accreditation Program DAP 2005 from Thai Institute of Directors Association

Currently, as Managing Director of Abico Holdings Public Company Limited; Director of Malee Enterprise Co., Ltd.; Director of Abico Dairies Farm Co., Ltd.; Director of Malee Sampran Public Co., Ltd. and also as Director of Abico Land Co., Ltd.

Mr. Pandit Mongkolkul

Director

Graduated with a Bachelor's Degree in Accounting from Chulalongkorn University and Master Degree MBA in Finance and International Business from Sasin Graduate Institute of Business Administration and also participated in the Directors Certification Program DCP 2003 from Thai Institute of Directors Association; Capital Market Academy Leadership Program (CMA 4) 2007 from Capital Market Academy.

Currently, Executive Vice President of Central Department Stores; Chairman and Executive Director of Tanamitr Factoring (Public) Co., Ltd.; Director of Earth-Care Co., Ltd.; Director of Central Marketing Group Intertrade Co., Ltd.; Director of Robinson Department Stores (Public) Co., Ltd. and Director of Robinson Group; Director of CG Broker Co., Ltd.; Director of Andaman Capital Co., Ltd.; Director of Malee Sampran (Public) Co., Ltd.; Director of Central Retail Training Centre Co., Ltd.; Director of Central Samui Hotel Management Co., Ltd.; Director of CR Ubon Ratchathani (Thailand) Co., Ltd.; Director of CR Udonthani (Thailand) Co., Ltd.; Director of CR Chiang Mai (Thailand) Co., Ltd.; Director of CR Nakorn Sri Thammarat (Thailand) Co., Ltd.; Director of CR Chantaburi (Thailand) Co., Ltd.; Director of CR Ratchaburi (Thailand) Co., Ltd.; and Director of CR Hadyai (Thailand) Co., Ltd.;

Mr. Khemadhat Sukondhasingha

Director / Chairman of Audit Committee Independent Director

Graduated with a Bachelor's Degree in Electrical Engineering from Chulalongkorn University; Joined with the National Defense College of Thailand; Joined with Industrial Engineering Honorary from King Mongkut's Institute of Technology North Bangkok. Participated Director Certificate Program and Auditing Committee Program From Thai Institute of Directors in 2006. Formerly the Executive of Thai Kawasaki Motor Co., Ltd.; Chairman of Sikor E-Business Co., Ltd.; Chairman of Robotic Information Technology Co., Ltd. and Chief Executive Officer the SUPPORT Arts and Crafts International Centre of Thailand.

He is currently serving as Technical Advisor of Euroasia Business Advisory; Chairman of National Metal and Materials Technology Center Board, National Science Development Agency, Committee of PAC; Auditing Committee, Ministry of Science and Technology and Independent Director of Malee Sampran Plc.

Mr. Mati Tungpanich

Director / Member of Audit Committee Independent Director

Graduated with a Bachelor's Degree in Architecture from Chulalongkorn University pursued his Master Degree in Architecture from Massachusetts Institute of Technology (MIT), USA; and later on joined the National Defense College of Thailand. He was elected 3 consecutive terms during 1986-1992 to serve as President of the Association of Siamese Architects under Royal Patronage. During 1996-1997 he served as Chairman of the Advisory Board to the Prime Minister on Urban Development. He was the first President of Federation of Design and Construction Services of Thailand (FEDCON) from 2000-2002.

He is currently serving as Director, Member of Audit Committee and Independent Director of Malee Sampran Plc. and Principle of Design+Develop co.Ltd., which he founded over 30 years ago.

Mr. Supatana Upanigkit

Director / Member of Audit Committee Independent Director

Graduated with a Bachelor in Accounting and Bachelor of Law from Thammasart University. Barrister — At - Law from The Thai Bar Organization. Special training in Banking Practice, Credit and Financial Analyst, Project analyst, The Law Process in business, Operating in Stock Exchange of Thailand and Executor Development., Certified Public Accountant from The Federation of Accounting Professions and Attorney at Law License from The Lawyers Council of Thailand.

Formerly the Vice President of DIA Auditing, Director and General Manager in Thai Finance, Vice President and Executive of Accounting in Thai Finance, Accountant at Yip-In-Soi Finance. And 13 years experiences in Bank of Thailand.

Currently, the Independent Director and Member of Audit Committee of Malee Sampran Public Co., Ltd., The owner and Vice President of Supatana Auditing and Speaker in Accounting and Taxation.



Operating Performance Analysis

Summary of the results from operations of the Company and its subsidiaries for the year ended 31 December 2008, comparing with the same period of previous year, the total sales were Baht 3,082.8 million which decreased by Baht 621 million or 16.8 % mainly due to export sales increased Baht 7.5 million and the local sales decreased Baht 628.2 million in the contract manufacturing business

The gross profit was Baht 734.7 million which was higher than previous year by Baht 75.2 million. The gross margin was 23.8% of total sales which increased by 6.0% because the sales proportion of high margin product (e.g. fruit juices and beverages) was higher, while export sales with low margin decreased. The selling and administrative expenses were Baht 705.5 million which was lower than last year by Baht 164 million or 22.9% of total sales. In addition, the result from advertising and promotion of domestic sales. Interest expense was Baht 35.8 million lower than previous year by Baht 19.5 million; there was the revision of estimated interest expense in the previous year Baht 74.1 million through the negotiation and compromise process with a trade account payable. As a result, the Company closed a net profit at Baht 130.9 million compared with net loss of Baht 294.7 million in the previous year.

Financial Status Analysis

(Unit: Million Baht)

Breakdown of assets	2009		2008	
Accounts receivable	400.8	18.6%	447.5	22.7%
Inventories	401.6	18.7%	497.5	25.2%
Investments	33.9	1.6%	88.2	4.5%
Land awaiting future development	127.4	5.9%	115.8	5.9%
Property, plant and equipment	1,084.9	50.4%	748.5	37.9%
Others	102.9	4.8%	76.1	3.8%
Total assets	2,151.5	100.0%	1,973.6	100.0%

Accounts receivable decreased by Baht 46.7 million mainly due to lower domestic OEM sales. Inventories decreased by Baht 95.9 million, most of the inventories decreased were canned fruits and raw materials. Furthermore, the company improved the inventory management with the efficiency. Most of the investments were fixed deposits to secure credit facilities granted by banks. Land awaiting future development and Property, plant and equipment increased by Baht 348.2 million mainly from asset revaluation. The revaluation methods made the plant and machineries presented at appropriate value.

The Quality of Assets

Accounts receivable

Net accounts receivable at the year end were Baht 400.8 million, of which Baht 121.8 million was overdue or decreased by 14.8 million or 10.8% of total overdue, comparing at the year end of 2008. That was the result of collection efficiency.

The allowance for doubtful debt in account as at 31 December 2008, the Company's management believes that such amount is adequate in the current circumstances.

Liquidity

The Company has cash flows from operating activities of Baht 183.1 million, which was Baht 28.2 million higher than the previous year as a result of improving financial operation, collection and inventory management. The working capital ratio was 0.5 time closed to the previous year.

Capital Expenditures

The investments were improved production capacity of beverages under the various trademarks. The rest of the expenditures were repaired and maintained the plant and equipment to ensure the efficiency of the production facilities, and to achieve the good manufacturing practices (GMP) and international quality standards.

The Source of Fund

Cash generated from operating activities 183.1 million and cash generated from investing activities 60.7 million were used to repay loans and interest totaling 240.8 million.

The Appropriateness of Capital Structure

The Company is considering the restructuring of its business structure and operations and finances and marketing and selling strategies, therefore, the Company believes that these problems will be able to resolve in near future.

Liabilities

The Company still has high leverage. However, the continuing efforts of improvement from operation made the cash flow from operation positive continually. The debts which are mainly short-term loans are used as a working capital for operating activities. The Company yet converts parts of short-term debts to long-term one to improve the balance sheets. The Company has been trying to improve an operating performance and some parts of profit will be deducted in order to pay debts.



1. Forward sales contracts

The Company is an exporter of canned fruits and sweet corn that has to bear risk from forward sales contracts due to purchase contracts normally done throughout the year. The uncertainty of raw material cost might affect product cost and profit of the Company. The Company has to manage the period of forward sales contracts and adjust the production plan according to the raw material situation to reduce such risk.

2. Exchange Rate

The trend of the Baht appreciation against the US dollar will affect the Company revenue in term of Baht. The Company enters forward contracts up to the limit of credit facilities to hedge its export revenues. The Company has negotiated and quoted sales in other currency i.e. Euro, in order to reduce the exchange rate risk.

3. Raw Materials

Risk from raw materials incurred from the shortage of quantity and poor quality. That causes raw materials not enough to be produced and cannot deliver products as committed. The Company has managed this problem in short term and long term by opening schemes for farmers to promote farming of raw materials. The Company gives training on technology to farm members to get higher yields, low cost with good quality. This includes what to do after harvests, proper transportation to the factory, and the Company has its own sweet corn farm. In addition, there is adjustment the production plan according to raw material situation to reduce product cost.



Audit Committee Report

The Audit Committee of Malee Sampran Public Company Limited is composed of 3 independent directors. Mr. Khemadhat Sukondhasingha serves as Chairman of the Audit Committee, while Mr. Mati Tungpanich and Mr. Supatana Upanigkit serve as members of the Audit Committee.

In 2009, the Audit Committee held 4 meetings with the external auditor, internal auditor, and the Company's executive management to perform its duties and responsibilities in compliance with the regulations of the Stock Exchange of Thailand and as assigned by the Board of Directors. The significant tasks could be summarized as follows:

1. Reviewed the quarterly financial statements and the audited financial statements for the year 2009 with the external auditor and the Company's management to present to the Board of Directors, and found that the financial information is conformed to generally accepted accounting principles as well as sufficient and credible disclosures of significant matters.
2. Considered and approved the 2009 internal audit plan. Also supported and encouraged internal auditors to perform internal audit activities to meet an international standard. It found that the appropriate and effective internal control systems were in place. No significant weaknesses were found.
3. Reviewed risk management system and made recommendations to minimize risks in acceptable level.
4. In compliance with the regulations of the Stock Exchange of Thailand and other relevant laws, the Company was found to be complete compliance with such regulations and laws.
5. Reviewed connected transactions or transactions that may lead to conflict of interest, and found that the Company accurately and adequately disclosed in compliance with the regulations of the Stock Exchange of Thailand.
6. Considered the Company's auditor and audit fee, and proposed to the Board of Directors.

On behalf of the Audit Committee

Khemadhat Sukondhasingha

(Mr. Khemadhat Sukondhasingha)
Chairman of the Audit Committee
February 26, 2010



Quality System and Awards



More than 30 years, Malee Company is continuing sand improving production technique technology, and quality system consistently. The company's continuous main by focusing on rigorous food safety and hygiene to achieve national and international standard.

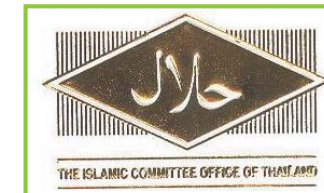
- BRC (Global Standard for Food Safety) issue 5 January 2008 : British Retail Consortium recognized by NSF Cmi Company on 15th December 2008.
- IFS : International Food Standard Version 5 August 2007 recognized by NSF Cmi Company on 13th July 2009.
- HACCP Alimentarius Commission (FAO/WHO) : Hazard Analysis and Critical Control (HACCP) Guideline Annex to CAC/RCP-1 (1969) Version 4 (2003) recognized by NSF Cmi Company on 16th December 2008.
- Halal Certificate : recognized by The Central Islamic Committee of Thailand on 9th June 2009.
- Kosher Certificate : recognized by Thai Kashrut Services Limited on 17th September 2009.
- TLS. 8001-2003 Thai Labour Standard Certificate Completion Level Initiative Phase recognized by The Department of Labour Protection and Welfare The Ministry of Labour on 11th February 2009.
- Good Laboratory Practice / Department of Industrial Works, GLP/DIW recognized by Department of Industrial Works on 12th February 2008.



Besides, Malee Company has won awards as follows :

- The Prime Minister's Export Award 1993 which recognized the Company in the Distinctive Development & Marketing of a Thai Owned Brand in Category of food product.
- Best awards for environmental concern 1994, 1995 and 1997. Best Award for environmental protection plant for Water Management in 1994.
- World Tech 95 Award and The Best Product Award in the ASEAN Food Conference in Singapore in 1997
- Thailand Best Innovation Award 2003 for shelf-life extension of I-Corn milk beverage from chilled to ambient product at 9 months.
- Awarded in 2003 for innovative technology from Accensor Company and The Nation newspaper as the world's first producer of 100% corn milk beverage Malee I-Corn, called in UHT pack.
- Superbrands Thailand 2003 — 2004 by Superbrands Institute, UK which is the institute that conducted research for experts in fruits particularly from 5,000 samples nationwide.
- Trusted Brand 2003 — 2007 from Reader's Digest . For 5 consecutive years, Reader's Digest magazine has conducted researches and awarded the Company for its popularity among consumers.
- In August 2007, Malee Brand was selected in Hong Kong to be one of the top 20 leading brands in Thailand from the survey of Media Magazine, Asian Integrated Media, a regional brand consultant, and Synovate, a global marketing research company.
- In 2008, Malee Sampran Public Company Limited got the winner award "Thailand Energy Awards 2008" in improvement of biogas technology, Off-Grid category the first runner-up in development of biogas projection system "UASB; pond type) which is reprocessed from waste water and fruit garbage. This biogas technology will save in usage of electricity and fuel oil about 6 million baht per year. Company received award from Lieutenant General Poonpipat Lippatapunlop, the Ministry of Energy's minister at Chulabhorn Research Institute. In the same year, Malee also got 1st runner award of Asean Energy Awards 2008.

Feeling proud of the standard and Awards achieved, Malee Company regarded this as a driving force, an inspiration for our staffs to keep up the standard and with determination to devote to our works in order to reach the highest success in the future.





Financial Statements



MALEE SAMPRAN PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES REPORT AND CONSOLIDATED FINANCIAL STATEMENTS AND SEPARATE FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

REPORT OF THE AUDITOR

To The Shareholders and Board of Directors of
Malee Sampran Public Company Limited and its Subsidiaries

I have audited the consolidated balance sheet of Malee Sampran Public Company Limited and its Subsidiaries as at December 31, 2009 and 2008, and the related consolidation statements of incomes, changes in shareholders' equity and cash flows for the years then ended and the separate balance sheet of Malee Sampran Public Company Limited as at December 31, 2009 and 2008, and the separate statements of income, the separate changes in shareholders' equity and the separate cash flows for the years then ended. These financial statements are the responsibility of the Company's management as to their correctness and completeness of the presentation. My responsibility is to issue a report 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 consolidated financial position of Malee Sampran Public Company Limited and its Subsidiaries as at December 31, 2009 and 2008 and the consolidated results of their operations, the consolidated changes in their shareholders' equity and their consolidated cash flows for the years then ended, and the separate financial position of Malee Sampran Public Company Limited as at December 31, 2009 and 2008, and the separate results of its operations, the separate changes in its shareholders' equity and its separate cash flows for the years then ended in conformity with generally accepted accounting principles.

Without changing in my unqualified opinion, I draw your attention to Note 1.4 to the financial statements as revealed in the consolidated financial statement, as at December 31, 2009 and 2008, the Company and its subsidiaries suffered recurring losses from operation of Baht (1,338.64) million and Baht (1,469.57) million (having net capital deficiency of Baht (242.88) million in 2008), respectively, and current liabilities approximately Baht 747.32 million and Baht 1,156.28 million, respectively, in excess of current assets. In addition, as revealed in note 23.1.1 to the financial statements, as at December 31, 2009, the Company has long-time outstanding of trade accounts payable. However, the Company's management still can maintain the trade debt repayment conditions as normal course of business. Although, these conditions raise substantial doubt about the ability of the Company and its subsidiaries to continue as a going concern. However, the Company and its subsidiaries have long time positive cash flow from operation that have been prevailing as presented in the consolidated statement of cash flow for the year 2009 at Baht 183.12 million and year 2008 at Baht 154.88 million. The managements are considering the restructuring of their business structure and operations and finances and marketing and selling strategies, therefore, they believe that these problems will be able to resolve in near future. For this reason, the financial statements have been prepared on a going concern basis and hence do not include any of the adjustments that might result should the Company and its subsidiaries be unable to continue as a going concern.

And I draw your attention to the note to financial statement No. 1.5, the Company has been notified by the SET subject to the delisting of the Company security. However, the Company has informed to the SET a rehabilitation plan to remedy the cause of delisting of security and believe that it is the best benefit to the Company and its shareholders. The plan will be proceeded within December 2009. The SET has considered the plan. Consequently, the SET will maintain the SP (Suspension) on the Company's securities to prohibit the trading from May 11, 2009 until financial status and operations are solved. Currently, the Company is in the process of proceeding the decision model as accepted by the SET and preparing the rehabilitation plan to remedy the cause of delisting security to the SET. On May 11, 2009 the Company has appointed a independence financial advisor to share with the Company for preparing the rehabilitation plan. Later, according to the Board of Directors Meeting no. 5/2009 held on November 9, 2009, the Board have considered and consented to postpone the schedule of submitting rehabilitation plan presenting to the shareholders and the Stock Exchange of Thailand in Quarter 2/2010. As a result, the Stock Exchange of Thailand is notified of the reschedule of the rehabilitation plan in respect of the letter no. CAO28/2009, dated November 12, 2009 and the matter is announced to the public since November 13, 2009.

And I draw your attention to the note to financial statement No. 10 and 11 in the year 2009. The Company and its subsidiary have selected the revaluation method for plant and machineries by using the appraisal value on December 31, 2009. This is the addition from the previous year that applying the revaluation method for land only. The Management of the Company has the objective to adopt such accounting policy mentioned as following, plant and machineries of the Company and its subsidiary have been long used and the most of them have been fully depreciated but are still in use due to having continuous maintenance and improvement. Thus, the book value of plant and machineries are not represented at the value in use. The revaluation methods made the plant and machineries presented at appropriate value. The differences arising from revaluation of land, plant and machineries are dealt in the Company and its subsidiary's financial statement as follow. Having the total increasing in value of land, plant and machineries, on revaluation, to the consolidation financial statement and the separate financial statement of Baht 438.58 million and Baht 363.99 million, respectively. These increasing values are recorded as surplus on revaluation of assets, under shareholders' equity. In addition, there are decrease in values of Baht 3.33 million, charged to the provision for impairment losses of assets in the consolidation financial statement and recognized as an expense in the consolidation income statement. In conclusion, the comprising results of the revaluations to the shareholders' equity in the consolidation financial statement and the separate financial statement are changed from the deficit amount in the year 2008 to be the positive amount as shown in the Balance Sheet of 2009.

Chantra Wongsri-Udomporn

(Miss Chantra Wongsri-Udomporn)

Certified Public Accountant

Registration No. 4996

Dharmniti Auditing Company Limited

Bangkok, Thailand

February 26, 2010

2010/062/8866



MALEE SAMPRAN PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

BALANCE SHEETS

AS AT DECEMBER 31, 2009 AND 2008

ASSETS

		Baht			
		Consolidated financial statements		Separate financial statements	
Note		2009	2008	2009	2008
CURRENT ASSETS					
Cash and cash equivalents	4	11,842,630	8,813,937	1,512,807	1,001,565
Trade accounts and notes receivable					
Subsidiaries	5	-	-	558,555,117	457,870,555
Related parties	5	21,644,914	55,603,366	1,088,540	1,088,540
Unrelated parties		381,771,827	409,237,328	112,412,877	111,921,847
Less : Allowance for doubtful accounts		(2,597,674)	(17,358,493)	(2,597,674)	(1,254,867)
Trade accounts and notes receivable, net	6	400,819,067	447,482,201	669,458,860	569,626,075
Inventories, net	7	401,600,347	497,518,425	260,732,431	390,919,071
Other current assets					
Export incentive receivable		1,308,619	3,089,895	1,308,619	3,089,895
Accrued other income and other accounts receivable	5	42,030,581	21,219,850	48,755,557	21,169,374
Input tax refundable		6,097,692	3,129,795	-	-
Advances payment		5,027,195	9,149,405	4,936,081	9,578,346
Deposit and bid guarantee		764,594	774,048	691,965	671,418
Others		16,235,033	15,780,437	14,326,697	13,705,779
TOTAL CURRENT ASSETS		885,725,758	1,006,957,993	1,001,723,017	1,009,761,523
NON-CURRENT ASSETS					
Restricted bank deposits	8	33,936,587	88,189,606	31,729,677	88,189,606
Investments in subsidiaries under the cost method, net	9	-	-	145,000,000	145,000,000
Land not used in operation, net	10	127,394,028	115,759,621	98,731,920	115,759,621
Property, plant and equipment, net	11	1,084,887,493	748,505,140	910,075,333	733,150,776
Other non-current assets					
Deposits		18,172,910	13,031,597	9,650,618	9,496,665
Others		1,384,155	1,108,057	1,384,155	1,108,057
TOTAL NON-CURRENT ASSETS		1,265,775,173	966,594,021	1,196,571,703	1,092,704,725
TOTAL ASSETS		2,151,500,931	1,973,552,014	2,198,294,720	2,102,466,248

Notes to financial statements form an integral part of these statements.

MALEE SAMPRAN PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

BALANCE SHEETS (CONT.)

AS AT DECEMBER 31, 2009 AND 2008

LIABILITIES AND SHAREHOLDERS' EQUITY

		Baht			
		Consolidated financial statements		Separate financial statements	
	หมายเหตุ	2009	2008	2009	2008
CURRENT LIABILITIES					
Bank overdrafts and short-term loans from financial institutions	12	355,229,505	479,828,912	326,205,505	479,828,912
Trade accounts payable and note payable					
Subsidiary	5	-	-	250,926	60,239
Related party	5	4,748,725	2,201,482	4,748,725	2,201,482
Unrelated parties		895,265,671	970,416,850	885,905,880	944,258,317
Current portion of other payable	22.4.2	24,000,000	-	24,000,000	-
Trade account payable and accrued interest	22.4.2	-	276,928,609	-	276,928,609
Account payable and loans from subsidiary	13	-	-	-	-
Factoring payable	6	100,492,016	145,781,625	16,438,473	19,699,687
Current portion of hire-purchase creditors	14	46,409,902	19,399,787	46,409,902	19,399,787
Current portion of liability from guarantee	22.4.1	2,900,000	2,541,600	2,900,000	2,541,600
Current portion of long-term loans	15	26,754,810	50,486,161	26,754,810	50,486,161
Other current liabilities					
Accrued expenses and accrued interest and other account payable		167,358,028	191,190,792	66,792,289	222,422,186
Advances received from customers		6,580,829	14,838,703	6,370,829	14,838,703
Forward exchange contracts payable		85,416	6,733,721	18,948	6,733,721
Others		3,215,989	2,891,354	71,708	112,329
TOTAL CURRENT LIABILITIES		1,633,040,891	2,163,239,596	1,406,867,995	2,039,511,733
NON-CURRENT LIABILITIES					
Hire-purchase creditors, net of current portion	14	11,573,093	29,895,378	11,573,093	29,895,378
Liability from guarantee, net of current portion	22.4.1	5,488,260	8,284,400	5,488,260	8,284,400
Long-term loans, net of current portion	15	7,512,534	15,012,534	7,512,534	15,012,534
Other payable, net of current portion	22.4.2	167,257,330	-	167,257,330	-
Provisions for loss on defaulting on amount due from subsidiaries	24	-	-	303,642,300	239,717,456
TOTAL NON-CURRENT LIABILITIES		191,831,217	53,192,312	495,473,517	292,909,768
TOTAL LIABILITIES		1,824,872,108	2,216,431,908	1,902,341,512	2,332,421,501

Notes to financial statements form an integral part of these statements.



MALEE SAMPRAN PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
BALANCE SHEETS (CONT.)

AS AT DECEMBER 31, 2009 AND 2008

LIABILITIES AND SHAREHOLDERS' EQUITY (CONT.)

	Note	Baht			
		Consolidated financial statements		Separate financial statements	
		2009	2008	2009	2008
SHAREHOLDERS' EQUITY					
Share capital					
Registered					
99,999,000 ordinary shares of Baht 10.00 each		999,990,000	999,990,000	999,990,000	999,990,000
Issued and fully paid					
70,000,000 ordinary shares of Baht 10.00 each		700,000,000	700,000,000	700,000,000	700,000,000
Paid-in capital					
Share premium		347,500,000	347,500,000	347,500,000	347,500,000
Revaluation surplus		609,591,181	171,009,035	535,004,371	171,009,035
Retained earnings					
Appropriated - statutory reserve	16	8,180,000	8,180,000	8,180,000	8,180,000
Deficit		(1,338,642,358)	(1,469,568,929)	(1,294,731,163)	(1,456,644,288)
TOTAL SHAREHOLDERS' EQUITY (Deficiency)		326,628,823	(242,879,894)	295,953,208	(229,955,253)
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		2,151,500,931	1,973,552,014	2,198,294,720	2,102,466,248

Notes to financial statements form an integral part of these statements.

MALEE SAMPRAN PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF INCOME

FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

	Note	Baht			
		Consolidated financial statements		Separate financial statements	
		2009	2008	2009	2008
REVENUES					
Sales		3,082,852,804	3,703,647,651	2,749,205,845	3,317,695,890
Other income		63,448,114	44,752,996	68,632,414	41,727,698
TOTAL REVENUES		3,146,300,918	3,748,400,647	2,817,838,259	3,359,423,588
EXPENSES					
Cost of sales		2,348,103,943	3,044,062,237	2,385,959,098	3,027,679,762
Selling expenses		438,761,713	553,016,116	65,196,516	90,259,704
Administrative expenses		236,907,074	259,680,178	176,206,356	204,484,901
Liability arising from estimated loss in defaulting on					
amount due to subsidiaries	24	-	-	63,924,844	161,887,273
Directors and management benefit expenses		26,551,950	26,162,628	17,687,112	17,462,787
Loss on impairment of assets (reversal)		3,334,443	30,748,529	(5,998,418)	30,748,529
TOTAL EXPENSES		3,053,659,123	3,913,669,688	2,702,975,508	3,532,522,956
PROFIT (LOSS) BEFORE FINANCE COST		92,641,795	(165,269,041)	114,862,751	(173,099,368)
FINANCE COST		35,830,033	129,384,727	28,600,526	119,608,110
Revision of estimated interest expense	22.4.2	(74,114,809)	-	(74,114,809)	-
NET PROFIT (LOSS) FOR THE YEAR		130,926,571	(294,653,768)	160,377,034	(292,707,478)
Share of profit (loss)					
Equity holders of parent company		130,926,571	(294,653,768)	160,377,034	(292,707,478)
Minority interest		-	-	-	-
		130,926,571	(294,653,768)	160,377,034	(292,707,478)
Basic earnings per share					
Net profit (loss)	19				
Equity holders of parent company		1.87	(4.21)	2.29	(4.18)
Minority interest		-	-	-	-
		1.87	(4.21)	2.29	(4.18)

Notes to financial statements form an integral part of these statements.



MALEE SAMPRAN PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

Consolidated financial statements (Baht)								
Note	Equity holders of parent Company							
	Issued and paid-up share capital Ordinary shares	Share premium	Revaluation surplus	Retained earnings		Total	Minority Interest	Total
				Appropriated	Deficit			
Beginning balance as at 1 January 2009	700,000,000	347,500,000	171,009,035	8,180,000	(1,469,568,929)	(242,879,894)	-	(242,879,894)
Net profit (loss) for the year	-	-	-	-	130,926,571	130,926,571	-	130,926,571
Revaluation surplus (reversal)	-	-	438,582,146	-	-	438,582,146	-	438,582,146
Ending balance as at 31 December 2009	700,000,000	347,500,000	609,591,181	8,180,000	(1,338,642,358)	326,628,823	-	326,628,823
Beginning balance as at 1 January 2008	700,000,000	347,500,000	171,009,035	8,180,000	(1,174,915,161)	51,773,874	-	51,773,874
Net profit (loss) for the year	-	-	-	-	(294,653,768)	(294,653,768)	-	(294,653,768)
Ending balance as at 31 December 2008	700,000,000	347,500,000	171,009,035	8,180,000	(1,469,568,929)	(242,879,894)	-	(242,879,894)

Notes to financial statements form an integral part of these statements.

MALEE SAMPRAN PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

Consolidated financial statements (Baht)								
Note	Equity holders of parent Company							
	Issued and paid-up share capital Ordinary shares	Share premium	Revaluation surplus	Retained earnings		Total	Minority Interest	Total
				Appropriated	Deficit			
Beginning balance as at 1 January 2009	700,000,000	347,500,000	171,009,035	8,180,000	(1,456,644,288)	(229,955,253)	-	(229,955,253)
Net profit (loss) for the year	-	-	-	-	160,377,034	160,377,034	-	160,377,034
Revaluation surplus (reversal) from sale	-	-	(1,536,091)	-	1,536,091	-	-	-
Revaluation surplus (reversal)	-	-	365,531,427	-	-	365,531,427	-	365,531,427
Balance as at 31 December 2009	700,000,000	347,500,000	535,004,371	8,180,000	(1,294,731,163)	295,953,208	-	295,953,208
Beginning balance as at 1 January 2008	700,000,000	347,500,000	171,009,035	8,180,000	(1,163,936,810)	62,752,225	-	62,752,225
Net profit (loss) for the year	-	-	-	-	(292,707,478)	(292,707,478)	-	(292,707,478)
Ending balance as at 31 December 2008	700,000,000	347,500,000	171,009,035	8,180,000	(1,456,644,288)	(229,955,253)	-	(229,955,253)

Notes to financial statements form an integral part of these statements.



MALEE SAMPRAN PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

	Note	Baht			
		Consolidated financial statements		Separate financial statements	
		2009	2008	2009	2008
Cash flows from (used in) operating activities					
Net profit (loss)		130,926,571	(294,653,768)	160,377,034	(292,707,478)
Adjustments to reconcile net income to net cash provided by (paid from) operating activities :-					
Provisions for loss in defaulting on amount due to subsidiaries (reversal)		-	-	63,924,844	161,887,273
Allowance for doubtful accounts (reversal)		1,342,807	(223,228)	1,342,807	-
Provision for obsolete inventories (reversal)		1,922,266	7,152,691	1,086,470	6,700,251
Loss on obsolete inventories		26,197,667	23,651,633	9,731,296	10,491,329
(Gain) Loss from adjustment of inventories		916,535	1,050,031	869,232	1,185,293
Depreciation		92,084,103	122,307,324	78,851,980	114,228,632
Allowance for impairment loss (reversal)		(834,957)	25,724,749	(10,167,818)	25,724,749
Write-off property, plant and equipment		-	1,428,665	-	57,366
Amortisation		2,510,230	2,123,116	2,407,754	2,123,116
(Gain) Loss on sales of property, plant and equipment		(8,468,090)	233,186	(16,878,536)	(13,165)
Unrealised (gain) loss on exchange		90,966	713,491	142,379	713,491
Revision of estimated interest expense	22.4.2	(74,114,809)	-	(74,114,809)	-
Interest income		(577,840)	(920,895)	(571,651)	(891,875)
Interest expenses		35,830,033	128,922,394	28,600,526	119,608,110
Income tax expense		-	-	-	-
Income from operating activities before changes in operating assets and liabilities		207,825,482	17,509,389	245,601,508	149,107,092
Operating assets (increase) decrease					
Trade accounts and notes receivable		45,151,083	31,658,148	(101,344,853)	(76,978,824)
Inventories		66,881,610	161,900,771	118,499,642	193,168,172
Other current assets		(17,100,884)	20,700,894	(20,535,651)	17,617,433
Other assets		(6,381,158)	2,497,326	(1,393,798)	1,808,826

Notes to financial statements form an integral part of these statements.

MALEE SAMPRAN PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CASH FLOWS (CONT.)
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

	Note	Baht			
		Consolidated financial statements		Separate financial statements	
		2009	2008	2009	2008
Operating liabilities increase (decrease)					
Trade accounts payable		(72,591,271)	(32,946,051)	(55,601,842)	(59,183,653)
Other payable, long - term		(11,556,470)	-	(11,556,470)	-
Trade account payable and accrued interest		-	(39,732,003)	-	(39,732,003)
Other current liabilities		(19,996,730)	1,660,192	(7,592,591)	(28,954,017)
Advance received from customer		(8,257,874)	(8,140,819)	(8,467,874)	(8,140,819)
Cash flow from operating activities		183,973,788	155,107,847	157,608,071	148,712,207
Income tax paid		(851,498)	(225,583)	(798,078)	(218,815)
Net cash flows from operating activities		183,122,290	154,882,264	156,809,993	148,493,392
Cash flows from (used in) investing activities					
Decrease (increase) in restricted bank deposits		54,253,019	(10,152,444)	56,459,929	(10,152,444)
Acquisition of machinery and equipment		(10,095,089)	(40,023,879)	(9,096,234)	(35,607,612)
Proceeds from sales of property, plant and equipment		15,965,034	16,170,665	16,010,794	15,673,384
Interest income received		577,840	121,140	571,651	92,120
Net cash flows from (used in) investing activities		60,700,804	(33,884,518)	63,946,140	(29,994,552)
Cash flows from (used in) financing activities					
Decrease in bank overdrafts, short-term loans from financial institutions		(124,599,407)	(11,133,387)	(153,623,407)	(11,133,387)
Increase (decrease) in factoring payable		(45,289,609)	(3,975,904)	(3,261,214)	(7,592,012)
Cash received from account payable and loan from subsidiary		-	-	39,023,423	-
Cash paid to account payable and loan from subsidiary		-	-	(39,023,423)	-
Cash paid to hire-purchase creditors		-	(17,158,426)	-	(17,158,426)
Cash paid to liabilities under finance lease agreement		-	(2,750,792)	-	(2,750,792)
Cash paid to liability from guarantee		(2,437,740)	(2,541,600)	(2,437,740)	(2,541,600)
Cash paid to long-term loans		(31,231,351)	(34,013,839)	(31,231,351)	(34,013,839)
Cash paid to interest expenses		(37,236,294)	(54,320,263)	(29,691,179)	(44,455,562)
Net cash flows used in financing activities		(240,794,401)	(125,894,211)	(220,244,891)	(119,645,618)

Notes to financial statements form an integral part of these statements.



MALEE SAMPRAN PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CASH FLOWS (CONT.)
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

	Baht			
	Consolidated financial statements		Separate financial statements	
	2009	2008	2009	2008
Note				
Net increase (decrease) in cash and cash equivalents	3,028,693	(4,896,465)	511,242	(1,146,778)
Cash and cash equivalents at beginning of year	8,813,937	13,710,402	1,001,565	2,148,343
Cash and cash equivalents at end of year	11,842,630	8,813,937	1,512,807	1,001,565

Supplemental cash flows information :-

Cash and cash equivalents consist of cash on hand and deposits at financial institutions and money market securities. Cash and cash equivalents in the cash flow statements are concluded from the accounts on balance sheet as follow :

	Baht			
	Consolidated financial statements		Separate financial statements	
	2009	2008	2009	2008
Note				
Cash on hand and deposits at financial institutions	11,842,630	8,813,937	1,512,807	1,001,565
Short-term securities	-	-	-	-
Cash and cash equivalents according to the previous outstanding	11,842,630	8,813,937	1,512,807	1,001,565
Effect from change in exchange rate	-	-	-	-
Cash and cash equivalents after adjusted	11,842,630	8,813,937	1,512,807	1,001,565

Non-cash transactions on separate financial statements

- On Inly 31, 2008, the Company invests in Agri Sol Limited (see note 10) in the amount of Baht 145 million.
The Company has not yet paid the investment money to a subsidiary since 2008, because it has not run business.
- In quarterly 1, 2009, according to the resolution of Board of Director Meeting No. 3/2008 dated July 21, 2008, the Company has off-set the money of Baht 136.64 million earned from sale of land including other building machinery and factory and office equipment to a subsidiary, Agi Sol Co., Ltd. with the amount due for investing in the subsidiary's common stocks of Baht 145 million Baht. Therefore, the Company earned gain on sell of assets of Baht 8.43 million.

Notes to financial statements form an integral part of these statements.

MALEE SAMPRAN PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2009 AND 2008

1. GENERAL INFORMATION

1.1 Corporate information

Malee Sampran Public Company Limited ("The Company") is a public company incorporated and domiciled in Thailand. The Company is principally engaged in the manufacture and distribution of canned fruit and fruit juices and its registered address is 401/1, Moo 8, Phaholyothin Road, Kookod, Lumlookka, Pathumthani, Thailand 12130.

1.2 Employees and related costs

	Baht			
	Consolidated financial statements		Separate financial statements	
	2009	2008	2009	2008
Number of employees at end of years (persons)	1,379	1,491	1,115	1,257
Employee costs for the years (Baht)	251,544,132	284,566,984	183,948,009	214,974,106

1.3 Expenses by nature

	Baht			
	Consolidated financial statements		Separate financial statements	
	2009	2008	2009	2008
Depreciation and amortization	92,084,103	122,307,324	78,851,980	114,228,632
Gain (loss) on exchange rate	3,138,366	2,402,518	3,067,609	2,402,518

1.4 Fundamental Accounting Assumptions

As at December 31, 2009 and 2008, the Company and its subsidiaries suffered recurring losses from operation of Baht (1,338.64) million and Baht (1,469.57) million (having net capital deficiency of Baht (242.88) million in 2008) respectively, and current liabilities approximately Baht 747.32 million and Baht 1,156.28 million respectively, in excess of current assets. Although these conditions raise substantial doubt about the ability of the Company and its subsidiaries to continue as a going concern. However, the Company and its subsidiaries have long time positive cash flow from operation in 2009 at Baht 183.12 million and in 2008 at Baht 154.88 million. The managements are considering the restructuring of their business structure and operations and finances and marketing and selling strategies, therefore, they believe that these problems will be able to resolve in near future. For this reason, the financial statements have been prepared on a going concern basis and hence do not include any of the adjustments that might result should the Company and its subsidiaries be unable to continue as a going concern.



1.5 Status of the Company regarding to delisting of security

As revealed in the Company and its subsidiaries' financial statement for the year ended December 31, 2008, audited by auditor, is showing shareholder equity less than zero. It is a ground of delisting of security in accordance with the Stock Exchange of Thailand's (SET) guidelines "delisting of securities B.E.2542", shown in section 170 paragraph 2 (1) of Securities and Exchange Act, B.E. 2535 paragraph 9 (6) (D). After receiving the letter from the SET, Ref. BorJor 56/2552 dated March 10, 2009, notification of delisting of security and the procedure of SET, accordingly on April 9, 2009, the company has informed to the SET that the Company has resolved in the Board of Director Meeting No. 2/2552 on April 9, 2009 to remedy the cause of delisting of security by submitting rehabilitation plan for the best benefit of the Company and its shareholder. The Company will proceed as follows: Appointing an independent financial advisor to prepare a rehabilitation plan to remedy the cause of delisting and Co-operating with the independent financial advisor in organizing a meeting to present the plan to analysts for shareholder approval shall be completely performed within December, 2009. Next, on April 10, 2009, the SET has considered decisions of preferring to propose a resolving plan to shareholders. And in compliance with Rules Governing Delisting of Securities (1999), actions will be taken by the SET as follows : After the dissemination of such decision, trading of security will be allowed from April 10, 2009 to May 9, 2009. However, the last trading working day of security is May 7, 2009 and the SET will maintain the SP (Suspension) sing on the Company's security to prohibit the trading from May 11, 2009 until financial status and operations are solved in respect of virtue of Clause 5 (5) of the SET's rules, Conditions and Procedure of the Temporary Prohibition against Trading of Listed Securities dated February 2, 1995. The Company has to submit the rehabilitation progress report to the SET on quarterly basis, or on the due date for submitting financial statement until the problem is solved.

Currently, the Company is in the process of proceeding the decision model as accepted by the SET and preparing the rehabilitation plan to remedy the cause of delisting of security to the SET. The Company will proceed as follows:-

As at May 11, 2009 the Company had appointed Capital Advantage Company Limited as its Independent Financial Advisor to prepare the rehabilitation plan for the said corrective measurement preventing being de-listed from the Stock Exchange of Thailand.

According to the Board of Directors Meeting no. 5/2009 held on November 9, 2009, the Board have considered and consented to postpone the schedule of submitting rehabilitation plan presenting to the shareholders and the Stock Exchange of Thailand in Quarter 2/2010. As a result, the Stock Exchange of Thailand is notified of the reschedule of the rehabilitation plan in respect of the letter no. CAO28/2009, dated November 12, 2009 and the matter is announced to the public since November 13, 2009.

2. STANDARD BASIS OF PREPARATION

2.1 Basis for the preparation of financial statements

- 2.1.1 The financial statements have been prepared in accordance with the accounting standards prescribed by Thai Accounting Act enunciated under the Accounting Profession Act B.E. 2547. The presentation of the financial statements has been made in compliance with the notification of the Department of Business Development, the Ministry of Commerce, re : the financial statements presentation B.E.2552 for public limited company, issued under the Accounting Act B.E.2543.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from such financial statements in Thai language.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

- 2.1.2 Adoption of new accounting standards during the year

- 2.1.2.1 The Federation of Accounting Professions (FAP) has issued Notification No. 12/2552 dated May 15, 2009, regarding the renumbering of Thai Accounting Standards to be the same as International Accounting Standards.

- 2.1.2.2 The Federation of Accounting Professions (FAP) has issued Notification No. 86/2551 and 16/2552, mandating the use of new accounting standards, financial reporting standards and accounting treatment guidance as follows.

- a) Accounting standards, financial reporting standards and accounting treatment guidance which are effective for the fiscal year beginning on or after January 1, 2009.

Framework for the Preparation and Presentation of Financial Statements (revised 2007)

TAS 36 Impairment of Assets (revised 2007)

IFRS 5 Non-current Assets Held for Sale and Discontinued Operations (revised 2007)

Accounting Treatment Guidance for Leasehold Right

Accounting Treatment Guidance for Business Combination under Common Control

The management of the Company has assessed the effect of these accounting standards, financial reporting standards and accounting treatment guidance and believes that they will not have any significant impact on the financial statements for the current year.



- b) Accounting standards which are not effective for the current year.
TAS 20 Accounting for Government Grants and Disclosure of Government Assistance (effective on January 1, 2012)
TAS 24 Related Party Disclosures (revised 2007) (effective on January 1, 2011)
TAS 40 Investment Property (effective on January 1, 2011)

The management of the Company is still evaluating the effect of these accounting standards to the financial statements for the year in which they are initially applied.

2.2 Basis of consolidation

- 2.2.1 These consolidated financial statements include the financial statements of Malee Sampran Public Company Limited and its subsidiaries ("the Group" and "the Company and its subsidiaries") and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2007. There have been no changes in the composition of the Group during the current period.

Company's name	Nature of business	Percentage of shareholding		Country of incorporation	Assets as a percentage to the consolidated total assets		Revenues as a percentage to the consolidated total	
		2009	2008		2009	2008	2009	2008
Held by the Company		Percent	Percent		Percent	Percent	ร้อยละ	ร้อยละ
Malee Enterprise Company Limited	Distributor	99.99	99.99	Thailand	19.98	24.67	42.80	40.00
Malee Supply Company Limited	Distributor (Dormant)	97.60	97.60	Thailand	-	-	-	-
Icon Foods, LLC.	Distributor (Dormant)	99.00	99.00	USA	-	-	-	-
Agri Sol Company Limited	Manufacture and distributor	100.00	100.00	Thailand	12.66	7.35	0.37	0.00

- 2.2.2 The financial statements of overseas subsidiary company are translated into Thai Baht at the closing exchange rate as to assets and liabilities, and at monthly average exchange rates as to revenues and expenses. The resultant differences have been shown under the caption of "Translation adjustment" in shareholders' equity.
- 2.2.3 Material balances and transactions between the Company and its subsidiary companies have been eliminated from the consolidated financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 Revenue and expenses recognition

Sales of goods are recognised when the significant risks and rewards of ownership of the goods have passed to the buyer. Sales are the invoiced value, excluding value added tax, of goods supplied after deducting discounts and allowances.

Other incomes are recognised base on accrual basis.

Expenses are recognised base on accrual basis.

3.2 Cash and cash equivalents

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

3.3 Trade accounts receivable

Trade accounts receivable are stated at the net realisable value. Allowance for doubtful accounts is provided for the estimated losses that may be incurred in collection of receivables. The allowance is generally base on collection experiences and analysis of the debtor aging.

3.4 Inventories

Finished goods, work in process, raw materials, packing materials, spare parts and factory supplies are valued at the lower of standard cost (which approximates actual cost by weighted average method) and net realisable value. Standard cost includes all production costs and attributable factory overheads.

Raw materials, packing materials, spare parts and factory supplies are charged to production costs whenever consumed.

Allowance for stock obsolescence is set up for old, obsolete, slow-moving or deteriorated inventories.

3.5 Investments

Investments in subsidiaries and associated company are accounted for under the cost method less allowance for impairment loss on the investments, if any. The Company recognizes impairment loss on the investments in the statement of income.

3.6 Export incentive receivable

Export incentive, in the form of tax coupons, is recognized as revenue when the relevant export shipment is made. Export incentive is calculated by multiplying of the determined percentage and invoicing value based on F.O.B. basis.



3.7 Property, plant and equipment and depreciation

Land is stated at cost or revaluation. Plant and machinery are stated at cost or revaluation less accumulated depreciation and impairment loss (if any). Equipment are stated at cost less accumulated depreciation and impairment loss (if any).

Reappraised value is the fair market value, which is revalued by the independent appraiser, using the market approach to appraise land and cost approach to appraise building, and machinery. The Company has a policy to revalue assets on a regular basis of five years to ensure that their carrying amounts do not differ materially from their fair values at the balance sheet date. When an asset's carrying amount is increased as a result of a revaluation, the increase should be recorded as "Surplus on revaluation of assets" under "Shareholders' equity" in the balance sheet.

Land is initially recorded at cost and subsequently revalued by an independent appraiser to its fair value. Revaluations are to be made with sufficient regularity to ensure that the carrying amount does not differ materially from the fair value at the balance sheet date.

The differences arising from revaluation of lands are dealt in the financial statements as follows:

- When the carrying amount of land is increased as a result of the revaluation, such increase is credited directly to equity under the heading of "Revaluation surplus". However, a revaluation increase will be recognized as income to the extent that it reverses a revaluation decrease of land previously recognized as an expense.
- When carrying amount of land is decreased as a result of a revaluation, such decrease is recognized as an expense. However, a revaluation decrease will be charged directly against the related "Revaluation surplus" to the extent that the decrease does not exceed the amount held in the revaluation surplus in respect of land while any remainder will be recognized as expenses in the income statement.

The revaluation surplus can neither be offset against deficit nor used for dividend payment.

Depreciation for the appraised plant and machinery of the Company will be based on the estimated remaining useful life and adjusted to the surplus on revaluation of fixed assets by the same amount.

The differences arising from revaluation of buildings and machineries are dealt in the financial statements as follows:-

Any increase in value, on revaluation, is credited to the revaluation reserve unless it offsets a previous decrease in value recognized in the income statement. A decrease in value is recognized in the income statement to the extent that it exceeds the increase previously recognized in the revaluation reserve. The revaluation surplus is used by reference to the difference between depreciation based on the revalued amount of the buildings and machineries, and depreciation based on the buildings and machineries's original cost and credited to the shareholder's equity under the caption "Surplus on revaluation of buildings and machineries". Upon disposal of previously appraised buildings and machineries, the revaluation surplus of the disposed buildings and machineries is transferred directly to the statement of retained earnings, not to the income statement to close off the surplus account of that buildings and machineries.

Depreciation of plant and equipment is calculated by reference to their costs using the following methods and rates:-

	Method	Percent per annum
Land and buildings improvement	Straight-line	20
Buildings acquired prior to 1990	Declining	5
Buildings acquired since 1990	Straight-line	5
Machinery, equipment and furniture acquired prior to 1990	Declining	10 and 20
Machinery, equipment and furniture acquired since 1990	Straight-line	10 and 20
Motor vehicles	Straight-line	20

No depreciation is provided for land and construction in progress.

3.8 Borrowing cost

Borrowing cost of loans for fixed asset procurement is recorded in cost of fixed assets until the assets are ready for use.

3.9 Intangible asset

Intangible asset is stated at less amortization. Amortization of intangible asset is calculated by reference to its cost on the straight - line basis over 3 year.

3.10 Amortization

Pallets and packages are stated at cost less accumulated amortization. Amortization of pallets and packages is calculated on the straight-line method over periods of 1 and 3 years.



3.11 Related party transactions

Related parties comprise enterprises and individuals that control, or are controlled by, the Company, whether directly or indirectly, or which are under common control with the Company.

They also include associated companies and individuals which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors and officers with authority in the planning and direction of the Company's operations.

3.12 Hire-purchase agreement

The Company recorded its property, plant and equipment under hire-purchase as assets and liabilities in the balance sheets at amounts equal at the inception of the hire-purchase to the fair value of the leased assets or, if lower, at the present value of the minimum hire-purchase payments. In calculating the present value of the minimum hire-purchase payments, the discount factor used is the interest rate implicit in the hire-purchase. The interest charge is recorded to periods during the hire-purchase term on the remaining balance of the liability for each period.

3.13 Finance lease agreement

Leases of property, plant and equipment which transfer substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lower of the fair value of the leased property or the present value of the minimum lease payments. The outstanding rental obligations, net of finance charges, are included in other long-term payables, while the interest element is charged to the income statements over the lease period. The property, plant or equipment acquired under finance lease is depreciated over the shorter of the useful life of the asset or the lease term.

3.14 Operating Lease

Lease of assets under which all the risks and reward of ownership are effectively retained by the lessor are classified as operating lease. Lease payments under an operating lease are recognized as expense on a straight-line basis over the lease term.

When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognised as an expense in the period in which termination takes place.

3.15 Provisions

Provisions are recognised when the Company has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

3.16 Impairment of assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, the Company makes an estimate of the asset's recoverable amount. Where the carrying amount of the asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses are recognised in the income statement. An asset's recoverable amount is the higher of fair value less costs to sell and value in use.

3.17 Employee benefits

Salary, wages, bonuses and contributions to the social security fund and provident fund are recognised as expenses when incurred.

3.18 Income tax

Income tax is provided for in the accounts based on the taxable profits determined in accordance with tax legislation at the determined rate of 30%.

3.19 Derivatives

The Company enters into forward exchange contracts to reduce its exposure from exchange rate on cash flow of apart of account receivable that dominated in foreign currency. As at the entered date of forward exchange contracts, the Company records its obligation on assets and liabilities in balance sheet and recognizes its variance on exchange rate under account "Premium or discount on cash flow hedging deferred account" which will be amortized on straight-line method through a term of its forward exchange contract. Exercised foreword exchange contracts that occurred during the period are translated into Baht at the rates ruling on the transaction dates and recognized its realized gain/loss when delivered currency in determining income of incurring period. Forward exchange contracts outstanding at the balance sheet date are presented as net transaction under account "Forward exchange contracts receivable/payables" and its unrealized gain/loss resulting from currency translation at the balance sheet are reported in equity. An exception as if the said loss is identified on nonqualified hedges, then the loss is recognized as losses in net income in the period in which it occurs.

3.20 Foreign currencies

Foreign currency transactions are translated into Baht at the exchange rates ruling on the transaction dates. Assets and liabilities dominated in foreign currencies outstanding at the balance sheet date are translated into Baht at the exchange rates ruling on the balance sheet date.

Gains and losses on exchange are included in determining earnings.



3.21 Use of accounting estimates

Preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions in certain circumstances, affecting amounts reported in these financial statements and related notes. Actual results could differ from these estimates.

3.22 Earning per share

Basic earnings per share is calculated by dividing net income for the year by the weighted average number of ordinary shares in issue during the year.

Diluted earnings per share is calculated by dividing net income for the year by the weighted average number of ordinary shares in issue during the year plus the weighted average number of ordinary shares which would need to be issued to convert all dilutive potential ordinary shares into ordinary shares. The calculation assumes that the conversion took place either at the beginning of the year or on the date the potential ordinary shares were issued.

3.23 Financial instruments

The Company and its subsidiary have no policy to speculate in or engage in the trading of any financial derivative instruments.

4. CASH AND CASH EQUIVALENTS

Cash and cash equivalents, as follows:

	Baht			
	Consolidated financial statements		Separate financial statements	
	2552	2551	2552	2551
Petty cash	161,000	151,000	110,000	110,000
Cash at banks - current accounts	3,212,633	1,597,334	1,180,530	818,748
- savings accounts	4,377,811	1,293,174	222,277	72,817
- fixed accounts	2,772	2,742	-	-
Checks on hand - due but not paid-in	4,088,414	5,769,687	-	-
Total cash and cash equivalents	11,842,630	8,813,937	1,512,807	1,001,565

5. RELATED PARTY TRANSACTIONS

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

Related parties are these parties linked to companies in the Group as follow :

Related Companies	Business Type	Relation ship
Subsidiaries		
Malee Enterprise Company Limited	Distributor	Shareholders/Co-directors
Malee Supply Company Limited	Distributor (Dormant)	Shareholders/Co-directors
Icon Foods, LLC.	Distributor (Dormant)	Shareholders/Co-directors
Agri Sol Company Limited	Manufacture and distributor	Shareholders/Co-directors
Related parties		
Abico Holding Public Company Limited	Holding company (investment)	Company's shareholder/Co-directors
Abico Land Company Limited	Real estate developer	Co-directors
Abico Daily Farm Company Limited	Produce service of ready to drink milk and fruit juices	Group of companies/Co-director
Chokchai Milk Company Limited	Chokchai brand owner	Relate with Apico Holding Public Company Limited
PPO Farm Company Limited	Agriculture and dairy farm	Co-directors
Central Food Retail Company Limited	Department store	Co-directors
Robinson Department Store Company Limited	Department store	Co-directors
Big C Supercenter Public Company Limited	Department store	Co-directors
Dhanamitr Factoring Company Limited	Factoring	Co-directors
Export-Import Bank of Thailand	Commercial Bank	Co-directors
CG Broker Company Limited	Insurance	Co-directors



During the years, the Company had significant trading transactions with its subsidiary and related parties, which have been concluded on commercial terms and bases agreed upon in the ordinary course of businesses between the Company and those companies. Below is a summary of those transactions.

		Baht			
		Consolidated financial statements		Separate financial statements	
	Pricing policy	2009	2008	2009	2008
Transactions with subsidiary (Eliminated in the consolidated financial statements)					
Sales of goods	Cost plus margin	-	-	1,012,295,903	1,108,121,358
Guarantee fee	0.25 percent of the guarantee amount	-	-	750,000	750,000
Land and plant rental expense	Contract price	-	-	5,800,000	-
Interest expense - loan	MLR + 0.15% - 0.25%	-	-	2,381,869	-
Transactions with related parties					
Sales of goods	Cost plus margin	157,226,503	235,965,430	-	-
Building rental expenses	Contract price	10,986,906	11,375,844	6,582,661	6,971,599
Produce service	Cost plus margin	54,328,141	59,585,856	54,328,141	59,585,856
Sale promotion expense	Contract price	14,702,330	29,190,279	-	-
Insurance expense	Contract price	1,457,989	1,937,150	1,397,139	1,888,012
Interest expense - factoring	Market yield	2,408,567	2,402,882	-	-
Interest expense - loan	Market yield	374,414	2,095,019	374,414	2,095,019

The balances of the accounts as at December 31, 2009 and 2008 between the Company and those related companies are as follows:

		Baht			
		Consolidated financial statements		Separate financial statements	
		2009	2008	2009	2008
Trade accounts and notes receivable					
Subsidiary					
Malee Enterprise Co., Ltd.		-	-	539,623,192	457,870,555
Agri Sol Co., Ltd.		-	-	18,931,925	-
Total		-	-	558,555,117	457,870,555
Related parties					
Chokchai Milk Limited		1,088,540	1,088,540	1,088,540	1,088,540
Central Food Retail Company Limited		20,556,374	26,442,323	-	-
Big C Supercenter Public Company Limited		-	28,072,503	-	-
Total		21,644,914	55,603,366	1,088,540	1,088,540
Other accounts receivable					
Subsidiary					
Agri Sol Co., Ltd.		-	-	6,734,958	-
Related party					
Abico Daily Farm Company Limited		8,566,870	5,596,665	8,566,870	5,596,665
Dhanamitr Factoring Company Limited		4,370	-	-	-
Total		8,571,240	5,596,665	8,566,870	5,596,665
Short-term loans from financial institutions					
Related party					
Export-Import Bank of Thailand		-	54,802,000	-	54,802,000
Total		-	54,802,000	-	54,802,000

		Baht			
		Consolidated financial statements		Separate financial statements	
		2552	2551	2552	2551
Trade accounts payable					
Subsidiary					
Malee Enterprise Co., Ltd.		-	-	250,926	60,239
Related party					
Abico Daily Farm Company Limited		4,748,725	2,201,482	4,748,725	2,201,482
Chokchai Milk Company Limited		-	7,896	-	7,896
Total		4,748,725	2,209,378	4,748,725	2,209,378
Factoring payable					
Related party					
Export-Import Bank of Thailand		-	6,025,502	-	6,025,502
Dhangmitr Factoring Company Limited		24,923,852	34,490,020	-	-
Total		24,923,852	40,515,522	-	6,025,502
Accrued expenses and accrued interest and other account payable					
Subsidiary					
Agri Sol Co., Ltd.		-	-	6,010,000	-
Related party					
Abico Land Company Limited		161,507	171,455	132,014	138,422
CG Broker Company Limited		1,449,801	1,442,168	1,397,139	1,409,409
Export-Import Bank of Thailand		-	14,313	-	14,313
Central Food Retail Company Limited		4,208,274	1,703,685	-	-
Big C Supercenter Public Company Limited		-	721,742	-	-
Total		5,819,582	4,053,363	1,529,153	1,562,144

Currently, Chokchai Milk Limited does not directly relate to the Company, either through having common shareholders and / or common directors. However, Chokchai Milk Limited relates to Abico Holdings Public Company Limited as the Company's major shareholder. The Company is a manufacturer and distributor of the product under "Chochai Farm" brand, license of Chochai Milk Limited. However, there is no charges of licensing.

Since at December 31, 2006, the Baht 35 million allowance for doubtful accounts was set aside in the account for Chokchai Milk Limited. Later, in the year 2007, the Central Court agreed with the business restructuring plan of Chokchai Milk Limited. Under this restructuring plan, the total stipulated debt amount that the Company shall receive amounted to Baht 1.09 million. As a result, in 2007, the Company had written off the remainder of the debt into bad debt of Baht 34 million. As at December 31, 2009, the Company considered to set allowance for doubtful accounts for above accounts receivable fully amounted Baht 1.09 million.



Directors and management benefit expenses

Directors and management benefit expenses represent the benefits paid to the directors and the Company's management such as salaries and related benefit including the benefit paid by other means. The directors and the Company's management are the persons who are defined under the Securities and Exchange Act B.E. 2535.

For the years ended December 31, 2009 and 2008, there paid to the directors and management benefit expenses for the Company and its subsidiary in the amount of Baht 26,551,950 and Baht 26,162,278, respectively and for the Company only in the amount of Baht 17,687,112 and Baht 17,462,787, respectively.

Guarantee obligations with related parties

The Company has outstanding guarantee obligations with its related party, as described in Note 22.3 to the financial statements.

6. TRADE ACCOUNTS AND NOTES RECEIVABLE

The outstanding balances of trade accounts receivable as at December 31, 2009 and 2008 are aged, based on due date, as follows:-

	Baht			
	Consolidated financial statements		Separate financial statements	
	2009	2008	2009	2008
Age of receivables				
Not yet due	281,577,844	328,237,214	317,717,715	327,078,505
Past due				
Up to 3 months	114,021,369	108,390,082	322,089,189	233,036,384
3 - 6 months	2,342,974	7,494,097	28,019,597	6,872,117
6 - 9 months	3,322,599	1,842,969	2,062,579	1,183,839
Longer than 9 months	2,151,955	18,876,332	2,167,454	2,710,097
Total	403,416,741	464,840,694	672,056,534	570,880,942
Less : Allowance for doubtful accounts	(2,597,674)	(17,358,493)	(2,597,674)	(1,254,867)
Trade accounts and notes receivable, net	400,819,067	447,482,201	669,458,860	569,626,075

In the year 2009, the Company and its subsidiary have written accounts receivable off from the accounts that had been certainly uncollectible approximately Baht 19.54 million. These accounts receivable were fully provisioned for doubtful debt in the prior year. The provision and accounts receivable as the amount above were reversed from the financial statement as at December 31, 2009.

Included in the trade accounts receivable of the Company and its subsidiary as at December 31, 2009 and 2008 were approximately Baht 147.15 million and Baht 176.79 million, respectively, which have been sold with recourse to financial institutions at a discount. The Company and its subsidiary have been sold with recourse to financial institutions at a discount for the Company and its subsidiary in the amount of Baht 100.49 million and Baht 145.78 million, respectively and for the Company only in the amount of Baht 16.44 million and Baht 19.70 million, respectively.

7. INVENTORIES

	Baht			
	Consolidated financial statements		Separate financial statements	
	2009	2008	2009	2008
Finished goods	297,493,108	377,974,238	167,382,863	269,070,745
Raw materials	25,700,569	34,292,834	25,635,678	34,292,834
Packing materials	70,610,720	76,117,394	62,258,744	76,117,394
Spare parts and factory supplies	23,229,855	24,317,190	19,420,708	24,317,190
Total	417,034,252	512,701,656	274,697,993	403,798,163
Less : Less Allowance for stock obsolescence	(15,433,905)	(15,183,231)	(13,965,562)	(12,879,092)
Inventories, net	401,600,347	497,518,425	260,732,431	390,919,071

Allowance for obsolete stock is changed during the period as follows :-

	Baht			
	Consolidated financial statements		Separate financial statements	
	2009	2008	2009	2008
Beginning balance	15,183,231	8,030,540	12,879,092	6,178,842
Additional during the year	22,725,526	27,346,179	7,097,052	13,733,435
Deduction during the year	(22,474,852)	(20,193,488)	(6,010,582)	(7,033,185)
Ending balance	15,433,905	15,183,231	13,965,562	12,879,092

As at December 31, 2009 and 2008, the Company has pledged inventories of approximately Baht 52.84 million and Baht 83.94 million, respectively to secure short-term loans from financial institutions.

For the years ended December 31, 2009 and 2008, there are loss on disposed stock incurred from e.g. taking of disposed finished goods to produce biological gas for internal using in a factory, disposal of stocks that are out of date, damage and useless. For the Company and its subsidiary in the amount of Baht 26.20 million and Baht 23.65 million and for the Company only in the amount of Baht 9.73 million and Baht 10.49 million, respectively.

8. RESTRICTED BANK DEPOSITS

These represent fixed deposits pledged with the banks to secure credit facilities.



9. INVESTMENTS ACCOUNTED FOR UNDER THE COST METHOD

These represent investments in ordinary shares in following subsidiaries and associated company.

Company's name	Separate financial statements					
	Paid-up capital		Shareholding percentage		Cost (Baht)	
	2009	2008	2009	2008	2009	2008
			Percent	Percent		
Investments in subsidiary companies	Baht 100 million	Baht 100 million	99.99	99.99	99,988,000	99,988,000
Malee Enterprise Company Limited	Baht 1.75 million	Baht 1.75 million	97.60	97.60	1,708,000	1,708,000
Malee Supply Company Limited	USD 50,500	USD 50,500	99.00	99.00	1,291,000	1,291,000
Icon Foods, LLC.	USD 50,500	Baht 145 million	100.00	100.00	145,000,000	145,000,000
Agri Sol Limited	Baht 145 million					
					247,987,000	247,987,000
Less : Impairment loss on investment					(102,987,000)	(102,987,000)
Investment, net					145,000,000	145,000,000

In the year 2008, the Company invested in the common shares of Agri Sol Limited at 100% of the authorized capital of the above company in the amount of Baht 145 million, 14,500,000 shares, at Baht 10 each. Therefore, Agri Sol Limited has the status of a subsidiary to the Company. As at December 31, 2009 and 2008, the Company has already included the financial statements of the company above which were prepared by the management into the consolidated financial statements (see Note 2.2.1).

10. LAND NOT USED IN OPERATION

	Baht			
	Consolidated financial statements		Separate financial statements	
	2009	2008	2009	2008
Land not used in operation, cost	184,096,481	184,096,481	184,096,481	184,096,481
Deduction of difference amounts per lands appraisal	(56,702,453)	(68,336,860)	(60,432,411)	(68,336,860)
Net	127,394,028	115,759,621	123,664,070	115,759,621
(Less) disposals	-	-	(24,932,150)	-
Land not used in operation, net	127,394,028	115,759,621	98,731,920	115,759,621

Land not used in operation consisted of:-

1. Lands locate at Baan-muang district, Sakonnakorn province, the land space is in total of 1258 rai 1 ngarn 12 square wah. The lands have been acquired since the year 2003, at the cost amounting to Baht 26.61 million, The appraisal prices of the lands from independent appraiser were in the amount of Baht 24.93 million which was made as second time in June 2004. Currently, the lands were used for growing corn to produce raw materials for the Company. Since quarterly 1, 2009, the Company had sold such land to its subsidiary, Agri Sol Co., Ltd. at book value price of Baht 24.93 million which is over than the appraisal price. However, the management had decided to sale at book value in accordance with the resolution of the Board of Director meeting No. 3/2551 dated July 21, 2008, as a result, have no gain or loss in this transaction.

Later, Agi Sol Co., Ltd. has made an assessing for the land in December 2009, the appraisal value is of Baht 28.66 million, which is presented in the consolidated financial statement. This lasted appraisal value is presented at higher value, compared to the acquisition cost in the amount of Baht 2.05 million, which was presented in the revaluation surplus under the caption of shareholder's equity. The allowance for impairment loss that was ever recorded for the second appraisal was reversed in the amount of Baht 1.68 million in statement of income for the year ended December 31, 2009.

2. Lands locate at Muang district, Ratchaburi province, the land space is 725 rai 3 ngarn 88 square wah. The lands have been acquired since the year 1992, at the cost amounting to Baht 157.49 million, the appraisal prices of the lands from independent appraise were in the amount of Baht 90.82 million which was made as second time in June 2004. And the lasted appraisal price of Baht 98.73 million is made in December 2009. The Company records loss on impairment of assets (reversal) in the amount of Baht 7.91 million in the statement of income for the year ended December 31, 2009. Currently, the lands were charged as non-operated lands.



11. PROPERTY, PLANT AND EQUIPMENT

Consolidated financial statements

	Baht							
	Land	Buildings and buildings improvement	Land improvement	Machinery and equipment	Motor vehicles	Furniture fixtures and office equipment	Construction in progress	Elimination
Cost amount:								
As at December 31, 2008	41,619,715	325,172,740	8,932,610	1,512,202,487	17,658,381	144,796,302	37,286,373	(301,913)
Acquisition	-	704,300	-	1,703,914	-	1,489,014	6,197,860	-
Disposals	-	-	-	(62,384,217)	(888,254)	(673,880)	(3,037,673)	-
Transfer in (out)	-	167,261	-	5,576,184	-	-	(5,743,445)	-
Write-off	-	-	-	-	-	-	-	-
As at December 31, 2009	41,619,715	326,044,301	8,932,610	1,457,098,368	16,770,127	145,611,436	34,703,115	(301,913)
Accumulated depreciation :								
As at December 31, 2008	-	210,000,996	7,395,002	1,121,103,448	15,582,977	122,026,362	-	(153,083)
Depreciation charge for the year	-	14,727,681	634,378	65,434,560	1,106,233	10,181,252	-	-
Depreciation on disposals	-	-	-	(58,090,341)	(726,015)	(670,726)	-	-
Transfer in (out)	-	10,310	-	1,339,605	550,191	14,279	-	-
Depreciation for write - off	-	-	-	-	-	-	-	-
As at December 31, 2009	-	224,738,987	8,029,380	1,129,787,272	16,513,386	131,551,167	-	(153,083)
Allowance for impairment loss:								
As at December 31, 2008	-	-	-	6,090,784	-	-	27,824,104	-
Disposals	-	-	-	(1,169,400)	-	-	(3,000,000)	-
Increasing/Decreasing	-	11,648,118	-	1,270,058	-	-	-	-
As at December 31, 2009	-	11,648,118	-	6,191,442	-	-	24,824,104	-
Net book value :								
As at December 31, 2009	41,619,715	89,657,196	903,230	321,119,654	256,741	14,060,269	9,879,011	(148,830)
As at December 31, 2008	41,619,715	115,171,744	1,537,608	385,008,255	2,075,404	22,769,940	9,462,269	(148,830)
Revalued amount :-								
As at December 31, 2008	171,009,035	-	-	-	-	-	-	-
Increasing	3,438,587	75,295,223	-	375,419,662	-	-	-	-
Decreasing	(17,622,000)	-	-	-	-	-	-	-
As at December 31, 2009	156,825,622	75,295,223	-	375,419,662	-	-	-	-
Accumulated depreciation :								
As at December 31, 2008	-	-	-	-	-	-	-	-
Depreciation charge for the year	-	-	-	-	-	-	-	-
As at December 31, 2009	-	-	-	-	-	-	-	-
Net reappraised value :								
As at December 31, 2009	156,825,622	75,295,223	-	375,419,662	-	-	-	-
As at December 31, 2008	171,009,035	-	-	-	-	-	-	-
Revaluation basis assets :								
As at December 31, 2009	198,445,337	164,952,419	903,230	696,539,316	256,741	14,060,269	9,879,011	(148,830)
As at December 31, 2008	212,628,750	115,171,744	1,537,608	385,008,255	2,075,404	22,769,940	9,462,269	(148,830)

Depreciation for the years ended December 31,
2009
2008

Baht
92,084,104
122,307,324

Separate financial statements

	Baht						
	Land	Buildings and buildings improvement	Land improvement	Machinery and equipment	Motor vehicles	Furniture fixtures and office equipment	Construction in progress
Cost amount:							
As at December 31, 2008	41,619,715	313,670,832	8,932,610	1,512,202,487	17,061,095	96,298,563	36,922,273
Acquisition	-	671,800	-	1,703,914	-	522,659	6,197,860
Disposals	(10,202,159)	(90,822,339)	(736,343)	(260,518,346)	(888,254)	(1,975,671)	(3,037,673)
Transfer in (out)	-	167,261	-	5,576,184	-	-	(5,743,445)
Write - off	-	-	-	-	-	-	-
As at December 31, 2009	31,417,556	223,687,554	8,196,267	1,258,964,239	16,172,841	94,845,551	34,339,015
Accumulated depreciation :							
As at December 31, 2008	-	199,342,950	7,395,002	1,121,103,448	14,992,306	87,817,240	-
Depreciation charge for the year	-	12,509,936	634,378	61,344,510	1,104,334	3,258,822	-
Depreciation on disposals	-	(39,021,035)	(573,730)	(208,454,113)	(726,015)	(1,741,876)	-
Transfer in (out)	-	10,310	-	1,339,605	550,191	14,279	-
Depreciation for write - off	-	-	-	-	-	-	-
As at December 31, 2009	-	172,842,161	7,455,650	975,333,450	15,920,816	89,348,465	-
Allowance for impairment loss :							
As at December 31, 2008	-	-	-	6,090,784	-	-	27,824,104
Disposals	-	-	-	(1,169,400)	-	-	(3,000,000)
Increasing/Decreasing	-	2,431,603	-	(525,572)	-	-	-
As at December 31, 2009	-	2,431,603	-	4,395,812	-	-	24,824,104
Net book value :							
As at December 31, 2009	31,417,556	48,413,790	740,617	279,234,977	252,025	5,497,086	9,514,911
As at December 31, 2008	41,619,715	114,327,882	1,537,608	385,008,255	2,068,789	8,481,323	9,098,169
Revalued amount :-							
As at December 31, 2008	171,009,035	-	-	-	-	-	-
Increasing	1,918,500	75,295,223	-	305,939,704	-	-	-
Decreasing	(17,622,000)	-	-	-	-	-	-
Disposals	(1,536,091)	-	-	-	-	-	-
As at December 31, 2009	153,769,444	75,295,223	-	305,939,704	-	-	-
Accumulated depreciation :							
As at December 31, 2008	-	-	-	-	-	-	-
Depreciation charge for the year	-	-	-	-	-	-	-
As at December 31, 2009	-	-	-	-	-	-	-
Net reappraised value :							
As at December 31, 2009	153,769,444	75,295,223	-	305,939,704	-	-	-
As at December 31, 2008	171,009,035	-	-	-	-	-	-
Revaluation basis assets :							
As at December 31, 2009	185,187,000	123,709,013	740,617	585,174,681	252,025	5,497,086	9,514,911
As at December 31, 2008	212,628,750	114,327,882	1,537,608	385,008,255	2,068,789	8,481,323	9,098,169

Depreciation for the years ended December 31,
2009
2008

Baht
78,851,980
114,228,632



In 2008, following the letter of approval to set a provision for asset impairment dated September 30, 2008, the management has approved to provide such provision for building improvement and non-operating machinery and equipment. As at September 30, 2008, the cost of acquisition is Baht 31.48 million and the book value is Baht 25.73 million. The management views that there are no plans for using these fixed assets in operation and they are not able to sell in the near future. Therefore, they are expected to sell them as scrap with very small value and think that a provision for asset impairment for the assets above should be set up in the full amount.

During 2008, its subsidiary wrote fixture equipment off from leasehold improvement account at cost of Baht 3.26 million, it has net book value at date of write - off at Baht 1.37 million. Cancellation of contracts on selling space is a cause for written - off in leasehold equipment.

As at December 31, 2009 and 2008, the Company has motor vehicles and machineries acquired under hire-purchase agreements and finance lease agreements, with net book value amounting to approximately Baht 53.66 million and Baht 61.69 million, respectively.

As at December 31, 2009 and 2008, certain buildings and equipment items of the Company and its subsidiary have been fully depreciated but they are still in use. The original cost of those assets amounted to approximately Baht 882 million and Baht 842 million, respectively (in the financial statement of the Company only amounted to approximately Baht 845 million and Baht 815 million, respectively).

Since quarterly 1, 2009, the Company has sold its land including other building machinery and factory and office equipment which are retained at Ban-peal District, Sakonnakorn Province to its subsidiary, Agri Sol Co., Ltd. in the total price of Baht 120.14 million, with book value at the selling date of Baht 111.71 million. Therefore, the Company earned gain on sell of assets of Baht 8.43 million. The selling of asset resolution had been approved in the Board of Director meeting No. 3/2551 dated July 21, 2008.

During 2009, the company sold fixed assets included construction in progress that was damaged and non-usable to other persons. The total cost of such assets is of Baht 66.63 million and has its total book value of Baht 7.49 million, at the total selling price of Baht 15.94 million. There is a profit of selling of fixed assets of Baht 8.45 million.

Increment per assets appraisal

In December 2009, the Company and its subsidiary hired a local independent appraiser namely; 15 Business Advisory Limited to appraise the value of lands, buildings and machineries under revaluation basis as shown in Note 3.7, Accounting Policies to financial statements.

In case of appraisal of lands, the Company's lands locate at Sampran District, Nakornpratom Province, the lands space is in total of 39 rai 0 ngarn 65 square wah and the subsidiary's land locates at Banpaeng District, Nakornpranom Province, the land space is in total of 118 rai 3 ngarn 79 square wah, at the total cost amounting to Baht 41.85 million (the Company only, amounting to Baht 31.42 million). The Company and its subsidiary appraised the lands for the second time in the year 2004 at appraisal price of the lands in the amount of Baht 212.63 million, and the third time in the year 2009 at appraisal price in the amount of Baht 198.68 million (the Company only, amounting to Baht 185.19 million.). Increment per assets appraisal for the second and the third appraisal were amount of Baht 171.01 million and Baht 156.83 million (the Company only, amounting to Baht 171.01 million and Baht 153.77 million), respectively, which were presented in the revaluation surplus under the caption of shareholders' equity.

In case of appraisal of buildings and machineries that the net cost value of Baht 431.06 million (the Company only, amounting to Baht 329.27 million). The Company and its subsidiary appraised the buildings and machineries for the first time on December 31, 2009, at appraisal price in the amount of Baht 868.86 million (the Company only, amounting to Baht 708.60 million). Increment per assets appraisal were amount of Baht 450.71 million (the Company only, amounting to Baht 381.23 million) which was presented in the revaluation surplus under the caption of shareholders' equity. However, the Company and its subsidiary had impairment loss from appraisal of buildings and machineries in the amount of Baht 12.92 million (the Company only, amounting to Baht 1.91 million) for the year ended December 31, 2009. The Company and its subsidiary have not yet calculated the depreciation of the incremental per assets appraisal to against the revaluation surplus account under the caption of shareholders' equity (treatment under allowable cost method.)

12. BANK OVERDRAFTS AND SHORT-TERM LOANS FROM FINANCIAL INSTITUTIONS

As at December 31, 2009 and 2008, bank overdrafts and short-term loans from financial institutions were as follows:-

		Baht			
		Consolidated financial statements		Separate financial statements	
	Annual	2009	2008	2009	2008
	Annual interest rate				
Bank overdrafts	MOR	18,072,485	40,085,046	18,072,485	40,085,046
Short-term loans	MLR, MRR+1.25%	337,157,020	439,743,866	308,133,020	439,743,866
Total		355,229,505	479,828,912	326,205,505	479,828,912



13. LOANS FROM SUBSIDIARY

	Baht			
	Consolidated financial statements		Separate financial statements	
	2009	2008	2009	2008
Short-term loans from Agri Sol Co., Ltd.				
Beginning balance	-	-	-	-
Additional during the year	-	-	39,023,423	-
Deduction during the year	-	-	(39,023,423)	-
Ending balance	-	-	-	-

Short - term loans from subsidiary which is used for working capital of the Company, with no security pledge as a guarantees, is charged by the interest rate at MLR + 0.15 - 0.25 per annum.

14. LIABILITIES UNDER HIRE-PURCHASE AGREEMENTS

	Baht			
	Consolidated financial statements		Separate financial statements	
	2009	2008	2009	2008
Hire-purchase creditors	64,347,600	55,659,769	64,347,600	55,659,769
(Less) deferred interest	(6,364,605)	(6,364,604)	(6,364,605)	(6,364,604)
	57,982,995	49,295,165	57,982,995	49,295,165
(Less) current portion due within one year	(46,409,902)	(19,399,787)	(46,409,902)	(19,399,787)
Hire-purchase creditors, net of current portion	11,573,093	29,895,378	11,573,093	29,895,378

	Consolidated/Separate financial statements (Baht)					
	2009			2008		
	Principal	Deferred interest	Net	Principal	Deferred interest	Net
1 - 5 years	11,573,093	926,811	12,499,904	28,196,864	2,215,752	30,412,616
Over 5 years	-	-	-	1,698,514	64,286	1,762,800
Total	11,573,093	926,811	12,499,904	29,895,378	2,280,038	32,175,416

15. LONG-TERM LOANS

As at December 31, 2009 and 2008, the outstanding long-term loans from financial institutions consisted of the following:-

Loan	Interest rate (%)	Repayment schedule	Baht	
			Consolidated/Separate financial statements	
			2009	2008
1.	MLR	Monthly installments of not less than Baht 2 million each, and is to be repaid in full within January 2009	25,512,534	44,512,534
2.	8.25	Monthly installments of net less than Baht 3 million each, and is to be repaid in full within March 2010	8,754,810	20,986,161
Total			34,267,344	65,498,695
Less : Current portion due within one year			(26,754,810)	(50,486,161)
Net			7,512,534	15,012,534

Long-term loan no.1:

On December 26, 2005 the Company entered into a loan agreement with a local commercial bank granting facilities of Baht 120 million, comprising trust receipts payable amounting to Baht 85.5 million and a long-term loan amounting to Baht 34.5 million. The loan is repayable in 36 monthly installments of not less than Baht 2 million each, with the first of these due in August 2006 and is to be repaid in full within January 2009. This loan is secured by the pledge of machinery. Later, on March 13, 2008 the Company was approved to have a period extension on the loans with amount not less than Baht 2 million in the 25th - 36th installments and amount not less than Baht 2.50 million in the 37th - 52nd installments. The rest will be fully paid in the final installment in June 2010. Interest is paid separately every month, commencing the first payment in February 2008.

Repayment schedule extension and installment reduction, since quarter 2/2009

Since July 2, 2009 the Company has been approved to have a period extension on the loans with amount not less than Baht 1 million in the 41st - 47th installments (the former amount is 2.5 million/installment) and amount not less than Baht 1.5 million in the 48th - 63th installments (the former amount is 2.5 million/installment). The rest will be fully paid in the final installment in May 2011. Interest is paid separately every month, commencing the first payment in June 2009.

Long-term loan no.2:

On September 30, 2008, the Company entered into a new loan agreement with a local commercial bank in the amount of Baht 70 million, consisting of long-term loan of Baht 30 million, letter of credit and trust receipt of Baht 30 million and bank overdraft of Baht 10 million. Repayment of the principal is due monthly in 20 installments at Baht 3 million each and Baht 13 million in the final installment, commencing the first payment in October 2008 until the last payment in May 2010.

Repayment schedule extension and installment reduction, since quarter 2/2009.

Since May 28, 2009 the Company has been approved to have a period extension on the loans with amount not less than Baht 1.5 million in the 8th - 13th installments (the former amount is 3 million/installment) and amount not less than Baht 3 million in the 14th - 22nd installments (the former amount is 3 million/installment) and Baht 13 million in the final installment, commencing the first payment in May 2009 until the last payment in August 2010.

16. SHARE CAPITAL AND LEGAL RESERVE

Under the provision of the civil and commercial code, the Company is required to set aside as statutory reserve at least 5% of its net income at each dividend declaration until the reserve reaches 10% of authorized capital. The reserve is not available for dividend distribution.



17. PROVIDENT FUND

The Company, a subsidiary and their employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. The fund is monthly contributed to by employees, at the rate of 3.0 percent of their basic salaries, and by the Company and its subsidiary at the same rate, and will be paid to employees upon termination in accordance with the rules of the fund. The fund is managed by Kasikorn Asset Management Company Limited. For the years ended December 31, 2009 and 2008, the Company and its subsidiary contributed at approximately Baht 2.13 million and Baht 2.43 million, and the Company only in the amount of Baht 1.65 million and Baht 1.93 million, respectively to the provident fund.

18. PROMOTIONAL PRIVILEGES

The Company has received promotional privileges from the Board of Investment for the manufacture of canned vegetables, pursuant to the promotion certificate No. 1089/2542 issued on 31 March 1999. Subject to certain imposed condition, the privileges include an exemption from corporate income tax for a period of 8 years from the date the promoted operations commenced generating revenues (6 August 2001) and a 50% reduction of corporate income tax on income derived from the promoted operations for a period of 5 years after the tax-exemption period ends.

Revenues of the Company for the years ended December 31, 2009 and 2008 are below divided between BOI promoted activities and non-BOI promoted activities.

	Baht					
	BOI promoted		Non-BOI promoted		Total	
	2009	2008	2009	2008	2009	2008
Sales	208,527,584	289,484,867	2,540,678,261	3,028,211,023	2,749,205,845	3,317,695,890

19. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing net profit (loss) for the year by the weighted average number of ordinary shares in issue during the period.

Diluted earnings per share is calculated by dividing net profit (loss) for the year by the weighted average number of ordinary shares in issue during the period plus the weighted average number of ordinary shares which would need to be issued to convert all dilutive potential ordinary shares into ordinary shares. The calculation assumes that the conversion took place either at the beginning of the period or on the date the potential ordinary shares were issued.

	Consolidated financial statements					
	Net profit (loss)		Weighted average number of ordinary shares		Earnings per share	
	2009	2008	2009	2008	2009	2008
Basic earnings per share						
Net profit (loss)						
Equity holders of parent company	130,926,751	(294,653,768)	70,000,000	70,000,000	1.87	(4.21)
Minority interest	-	-	-	-	-	-
	130,926,751	(294,653,768)	70,000,000	70,000,000	1.87	(4.21)

	Consolidated financial statements					
	Net profit (loss)		Weighted average number of ordinary shares		Earnings per share	
	2009	2008	2009	2008	2009	2008
Basic earnings per share						
Net profit (loss)						
Equity holders of parent company	160,377,034	(292,707,478)	70,000,000	70,000,000	2.29	(4.18)
Minority interest	-	-	-	-	-	-
	160,377,034	(292,707,478)	70,000,000	70,000,000	2.29	(4.18)



20. FINANCIAL INFORMATION BY SEGMENT

The Company and its subsidiaries operate in a single industry segment, the manufacture and distribution of canned fruits, fruit juices and drinks and in a single geographical area, Thailand. As a result, all of the revenues, operating profit and assets as reflected in these financial statements pertain to the aforementioned industry segment and geographical area. For the years ended December 31, 2009 and 2008, the segmented sales income and fixed assets are as follows:-

Consolidated financial statements (Baht)						
	Export sales		Local sales		Total	
	2009	2008	2009	2008	2009	2008
Sales	691,666,334	684,275,350	2,391,186,470	3,019,372,301	3,082,852,804	3,703,647,651
Fixed assets-net					1,084,887,493	748,505,140

Consolidated financial statements (Baht)						
	Export sales		Local sales		Total	
	2009	2008	2009	2008	2009	2008
Sales	688,303,897	684,275,350	2,060,901,948	2,633,420,540	2,749,205,845	3,317,695,890
Fixed assets-net					910,075,333	733,150,776

21. CREDIT FACILITIES

Credit facilities granted to the Company and its subsidiary by banks and financial institutions are secured by the mortgage/pledge of deposits at financial institutions, certain plots of its lands, buildings, some machineries and inventories and by the guarantees of a related company and the Company's former directors of the Company and its subsidiaries.

In addition, credit facilities granted to the subsidiary by financial institutions are secured by the guarantee provided by the Company.

22. COMMITMENTS AND CONTINGENT LIABILITIES

22.1 Commitments

As at December 31, 2009 and 2008, the Company and its subsidiary had the following commitments :-

a) The Company had commitments of approximately USD 1.1 million and USD 1.4 million in relation to purchase of raw materials, respectively.

b) As at December 31, 2009, the Company and its subsidiaries have commitments relating to the lease agreements for land, head office buildings, godown, office equipments, vehicles and service fee whereby future payments are required in the following amounts: -

Payable within	Million Baht	
	Consolidated financial statement	Separate financial statements
1 year	30.78	17.93
2 to 3 years	19.40	12.14

c) Under commitment revealed on b), as at December 31, 2009 the Company and a subsidiary committed the significant long-term leases and services agreements as follows:-

- c1) Long-term lease agreements with two domestic companies for rental forklift of 29 units (the Company only, of 25 units), the term of agreements covering for 4 years long, commencing from April 2006 and terminating in March 2010. The Company and the subsidiary shall pay monthly rental charge for the forklift of 29 units in totaling of Baht 536,000 (the Company only, of Baht 457,000) (excluding VAT) through 48 months of the lease term.
- c2) Long-term lease agreements with two domestic companies for rental cars of 10 units (the Company only, of 6 units), the term of agreements covering for 5 years long, commencing from April 2006 and terminating in March 2011, from September 2009 and terminating in September 2014. the Company and the subsidiary shall pay monthly rental charge in totaling of Baht 231,100 (the Company only, of Baht 163,600) (excluding VAT) through 60 months of the lease term.
- c3) Long-term lease and services agreements with a related company for rent and services of office buildings, the term of agreements covering for 3 years, commencing from April 2006 and terminating in March 2012, from December 2009 and terminating in December 2012. The Company and the subsidiary shall paid monthly rental and services in totaling of Baht 911,080 (the Company only, of Baht 543,780 excluding VAT).

22.2 Bank guarantees

As at December 31, 2009 and 2008, there were outstanding bank guarantees of approximately Baht 6.9 million and Baht 6.8 million, respectively issued by banks on behalf of the Company in respect of certain performance bonds as required in the ordinary course of its business.

22.3 Guarantee

As at December 31, 2009 and 2008, the Company had guaranteed Baht 160 million and Baht 125 million, respectively. Loans obtained by a subsidiary from financial institutions and its subsidiary had guaranteed loans of the Company amount to Baht 300 million and Baht 300 million, respectively. These guarantees are effective for as long as the underlying obligations have not been discharged by that the Company or its subsidiary.

Guarantee fees have been charged between the Company and its subsidiary at 0.25 percent of the guarantee amount.



22.4 Litigation

22.4.1 The financial institution sued the Company, as the guarantor of a former subsidiary, for a total of Baht 24 million (including interest of Baht 4 million). The Company has set aside a provision of Baht 12 million. However, in the first quarter of 2005, the Company and its former subsidiary negotiated compositions with that financial institution, whereby agreement was reached that the Company will pay indebtedness totaling Baht 20 million plus interest in installments as per the provisions of the agreement. The Company has recorded the Baht 8 million difference in the income statement in the first and second quarter of 2005 and presented the outstanding balance of this liability as "Liability from guarantee" in the balance sheet. In addition, in the second quarter of 2005, the former subsidiary negotiated compositions with the Company, whereby agreement was reached that the former subsidiary will pay indebtedness totaling Baht 16 million (the indebtedness to two financial institutions) in installments per the provisions of the agreement. For prudent reason, the Company will record the transactions when it receives settlement from the former subsidiary. For the years ended December 31, 2009 and 2008, the Company received the repayment of debt from the said subsidiary company in the amount of Baht 2.75 million and Baht 2.15 million, respectively.

22.4.2 Since September 30, 2008, a company which is a trade account payable took legal action against the Company in accordance with the black court case no. Por. Bor. 815/2551, requiring to settle debts for payment of the goods in the total amount of Baht 273.23 million - consisting of product cost at Baht 202.82 million and interest at Baht 70.41 million. Additionally, the Company has to pay interest at 7.25% per annum of the amount Baht 202.82 million from October 1, 2008 until payment is fully settled to that company as well as paying the charges and lawyer fee for that company. However, the Company had filed a petition to the appeal court against such black court case, later it was ordered to end by the appeal court because of missing in litigation form, and the consumer case was used to complaint for this. Later, on May 28, 2009, the court of Thanyaburi province had read a conclusion of the chief of the appeal court and decided that the black court case is also not the consumer case. As a result, the case is released from the litigation record. Nevertheless, the trade payable (plaintiff) is reserved a right to bring a further action in civil suit and bankruptcy case. Next, on May 21, 2009 the trade payable has already delivered a borrowed article to the Company again for sustaining the civil suit and / or bankruptcy case. At that moment, the Company was in the debt negotiation with the payable but they did not reaching a compromise yet, resulting the Company still recognized the debt and interest charge in fully amount. The Company has fully recognized the obligation of such amount of interest into the financial statement since year 2008 until the six-month periods ended June 30, 2009, in the total amount of Baht 81.40 million. Trade account payable and accrued interest as at June 30, 2009 and December 31, 2008 in the amount of Baht 284.22 million and Baht 276.93 million are recorded into the Balance sheet of the Company, respectively. Consequently, in quarter 3/2009 the Company and the payable have reached a compromise agreement, and that allowed the Company to pay the debt in respect of the compromise agreement which required in the essential conditions as following. The Company has to pay the certain debt of the goods in the total amount of Baht 202.82 million in installments period of 74 times within approximately 6 years. The first installment shall be commenced on August 30, 2009 to installment of 74 on September 30, 2009. The detail of installments and interest charge term are below:

Number of Installment	AMOUNT OF INSTALLMENT (BAHT)	REMARK
1-24	PRINCIPAL OF 2 MILLION	NO INTEREST CHARGE
25-30	PRINCIPAL OF 2 MILLION	NO INTEREST CHARGE
31-48	PRINCIPAL WITH INTEREST OF 3 MILLION	CHARGED INTEREST AT THE RATE OF 7.25
49-73	PRINCIPAL WITH INTEREST OF 4 MILLION	CHARGED INTEREST AT THE RATE OF 7.25
74 (final)	PRINCIPAL WITH INTEREST OF 3 MILLION	CHARGED INTEREST AT THE RATE OF 7.25

As a result, in the quarter 3, 2009 the Company has a fully revision of the accrued interest charge in the total amount of Baht 81.40 million which was provisioned since having the taking legal action from the trade payable. The reversal estimation of interest charge is accounted in the income statement for the three-month period from July 1, 2009 and ended on September 30, 2009.

Other account payable and accrued interest is changed during the period as follows :-

	Baht			
	Consolidated financial statements		Separate financial statements	
	2009	2008	2009	2008
Beginning balance	276,928,609	202,813,800	276,928,609	202,813,800
Additional during the period	7,300,378	74,114,809	7,300,378	74,114,809
Deduction during the period	(11,564,970)	-	(11,564,970)	-
Revision of estimated interest expense	(81,406,687)	-	(81,406,687)	-
	191,257,330	276,928,609	191,257,330	276,928,609
(Less) Current portion due within one year	(24,000,000)	-	(24,000,000)	-
Other account payable, net of current portion	167,257,330	276,928,609	167,257,330	276,928,609

The interest expense during the year 2009 of Baht 7.3 million is offset against its estimated interest expense of Baht 81.40 million. Remaining estimated interest expense of Baht 74.11 million for revisions is shown in the income statement for the year ended December 31, 2009. As a result, the financial cost for the year 2009 shall be presented in a proper figure.

23. FINANCIAL INSTRUMENTS

23.1 Financial risk management

The Company's financial instruments, as defined under Thai Accounting Standard No. 48 "Financial Instruments: Disclosure and Presentations", principally comprise cash and cash equivalents, trade accounts receivable, trade accounts payable and short-term and long-term loans. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Company is exposed to credit risk primarily with respect to trade accounts receivable and other accounts receivable. The Company manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. In addition, the Company does not have high concentration of credit risk since it has a large customer base. The maximum exposure to credit risk is limited to the carrying amounts of trade accounts receivables and other accounts receivable as stated in the balance sheet.

Interest rate risk

The Company's exposure to interest rate risk relates primarily to its cash at banks, bank overdraft, short-term and long-term borrowings. However, since most of the Company's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate, the interest rate risk is expected to be minimal.

Significant financial assets and liabilities as at December 31, 2009 and 2008 classified by type of interest rates are summarized in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

Separate financial statements as at December 31, 2009						
Fixed interest rates		Floating interest rate	Non- interest bearing	Total	Interest rate	
Within 1 year	1-5 years					
		(Million Baht)			(% p.a.)	
Financial Assets						
Cash and cash equivalent	-	-	2	-	2	0.25
Trade accounts receivable	-	-	-	669	669	-
Deposits at financial institutions	32	-	-	-	32	0.75 - 1.00
with restrictions	32	-	2	669	703	
Financial liabilities						
Bank overdrafts and short-term loans from financial institutions	-	-	326	-	326	MOR, MLR, MRR + 1.25
Factoring payable	-	-	16	-	16	MLR
Trade accounts payable	-	-	-	891	891	-
Trade accounts payable and accrued interest	-	191	-	-	191	MLR
Other accounts payable	-	-	-	27	27	-
Hire-purchase creditors	-	58	-	-	58	6
Long-term loans	-	-	34	-	34	MLR, 8.25
	-	249	376	918	1,543	

Separate financial statements as at December 31, 2008					
Fixed interest rates		Floating interest rate	Non- interest bearing	Total	Interest rate
Within 1 year	1-5 years				
		(Million Baht)			(% p.a.)
-	-	1	-	1	0.50
-	-	-	570	570	-
88	-	-	-	88	1.5 - 4.25
88	-	1	570	659	
ns					MOR, MLR MRR+1.25
-	-	480	-	480	
-	-	20	-	20	MLR
-	-	-	947	947	-
-	277	-	-	277	MLR
-	-	-	36	36	-
-	49	-	-	49	6
-	-	65	-	65	MLR
-	326	565	983	1,874	

23.1.1 TRADE ACCOUNT PAYABLE

As at December 31, 2009, the Company has long-time outstanding of trade accounts payable that are having outstanding age over one year long in the total amount of Baht 67.83 million. At present, the Company's management still can maintain the trade debt repayment conditions as normal course of business.

Foreign currency risk

The Company's exposure to foreign currency risk arises mainly from trading transactions and borrowings that are denominated in foreign currencies. The Company seeks to reduce this risk by entering into forward exchange contracts when it considers appropriate. Generally, the forward contracts mature within one year.

The balances of financial assets and liabilities denominated in foreign currencies as at December 31, 2009 and 2008 are summarised below.

Consolidated financial statements			
Foreign currency	Financial assets	Financial liabilities	Asset / liability exchange rate as at December 31, 2009
			(Baht per foreign currency unit)
US dollar	633,165	713,982	33.12/33.52
EURO	4,557	27,559	47.33/48.13
			as at December 31, 2008
			(Baht per foreign currency unit)
US dollar	314,601	453,023	34.71/35.08
EURO	14,095	36,868	48.75/49.65



Consolidated financial statements			
Foreign currency	Financial assets	Financial liabilities	Asset / liability exchange rate as at December 31, 2009 (Baht per foreign currency unit)
US dollar	563,805	713,982	33.12/33.52
EURO	4,557	713,849	33.12/33.52
		27,559	47.33/48.13
			as at December 31, 2008 (Baht per foreign currency unit)
US dollar	314,601	453,023	34.71/35.08
EURO	14,095	36,868	48.75/49.65

As at December 31, 2009 and 2008, the outstanding forward currency exchange contracts are summarized as

Consolidated financial statement as at December 31, 2009				
Currency		Amount	Exchange rate per contract (Baht/USD dollar)	Contract due date As from the balance sheet date
Trade account receivable	USD	273,318.54	33.448	21/04/2553
	USD	966,098.00	33.448	21/04/2553
		1,239,416.54		

Consolidated financial statement as at December 31, 2008				
Currency		Amount	Exchange rate per contract (Baht/USD dollar)	Contract due date As from the balance sheet date
Trade account receivable	USD	841,888.87	31.448	16/01/2552
	USD	1,000,000.00	31.480	28/01/2552
		1,841,888.87		

Separate financial statement as at December 31, 2009				
Currency		Amount	Exchange rate per contract (Baht/USD dollar)	Contract due date As from the balance sheet date
Trade account receivable	USD	273,318.54	33.448	21/04/2553
		273,318.54		

Separate financial statement as at December 31, 2008				
Currency		Amount	Exchange rate per contract (Baht/USD dollar)	Contract due date As from the balance sheet date
Trade account receivable	USD	841,888.87	31.363	16/01/2552
	USD	1,000,000.00	31.480	28/01/2552
		1,841,888.87		

23.2 Fair values of financial instruments

Since the majority of the Company's financial instruments are short-term in nature or bear floating interest rates, their fair value is not expected to be materially different from the amounts presented in the balance sheets.

A fair value is the amount for which an asset can be exchanged or a liability settled between knowledgeable, willing parties in an arm's length transaction. The fair value is determined by reference to the market price of the financial instrument or by using an appropriate valuation technique, depending on the nature of the instrument.

24. PROVISION OF ESTIMATED LIABILITIES

The Company has provision of estimated liabilities into the Company's balance sheet as at December 31, 2009 and 2008, respectively that if a subsidiary would not settle the obligation of the amount due to the Company of Baht 303.64 million and Baht 239.72 million and forms part of the total liabilities of the subsidiary to the company as at December 31, 2009 and 2008 in the amount of Baht 558.56 million and Baht 457.87 million, respectively. In addition, the Company has also recognized the resulting gain from settled the estimated liabilities and reversal of estimated liabilities into the Company's income statement for the years ended December 31, 2009 and 2008, of Baht 63.92 million and Baht 161.89 million, respectively.

25. CORPORATE INCOME TAX

In accordance with taxable conditions on Thailand's revenue code, the Company and its subsidiaries has calculated its net taxable profit (loss) by taking both any forbidding expenditures and any reduced or exceptionable accounting transactions to adding-up or deducting from net profit (loss) under accounting base.

In 2009 and 2008, the Company have no an amount tax paid causing from having net taxable loss from its operating result.

26. GLOBAL ECONOMIC CRISIS

In the mid 2008, there has been a severe financial crisis in the United States of America, it gives rise a great fluctuation in financial, equity and derivative markets and the economics are significant slowdown. The financial and economic unstable are spread all over the world so as to Thailand. The crisis has significantly affected the business, finance and asset value which would be substantially declined. The global economic crisis remains uncertain as to when the global economy will return to normalcy. These financial statements have been prepared on the bases of estimates and assumptions currently considered appropriate.



27. AGREEMENT

On April 1, 2552, the Company has entered into the land and factory rental and service agreement with its subsidiary, Agi Sol Co., Ltd. for the purpose of producing cannery product, particular for sweet corn. The Company has to pay monthly rental and service charge at Bath 1.00 million. The agreement term has 9 months long from April 1, 2009 to December 31, 2009.

Later, on August 3, 2009, the Company and its subsidiary as above has agreed in a memorandum of understanding for price reduction of land and factory rental and service agreement dated on April 1, 2009, that is in the shut down period from September 1, 2009 to November 30, 2009. The purpose is to shut down for the Company annually maintenance of machineries and equipments for support producing in the next year which the rate is reduced to Baht 0.10 million per month (from Baht 1.00 million per month).

On December 16, 2009, the Company has cancelled the agreement of land and factory rental and service with the subsidiary, Agi Sol Co., Ltd. Because the subsidiary has changed itself to be the production and selling of cannery factory especially sweet corn and other canned food.

28. NEWLY FINANCIAL STATEMENT REPORTING

Year 2008 the Company has applied the Thai Accounting Standard no. 35 (amended in 2007) "Presentation of financial statements" and no. 25 (amended in 2007) "Cash flows statements" to the financial statements. Therefore, the formats of the presentations have been adjusted to conform to the accounting standards referred above.

Certain amounts in the financial statements for the year ended December 31, 2008 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 follow:

Accounts	Baht			
	Consolidated financial statements		Separate financial statements	
	reclassified	previously reported	reclassified	previously reported
Selling and administrative expenses	-	864,002,451	-	337,350,921
Selling expenses	553,016,116	-	90,259,704	-
Administrative expenses	259,680,178	-	204,484,901	-
Director's remuneration	26,162,628	5,605,000	17,462,787	5,605,000
Loss on impairment of assets (reversal)	30,748,529	-	30,748,529	-

29. APPROVAL OF FINANCIAL STATEMENTS

These interim financial statements were authorised for issue by the Company's Board of Directors on February 26, 2010.





The Green Fruit Expert