

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

FINANCIAL STATEMENTS

AND INDEPENDENT AUDITOR'S REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

EXPRESSED IN THAI BAHT

Independent Auditor's Report

To the Board of Directors and Shareholders of
Chiangmai Frozen Foods Public Company Limited

Opinion

I have audited the accompanying consolidated financial statements of **Chiangmai Frozen Foods Public Company Limited and its subsidiary** (“the Group”), which comprise the consolidated statement of financial position as at 31 December 2022, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of **Chiangmai Frozen Foods Public Company Limited** for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of **Chiangmai Frozen Foods Public Company Limited and its subsidiary** and of **Chiangmai Frozen Foods Public Company Limited** as at 31 December 2022, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Group in accordance with the Code of Ethics for Professional Accountants including Independence Standards issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of Matter

I have audited the consolidated and separate financial statements, before restatement, for the year ended 31 December 2021 of Chiangmai Frozen Foods Public Company Limited and its subsidiary and of Chiangmai Frozen Foods Public Company Limited, and expressed an unqualified opinion on those statements in my report dated 23 February 2022. As discussed in Notes to interim financial statements 5 and 12. The Group restated financial statements because of the accounting transactions of such acquisition will be made. In the first quarter of 2022, the Group reviewed assets acquired and liabilities assumed of Sino-Thai Freeze & Dry Co., Ltd., which was the business acquisition in the first quarter of 2021. The revision was made in accordance with the conditions for adjusting the acquisition accounting as previously mentioned. I have audited these adjustments and found that such adjustments are appropriate and have been properly applied. I have not performed any other auditing procedures subsequent to the date of that report, except for the adjustments as stated above. The consolidated statement of financial position as at 31 December 2021 and the consolidated financial statements for the year ended 31 December 2021, as presented for comparative purposes, are restated in respect of adjusting the acquisition accounting and have been properly applied. My opinion is not modified in respect of the matter.



Key Audit Matters

Key audit matters are those matter that, in my professional judgement, was of most significance in my audit of the financial statements of the current period. This matter was addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matter.

Key audit matters and how audit procedures respond for each matter are described below.

Revenue recognition

The Group's revenue are mainly derived from the distribution of frozen vegetable and freeze dried product in domestic and export markets which are accounted for 99% of total revenue. Revenue from the sales of goods are considered as significant transaction and have a direct effect on the profit and loss of the Group. The sales transactions of the Group are made with a large number of domestic and oversea customers and there are a variety of arrangements and conditions. There are therefore risks with respect to the amount and timing of revenue recognition.

I examined the Group's revenue recognition by assessing and testing the effectiveness of internal controls over the revenue cycle, applying a sampling method to select sales transactions to examine the accuracy and appropriateness of the revenue recorded whether they were in compliance with the conditions set out in the sales documents and in compliance with the Group's policy. On a sampling basis, I examined supporting documents of sales incurred during the year and near the end of the accounting period. I examined the credit notes issued after the period-end and examined the significant adjustment made to the revenues. I also analyzed revenues disaggregated by products group to determine the accuracy and the appropriateness of revenues recognized throughout the accounting period.

Impairment assessment of short-term loan, the investment in subsidiary and goodwill

As described in Note to the financial statements 6.2, 13 and 17, Estimated impairment of short-term loan and the investment in subsidiary and goodwill. In accordance with the uncertainty of market conditions and current economic, that may significant impact to the operations of subsidiary which operated manufacturing and distributing of frozen product and freeze dried product, result of the subsidiary decided to temporarily cease the business. The management of the Group considered the indicator of impairment of goodwill in consolidated financial statements, short-term loan and investment in subsidiary in separate financial statements. The consideration of impairment of such assets depend on the management's judgments and assumptions in respects to estimate the recoverable amount of assets, especially the expected future cash flows based on the subsidiary's business plan. this is one of the key judgmental areas that my audit is concentrated on.

I assessed the appropriateness of indicator for impairment of assets and the management's assumptions used in estimate the recoverable amount of assets. I determined by analysis and considering change in financial position, operating performance and estimated discounting expected future cash flow and other methods. I also tested the appropriateness of significant assumptions in preparing estimate the recoverable amount of assets e.g. current marketing conditions, business plan, other information received during the audit and trend analysis. I also tested the accuracy of the calculation of the impairment and considered the disclosure of Impairment assessment of such assets.

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Other Information

Management is responsible for the other information. The other information comprise the information included in annual report of, but does not include the financial statements and my auditor's report thereon. The annual report is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Chen

AST MASTER

บริษัท เอเอสที มาสเตอร์ จำกัด

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Chamaporn Rodloytuk

CHAMAPORN RODLOYTUK
Certified Public Accountant
Registration No. 9211

AST Master Co., Ltd.
27 February 2023

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022

ASSETS	Notes	In Baht			
		Consolidated		Separate	
		financial statement		financial statements	
		2022	2021	2022	2021
			(Restated)		
CURRENT ASSETS					
Cash and cash equivalents	7	192,066,717	196,122,925	190,702,047	194,958,751
Other current financial assets	8	91,890,072	41,666,450	91,890,072	41,666,450
Trade and other current receivables	9	118,534,278	93,307,231	112,905,451	87,891,300
Accounts receivable-planters	10	13,342,100	22,804,096	13,342,100	22,804,096
Short-term loan to subsidiary	6.2	-	-	-	-
Inventories	11	473,050,464	499,732,813	450,264,686	455,971,814
Derivatives assets	33	23,085,208	1,414,693	23,085,208	1,414,693
Other current assets		-	215,020	-	-
TOTAL CURRENT ASSETS		911,968,839	855,263,228	882,189,564	804,707,104
NON-CURRENT ASSETS					
Investment in subsidiary	13	-	-	16,132,323	127,132,323
Investment property	14	22,128,578	22,128,578	22,128,578	22,128,578
Property, plant and equipment	15	668,672,173	727,140,743	427,574,548	458,340,612
Refundable deposit receivable	16	-	-	-	-
Goodwill	17	-	19,072,075	-	-
Intangible assets-software computer	18	6,363,620	7,424,533	6,363,620	7,424,533
Deferred tax assets	31	19,961,853	28,760,064	19,961,853	27,487,173
Income tax refundable		3,515,866	2,972,107	3,515,866	2,972,107
Other non-current assets		1,881,900	2,071,646	1,802,340	1,992,086
TOTAL NON-CURRENT ASSETS		722,523,990	809,569,746	497,479,128	647,477,412
TOTAL ASSETS		1,634,492,829	1,664,832,974	1,379,668,692	1,452,184,516

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

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 DECEMBER 2022

		In Baht			
		Consolidated		Separate	
		financial statement		financial statements	
		2022	2021	2022	2021
			(Restated)		
LIABILITIES AND SHAREHOLDERS' EQUITY		Notes			
CURRENT LIABILITIES					
Bank overdrafts and short-term loans from financial institutions	19	30,041,587	11,061,620	-	-
Trade and other current payables	20	72,600,450	72,338,319	48,551,932	52,137,862
Current portion of long-term loan from financial institutions	21	4,194,200	4,687,366	-	-
Long-term loan reclassified as current liabilities	21	140,436,537	141,607,087	-	-
Current portion of lease liabilities	22	2,278,694	3,630,830	349,310	853,101
Current portion of long-term loans from other persons	23	3,197,400	2,138,700	-	-
Derivatives liabilities	33	2,349,981	10,607,826	2,349,981	10,607,826
Other current liabilities		5,427,365	6,351,302	2,945,446	3,221,901
TOTAL CURRENT LIABILITIES		<u>260,526,214</u>	<u>252,423,050</u>	<u>54,196,669</u>	<u>66,820,690</u>
NON-CURRENT LIABILITIES					
Lease liabilities	22	9,294,109	10,860,462	1,941,342	2,290,652
Long-term loans from other persons	23	21,486,600	23,625,300	-	-
Employee benefit obligations	24	64,707,170	65,985,757	64,707,170	64,371,962
TOTAL NON-CURRENT LIABILITIES		<u>95,487,879</u>	<u>100,471,519</u>	<u>66,648,512</u>	<u>66,662,614</u>
TOTAL LIABILITIES		<u>356,014,093</u>	<u>352,894,569</u>	<u>120,845,181</u>	<u>133,483,304</u>
SHAREHOLDERS' EQUITY					
Share capital-Baht 1 par value					
Authorized shares					
381,145,725 common shares		<u>381,145,725</u>	<u>381,145,725</u>	<u>381,145,725</u>	<u>381,145,725</u>
Issued and paid-up shares					
381,145,725 common shares		381,145,725	381,145,725	381,145,725	381,145,725
Premium on share capital		68,000,000	68,000,000	68,000,000	68,000,000
Retained earnings					
Appropriated for legal reserve		38,115,000	38,115,000	38,115,000	38,115,000
Unappropriated		767,071,790	798,961,655	754,519,128	836,503,081
Other component of equity		17,043,658	(5,062,594)	17,043,658	(5,062,594)
Total equity attributable to the parent company		1,271,376,173	1,281,159,786	1,258,823,511	1,318,701,212
Non-controlling interests		7,102,563	30,778,619	-	-
TOTAL SHAREHOLDERS' EQUITY		<u>1,278,478,736</u>	<u>1,311,938,405</u>	<u>1,258,823,511</u>	<u>1,318,701,212</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		<u>1,634,492,829</u>	<u>1,664,832,974</u>	<u>1,379,668,692</u>	<u>1,452,184,516</u>

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

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	In Bath			
		Consolidated financial statement		Separate financial statements	
		2022	2021 (Restated)	2022	2021
Revenues from sales	28	1,336,733,909	1,055,588,761	1,264,272,551	1,041,161,227
Cost of sales		<u>(1,089,226,646)</u>	<u>(948,107,533)</u>	<u>(975,931,789)</u>	<u>(898,193,646)</u>
Gross profit		247,507,263	107,481,228	288,340,762	142,967,581
Other income		<u>10,292,015</u>	<u>8,541,455</u>	<u>8,776,738</u>	<u>7,368,147</u>
Profit before expenses		257,799,278	116,022,683	297,117,500	150,335,728
Cost of distributions		(136,810,489)	(72,862,450)	(131,340,705)	(70,800,358)
Administrative expenses		(97,254,792)	(88,318,643)	(73,337,864)	(81,174,221)
Loss on exchange rate		<u>(43,376,590)</u>	<u>(9,082,298)</u>	<u>(43,643,222)</u>	<u>(9,122,493)</u>
Profit(loss) from operating activities		(19,642,593)	(54,240,708)	48,795,709	(10,761,344)
Finance income		451,758	258,213	631,741	233,881
Finance costs		(6,845,437)	(3,932,894)	(225,021)	(233,741)
Loss of allowance impairment of assets	26	<u>(19,072,075)</u>	<u>(30,096,282)</u>	<u>(121,180,822)</u>	<u>(25,358,949)</u>
Loss before tax		(45,108,347)	(88,011,671)	(71,978,393)	(36,120,153)
Tax expenses(income)	31	<u>(10,534,742)</u>	<u>2,389,958</u>	<u>(9,426,027)</u>	<u>2,971,648</u>
Net Loss for the year		(55,643,089)	(85,621,713)	(81,404,420)	(33,148,505)
Other comprehensive income					
Other comprehensive income to be reclassified to profit or loss in subsequent year					
Hedging reserve reclassified to profit or loss		103,387,782	24,064,335	103,387,782	24,064,335
<u>Less</u> : Tax effect	31	(20,677,556)	(4,812,867)	(20,677,556)	(4,812,867)
Change in fair value of hedging derivatives		(75,754,967)	(53,112,891)	(75,754,967)	(53,112,891)
<u>Less</u> : Tax effect	31	15,150,993	10,622,578	15,150,993	10,622,578
Other comprehensive income not to be reclassified to profit or loss in subsequent year					
Remeasurements of post-employment benefit obligations					
Actuarial gain		96,461	5,064,139	(724,416)	5,064,139
<u>Less</u> : Tax effect	31	<u>(19,293)</u>	<u>(1,012,828)</u>	<u>144,883</u>	<u>(1,012,828)</u>
Other comprehensive income for the year		22,183,420	(19,187,534)	21,526,719	(19,187,534)
Total comprehensive income for the year		<u>(33,459,669)</u>	<u>(104,809,247)</u>	<u>(59,877,701)</u>	<u>(52,336,039)</u>

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

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

STATEMENT OF COMPREHENSIVE INCOME (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

	In Bath			
	Consolidated		Separate	
	financial statement		financial statements	
2022	2021	2022	2021	
	(Restated)			
Loss attributable to:				
Equity holders of the parent	(31,761,617)	(70,689,931)	(81,404,420)	(33,148,505)
Non-controlling interests	<u>(23,881,472)</u>	<u>(14,931,782)</u>	-	-
	<u>(55,643,089)</u>	<u>(85,621,713)</u>	<u>(81,404,420)</u>	<u>(33,148,505)</u>
Total comprehensive income attributable to:				
Equity holders of the parent	(9,783,613)	(89,877,465)	(59,877,701)	(52,336,039)
Non-controlling interests	<u>(23,676,056)</u>	<u>(14,931,782)</u>	-	-
	<u>(33,459,669)</u>	<u>(104,809,247)</u>	<u>(59,877,701)</u>	<u>(52,336,039)</u>
Loss per share				
Loss attributable to equity holders of the parent	<u>(0.08)</u>	<u>(0.19)</u>	<u>(0.21)</u>	<u>(0.09)</u>

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

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022

In Baht

		Consolidated financial statements									
		Equity holders of the parent									
		Retained earnings		Fair value reserve of investment in equity designated at fair value		Other component of equity		Total equity holders of the parent		Total	
		Issued and paid-up share capital	Premium on share capital	Appropriated for legal reserve	Unappropriated	Income through other comprehensive income	Other comprehensive income cash flow hedges	Total other components of shareholders equity	Total equity holders of the parent	Non-controlling interests	Total
	Balance as at 1 January 2021	381,145,725	68,000,000	38,115,000	901,600,275	(36,000,000)	18,176,251	(17,823,749)	1,371,037,251	-	1,371,037,251
	Investment in subsidiary (restated)	-	-	-	(36,000,000)	36,000,000	-	36,000,000	-	45,710,401	45,710,401
	Loss for the year (restated)	-	-	-	(70,689,931)	-	-	-	(70,689,931)	(14,931,782)	(85,621,713)
	Other comprehensive income for the year	-	-	-	4,051,311	-	(23,238,845)	(23,238,845)	(19,187,534)	-	(19,187,534)
	Total comprehensive income for the year	-	-	-	(66,638,620)	-	(23,238,845)	(23,238,845)	(89,877,465)	(14,931,782)	(104,809,247)
	Balance as at 31 December 2021	381,145,725	68,000,000	38,115,000	798,961,655	-	(5,062,594)	(5,062,594)	1,281,159,786	30,778,619	1,311,938,405
	Balance as at 1 January 2022 - as reported	381,145,725	68,000,000	38,115,000	803,698,988	-	(5,062,594)	(5,062,594)	1,285,897,119	32,934,961	1,318,832,080
	Retrospective adjustment from determine the fair value of acquisition of business	-	-	-	(4,737,333)	-	-	-	(4,737,333)	(2,156,342)	(6,893,675)
	Balance as at 1 January 2022 - restated	381,145,725	68,000,000	38,115,000	798,961,655	-	(5,062,594)	(5,062,594)	1,281,159,786	30,778,619	1,311,938,405
	Loss for the year	-	-	-	(31,761,617)	-	-	-	(31,761,617)	(23,881,472)	(55,643,089)
	Other comprehensive income for the year	-	-	-	(128,248)	-	22,106,252	22,106,252	21,978,004	205,416	22,183,420
	Total comprehensive income for the year	-	-	-	(31,889,865)	-	22,106,252	22,106,252	(9,783,613)	(23,676,056)	(33,459,669)
	Balance as at 31 December 2022	381,145,725	68,000,000	38,115,000	767,071,790	-	17,043,658	17,043,658	1,271,376,173	7,102,563	1,278,478,736

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

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022

In Baht

Note	Separate financial statement									
	Retained earnings			Other component of equity						
	Issued and paid-up share capital	Premium on share capital	Appropriated for legal reserve	Unappropriated	Fair value reserve of investment in equity designated at fair value through other comprehensive income	Other comprehensive income flow hedges	Total other components of shareholders equity	Total		
Balance as at 1 January 2021	381,145,725	68,000,000	38,115,000	901,600,275	(36,000,000)	18,176,251	(17,823,749)	1,371,037,251		
Investment in subsidiary	-	-	-	(36,000,000)	36,000,000	-	36,000,000	-		
Loss for the year	-	-	-	(33,148,505)	-	-	-	(33,148,505)		
Other comprehensive income for the year	-	-	-	4,051,311	-	(23,238,845)	(23,238,845)	(19,187,534)		
Total comprehensive income for the year	-	-	-	(29,097,194)	-	(23,238,845)	(23,238,845)	(52,336,039)		
Balance as at 31 December 2021	381,145,725	68,000,000	38,115,000	836,503,081	-	(5,062,594)	(5,062,594)	1,318,701,212		
Balance as at 1 January 2022	381,145,725	68,000,000	38,115,000	836,503,081	-	(5,062,594)	(5,062,594)	1,318,701,212		
Loss for the year	-	-	-	(81,404,420)	-	-	-	(81,404,420)		
Other comprehensive income for the year	-	-	-	(579,533)	-	22,106,252	22,106,252	21,526,719		
Total comprehensive income for the year	-	-	-	(81,983,953)	-	22,106,252	22,106,252	(59,877,701)		
Balance as at 31 December 2022	381,145,725	68,000,000	38,115,000	754,519,128	-	17,043,658	17,043,658	1,258,823,511		

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

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2022

	In Bath			
	Consolidated		Separate	
	financial statement		financial statements	
	2022	2021	2022	2021
		(Restated)		
CASH FLOWS FROM OPERATING ACTIVITIES				
Loss before tax	(45,108,347)	(88,011,671)	(71,978,393)	(36,120,153)
Adjustments to reconcile net profit(loss) to net cash used in operating activities				
Unrealized loss on exchange rate	1,242,991	309,406	1,229,950	293,483
Impairment losses on financial assets	-	25,358,949	10,180,822	25,358,949
Loss on reduction of investment in subsidiary	-	-	111,000,000	-
Loss on diminution in value of inventories	1,812,136	919,917	4,334,513	4,170,725
Loss for write-off inventories	2,383,848	23,121,253	-	15,276,311
Loss of allowance for expected credit losses	450,754	252,345	17,154	252,345
Loss(gain) from changes in value of other current financial assets	(223,619)	479,242	(223,619)	479,242
Gain on disposal of investments	-	(635,046)	-	(635,046)
Net loss(gain) on disposal of assets and write-off of assets	(1,009,900)	198,688	(1,160,300)	198,688
Gain on cancellation of lease liabilities	(9,179)	-	-	-
Depreciation and amortization	83,708,798	84,931,931	59,157,269	59,438,941
Loss of allowance for goodwill impairment	19,072,075	4,737,333	-	-
Employee benefit	9,481,099	4,472,220	3,945,059	4,129,858
Change in fair value of forward exchange contracts	(2,295,545)	4,806,726	(2,295,545)	4,806,726
Interest income	(228,139)	(102,408)	(408,122)	(78,076)
Interest expenses	6,845,437	3,932,894	225,021	233,741
Profit from operating activities before change in operational assets and liabilities	76,122,409	64,771,779	114,023,809	77,805,734
Decrease(increase) in operational assets				
Trade and other current receivables	(26,917,969)	(11,875,977)	(36,258,432)	(10,307,092)
Accounts receivable-planters	9,444,842	(1,138,273)	9,444,842	(1,138,273)
Inventories	22,486,365	(53,760,619)	1,372,615	(14,304,690)
Other current assets	215,020	2,340,211	-	-
Other non-current assets	189,746	167,786	189,746	167,779
Increase(decrease) in operational liabilities				
Trade and other current payables	(492,400)	(55,763,800)	(4,157,244)	(23,115,606)
Other current liabilities	(2,833,052)	(1,914,464)	(276,456)	(295,181)
Employee benefit obligations	(10,663,225)	(1,519,200)	(4,334,267)	(1,519,200)
Cash received(paid) from operating activities	67,551,736	(58,692,557)	80,004,613	27,293,471
Income tax paid	(7,826,146)	(1,040,498)	(7,826,146)	(1,040,498)
Net cash provided by(used in) operating activities	59,725,590	(59,733,055)	72,178,467	26,252,973

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

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

STATEMENT OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

	In Bath			
	Consolidated		Separate	
	financial statement		financial statements	
	2022	2021	2022	2021
	(Restated)			
CASH FLOWS FROM INVESTING ACTIVITIES				
Decrease(Increase) in other current financial assets	(50,000,003)	200,002,026	(50,000,003)	200,002,026
Cash paid for purchase of the subsidiary	-	(202,323)	-	(127,132,323)
Cash at the date of purchase of the subsidiary (Before subsidiary's share capital increase)	-	81,657	-	-
Interest received	228,137	516,130	227,298	491,798
Decrease in short-term loans to other company	-	-	-	6,930,000
Proceeds from disposal of equipment	4,884,922	925,241	1,619,747	925,241
Cash paid for acquisition of plant and equipment	(27,707,994)	(62,601,683)	(26,920,830)	(58,434,434)
Cash paid for acquisition of computer software	(283,261)	(26,260)	(283,261)	(26,260)
Net cash provided by(used in) investing activities	(72,878,199)	138,694,788	(75,357,049)	22,756,048
CASH FLOWS FROM FINANCING ACTIVITIES				
Increase(decrease) in bank overdrafts and short-term loans from financial institutions	18,979,967	(16,236,630)	-	-
Cash paid for long-term loans from other persons	(1,080,000)	(7,695,659)	-	-
Cash paid for long-term loan from financial institutions	(1,663,716)	(315,307)	-	-
Interest paid	(4,936,323)	(3,932,894)	(225,021)	(233,741)
Payment for lease liabilities	(2,203,527)	(2,268,349)	(853,101)	(1,426,560)
Net cash provided by(used in) financing activities	9,096,401	(30,448,839)	(1,078,122)	(1,660,301)
Net increase(decrease) in cash and cash equivalents	(4,056,208)	48,512,894	(4,256,704)	47,348,720
Cash and cash equivalents, beginning of year	196,122,925	147,610,031	194,958,751	147,610,031
Cash and cash equivalents, end of year	<u>192,066,717</u>	<u>196,122,925</u>	<u>190,702,047</u>	<u>194,958,751</u>
Supplement disclosures of cash flows information				
Non cash items				
Purchases of vehicle by recording as lease liabilities	-	2,639,250	-	2,639,250
Purchases of equipment by recording as other payables	768,865	1,090,844	585,648	939,657
Decrease in lease liabilities from cancellation of lease liabilities	(714,962)	-	-	-

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

1. GENERAL INFORMATION

Chiangmai Frozen Foods Public Company Limited was listed on the Stock Exchange of Thailand in 1993. The Company is engaged in business of manufacturing and exporting of frozen vegetable freeze dried product. The address of its registered office are as follows:

Head Office is located at 149/34 floor 3rd-4th Soi Anglo Plaza, Surawongse road, Surawongse, Bangrak, Bangkok.

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

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

THE OUTBREAK OF THE CORONAVIRUS DISEASE 2019

The outbreak of the coronavirus 2019 (COVID-19) in Thailand and other countries impacted to economic, as a whole and caused a slowdown of economic and affected most businesses and industries including the Group's business. The most of effect is the subsidiary because the customers are still affected by this situation. This situation may bring uncertainties and have an impact on the environment in which the Group's operation. However, the Group is now paying close attention to this situation and economic and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities, and will record the impact when it is possible to do so.

2. BASIS FOR THE FINANCIAL STATEMENTS PREPARATION

The financial statements are prepared in accordance with Thai Financial Reporting Standards (TFRS); guidelines promulgated by the Federation of Accounting Professions ("TFAC"); and applicable rules and regulations of the Thai Securities and Exchange Commission.

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

The financial statements have been prepared under account for going concern the historical cost convention except as disclosed in the accounting policies below.

The consolidated and separate financial statements are presented in Baht, which is also the Group's functional currency. All financial information presented in Thai Baht has been rounded in the notes to the financial statements to the nearest unit unless otherwise stated

"The Company" represents "Chiangmai Frozen Foods Public Company Limited," while "The Group" represents "Chiangmai Frozen Foods Public Company Limited" and its subsidiary which is "Sino-Thai Freeze & Dry Company Limited".

The consolidated financial statements included the accounts of subsidiaries that the Company being influence over the control is Sino-Thai Freeze & Dry Company Limited on 30 March 2021, representing 68.72% of the paid-up share capital.

The consolidated financial statements are prepared based on the same accounting policies for the same accounting items or similar accounting events. Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

For the convenience of the user, an English translation of the financial statements has been prepared from the financial statements that are issued in the Thai language.

3. NEW FINANCIAL REPORTING STANDARDS

3.1 Financial reporting standards that became effective in the current year

During current year, the revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2022, were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and, for some financial reporting standards, providing temporary reliefs or temporary exemptions for users of the standards.

The adoption of these standards does not have any significant impact on the Group's financial statements.

3.2 Financial reporting standard that will become effective for fiscal years beginning on or after 1 January 2023 onwards

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2023 onwards. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards making financial reporting standards clearer and more appropriate and for some standards, providing temporary reliefs or temporary exemptions for users.

The Group's management believes that the adoption of these amendments will not have any significant impact on the Group's financial statements.

4. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out below;

4.1 Cash and cash equivalents

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

4.2 Inventories

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

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

4.3 Investment in Subsidiary

Subsidiary are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiary are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains (losses) on transactions between group companies are eliminated, accounting policies of subsidiaries have been changed to ensure consistency with the policies adopted by the Group, respectively.

In the separated financial statements, investments in subsidiaries are accounted for at cost less impairment.

4.4 Goodwill

Goodwill is initially recorded at cost, which equals to the excess of cost of business combination over the fair value of the net assets acquired. If the fair value of the net assets acquired exceeds the cost of business combination, the excess is immediately recognised as gain in profit or loss. Goodwill is carried at initial value less any accumulated impairment losses. Goodwill is tested for impairment annually, without consideration of indication that such goodwill may be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the Group's cash generating units or group of cash-generating units that are expected to benefit from the synergies of the combination. Cash flow generating units or groups of cash flow generating units represent the smallest unit within the entity at which the goodwill is monitored for internal management purposes.

4.5 Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and allowance for loss on impairment (if any).

On disposal of investment properties, the difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period when the asset is derecognised.

4.6 Property, plant and equipment

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

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

	<u>No. of Years</u>
Building and Improvement	5-20
Machineries and equipment	5-10
Vehicles	5
Office equipment and fixtures	5

Repairs and maintenance are charged to the income statement during the financial period in which they are incurred. The cost of major renovations is included in the carrying amount of the asset when it is probable that future economic benefits in excess of the originally assessed standard of performance of the existing asset will flow to the Group. Major renovations are depreciated over the remaining useful life of the related asset.

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

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

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

4.7 Intangible asset and amortization

Intangible asset is computer software which is stated at historical cost and amortized using the straight line method over a period of five-ten (5-10) years.

4.8 Impairment of non-financial assets excluding goodwill

At the end of each reporting period, the Group performs impairment reviews in respect of the property, plant and equipment, and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount. In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Group could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognised in profit or loss. In the assessment of asset impairment if there is any indication that previously recognised impairment losses may no longer exist or may have decreased, the Group estimates the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The increased carrying amount of the asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss.

4.9 Foreign currency transactions

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

4.10 Leases

The Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. At the commencement date of the lease (i.e. the date the underlying asset is available for use), the Group recognises right-of-use assets representing the right to use the underlying assets and lease liabilities based on lease payments.

Right-of-use assets

Right-of-use assets are measured at cost, less any accumulated depreciation, any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities initially recognised, initial direct costs incurred, and lease payments made at or before the commencement date of the lease less any lease incentives received.

The cost of right-of-use assets also includes an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

Depreciation of right-of-use assets are calculated by reference to their costs, on the straight-line basis over the shorter of their estimated useful lives and the lease term.

Vehicles 5 year

Lease liabilities

Lease liabilities are measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, and amounts expected to be payable under residual value guarantees. Moreover, the lease payments include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate, which is determined by referring to the government bond yield adjusted with risk premium depending on the lease term, at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and Leases of low-value assets

A lease that has a lease term less than or to 12 month from commencement date, or are leases of low-value assets, are recognised as expenses on a straight-line basis over the lease term.

4.11 Employee benefits

Short-term employee benefits

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

Post-employment benefits

Defined contribution plans

The Group and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Group. The fund's assets are held in a separate trust fund and the Group contributions are recognised as expenses when incurred.

Defined benefit plans

The Group have obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Group treat these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from other long-term benefits are recognised immediately in other comprehensive income.

Past service costs are recognized in profit or loss on the earlier of the date of the plan amendment or curtailment and the date that the Group recognizes restructuring-related costs.

4.12 Provisions

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

4.13 Revenue recognition

Revenue from sale is recognised at the point in time when control of the goods is transferred to the customer, generally on delivery of the goods. A receivable is recognized when the goods are delivered to the customer's specific location at which the Group has right to receive payment of that consideration is due. Revenue is measured at the amount of the consideration received or receivable, net of any returns and discounts.

Payments to customers or on behalf of customers to other parties, including credited or subsequent discounts, are recognised as a reduction in revenue unless the payment constitutes consideration of distinct goods or service from the customer.

Revenue from service is recognised at the point in time when services are completed.

Interest income is recognized on an accrual basis using the effective interest method by the book value of the financial assets multiplied by the effective interest rate.

Rental income is recognised on a straight-line basis over the lease term.

4.14 Income tax

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

Current tax

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

Deferred tax

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Group recognise deferred tax liabilities for all taxable temporary differences while they recognise deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Group reviews and reduces the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Group records deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

4.15 Basic earnings(loss) per share

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

4.16 Financial instruments

The Group initially measures financial assets at its fair value plus, in the case of financial assets that are not measured at fair value through profit or loss, transaction costs. However, trade receivables, that do not contain a significant financing component are measured at the transaction price as disclosed in the accounting policy relating to revenue recognition.

Classification and measurement of financial assets

Financial assets are classified, at initial recognition, as to be subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI"), or fair value through profit or loss ("FVTPL"). The classification of financial assets at initial recognition is driven by the Group's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

Financial assets at amortised cost

The Group measures financial assets at amortised cost if the financial asset is held in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate ("EIR") method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial assets at FVTPL

Financial assets measured at FVTPL are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

These financial assets include derivatives, security investments held for trading, equity investments which the Group has not irrevocably elected to classify at FVOCI and financial assets with cash flows that are not solely payments of principal and interest.

Dividends on listed equity investments are recognised as financial income in profit or loss.

Financial assets at FVOCI (equity instruments)

Upon initial recognition, the Group can elect to irrevocably classify its equity investments which are not held for trading as equity instruments designated at FVOCI. The classification is determined on an instrument-by-instrument basis.

Gains and losses recognised in other comprehensive income on these financial assets are never recycled to profit or loss.

Equity instruments designated at FVOCI are not subject to impairment assessment.

Classification and measurement of financial liabilities

Except for derivative liabilities, at initial recognition the Group's financial liabilities are recognised at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. In determining amortised cost, the Group takes into account any fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in profit or loss.

Derecognition of financial instruments

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Group has transferred substantially all the risks and rewards of the asset, or the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Impairment of financial assets

The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure (a lifetime ECL).

For trade receivables, the Group applies a simplified approach in calculating ECLs, the Group does not monitor changes in credit risk. The Group recognises a loss based on lifetime ECLs at each reporting date. It is based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

4.17 Derivatives and hedge accounting

The Group uses exchange currency swaps as a foreign exchange options and derivative to hedge its exchange currency risks. Derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not due to be realised or settled within 12 months are presented as other current assets or other current liabilities.

Hedge accounting

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment.
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment.

At the inception of a hedging relationship, the Group formally designates and documents the hedging relationship to which it wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

The documentation, at the inception of the hedge and on an ongoing basis, includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Group will assess whether the hedging relationship meets the hedge effectiveness requirements, including the analysis of sources of hedge ineffectiveness and how the hedge ratio is determined.

A hedging relationship qualifies for hedge accounting if it meets all of the following hedge effectiveness requirements:

- There is 'an economic relationship' between the hedged item and the hedging instrument.
- The effect of credit risk does not 'dominate the value changes' that result from that economic relationship.
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

Hedges that meet all the qualifying criteria for hedge accounting are accounted for, as described below:

Fair value hedges

The Group considers cases that meet the conditions of hedge accounting:

Fair value hedges the change in the fair value of a hedging instrument and the hedged item attributable to the risk are recognised in profit or loss.

Cashflow hedges the effective portion of the gain or loss on the hedging instrument is recognised in other comprehensive income, while any ineffective portion is recognised immediately in profit or loss.

Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognised in other comprehensive income in the cash flow hedge reserve and later reclassified to profit or loss when the hedged cash flows affect profit or loss or no longer exist.

The Group considers of the hedge effectiveness by comparing the critical terms between hedging instruments and hedged items. If the critical terms match, the hedging relationship is expected to be highly effective.

4.18 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Group apply a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Group measure fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

Level 1-Use of quoted market prices in an observable active market for such assets or liabilities.

Level 2-Use of other observable inputs for such assets or liabilities, whether directly or indirectly.

Level 3-Use of unobservable inputs such as estimates of future cash flows.

At the end of each reporting period, the Group determine whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

4.19 Significant accounting judgements and estimates

The preparation of financial statements in conformity with generally accepted accounting principles at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures and actual results could differ from these estimates. Significant judgements and estimates are as follows:

Property plant and equipment/Intangible assets

In determining depreciation of plant, equipment and intangible assets, the management is required to make estimates of the useful lives and residual values of the Group's plant and equipment and to review estimate useful lives and residual values when there are any changes.

In addition, the management is required to review property, plant and equipment for impairment on a periodical basis and record impairment losses when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

Allowance for expected credit losses of trade receivables and other financial asset

In determining an allowance for expected credit losses of trade receivables and accounts receivable-planters, the management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the forecast economic condition for groupings of various customer segments with similar credit risks. The Group's historical credit loss experience and forecast economic conditions may also not be representative of whether a customer will actually default in the future.

Fair value of financial instruments

In determining the fair value of financial instruments recognised in the statement of financial position that are not actively traded and for which quoted market prices are not readily available, the management exercise judgement, using a variety of valuation techniques and models. The input to these models is taken from observable markets, and includes consideration of credit risk, liquidity, correlation and longer-term volatility of financial instruments. Change in assumptions about these factors could affect the fair value recognised in the statement of financial position and disclosures of fair value hierarchy.

Allowance for net realizable value

The Group considers the allowance for net realizable value based on the estimate of selling price in the ordinary course of business and normal condition of inventory. The net realizable value is the estimate of the selling price in the ordinary course of business, less the costs of completion and selling expenses.

Goodwill

The initial recognition and measurement of goodwill and subsequent impairment testing, require management to make estimates of cash flows to be generated by the asset or the cash generating units and to choose a suitable discount rate in order to calculate the present value of those cash flows.

Deferred tax assets

Deferred tax assets are recognised for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future taxable profits.

Post-employment benefits under defined benefit plans

The obligation under the defined benefit plan is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

4.20 Related person and companies

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the Group, Individuals owning, directly or indirectly, an interest in the voting power of the Group that gives them significant influence over the enterprise, key management personnel, including directors and officers of the Group and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

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

**CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

5. RESTATEMENTS AND RECLASSIFICATIONS

During for the three-month period ended 31 March 2022, the Group revised the conditions and reviewed assets acquired and liabilities assumed of Sino-Thai Freeze & Dry Co., Ltd. which was the business acquisition in the first quarter of 2021 and the Group restated the interim financial statement as Note 12, The revision was made in accordance with the conditions for adjusting the acquisition accounting treatment as previously mentioned.

The effects to the consolidated statement of financial position as at 31 December 2021 and consolidated statements of comprehensive income for the year ended 31 December 2021. The Group reclassified certain line items for more appropriate classification. Such reclassifications had no effect to previously reported profit for the year or owners' equity.

The Group has been restated and reclassifications are as follows:

	In Baht		
	Consolidated financial statements		
	As previously report	Adjustments increase (decrease)	As restated and reclassified
Statement of financial position at 31 December 2021			
Trade accounts payable and other accounts payable	65,444,644	6,893,675	72,338,319
Retained earnings	803,698,988	(4,737,333)	798,961,655
Non-controlling interests	32,934,961	(2,156,342)	30,778,619
Statements of comprehensive income for the year ended 31 December 2021			
Impairment losses of assets	25,358,949	4,737,333	30,096,282

6. TRANSACTIONS WITH RELATED COMPANIES

6.1 Relationships and pricing policies

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

<u>Subsidiary</u>	<u>Relationship</u>
Sino-Thai Freeze & Dry Co., Ltd.	Shareholding by the Company Since 30 March 2021
<u>Related companies :</u>	
C.T. Prosper Group Co., Ltd.	Common Shareholders and directors
	<u>Pricing policy</u>
Rental income	At contract price which had been agreed upon
Service expenses	Normal price comparable charged to others
Purchase of goods	Normal price comparable charged to others
Short-term loans to subsidiary	Interest charge at rate of 3% per annum
Guarantee	Free of charge

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

6.2 Balances of transactions with related companies

Balances of transactions with related companies as at 31 December 2022 and 2021 are as follows:

	In Baht			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2022	2021	2022	2021
Trade receivables (Note 9)				
Subsidiary	-	-	23,450	-
Accrued Interest (Note 9)				
Subsidiary	-	-	180,822	-
<u>Less</u> Expected Credit Loss	-	-	(180,822)	-
Total accrued Interest	-	-	-	-
Other receivables (Note 9)				
Related companies	9,000	9,000	9,000	9,000
Short-term loans				
Subsidiary				
Opening balance	-	-	-	-
<u>Add</u> Increase during the year	-	-	10,000,000	-
<u>Less</u> Expected Credit Loss	-	-	(10,000,000)	-
Ending balance	-	-	-	-
Trade and Other current				
Payables (Note 20)				
Subsidiary	-	-	-	182,970

The Company recognized allowance for credit losses for short-term loans to subsidiary amounting to Baht 10 million in the statements of comprehensive income because the Company's management considers the current situation and financial position of the subsidiary, which indicates that the subsidiary may not be able to pay.

6.3 Business transaction with related companies

Business transaction with related companies for years ended 31 December 2022 and 2021 are as follows:

	In Baht			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2022	2021	2022	2021
Sale income				
Subsidiary	-	-	23,450	134,000
Other income				
Related companies	90,000	90,000	90,000	90,000

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

	In Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Financial income				
Subsidiary	-	-	180,822	-
Service expenses				
Subsidiary	-	-	171,000	256,500
Purchase of goods				
Subsidiary	-	-	725,398	118,909
Directors and management's benefits				
Short-term employee benefits	28,592,032	25,551,620	28,592,032	25,551,620
Post-employment benefits	307,917	272,893	307,917	272,893
Total	28,899,949	25,824,513	28,899,949	25,824,513

7. CASH AND CASH EQUIVALENTS

	In Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Cash	176,053	198,878	126,053	110,879
Current deposits	1,454,754	583,844	540,425	539,584
Saving deposits	190,433,871	195,338,167	190,033,530	194,306,252
Fixed deposits	2,039	2,036	2,039	2,036
Total	192,066,717	196,122,925	190,702,047	194,958,751

The weighted average effective interest rates of deposits at financial institutions were 0.05 % to 0.35 % per annum (2021 : 0.125% to 0.250% per annum).

8. OTHER CURRENT FINANCIAL ASSETS

Other current financial assets as at 31 December 2022 and 2021 are as follows:

Consolidated and Separate financial statements

	In Baht					
	Fair value through		Amortised cost		Total	
	profit or loss					
	2022	2021	2022	2021	2022	2021
Fixed deposits						
- 6 months	-	-	2,011	2,008	2,011	2,008
Unit trusts						
open -end fund	91,888,061	41,664,442	-	-	91,888,061	41,664,442
Total	91,888,061	41,664,442	2,011	2,008	91,890,072	41,666,450

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

Changes in unit trusts in open-ended funds measured at fair value through profit and loss for the year ended 31 December 2022 and 2021.

Consolidated and Separate financial statements

	In Baht	
	2022	2021
Opening balance	41,664,442	91,508,637
Additions during the year	50,000,000	100,000,000
Disposal during the year	-	(149,364,953)
Profit(Loss) on change in fair value	223,619	(479,242)
Ending balance	<u>91,888,061</u>	<u>41,664,442</u>

9. TRADE AND OTHER CURRENT RECEIVABLES

	In Baht			
	Consolidated		Separate	
	2022	2021	2022	2021
Trade receivable - Subsidiary (Note 6.2)	-	-	23,450	-
Trade receivable - Other companies	96,053,268	77,389,094	95,713,546	76,446,273
Total trade receivable	96,053,268	77,389,094	95,736,996	76,446,273
Value added tax receivable	14,706,193	8,618,997	11,746,245	6,667,342
Prepaid expenses	4,994,597	4,646,204	4,697,991	4,303,334
Advance payment	-	443,600	-	-
Accrued Interest - Subsidiary (Note 6.2)	-	-	-	-
Other current receivables-Related companies (Note 6.2)	9,000	9,000	9,000	9,000
Other current receivables	1,771,220	1,020,336	715,219	465,351
Deposit	1,000,000	1,180,000	-	-
Total	<u>118,534,278</u>	<u>93,307,231</u>	<u>112,905,451</u>	<u>87,891,300</u>

The aging of trade receivable as at 31 December 2022 and 2021 are as follows:

	In Baht			
	Consolidated		Separate	
	2022	2021	2022	2021
Trade receivable - Subsidiary				
Overdue :				
Less than 3 months	-	-	23,450	-
Trade receivable - Other companies				
Within credit terms	53,689,940	53,448,275	53,685,393	53,432,316

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

	In Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Overdue :				
Less than 3 months	42,360,556	23,922,024	42,025,381	23,013,957
3-6 months	-	4,874	-	-
7-12 months	2,772	13,921	2,772	-
Total Trade receivable - Other companies	<u>96,053,268</u>	<u>77,389,094</u>	<u>95,713,546</u>	<u>76,446,273</u>

10. ACCOUNTS RECEIVABLE-PLANTERS

Consolidated and Separate financial statements

	In Baht	
	2022	2021
Accounts receivable-planters	14,215,290	23,660,133
<u>Less</u> Expected credit loss allowance	(873,190)	(856,037)
Net	<u>13,342,100</u>	<u>22,804,096</u>

Movements of allowance for expected credit losses of account receivables-planters are summarised below.

Consolidated and Separate financial statements

	In Baht	
	2022	2021
As at 1 January	856,037	603,692
Amount increase	17,153	252,345
As at 31 December	<u>873,190</u>	<u>856,037</u>

As at 31 December 2022 and 2021, the Group has recognized a loss allowance of 100% against all receivables over 2 years past due because historical experience has indicated that these receivables are generally not recoverable. Except receivables that receive payment after the end of the reporting period.

For receivable-planters which overdue not more than 2 years as at 31 December 2022 and 2021, the Group determines lifetime expected credit loss using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position.

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

11. INVENTORIES

	In Baht					
	Consolidated financial statements					
	Cost		Allowance for diminution of inventories		Inventories-net	
	2022	2021	2022	2021	2022	2021
Finished goods and semi-finished products	413,655,183	443,852,081	(9,919,759)	(7,780,221)	403,735,424	436,071,860
Raw material and supplies	36,106,178	38,699,272	(688,345)	(460,043)	35,417,833	38,239,229
Seeds, insecticide, fertilizer	36,914,831	28,995,052	(3,017,624)	(3,573,328)	33,897,207	25,421,724
Total	<u>486,676,192</u>	<u>511,546,405</u>	<u>(13,625,728)</u>	<u>(11,813,592)</u>	<u>473,050,464</u>	<u>499,732,813</u>

	In Baht					
	Separate financial statements					
	Cost		Allowance for diminution of inventories		Inventories-net	
	2022	2021	2022	2021	2022	2021
Finished goods and semi-finished products	391,029,124	398,296,614	(7,691,473)	(3,029,559)	383,337,651	395,267,055
Raw material and supplies	33,718,173	35,743,078	(688,345)	(460,043)	33,029,828	35,283,035
Seeds, insecticide, fertilizer	36,914,832	28,995,052	(3,017,625)	(3,573,328)	33,897,207	25,421,724
Total	<u>461,662,129</u>	<u>463,034,744</u>	<u>(11,397,443)</u>	<u>(7,062,930)</u>	<u>450,264,686</u>	<u>455,971,814</u>

Cost of sales recognized in the statement of comprehensive income for the years ended 31 December 2022 and 2021 are as follows:

	In Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Cost of sales	1,085,030,662	924,066,363	971,597,276	878,746,610
Loss on devaluation of inventories	1,812,136	919,917	4,334,513	4,170,725
Loss on amortization of deteriorated products	2,383,848	23,121,253	-	15,276,311
Total	<u>1,089,226,646</u>	<u>948,107,533</u>	<u>975,931,789</u>	<u>898,193,646</u>

12. BUSINESS ACQUISITION

On 30 March 2021, the Company has entered into the Share Purchase and Subscription for the investment in shares of Sino-Thai Freeze & Dry Co., Ltd. (“STFD”), engaged in manufacturing and distributing of frozen product and freeze dried product by purchasing existing shares of STFD from the existing shareholder, in an amount of 20,232,250 shares at a price of Baht 0.01 per share, with a par value of Baht 10 per share, with the total value of Baht 202,323 (the “Purchase Price”) and subscribing newly issued

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

ordinary shares of STFD in the amount of 12,693,000 shares, with a par value of Baht 10 per share, at a price of Baht 10 per share, with the total value of Baht 126,930,000. The STFD's shares to be acquired are in total of 32,925,250 shares, with a par value of Baht 10 per share, including the existing shares held by the company in the amount 4,500,000 shares, totaling amount 37,425,250 shares representing for 68.72% of the total issued and paid-up shares of STFD, which has a total of 54,463,240 shares with a par value of bath 10 per share, totaling Baht 544,632,400.

The value of the investment in Sino-Thai Freeze & Dry Co., Ltd., which the Company held before the acquisition date amounted of Baht 45 million and net of income tax in the amount of Bath 36 million, which was recognized as loss on fair value measurement in other comprehensive income in 2020, was transferred to retained earnings in the first quarter of 2021, the classification of financial assets and such losses recognised on these financial assets are never recycled to profit or loss.

Value of transactions recognized at the acquisition date (after capital increase) for the identifiable assets acquired and liabilities assumed are as follows:

	In Baht
	Consolidated financial statements
Cash and cash equivalents	106,797,764
Trade and other current receivables	3,862,970
Inventories	8,899,204
Other current and non-current assets	2,634,798
Receivable from the liquidation of a subsidiary	17,667,452
Property, plant and equipment and Intangible assets	289,974,684
Deferred tax assets	1,854,581
Overdrafts and short-term loans from financial institution	(27,298,250)
Trade accounts payable and other accounts current payable	(46,561,682)
Long-term loans from financial institutions	(146,609,760)
Financial lease liabilities	(12,189,328)
Short-term loans from person and related company	(43,979,000)
Other current liabilities	(4,748,684)
Provisions for employee benefit obligations	(1,271,433)
Net assets of the subsidiaries	149,033,316
<u>Less Non-controlling interests' proportionate share of identifiable net assets of the acquirees</u>	<u>(45,710,401)</u>
Proportionate share of identifiable net assets of the acquirees	<u>103,322,915</u>
Cash paid for investment in subsidiaries	127,132,323
<u>Less Proportionate share of identifiable net assets of the acquirees</u>	<u>(103,322,915)</u>
Goodwill from business acquisition	23,809,408
<u>Less Allowance for goodwill impairment</u>	<u>(4,737,333)</u>
Goodwill from business acquisition - net	<u>19,072,075</u>
Cash at the date of purchase of the subsidiary	
(Before subsidiary's share capital increase)	<u>81,657</u>

According to the above acquisitions, the Group has engaged an independent appraiser to determine the fair values of net assets and liabilities acquired. As at 31 March 2022, the determination of the fair values of net assets and liabilities has been completed, and the carrying amount of the assets acquired and liabilities assumed were adjusted accordingly.

**CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

The Group has continuously determined its review of fair values of the business acquired within one year from the acquisition date, taking into accounts additional information, facts as well as circumstances that existed at the acquisition date. Consequently, the adjustments on accounting transactions of such acquisition will be made. In the first quarter of 2022, the Group revised the conditions and reviewed assets acquired and liabilities assumed of Sino-Thai Freeze & Dry Co., Ltd. which was the business acquisition in the first quarter of 2021. Identifiable liabilities increase of Baht 6.9 million, resulting in the increase in goodwill arising on acquisition of Baht 4.7 million and resulting in the decrease in non-controlling interests of Baht 2.1 million in proportion to the investment. Therefore, the Company has considered an allowance for goodwill impairment of Baht 4.7 million. The revision was made in accordance with the conditions for adjusting the acquisition accounting as previously mentioned.

Fair value of account and other receivables is equal to the above value, the management expected to receive all amount.

13. INVESTMENT IN SUBSIDIARY

Separate financial statements as at 31 December 2022 and 2021.

	Country of incorporation	Paid-up Capital (In Baht)	Holdings (%)	At Cost (In Baht)	
				2022	2021
Sino-Thai Freeze & Dry Co., Ltd. <i>Manufacturing and distributing of frozen product and freeze dried product</i>	Thai	544,632,400	68.72	127,132,323	127,132,323
Less impairment losses for assets				(111,000,000)	-
Net				<u>16,132,323</u>	<u>127,132,323</u>

Details of investments in subsidiaries that have material non-controlling interests as at 31 December 2022.

Company	Proportion of equity interest held by non-controlling interests (%)	Accumulated balance of non- controlling interests	Loss allocated to non-controlling interests during the year	Dividend paid to non-controlling interests during the year
				(In Million Baht)
Sino-Thai Freeze & Dry Co., Ltd.	31.28	7.10	23.88	-

Summarised financial information that based on amounts before inter-company elimination of a Sino-Thai Freeze & Dry Co., Ltd

Summarised information about financial position

As at 31 December 2022	(In Million Baht)
Current assets	29.80
Non-current assets	241.18
Current liabilities	(216.53)
Non-current liabilities	<u>(28.84)</u>
Net-asset	<u>25.61</u>

**CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

Summarized information about comprehensive income

For the year ended 31 December 2022	(In Million Baht)
Total revenue	75.16
Loss	(76.35)
Other comprehensive income	0.66
Total comprehensive income	(75.69)

On 14 December 2022, the subsidiary decided to temporarily cease operation because the operating results of the subsidiary are not meet the target. The result of the operation was loss and lack of liquidity. As at 31 December 2022, the subsidiary has deficit exceeded shareholder's equity, and current liabilities exceeded current assets. Therefore, the Group's management recorded loss on impairment of investment amounting to Baht 111.0 million.

14. INVESTMENT PROPERTY

Investment properties of the Group as at 31 December 2022 and 2021, represent the book value of the Group's plot of land which held for nonspecific purpose.

Fair value of investment properties are estimated by an independent professional appraiser using the market price basis as at 31 December 2022 amounted to Baht 113.81 million. (31 December 2021 : Baht 90.61 million).

**CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

15. PROPERTY, PLANT AND EQUIPMENT

Consolidate financial statements

	In Baht							
	Land and Improvement	Building and Improvement	Machineries and equipment	Right-of-use	Vehicle	Office equipment and fixtures	Building in progress and machinery under installation	Total
As at 1 January 2021								
Cost	88,365,073	524,673,598	870,217,189	12,314,678	22,987,043	27,051,196	91,071,965	1,636,680,742
Less Accumulated depreciation	(6,307,701)	(401,461,035)	(725,551,116)	(3,970,182)	(21,832,490)	(21,540,058)	-	(1,180,662,582)
Allowance for impairment	-	(456,089)	-	-	-	-	-	(456,089)
Net book value	<u>82,057,372</u>	<u>122,756,474</u>	<u>144,666,073</u>	<u>8,344,496</u>	<u>1,154,553</u>	<u>5,511,138</u>	<u>91,071,965</u>	<u>455,562,071</u>
Transaction during the year ended 31 December 2021								
Opening net book value	82,057,372	122,756,474	144,666,073	8,344,496	1,154,553	5,511,138	91,071,965	455,562,071
Transfer from business acquisition	30,670,080	146,324,902	90,504,406	19,565,109	-	2,908,699	-	289,973,196
Add Acquisition	-	8,227,696	22,544,451	3,519,000	-	3,415,938	28,624,692	66,331,777
Transfer in (out)	-	2,401,974	21,695,953	(5,596,192)	5,596,192	-	(24,097,927)	-
Less Disposal and write off assets	-	(3)	(1,578)	-	(1,100,001)	(22,347)	-	(1,123,929)
Depreciation	-	(25,180,527)	(51,690,366)	(3,518,483)	(336,940)	(2,876,056)	-	(83,602,372)
Closing net book value	<u>112,727,452</u>	<u>254,530,516</u>	<u>227,718,939</u>	<u>22,313,930</u>	<u>5,313,804</u>	<u>8,937,372</u>	<u>95,598,730</u>	<u>727,140,743</u>

**CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

15. PROPERTY, PLANT AND EQUIPMENT (CON'T)

	In Baht							
	Land and Improvement	Building and Improvement	Machineries and equipment	Right-of-use	Vehicle	Office equipment and fixtures	Building in progress and machinery under installation	Total
As at 31 December 2021								
Cost	119,035,153	679,957,198	991,390,373	26,136,287	28,428,175	31,822,856	95,598,730	1,972,368,772
Less Accumulated depreciation	(6,307,701)	(425,041,028)	(763,671,434)	(3,822,357)	(23,114,371)	(22,885,484)	-	(1,244,842,375)
Allowance for impairment	-	(385,654)	-	-	-	-	-	(385,654)
Net book value	<u>112,727,452</u>	<u>254,530,516</u>	<u>227,718,939</u>	<u>22,313,930</u>	<u>5,313,804</u>	<u>8,937,372</u>	<u>95,598,730</u>	<u>727,140,743</u>
Transaction during the year ended								
31 December 2022								
Opening net book value	112,727,452	254,530,516	227,718,939	22,313,930	5,313,804	8,937,372	95,598,730	727,140,743
Add Acquisition	-	2,207,582	18,901,597	-	1,646,000	1,858,832	3,862,848	28,476,859
Transfer in (out)	-	530,000	14,906,501	-	-	83,419	(15,765,881)	(245,961)
Less Disposal and write off assets	-	(154,777)	(3,468,779)	(705,783)	(1)	(5,504)	-	(4,334,844)
Depreciation	-	(25,047,053)	(50,039,873)	(3,796,456)	(181,076)	(3,300,166)	-	(82,364,624)
Closing net book value	<u>112,727,452</u>	<u>232,066,268</u>	<u>208,018,385</u>	<u>17,811,691</u>	<u>6,778,727</u>	<u>7,573,953</u>	<u>83,695,697</u>	<u>668,672,173</u>
As at 31 December 2022								
Cost	119,035,153	681,217,507	999,593,857	24,195,385	28,785,175	33,489,207	83,695,697	1,970,011,981
Less Accumulated depreciation	(6,307,701)	(448,836,019)	(791,575,472)	(6,383,694)	(22,006,448)	(25,915,254)	-	(1,301,024,588)
Allowance for impairment	-	(315,220)	-	-	-	-	-	(315,220)
Net book value	<u>112,727,452</u>	<u>232,066,268</u>	<u>208,018,385</u>	<u>17,811,691</u>	<u>6,778,727</u>	<u>7,573,953</u>	<u>83,695,697</u>	<u>668,672,173</u>

As at 31 December 2022, land and building of the Subsidiary, with net book value amounting to Baht 178.14 million (31 December 2021 : 186.05) are mortgaged as collateral for overdrafts and short-term loans from financial institutions Note 19 and long-term loans facilities Note 21.

**CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

15. PROPERTY, PLANT AND EQUIPMENT (CONT')

Separated financial statements

	In Baht						Total
	Land and Improvement	Building and Improvement	Machineries and equipment	Right-of-use	Vehicle	Office equipment and fixtures	
As at 1 January 2021							
Cost	88,365,073	524,673,598	870,217,189	12,314,678	22,987,043	27,051,196	1,636,680,742
Less Accumulated depreciation	(6,307,701)	(401,461,035)	(725,551,116)	(3,970,182)	(21,832,490)	(21,540,058)	(1,180,662,582)
Allowance for impairment	-	(456,089)	-	-	-	-	(456,089)
Net book value	82,057,372	122,756,474	144,666,073	8,344,496	1,154,553	5,511,138	455,562,071
Transaction during the year ended 31 December 2021							
Opening net book value as at 1 January 2021	82,057,372	122,756,474	144,666,073	8,344,496	1,154,553	5,511,138	455,562,071
Add Acquisition	-	7,892,696	18,580,373	3,519,000	-	3,396,580	62,013,341
Transfer in (out)	-	2,401,974	21,695,953	(5,596,192)	5,596,192	-	(24,097,927)
Less Disposal and write off assets	-	(3)	(1,578)	-	(1,100,001)	(22,347)	(1,123,929)
Depreciation	-	(18,268,706)	(36,252,509)	(1,205,569)	(336,940)	(2,047,147)	(58,110,871)
Closing net book value	82,057,372	114,782,435	148,688,312	5,061,735	5,313,804	6,838,224	458,340,612

**CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

15. PROPERTY, PLANT AND EQUIPMENT (CONT)

	In Baht							
	Land and Improvement	Building and Improvement	Machineries and equipment	Right-of-use	Vehicle	Office equipment and fixtures	Building in progress and machinery under installation	Total
As at 31 December 2021								
Cost	88,365,073	534,189,356	900,863,343	6,571,178	28,428,175	28,952,468	95,598,730	1,682,968,323
Less Accumulated depreciation	(6,307,701)	(419,021,267)	(752,175,031)	(1,509,443)	(23,114,371)	(22,114,244)	-	(1,224,242,057)
Allowance for impairment	-	(385,654)	-	-	-	-	-	(385,654)
Net book value	82,057,372	114,782,435	148,688,312	5,061,735	5,313,804	6,838,224	95,598,730	458,340,612
Transaction during the year ended 31 December 2022								
Opening net book value	82,057,372	114,782,435	148,688,312	5,061,735	5,313,804	6,838,224	95,598,730	458,340,612
Add Acquisition	-	2,207,582	17,960,786	-	1,646,000	1,829,262	3,862,848	27,506,478
Transfer in (out)	-	530,000	14,906,501	-	-	83,419	(15,765,881)	(245,961)
Less Disposal and write off assets	-	(154,777)	(53,204)	-	(1)	(5,504)	-	(213,486)
Depreciation	-	(17,074,364)	(37,279,813)	(731,956)	(181,076)	(2,545,886)	-	(57,813,095)
Closing net book value	82,057,372	100,290,876	144,222,582	4,329,779	6,778,727	6,199,515	83,695,697	427,574,548
As at 31 December 2022								
Cost	88,365,073	535,449,665	912,827,613	6,571,178	28,785,175	30,589,249	83,695,697	1,686,283,650
Less Accumulated depreciation	(6,307,701)	(434,843,569)	(768,605,031)	(2,241,399)	(22,006,448)	(24,389,734)	-	(1,258,393,882)
Allowance for impairment	-	(315,220)	-	-	-	-	-	(315,220)
Net book value	82,057,372	100,290,876	144,222,582	4,329,779	6,778,727	6,199,515	83,695,697	427,574,548

16. REFUNDABLE DEPOSIT RECEIVABLE

On 25 March 2016, the Company has signed the pre-deposit lease agreement with the lessor. The pre lease deposit agreement for the land of 47.73 Acres has the total lease value through the lease period of U.S. Dollars 1.43 million (equivalent to Baht 50.57 million at exchange rate from Bank of Thailand as of 25 March 2016 stated 35.32 Baht/USD). The lease period is 50 years and the 2 extension offering right considered 10 years for each extension. The Company shall arrange the deposit for 50% of total lease value, considering U.S. Dollars 0.71 million (equivalent to Baht 25.3 million) immediately after signing the pre lease deposit agreement on 25 March 2016. The remaining lease value shall be paid upon the lease agreement date. The lessor is obliged to fill the land appropriate for the plant construction, and coordinate with the authorities to arrange the usage of land allowed the construction of plant prior to the entering of lease agreement with the Subsidiary, which currently determining for the incorporation in Myanmar, within 9 months started from 1 April 2016.

However, due to the difficulties in coordination with the Myanmar authorities, the Board of Director's Meeting No. 5/2019 have considered with the legal advisor and conclude that since the company still maintain their intention to invest in the project, therefore appointed the Executive Committee to negotiate with counterparty and extend the contract for the period of 2 years to be ends 31 December 2021. The Counterparty has agreed upon the extension period without further conditions and signed by return and acknowledge by the Board of Director's Meeting No.6/2019.

On 10 November 2021, the Board of Director's meeting No. 6/2021 has considered political unrest situation in Myanmar would potentially caused the uncertainty to the return of the investment project and approved the cancellation of investment and registration of a subsidiary in Myanmar. According to the agreement, where the Company unable to comply with the conditions in the agreement, the Company would be foreclosed on a 30% on deposit or amounting to Baht 7,607,685. The Company considered the net realisable value of the remaining refundable deposit by assessed the political and economic situation in Myanmar and determined the debtor's ability to repay, which cannot be consider in present because of the clarity of current financial information. The management considered the situation as an indication that may be impaired. The company considers setting an allowance for expected credit loss of refundable deposit receivable amounted of Baht 25,358,949.

Lease deposit on land as at 31 December 2022 and 2021 are as follows:

Consolidated and Separate financial statement

	In Baht	
	2022	2021
Opening balance	25,358,949	25,358,949
<u>Less Allowance for expected credit loss</u>	<u>(25,358,949)</u>	<u>(25,358,949)</u>
Net	-	-

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

17. Goodwill

Movements of the goodwill account are summarized below.

	In Baht	
	Consolidated financial statement	
	2022	2021
Opening net book value as at 1 January	19,072,075	-
Acquisition of businesses (Note 12)	-	23,809,408
Impairment loss	(19,072,075)	(4,737,333)
Closing net book value as at 31 December	-	19,072,075

The Group recorded goodwill from acquisition of frozen product and freeze dried product business in Ratchaburi Province amounted of Baht 19.07 million for the propose of annually impairment testing for goodwill. The Group determined the recoverable amount of the cash generating units based on value in use, with the cash flow projections derived from financial budgets approved by management.

Key assumptions used in the value in use calculation of the cash generating units in the 2021 are summarised below:

Growth rate at the year-end that the projection were prepared.	2% per annum
Pre-tax discount rate	10.8% per annum

In 2022, the management of the Group has considered the gross profit margin and capital management to enhance the liquidity of business, including the uncertainty of market conditions and the current economic situation. Which have a significant impact on the operating results of the subsidiary. The management of the Group decided to temporarily cease the business and recorded loss on impairment of goodwill from business acquisition amounting to Baht 19.07 million in the consolidated statement of comprehensive income.

18. INTANGIBLE ASSETS-SOFTWARE COMPUTER

	In Baht		
	Consolidated financial statement		
	Software	Software in progress	Total
As at 1 January 2021			
Cost	14,140,903	-	14,140,903
Accumulated amortization	(5,414,560)	-	(5,414,560)
Net book value	8,726,343	-	8,726,343
Transactions during the year ended 31 December 2021			
Opening net book value	8,726,343	-	8,726,343
Transferred from business acquisition	1,488	-	1,488
Add Acquisition	26,260	-	26,260
Less Amortization	(1,329,558)	-	(1,329,558)
Closing net book value	7,424,533	-	7,424,533

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

	In Baht		
	Consolidated financial statement		
	Software	Software in progress	Total
As at 31 December 2021			
Cost	14,199,663	-	14,199,663
Accumulated amortization	(6,775,130)	-	(6,775,130)
Net book value	<u>7,424,533</u>	<u>-</u>	<u>7,424,533</u>
Transactions during the year ended 31 December 2022			
Opening net book value	7,424,533	-	7,424,533
<u>Add</u> Acquisition	218,261	65,000	283,261
<u>Less</u> Amortization	(1,344,174)	-	(1,344,174)
Closing net book value	<u>6,298,620</u>	<u>65,000</u>	<u>6,363,620</u>
As at 31 December 2022			
Cost	14,417,925	65,000	14,482,925
Accumulated amortization	(8,119,305)	-	(8,119,305)
Net book value	<u>6,298,620</u>	<u>65,000</u>	<u>6,363,620</u>
	In Baht		
	Separated financial statement		
	Software	Software in progress	Total
As at 1 January 2021			
Cost	14,140,903	-	14,140,903
Accumulated amortization	(5,414,560)	-	(5,414,560)
Net book value	<u>8,726,343</u>	<u>-</u>	<u>8,726,343</u>
Transactions during the year ended 31 December 2021			
Opening net book value	8,726,343	-	8,726,343
<u>Add</u> Acquisition	26,260	-	26,260
<u>Less</u> Amortization	(1,328,070)	-	(1,328,070)
Closing net book value	<u>7,424,533</u>	<u>-</u>	<u>7,424,533</u>
As at 31 December 2021			
Cost	14,167,163	-	14,167,163
Accumulated amortization	(6,742,630)	-	(6,742,630)
Net book value	<u>7,424,533</u>	<u>-</u>	<u>7,424,533</u>
Transactions during the year ended 31 December 2022			
Opening net book value	7,424,533	-	7,424,533
<u>Add</u> Acquisition	218,261	65,000	283,261
<u>Less</u> Amortization	(1,344,174)	-	(1,344,174)
Closing net book value	<u>6,298,620</u>	<u>65,000</u>	<u>6,363,620</u>
As at 31 December 2022			
Cost	14,385,425	65,000	14,450,425
Accumulated amortization	(8,086,805)	-	(8,086,805)
Net book value	<u>6,298,620</u>	<u>65,000</u>	<u>6,363,620</u>

**CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

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

	Interest rate (per annum)	In Baht			
		Consolidated financial statement		Separate financial statement	
		2022	2021	2022	2021
Bank Overdrafts	MOR	10,051,587	7,861,620	-	-
Packing credit	MLR-1.5%	19,990,000	3,200,000	-	-
Total		<u>30,041,587</u>	<u>11,061,620</u>	<u>-</u>	<u>-</u>

As at 31 December 2022, the Group has the overdrafts and short-term loans facilities amounted to Baht 280 million. (31 December 2021 : Baht 280 million), guaranteed by land and machineries there on of the Group as described in Note 15 and certain directors and parent company.

20. TRADE AND OTHER CURRENT PAYABLES

	In Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Trade payables - Other companies/other person	24,127,388	31,672,520	22,739,670	30,406,972
Trade payables - Subsidiary (Note 6.2)	-	-	-	182,970
Accrued expenses	29,627,091	22,739,486	25,139,420	18,030,470
Accrued interest	8,816,207	6,893,675	-	-
Unearned revenue	482,115	4,726,631	75,194	1,918,522
Others payables	9,547,649	6,306,007	597,648	1,598,928
Total	<u>72,600,450</u>	<u>72,338,319</u>	<u>48,551,932</u>	<u>52,137,862</u>

21. LONG-TERM LOANS FROM FINANCIAL INSTITUTIONS

Consolidated financial statements as at 31 December 2022 and 2021.

Loans	Interest rate (per annum)	Contract repayment	In Baht	
			2022	2021
1. Loans from a local financial institution	3 - 5%	Monthly payment from 2018 to 2030	105,128,771	105,645,053
2. Loans from a local financial institution	3 - 5%	Monthly payment from 2018 to 2028	31,476,403	31,627,849
3. Loans from a local financial institution	3 - 5%	Monthly payment from 2018 to 2025	7,799,420	8,598,634
4. Loans from a local financial institution	3 - 5%	Monthly payment from 2017 to 2023	226,143	422,917
Total			144,630,737	146,294,453
<u>Less</u> Current portion of long-term loan from financial institutions			(4,194,200)	(4,687,366)
Long-term loan reclassified as current liabilities			<u>(140,436,537)</u>	<u>(141,607,087)</u>
Long-term loans-net			<u>-</u>	<u>-</u>

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

Movement of the Long-term loans from financial institution for the year ended 31 December 2022 are as follows:

	In Baht
Opening balance	146,294,453
Repayment loan during the year	(1,663,716)
Ending balance	<u>144,630,737</u>

The loan agreements contain covenants as specified in that among other things, require the subsidiary to comply throughout periods of the loan agreements. The loan agreements are guaranteed by the subsidiaries land and machineries (Note 15), certain directors and parent company.

The loan agreements contain certain covenants with which the subsidiary must comply, among other things. However, as at 31 December 2022 and 2021, the subsidiary was unable to comply with certain covenant under the agreements. Therefore the subsidiary has presented the outstanding balances of these loans as at 31 December 2022 and 2021 as current liabilities in the statements of financial position.

21.1 In July 2022, the subsidiary has made a request for an extension of the repayment period and change the payment conditions in the amount of 3 lines as follows:

1st line:

Periods	Monthly installment Principal and interest (Baht)	Interest rate (Per annum)
July - December 2022	Pay interest only	MLR-1.5
January - June 2023	375,000	MLR-1.5
July 2023 - June 2024	500,000	MLR-1.5
July 2024 - June 2025	850,000	MLR-1.5
July 2025 - September 2030	1,759,000	MLR-1.5
October 2030	The remaining balance	MLR-1.5

2nd line:

Periods	Monthly installment Principal and interest (Baht)	Interest rate (Per annum)
July - December 2022	Pay interest only	MLR-1.5
January 2023 - June 2025	260,000	MLR-1.5
July 2025 - November 2028	788,000	MLR-1.5
December 2028	The remaining balance	MLR-1.5

3rd line:

Periods	Monthly installment Principal and interest (Baht)	Interest rate (Per annum)
July - December 2022	32,000	MLR-1.5
January 2023 - July 2025	226,000	MLR-1.5
August 2025	The remaining balance	MLR-1.5

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

21.2 In November 2022, the subsidiary has made a request for the change the payment conditions in the amount of 3 lines as follows:

1st line:

Periods	Monthly installment	Interest rate
	Principal and interest (Baht)	(Per annum)
November 2022 - April 2023	185,000	MLR-1.5
May - June 2023	375,000	MLR-1.5
July 2023 - June 2024	500,000	MLR-1.5
July 2024 - June 2025	850,000	MLR-1.5
July 2025 - September 2030	1,759,000	MLR-1.5
October 2030	The remaining balance	MLR-1.5

In November 2022 - April 2023, the Bank will allocate 50% of the principal and 50% of the interest of the installment payment.

2nd line:

Periods	Monthly installment	Interest rate
	Principal and interest (Baht)	(Per annum)
November 2022 - April 2023	55,400	MLR-1.5
May 2023 - June 2025	260,000	MLR-1.5
July 2025 - November 2028	788,000	MLR-1.5
December 2028	The remaining balance	MLR-1.5

In November 2022 - April 2023, the Bank will allocate 50% of the principal and 50% of the interest of the installment payment.

3rd line:

Periods	Monthly installment	Interest rate
	Principal and interest (Baht)	(Per annum)
November - December 2022	16,000	MLR-1.5
January - April 2023	45,200	MLR-1.5
May 2023 - July 2025	226,000	MLR-1.5
August 2025	The remaining balance	MLR-1.5

In November 2022 - April 2023, the Bank will allocate 50% of the principal and 50% of the interest of the installment payment.

22. LEASE LIABILITIES

Movement of the lease liabilities for the year ended 31 December 2022 are as follows:

	In Baht	
	Consolidated financial statements	Separate financial statements
As at 31 December 2021	14,491,292	3,143,753
Payments	(2,203,527)	(853,101)
Cancel of lease liabilities	(714,962)	-
As at 31 December 2022	11,572,803	2,290,652
<u>Less</u> Current portion of lease liabilities	<u>(2,278,694)</u>	<u>(349,310)</u>
Net	<u>9,294,109</u>	<u>1,941,342</u>

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

The following are the amounts for the years ended 31 December 2022 and 2021 recognised in profit or loss:

	In Baht			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2022	2021	2022	2021
Depreciation	3,796,456	3,518,483	731,956	1,205,569
Interest paid	499,923	334,722	222,117	232,891
Gain on cancellation of lease liabilities	(9,179)	-	-	-
Expense relating to short-term lease	3,980,200	2,870,319	2,553,200	2,361,319
Leases of low-value underlying assets	48,000	48,000	48,000	48,000
Total	<u>8,315,400</u>	<u>6,771,524</u>	<u>3,555,273</u>	<u>3,847,779</u>

The Group has entered into hire purchase agreements with leasing companies for rental of vehicles for use in the operation, whereby it committed to pay fixed rental on a monthly basis. The terms of the agreements are generally between 4 to 5 years.

As at 31 December 2022, future minimum lease payments required under the lease liabilities agreements were as follows:

	(In Million Baht)		
	Consolidated financial statements		
	Less than 1 year	1-5 years	Total
Future minimum lease payments	3.25	12.63	15.88
Deferred interest expenses	(0.97)	(3.34)	(4.31)
Present value of future minimum lease payments	<u>2.28</u>	<u>9.29</u>	<u>11.57</u>

	(In Million Baht)		
	Separate financial statements		
	Less than 1 year	1-5 years	Total
Future minimum lease payments	0.54	2.26	2.80
Deferred interest expenses	(0.19)	(0.32)	(0.51)
Present value of future minimum lease payments	<u>0.35</u>	<u>1.94</u>	<u>2.29</u>

As at 31 December 2021, future minimum lease payments required under the finance lease agreements were as follows:

	(In Million Baht)		
	Consolidated financial statements		
	Less than 1 year	1-5 years	Total
Future minimum lease payments	4.63	14.28	18.91
Deferred interest expenses	(1.00)	(3.42)	(4.42)
Present value of future minimum lease payments	<u>3.63</u>	<u>10.86</u>	<u>14.49</u>

**CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

(In Million Baht)

	Separate financial statements		
	Less than 1 year	1-5 years	Total
Future minimum lease payments	1.09	2.80	3.89
Deferred interest expenses	(0.24)	(0.51)	(0.75)
Present value of future minimum lease payments	<u>0.85</u>	<u>2.29</u>	<u>3.14</u>

23. LONG-TERM LOANS FROM OTHER PERSON

Consolidated financial statements as at 31 December 2022 and 2021.

	In Baht	
	2022	2021
Long-term loans	24,684,000	25,764,000
<u>Less</u> Current portion	<u>(3,197,400)</u>	<u>(2,138,700)</u>
Long-term loans-net of current portion	<u>21,486,600</u>	<u>23,625,300</u>

Movement of the long-term loans from other persons for the year ended 31 December 2022 are as follows:

	In Baht
Opening balance	25,764,000
Repayment loan during the year	<u>(1,080,000)</u>
Ending balance	<u>24,684,000</u>

As at 31 December 2022 ,the Group has an outstanding balance of long-term loans from 3 other persons, non-interest charged and shall have to comply with certain conditions as specified in the memorandum of understanding. The payment conditions in each periods are as follows:

1st year: repayment from April to December 2021 amounting Baht 0.81 million.

2nd year: repayment from January to December 2022 amounting Baht 2.14 million.

3rd year: repayment from January to December 2023 amounting Baht 3.20 million.

4th year: repayment from January to December 2024 amounting Baht 4.26 million.

5th year: repayment from January to December 2025 amounting Baht 16.17 million.

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

24. EMPLOYEE BENEFIT OBLIGATIONS

Movement in the present value of the defined benefit obligations for the year ended 31 December 2022 and 2021 are as follows:

	In Baht			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2022	2021	2022	2021
Defined benefit obligations at 1 January	65,985,757	66,825,443	64,371,962	66,825,443
Transferred from business acquisition	-	1,271,433	-	-
Included in profit or loss:				
Current service costs	3,393,870	3,828,222	3,058,939	3,495,924
Interest on obligation	911,413	643,998	886,120	633,934
Curtailment	5,175,816	-	-	-
Employee benefit paid during the year	(10,663,225)	(1,519,200)	(4,334,267)	(1,519,200)
Actuarial losses				
Financial assumptions changes	(2,808,343)	(2,345,041)	(2,571,418)	(2,345,041)
Experience adjustments	2,711,882	(2,719,098)	3,295,834	(2,719,098)
Defined benefit obligations at 31 December	<u>64,707,170</u>	<u>65,985,757</u>	<u>64,707,170</u>	<u>64,371,962</u>

Line items in profit or loss under which long - term employee benefit expenses are recognized are as follows:

	In Baht			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2022	2021	2022	2021
Costs of sales	3,383,635	3,557,594	3,081,022	3,295,477
Sales expenses	134,007	143,124	117,645	104,323
Administrative expenses	5,963,457	771,502	746,392	730,058
Total	<u>9,481,099</u>	<u>4,472,220</u>	<u>3,945,059</u>	<u>4,129,858</u>

The Group expect to pay Baht 18.79 million of long-term employee benefits during the next year (2021: Baht 15.94 million).

As at 31 December 2022, the weighted average duration of the liabilities for long-term employee benefit is 8 years (2021 : 8 years).

**CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

Principal actuarial assumptions at the reporting date.

	In Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Discount rate	2.49 - 3.19% per annum	1.77 - 1.82% per annum	2.49% per annum	1.77% per annum
Salary increase rate	2 - 5%	2 - 5%	2%	2%
Employee turnover rate	Scale related to Age ranging from 1.91- 34.38%	Scale related to Age ranging from 1.91- 34.38%	Scale related to Age ranging from 4.58- 34.38%	Scale related to Age ranging from 4.58- 34.38%
Mortality rate	According to Thailand TMO 2017 male and female tables	According to Thailand TMO 2017 male and female tables	According to Thailand TMO 2017 male and female tables	According to Thailand TMO 2017 male and female tables

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

	In Million Baht			
	2022			
	Consolidated financial statements		Separate financial statements	
	Increase	Decrease	Increase	Decrease
Defined benefit obligation at 31 December				
Discount rate (1% movement)	(3.29)	3.68	(3.29)	3.68
Salary Increase Rate (1% movement)	3.63	(3.30)	3.63	(3.30)
Turnover Rate (20% movement)	(3.47)	3.92	(3.47)	3.92

	In Million Baht			
	2021			
	Consolidated financial statements		Separate financial statements	
	Increase	Decrease	Increase	Decrease
Defined benefit obligation at 31 December				
Discount rate (1% movement)	(3.71)	4.20	(3.58)	4.03
Salary Increase Rate (1% movement)	4.14	(3.73)	3.98	(3.60)
Turnover Rate (20% movement)	3.66	4.45	(3.78)	4.30

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

**CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

25. LEGAL RESERVE

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

26. IMPAIRMENT LOSSES OF ASSETS

	In Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Loss on reduction of investment in subsidiary (Note 13)	-	-	111,000,000	-
Loss of allowance for goodwill impairment (Note 17)	19,072,075	-	-	-
Impairment losses on financial assets (Note 6.2,16)	-	30,096,282	10,180,822	25,358,949
	<u>19,072,075</u>	<u>30,096,282</u>	<u>121,180,822</u>	<u>25,358,949</u>

27. EXPENSES BY NATURE

Significant expenses by nature are as follows:

	In Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Changes in finished goods, semi-finished products and raw materials	30,600,957	(32,030,147)	7,565,458	(211,729)
Purchase raw materials	467,829,805	435,976,242	431,831,263	402,742,562
Depreciation and amortization	83,708,798	84,931,931	59,157,269	59,438,941
Staff costs	242,129,012	221,139,175	216,124,760	204,111,679
Freight	33,914,605	28,948,780	33,324,444	28,770,950
Sales promotion	10,215,566	1,249,334	8,124,306	1,194,407

28. SEGMENT INFORMATION

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance.

The Group has engaged in the business of manufacturing and distribution of frozen vegetables and operated in one geographical area in Thailand. Therefore, these financial statements do not present the geographical segment.

The Group's main revenue is derived from sale of goods and have timing of revenue recognition only at the point in time.

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

For the year ended 31 December 2022 and 2021, the Group has export sales and domestic sales are as follows:

	In Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Export sales	1,256,749,904	989,587,828	1,193,903,654	976,777,558
Domestic sales	79,984,005	66,000,933	70,368,897	64,383,669
Total	<u>1,336,733,909</u>	<u>1,055,588,761</u>	<u>1,264,272,551</u>	<u>1,041,161,227</u>

Major customers

For the year 2022, the Group has revenue from 3 major customers, representing 67% of total revenue, arising from manufacturing and distribution of frozen vegetables (2021: 60% of total revenue was derived from 2 major customers).

29. PROMOTIONAL PRIVILEGES

The Company have been received investment promotion certificates from the Industrial Investment Promotion for solar power generation system which the Company have been granted many exemptions such as exemption corporate income tax for the profit earned under promotional privileges for a period of 3 years from the date income is first derived from such activity. As a promoted industry under the Industrial Investment Promotion, The Company have to comply with certain terms and conditions as stipulated in the investment promotion certificates.

Sales classified as promoted and non-promoted business for the years ended 31 December 2022 and 2021 of the Company are summarised as follows:

	In Baht					
	Separate financial statements					
	Promoted business		Non- promoted business		Total	
	2022	2021	2022	2021	2022	2021
Export sales	63,851,389	-	1,130,052,265	976,777,558	1,193,903,654	976,777,558
Domestic sales	6,340,645	-	64,028,252	64,383,669	70,368,897	64,383,669
Total	<u>70,192,034</u>	<u>-</u>	<u>1,194,080,517</u>	<u>1,041,161,227</u>	<u>1,264,272,551</u>	<u>1,041,161,227</u>

30. PROVIDENT FUND

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

The Group's contribution amount for the years ended 31 December 2022 and 2021 amounted to Baht 1.81 million and Baht 1.88 million, respectively.

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

31. INCOME TAX

Income tax for the year ended 31 December 2022 and 2021 are made up as follows:

	In Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Current income tax				
Corporate income tax	7,282,387	-	7,282,387	-
Deferred tax				
Relating to origination and reversal of temporary differences	3,252,355	(2,389,958)	2,143,640	(2,971,648)
Tax expenses(income) reported in the statements of comprehensive income	<u>10,534,742</u>	<u>(2,389,958)</u>	<u>9,426,027</u>	<u>(2,971,648)</u>

The amounts of income tax relating to each component of other comprehensive income for the year ended 31 December 2022 and 2021 are as follows:

	In Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Loss (gain) from cash flow hedging	5,526,563	(5,809,711)	5,526,563	(5,809,711)
Actuarial loss (gain)	19,293	1,012,828	(144,883)	1,012,828
Total	<u>5,545,856</u>	<u>(4,796,883)</u>	<u>5,381,680</u>	<u>(4,796,883)</u>

	In Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Loss before tax	(45,108,347)	(88,011,671)	(71,978,393)	(36,120,153)
Applicable tax rate (%)	20	20	20	20
Income tax using the Thai corporation tax rate	(9,021,669)	(17,602,334)	(14,395,679)	(7,224,031)
Taxable loss of current year recognized to deferred income tax assets	-	634,711	-	634,711
Utilization of taxable loss carried forward	(2,432,299)	-	(2,432,299)	-
Incoming not subject to tax	(44,724)	(20,877)	(44,724)	(20,877)
Addition expenses deductible for tax purposes	(3,143,650)	(949,877)	(3,143,650)	(949,877)
Expenses not deductible for tax purposes	6,902,631	8,395,352	27,324,381	8,395,352
Capital expenditure with the right to increase deductible	(25,642)	(835,278)	(25,642)	(835,278)
Tax losses	15,047,740	10,378,303	-	-
Current tax	<u>7,282,387</u>	<u>-</u>	<u>7,282,387</u>	<u>-</u>
Relating to origination and reversal of temporary differences	3,252,355	(2,389,958)	2,143,640	(2,971,648)
Tax expenses(income)	<u>10,534,742</u>	<u>(2,389,958)</u>	<u>9,426,027</u>	<u>(2,971,648)</u>

**CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

Deferred tax assets is presented in the statement of financial positions as follows:

	In Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Statements of financial position				
Deferred tax assets				
Allowance for expected credit losses	174,639	171,208	174,639	171,208
Allowance for net realizable value	2,279,488	1,735,344	2,279,488	1,412,586
Provisions for employee benefit obligations	12,941,434	13,824,526	12,941,434	12,874,393
Change in fair value of derivatives	469,996	2,121,565	469,996	2,121,565
Loss from impairment of investments in subsidiaries	9,000,000	9,000,000	9,000,000	9,000,000
Tax losses	-	2,432,299	-	2,432,299
Deferred tax liability				
Change in fair value of derivatives	(4,617,042)	(282,939)	(4,617,042)	(282,939)
Unrealized gain from change in value of investment open-end-fund	(286,662)	(241,939)	(286,662)	(241,939)
	<u>19,961,853</u>	<u>28,760,064</u>	<u>19,961,853</u>	<u>27,487,173</u>

32. FINANCIAL INSTRUMENTS

32.1 Derivatives and hedge accounting

The Group exposure to foreign currency. In order to manage the risks arising from fluctuations in exchange rates, the Group makes use of derivative financial instruments

The objectives of using derivative financial instruments are to reduce uncertainty over future cash flows arising from movements in exchange rates, The following strategies are employed to achieve these objectives. Foreign exchange forward contracts are taken out to manage the currency risks in future sales. Decisions on the level of risk undertaken are governed by corporate policy, which has established limits by transaction type and by counterparty.

Trading for speculative purposes is prohibited. All derivative transactions are subject to approval of the management before execution.

32.2 Financial risk management objectives and policies

The Group's financial instruments-principally comprise cash and cash equivalents, trade receivables, loans to, investments, trade payables. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Group exposed to credit risks mainly relating to their trade accounts receivable loans investment account payable. Except for derivative financial instruments, the maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position.

Trade receivables

The Group manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. Outstanding customer receivables are regularly monitored and any shipments to some distribution channels' customers are generally covered by letters of credit obtained from reputable banks and other financial institutions.

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

An impairment analysis is performed at each reporting date to measure expected credit losses. The provision rates are based on days past due.

Foreign currency risk

The Group has foreign exchange risk arisen from the fluctuation of foreign exchange rate from sales and receipt which are denominated in foreign currencies, USD and CNY. The Group manages that risk by entering forward exchange contracts to hedge such financial assets denominated in foreign currencies. The forward exchange contracts entered into at the reporting date also relate to anticipated purchases and sales, denominated in foreign currencies, for the subsequent period.

The balances of financial assets and liabilities denominated in foreign currencies as at 31 December 2022 and 2021 as follows.

Foreign currency	Amount					
	Consolidated financial statements		Separate financial statements		Average exchange rate	
	2022	2021	2022	2021	2022	2021
	(In Million)	(In Million)	(In Million)	(In Million)	(Baht per 1 foreign currency unit)	
Financial assets						
US Dollar	2.47	1.89	2.46	1.87	34.3913	33.2469
CNY	-	0.08	-	-	-	5.1828
Financial liability						
US Dollar	0.022	0.016	0.022	0.016	34.7335	33.5929
EUR	0.001	-	0.001	-	37.2053	-

As at 31 December 2022, the Group had the Foreign exchange contracts outstanding are summarized below.

Foreign currency	Sold amount	Contractual exchange rate	Contractual maturity date
	(In Million)	(Baht per 1 foreign currency unit)	
US Dollar	22.18	34.7427	April - December 2023

As at 31 December 2021, the Group had the Foreign exchange contracts outstanding are summarized below.

Foreign currency	Sold amount	Contractual exchange rate	Contractual maturity date
	(In Million)	(Baht per 1 foreign currency unit)	
US Dollar	22.44	32.9975	June - December 2022

The Group has the options outstanding are summarized below.

Foreign currency	Sold amount	Contractual exchange rate	Contractual maturity date
	(In Million)	(Baht per 1 foreign currency unit)	
US Dollar	0.30	32.8000	April 2022

Changes in fair value of Derivatives designated as hedging instruments reclassified to profit or loss in loss on exchange rate. For the year end 31 December 2021, There are no ineffective hedging

Foreign exchange forward contracts and foreign exchange options are designated as hedging instruments in cash flow hedges of forecast sales in US dollars. These forecast transactions are highly probable, and they compose about 90% of the Group's total expected sales in US dollars.

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

Foreign currency sensitivity

The following tables demonstrate the sensitivity of the Group's profit before tax to a reasonably possible change in US dollar exchange rates, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities

Foreign currency	Increase / Decrease (%)	Effect on profit before tax (Million Baht)
US Dollar	+5	4.22
	- 5	(4.22)

This information is not a forecast or prediction of future market conditions and should be used with care.

Interest rate risk

The Group's exposure to interest rate risk relate primarily to their deposits at bank, short-term loans and lease liabilities. Most of the Group's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate. Therefore, the Group does not use derivative financial instruments to hedge such risk.

Interest rate sensitivity analysis

There is no significant impact on the Group's profit before tax arising from the change in the interest rate of financial assets and short-term loans with interest rates fluctuating according to market rates.

Liquidity risk

The Group monitors its liquidity requirements to ensure it has sufficient cash to meet operational needs.

The table below analyses the Group's maturity grouping based on the remaining periods at the date of statements of financial position to the contractual maturity date based on notional amount. The positive figures represent cash to be inflows and negative figures represent cash to be outflows due to be mature.

	Baht			
	Consolidated financial statements			
	Less than 1 year	1 to 5 years	> 5 years	Total
Overdrafts and short-term loans from financial	(30,041,587)	-	-	(30,041,587)
Trade and other current payables	(72,799,889)	-	-	(72,799,889)
Long-term loan from financial institutions	(4,190,491)	(140,440,246)	-	(144,630,737)
Lease liabilities	(2,278,694)	(9,294,109)	-	(11,572,803)
Long-term loans from other persons	(3,197,400)	(21,486,600)	-	(24,684,000)
Foreign currency forward contracts	770,743,296	-	-	770,743,296

**CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Baht			
	Separate financial statements			
	Less than 1 year	1 to 5 years	> 5 years	Total
Trade and other current payables	(48,551,932)	-	-	(48,551,932)
Lease liabilities	(349,310)	(1,941,342)	-	(2,290,652)
Foreign currency forward contracts	770,743,296	-	-	770,743,296

32.3 Fair value of financial instruments

Given that part of financial assets and financial liabilities are short-term or bearing interest rate closely to market rate, and loans denominated in Thai Baht bearing the market interest rates, the Company's management believes that the fair value of those financial assets and financial liabilities does not materially differ from their carrying value.

33. FAIR VALUE OF FIANCIAL INSTRUMENTS

In applying the above-mentioned valuation techniques, the Group endeavor to use relevant observable inputs as much as possible. TFRS 13 Fair Value Measurement establishes a fair value hierarchy categorising such inputs into three levels as follows:

Level 1-Use of quoted market prices in an observable active market for such assets or liabilities.

Level 2-Use of other observable inputs for such assets or liabilities, whether directly or indirectly.

Level 3-Use of unobservable inputs such as estimates of future cash flows.

As at 31 December 2022 and 2021, the Group had the assets and liabilities that were measured at fair value using different levels of inputs as follows:

	In Baht			
	Consolidated and Separate financial statements			
	Level 1	Level 2	Level 3	Total
As at 31 December 2022				
Assets measured at fair value				
Derivatives assets				
Foreign currency forward contracts	-	23,085,208	-	23,085,208
Trading investment-Fund	-	91,888,061	-	91,888,061
Liabilities measured at fair value				
Derivatives liabilities				
Foreign currency forward contracts	-	2,349,981	-	2,349,981
Assets for which fair value are disclosed				
Investment property	-	113,812,500	-	113,812,500

**CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

	In Baht			
	Consolidated and Separate financial statements			
	Level 1	Level 2	Level 3	Total
As at 31 December 2021				
Assets measured at fair value				
Derivatives assets				
Foreign currency forward contracts	-	1,348,459	-	1,348,459
Foreign exchange options	-	66,234	-	66,234
Trading investment-Fund	-	41,664,442	-	41,664,442
Liabilities measured at fair value				
Derivatives liabilities				
Foreign currency forward contracts	-	10,607,826	-	10,607,826
Assets for which fair value are disclosed				
Investment property	-	90,605,550	-	90,605,550

During the current year, there was no change in method and assumption using in estimate the fair value of financial instruments and no transfer within the fair value hierarchy.

Since the majority of the Group's financial instruments are short-term in nature or carrying interest at rates close to the market interest rates, their fair value is not expected to be materially different from the amounts presented in the statement of financial position.

For derivatives, their fair value has been determined by using a discounted future cash flow model and a valuation model technique. Most of the inputs used for the valuation are observable in the relevant market, such as spot rates of foreign currencies, yield curves of the respective currencies, The Group has considered counterparty credit risk when determining the fair value of derivatives.

The fair values of land categorized as investment property were determined by independent property appraisers under the market approach by rating and weighting according to various factors.

34. CAPITAL MANAGEMENT

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

As at 31 December 2022, debt to equity ratio in the consolidated financial statements is 0.28:1 and separate financial statements is 0.10:1 (2021: consolidated financial statements is 0.27:1 and separate financial statements is 0.10:1).

35. COMMITMENT AND CONTINGENT LIABILITIES

As at 31 December 2022

35.1 The Group has commitments for software license and system consulting agreement amounting of Baht 0.25 million.

35.2 The Group has contingently liability for bank guarantees issued in favor of government agency amounting to approximately Baht 11.02 million.

**CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

35.3 The Group has capital expenditure in respect of the solar rooftop on-grid system and the installment of machine amounting of Baht 2.59 million.

35.4 The subsidiary has entered into the 5 Years Gas Purchase Agreement with a company. Such Gas rate is in accordance with the conditions specified in the agreements.

35.5 Related parties guarantees

As at December 31, 2022, the Company and the Group's directors have an obligation as a guarantor of credit facilities of Sino-Thai Freeze & Dry Co., Ltd. the subsidiary companies, amounting to Baht 192.8 million. Generally, these guarantees are effective for guarantor as long as the underlying obligations have not been discharged by the guaranteed party.

36. APPROVAL OF THE FINANCIAL STATEMENTS

These financial statements have been approved by the Company's Board of Directors on 27 February 2023.