

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

INTERIM FINANCIAL STATEMENTS

AND INDEPENDENT AUDITOR'S REPORT ON REVIEW OF
INTERIM FINANCIAL INFORMATION

FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2023

EXPRESSED IN THAI BAHT

Independent Auditor's Report on Review of Interim Financial Information

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

I have reviewed the accompanying consolidated statement of financial position of **Chiangmai Frozen Foods Public Company Limited and its subsidiary** as at 30 September 2023 and the related consolidated statements of comprehensive income for the three-month and nine-month periods then ended, the related consolidated statements of changes in shareholders' equity and cash flows for the nine-month period then ended, as well as the condensed notes to the interim consolidated financial statements. I have also reviewed the separate financial information of **Chiangmai Frozen Foods Public Company Limited** for the same period (collectively "interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34 *Interim Financial Reporting*. My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of review

I conducted my review in accordance with Thai Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34 *Interim Financial Reporting*.



AST MASTER

บริษัท เอเอสที มาสเตอร์ จำกัด

Emphasis of Matter

I draw attention to Note 25 to the financial information, in May 2023, a local financial institution filed a lawsuit against the subsidiary (the first defendant) and the Company (the third defendant as the guarantor) to repay the principal of loans and interest in a total amount of Baht 186.81 million. On 31 July 2023, the financial institution, the leasing company which is a subsidiary of the local financial institutions, the subsidiary and the Company (as the guarantor) entered into a Debt Restructuring Agreements to compromise with the Court to repay the debt in a total amount of Baht 137.00 million, which the loan from the financial institution and finance lease payable had a total amount of Baht 196.83 million as at 31 July 2023. The Group recorded a reduction of the principal and accrued interest expenses in the amount of Baht 59.83 million as a gain from debt restructuring in the consolidated statement of comprehensive income for the three-month and nine-month periods ended 30 September 2023. My conclusion is not modified in respect of this matter.

Chamaporn Rodloytuk

CHAMAPORN RODLOYTUK
Certified Public Accountant
Registration No. 9211

AST Master Co., Ltd.
8 November 2023

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2023

ASSETS	Notes	In Baht			
		Consolidated		Separate	
		financial statement		financial statements	
		30 September 2023	31 December 2022	30 September 2023	31 December 2022
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
CURRENT ASSETS					
Cash and cash equivalents		215,171,563	192,066,717	211,137,397	190,702,047
Other current financial assets	6	62,581,903	91,890,072	62,581,903	91,890,072
Trade and other current receivables	7	120,988,523	118,534,278	116,630,977	112,905,451
Accounts receivable-planters	8	8,218,002	13,342,100	8,218,002	13,342,100
Receivable from sale and purchase assets agreement					
with option to repurchase memorandam	9	-	-	144,018,692	-
Short-term loan to subsidiary	5.2	-	-	-	-
Inventories	10	428,173,642	473,050,464	422,633,646	450,264,686
Derivatives assets	24	155,314	23,085,208	155,314	23,085,208
TOTAL CURRENT ASSETS		835,288,947	911,968,839	965,375,931	882,189,564
NON-CURRENT ASSETS					
Investment in subsidiary	11	-	-	-	16,132,323
Investment property	12	22,128,578	22,128,578	22,128,578	22,128,578
Property, plant and equipment	13	632,729,562	668,672,173	408,275,437	427,574,548
Refundable deposit receivable	14	-	-	-	-
Intangible assets-software computer	15	5,525,459	6,363,620	5,525,459	6,363,620
Deferred tax assets	22	30,796,747	19,961,853	30,796,747	19,961,853
Income tax refundable		2,501,428	3,515,866	2,501,428	3,515,866
Other non-current assets		2,390,112	1,881,900	1,742,652	1,802,340
TOTAL NON-CURRENT ASSETS		696,071,886	722,523,990	470,970,301	497,479,128
TOTAL ASSETS		1,531,360,833	1,634,492,829	1,436,346,232	1,379,668,692

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

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 30 SEPTEMBER 2023

	Notes	In Baht			
		Consolidated		Separate	
		financial statement		financial statements	
		30 September 2023	31 December 2022	30 September 2023	31 December 2022
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
LIABILITIES AND SHAREHOLDERS' EQUITY					
CURRENT LIABILITIES					
Bank overdrafts and short-term loans from financial institutions	16.1	-	30,041,587	-	-
Trade and other current payables	17	73,098,810	72,600,450	62,616,709	48,551,932
Current portion of long-term loan from financial institutions	16.2	-	144,630,737	-	-
Current portion of lease liabilities	16.3	291,850	2,278,694	291,850	349,310
Current portion of long-term loans from other persons	18	3,197,400	3,197,400	-	-
Short-term loans from related person	5.2	250,000	-	-	-
Derivatives liabilities	24	37,300,754	2,349,981	37,300,754	2,349,981
Other current liabilities		6,063,515	5,427,365	3,543,111	2,945,446
TOTAL CURRENT LIABILITIES		<u>120,202,329</u>	<u>260,526,214</u>	<u>103,752,424</u>	<u>54,196,669</u>
NON-CURRENT LIABILITIES					
Lease liabilities	16.3	1,720,084	9,294,109	1,720,084	1,941,342
Long-term loans from other persons	18	19,617,900	21,486,600	-	-
Employee benefit obligations	19	62,832,630	64,707,170	62,832,630	64,707,170
TOTAL NON-CURRENT LIABILITIES		<u>84,170,614</u>	<u>95,487,879</u>	<u>64,552,714</u>	<u>66,648,512</u>
TOTAL LIABILITIES		<u>204,372,943</u>	<u>356,014,093</u>	<u>168,305,138</u>	<u>120,845,181</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		852,055,550	767,071,790	806,819,631	754,519,128
Other component of equity		<u>(26,039,262)</u>	<u>17,043,658</u>	<u>(26,039,262)</u>	<u>17,043,658</u>
Total equity attributable to the parent company		1,313,277,013	1,271,376,173	1,268,041,094	1,258,823,511
Non-controlling interests		<u>13,710,877</u>	<u>7,102,563</u>	<u>-</u>	<u>-</u>
TOTAL SHAREHOLDERS' EQUITY		<u>1,326,987,890</u>	<u>1,278,478,736</u>	<u>1,268,041,094</u>	<u>1,258,823,511</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		<u>1,531,360,833</u>	<u>1,634,492,829</u>	<u>1,436,346,232</u>	<u>1,379,668,692</u>

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

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

STATEMENT OF COMPREHENSIVE INCOME

FOR THE THREE-MONTH PERIOD ENDED 30 SEPTEMBER 2023

	Notes	In Bath			
		Consolidated financial statement		Separate financial statements	
		2023	2022	2023	2022
Revenues from sales	20	308,271,940	326,234,993	308,271,940	302,658,704
Cost of sales		(243,955,529)	(268,714,448)	(243,955,529)	(232,785,528)
Gross profit		64,316,411	57,520,545	64,316,411	69,873,176
Gain(loss) on exchange rate		1,985,659	(16,891,979)	1,985,659	(17,409,402)
Gain from debt restructuring	16,25	59,827,726	-	-	-
Other income		3,217,814	3,187,736	3,160,234	2,962,552
Profit before expenses		129,347,610	43,816,302	69,462,304	55,426,326
Cost of distributions		(21,211,765)	(32,981,078)	(21,209,079)	(32,126,250)
Administrative expenses		(25,521,384)	(22,929,931)	(18,902,804)	(18,809,322)
Profit(loss) from operating activities		82,614,461	(12,094,707)	29,350,421	4,490,754
Finance income		285,457	50,596	361,074	126,212
Finance costs		(353,536)	(1,949,206)	(353,536)	(54,158)
Loss of allowance impairment of assets	21	-	-	(75,616)	-
Profit(loss) before tax		82,546,382	(13,993,317)	29,282,343	4,562,808
Tax income(expenses)	22	116,447	(779,040)	116,447	(877,474)
Net profit(loss) for the period		82,662,829	(14,772,357)	29,398,790	3,685,334
Other comprehensive income					
Other comprehensive income to be reclassified to profit or loss in subsequent period					
Hedging reserve reclassified to profit or loss		3,468,454	47,629,275	3,468,454	47,629,275
<u>Less</u> : Tax effect	22	(693,691)	(9,525,855)	(693,691)	(9,525,855)
Change in fair value of hedging derivatives		(21,505,815)	(73,539,378)	(21,505,815)	(73,539,378)
<u>Less</u> : Tax effect	22	4,301,163	14,707,875	4,301,163	14,707,875
Other comprehensive income for the period		(14,429,889)	(20,728,083)	(14,429,889)	(20,728,083)
Total comprehensive income for the period		68,232,940	(35,500,440)	14,968,901	(17,042,749)
Profit(loss) attributable to:					
Equity holders of the parent		66,591,202	(8,998,791)	29,398,790	3,685,334
Non-controlling interests		16,071,627	(5,773,566)	-	-
		82,662,829	(14,772,357)	29,398,790	3,685,334
Total comprehensive income attributable to:					
Equity holders of the parent		52,161,313	(29,726,874)	14,968,901	(17,042,749)
Non-controlling interests		16,071,627	(5,773,566)	-	-
		68,232,940	(35,500,440)	14,968,901	(17,042,749)
Basic earnings(loss) per share					
Profit(loss) attributable to equity holders of the parent		0.17	(0.02)	0.08	0.01

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

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

STATEMENT OF COMPREHENSIVE INCOME

FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2023

	Notes	In Bath			
		Consolidated financial statement		Separate financial statements	
		2023	2022	2023	2022
Revenues from sales	20	936,402,683	1,045,926,993	932,691,153	983,690,350
Cost of sales		<u>(773,520,729)</u>	<u>(850,420,752)</u>	<u>(767,415,213)</u>	<u>(754,337,911)</u>
Gross profit		162,881,954	195,506,241	165,275,940	229,352,439
Gain(loss) on exchange rate		18,083,124	(24,601,776)	18,060,482	(25,180,739)
Gain from debt restructuring	16,25	59,827,726	-	-	-
Other income		<u>11,848,220</u>	<u>8,268,531</u>	<u>9,737,788</u>	<u>7,767,701</u>
Profit before expenses		252,641,024	179,172,996	193,074,210	211,939,401
Cost of distributions		(68,721,608)	(109,462,610)	(68,656,168)	(104,866,222)
Administrative expenses		<u>(89,009,708)</u>	<u>(67,757,166)</u>	<u>(56,266,163)</u>	<u>(56,076,850)</u>
Profit from operating activities		94,909,708	1,953,220	68,151,879	50,996,329
Finance income		1,281,646	195,672	1,505,509	300,654
Finance costs		(4,663,444)	(4,797,559)	(1,064,343)	(173,791)
Loss of allowance impairment of assets	21	-	-	<u>(16,356,706)</u>	-
Profit(loss) before tax		91,527,910	(2,648,667)	52,236,339	51,123,192
Tax income(expenses)	22	<u>64,164</u>	<u>(9,719,174)</u>	<u>64,164</u>	<u>(9,919,073)</u>
Net profit(loss) for the period		91,592,074	(12,367,841)	52,300,503	41,204,119
Other comprehensive income					
Other comprehensive income to be reclassified to profit or loss in subsequent period					
Hedging reserve reclassified to profit or loss		(10,104,360)	69,314,609	(10,104,360)	69,314,609
<u>Less</u> : Tax effect	22	2,020,872	(13,862,922)	2,020,872	(13,862,922)
Change in fair value of hedging derivatives		(43,749,290)	(113,034,536)	(43,749,290)	(113,034,536)
<u>Less</u> : Tax effect	22	8,749,858	22,606,907	8,749,858	22,606,907
Other comprehensive income not to be reclassified to profit or loss in subsequent period					
Remeasurements of post-employment benefit obligations					
Actuarial gain		-	820,877	-	-
<u>Less</u> : Tax effect	22	-	(164,175)	-	-
Other comprehensive income for the period		<u>(43,082,920)</u>	<u>(34,319,240)</u>	<u>(43,082,920)</u>	<u>(34,975,942)</u>
Total comprehensive income for the period		<u>48,509,154</u>	<u>(46,687,081)</u>	<u>9,217,583</u>	<u>6,228,177</u>

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

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
STATEMENT OF COMPREHENSIVE INCOME (CONTINUED)
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2023

	In Bath			
	Consolidated		Separate	
	financial statement		financial statements	
	2023	2022	2023	2022
Profit(loss) attributable to:				
Equity holders of the parent	84,983,760	4,389,468	52,300,503	41,204,119
Non-controlling interests	6,608,314	(16,757,309)	-	-
	91,592,074	(12,367,841)	52,300,503	41,204,119
Total comprehensive income attributable to:				
Equity holders of the parent	41,900,840	(30,135,188)	9,217,583	6,228,177
Non-controlling interests	6,608,314	(16,551,893)	-	-
	48,509,154	(46,687,081)	9,217,583	6,228,177
Basic earnings per share				
Profit attributable to equity holders of the parent	0.22	0.01	0.14	0.11

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

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2023

In Baht

	Consolidated financial statements												
	Equity holders of the parent					Other component of equity					Total equity holders of the parent	Non-controlling interests	Total
	Issued and paid-up share capital	Premium on share capital	Appropriated for legal reserve	Retained earnings	Unappropriated	Fair value reserve of investment in equity designated at fair value through other comprehensive income	Fair value reserve of investment in equity designated at fair value through other comprehensive income	Total equity holders of the parent	Non-controlling interests	Total			
Balance as at 1 January 2022	381,145,725	68,000,000	38,115,000	798,961,655	(5,062,594)	1,281,159,786	1,281,159,786	30,778,619	1,311,938,405				
Profit(loss) for the period	-	-	-	4,389,468	-	4,389,468	4,389,468	(16,757,309)	(12,367,841)				
Other comprehensive income for the period	-	-	-	451,286	(34,975,942)	(34,524,656)	(34,524,656)	205,416	(34,319,240)				
Total comprehensive income for the period	-	-	-	4,840,754	(34,975,942)	(30,135,188)	(30,135,188)	(16,551,893)	(46,687,081)				
Balance as at 30 September 2022	<u>381,145,725</u>	<u>68,000,000</u>	<u>38,115,000</u>	<u>803,802,409</u>	<u>(40,038,536)</u>	<u>1,251,024,598</u>	<u>1,251,024,598</u>	<u>14,226,726</u>	<u>1,265,251,324</u>				
Balance as at 1 January 2023	381,145,725	68,000,000	38,115,000	767,071,790	17,043,658	1,271,376,173	1,271,376,173	7,102,563	1,278,478,736				
Profit for the period	-	-	-	84,983,760	-	84,983,760	84,983,760	6,608,314	91,592,074				
Other comprehensive income for the period	-	-	-	-	(43,082,920)	(43,082,920)	(43,082,920)	-	(43,082,920)				
Total comprehensive income for the period	-	-	-	84,983,760	(43,082,920)	41,900,840	41,900,840	6,608,314	48,509,154				
Balance as at 30 September 2023	<u>381,145,725</u>	<u>68,000,000</u>	<u>38,115,000</u>	<u>852,055,550</u>	<u>(26,039,262)</u>	<u>1,313,277,013</u>	<u>1,313,277,013</u>	<u>13,710,877</u>	<u>1,326,987,890</u>				

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

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2023

In Baht

	Separate financial statement						Total
	Issued and paid-up share capital	Premium on share capital	Appropriated for legal reserve	Retained earnings	Other component of equity		
Balance as at 1 January 2022	381,145,725	68,000,000	38,115,000	836,503,081	(5,062,594)	1,318,701,212	
Profit for the period	-	-	-	41,204,119	-	41,204,119	
Other comprehensive income for the period	-	-	-	-	(34,975,942)	(34,975,942)	
Total comprehensive income for the period	-	-	-	41,204,119	(34,975,942)	6,228,177	
Balance as at 30 September 2022	381,145,725	68,000,000	38,115,000	877,707,200	(40,038,536)	1,324,929,389	
Balance as at 1 January 2023	381,145,725	68,000,000	38,115,000	754,519,128	17,043,658	1,258,823,511	
Profit for the period	-	-	-	52,300,503	-	52,300,503	
Other comprehensive income for the period	-	-	-	-	(43,082,920)	(43,082,920)	
Total comprehensive income for the period	-	-	-	52,300,503	(43,082,920)	9,217,583	
Balance as at 30 September 2023	381,145,725	68,000,000	38,115,000	806,819,631	(26,039,262)	1,268,041,094	

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

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
STATEMENT OF CASH FLOWS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2023

	In Bath				
	Notes	Consolidated	Separate		
		2023	2022	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit(loss) before tax		91,527,910	(2,648,667)	52,236,339	51,123,192
Adjustments to reconcile net profit(loss) to net cash provided by operating activities					
Unrealized gain on exchange rate		(1,828,499)	(3,016,910)	(1,828,499)	(2,515,983)
Loss on impairment of financial assets		-	-	224,383	-
Loss on impairment of investment in subsidiary		-	-	16,132,323	-
Loss on diminution in value of inventories (reversal)		267,189	4,247,803	(1,162,882)	3,518,476
Loss of allowance for expected credit losses		23,048	119,852	23,048	119,852
Loss for write-off inventories		9,710,196	-	-	-
Gain from changes in value of other current financial assets		(673,824)	(115,111)	(673,824)	(115,111)
Gain from debt restructuring	16,25	(59,827,726)	-	-	-
Net gain on disposal of assets and write-off of assets		(979,455)	(1,121,229)	(68,005)	(1,121,229)
Depreciation and amortization		70,014,559	68,393,251	53,396,151	49,875,037
Employee benefit		2,279,497	3,228,971	2,279,497	2,958,803
Change in fair value of forward exchange contracts		4,027,017	7,393,390	4,027,017	7,393,390
Interest income		(370,445)	(80,561)	(594,307)	(185,543)
Interest expenses		4,663,444	4,797,559	1,064,343	173,791
Profit from operating activities before change in operational assets and liabilities		118,832,911	81,198,348	125,055,584	111,224,675
Decrease(increase) in operational assets					
Trade and other current receivables		(625,744)	(46,251,936)	(1,897,025)	(36,968,721)
Accounts receivable-planters		5,101,050	9,773,857	5,101,050	9,773,857
Inventories		34,899,437	(23,241,463)	28,793,922	(34,235,229)
Other current assets		-	215,020	-	-
Other non-current assets		(508,212)	189,447	59,688	189,447
Increase(decrease) in operational liabilities					
Trade and other current payables		2,734,750	6,666,440	6,961,917	(3,674,581)
Other current liabilities		655,049	(1,299,391)	616,564	270,346
Employee benefit obligations		(5,076,333)	(3,357,267)	(5,076,333)	(3,357,267)
Cash received from operating activities		156,012,908	23,893,055	159,615,367	43,222,527
Cash paid for tax		(26,060)	(7,819,645)	(26,060)	(7,819,645)
Income tax refundable		1,040,498	-	1,040,498	-
Net cash provided by operating activities		157,027,346	16,073,410	160,629,805	35,402,882

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

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2023

	In Bath			
	Consolidated		Separate	
	financial statement		financial statements	
Notes	2023	2022	2023	2022
CASH FLOWS FROM INVESTING ACTIVITIES				
Decrease (increase) in other current financial assets	29,981,993	(3)	29,981,993	(3)
Cash paid for sale and purchase assets agreement				
with option to repurchase memorandum	9	-	(144,018,692)	-
Interest received	370,442	80,561	369,922	185,543
Increase in short-term loans to the subsidiary	-	-	-	(10,000,000)
Proceeds from disposal of equipment	1,038,700	1,570,167	102,157	1,570,167
Cash paid for acquisition of plant and equipment	(26,189,740)	(20,643,391)	(26,124,640)	(20,008,564)
Cash paid for acquisition of computer software	(65,531)	(218,262)	(65,531)	(218,262)
Net cash provided by(used in) investing activities	5,135,864	(19,210,928)	(139,754,791)	(28,471,119)
CASH FLOWS FROM FINANCING ACTIVITIES				
Increase in bank overdrafts and short-term loans				
from financial institutions	-	19,021,957	-	-
Cash receivable for short-term loans from other persons	250,000	-	-	-
Cash paid for long-term loans from other persons	(1,868,700)	(810,000)	-	-
Cash paid for long-term loan from financial institutions	-	(1,488,325)	-	-
Repayment of loan and lease liabilities				
under debt restructuring	16,25	(137,000,000)	-	-
Cash paid for dividends	(18,900)	-	(18,900)	-
Interest paid	(142,046)	(3,829,028)	(142,046)	(173,791)
Payment for lease liabilities	(278,718)	(1,688,244)	(278,718)	(635,527)
Net cash provided by(used in) financing activities	(139,058,364)	11,206,360	(439,664)	(809,318)
Net increase in cash and cash equivalents	23,104,846	8,068,842	20,435,350	6,122,445
Cash and cash equivalents, beginning of period	192,066,717	196,122,925	190,702,047	194,958,751
Cash and cash equivalents, end of period	<u>215,171,563</u>	<u>204,191,767</u>	<u>211,137,397</u>	<u>201,081,196</u>
Supplement disclosures of cash flows information				
Non cash items				
Purchases of equipment by recording as other payables Increase	7,037,761	1,743,808	7,102,860	1,408,255
Decrease in accrued dividends	(18,900)	-	(18,900)	-

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

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2023 (UNAUDITED)

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.

2. BASIS FOR THE INTERIM FINANCIAL STATEMENTS PREPARATION

The interim financial statements are prepared on a condensed basis in accordance with Thai Accounting Standard (TAS) No. 34 Interim Financial Reporting; guidelines promulgated by the Federation of Accounting Professions (“TFAC”); and applicable rules and regulations of the Thai Securities and Exchange Commission.

The interim financial statements are prepared to provide an update on the financial statements for the year ended 31 December 2022. They do not include all of the financial information required for full annual financial statements but focus on new activities, events and circumstances to avoid repetition of information previously reported. Accordingly, these interim financial statements should be read in conjunction with the financial statements of the Company and its subsidiary for the year ended 31 December 2022.

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

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

3. FINANCIAL REPORTING STANDARDS

3.1 Financial reporting standards that became effective in the current period

During current period, the Group has adopted several revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2023, onwards. The adoption of these standards does not have any significant impact on the Group’s interim financial statements.

3.2 New financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2024, 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 2024, 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.

The Group's management believe that the amended financial reporting standards shall not have significant impacts to the Group.

**CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)
FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2023 (UNAUDITED)**

4. SIGNIFICANT ACCOUNTING POLICIES

The interim financial statements are prepared by using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2022.

5. TRANSACTIONS WITH RELATED COMPANIES

5.1 Relationships and pricing policies

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

	<u>Relationship</u>
<u>Subsidiary</u>	
Sino-Thai Freeze & Dry Co., Ltd.	Shareholding by the Company
<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
Receivable from sale and purchase assets agreement with option to repurchase memorandum	Interest charge at rate of 8.32% per annum
Short-term loans to / Short-term loans from Guarantee	Interest charge at rate of 3% per annum / Interest free Free of charge

5.2 Balances of transactions with related companies

Balances of transactions with related companies as at 30 September 2023 and 31 December 2022 are as follows:

	In Baht			
	Consolidated financial statements		Separate financial statements	
	30 September 2023	31 December 2022	30 September 2023	31 December 2022
Trade receivables (Note 7)				
Subsidiary	-	-	23,450	23,450
Accrued Interest (Note 7)				
Subsidiary	-	-	405,205	180,822
<u>Less</u> Expected Credit Loss	-	-	(405,205)	(180,822)
Total accrued Interest	-	-	-	-
Other receivables (Note 7)				
Related companies	9,000	9,000	9,000	9,000

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	In Baht			
	Consolidated		Separate	
	30 September 2023	31 December 2022	30 September 2023	31 December 2022
Receivable from sale and purchase assets agreement with option to repurchase memorandum (Interest charge at rate of 8.32% per annum) (Note 9)				
Subsidiary	-	-	144,018,692	-
Short-term loan (Interest charge at rate of 3% per annum)				
Subsidiary				
Opening balance	-	-	10,000,000	-
<u>Add</u> Increase during the period	-	-	-	10,000,000
<u>Less</u> Expected Credit Loss	-	-	(10,000,000)	(10,000,000)
Ending balance	-	-	-	-
Short-term loans from related person (Interest free)				
Opening balance	-	-	-	-
<u>Add</u> Increase during the period	250,000	-	-	-
Ending balance	250,000	-	-	-

The Company recognized allowance for credit losses for short-term loans to subsidiary amounting to Baht 10 million in the statement 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.

5.3 Business transaction with related companies

Business transaction with related companies for the three-month periods ended 30 September 2023 and 2022 are as follows:

	In Baht			
	Consolidated		Separate	
	2023	2022	2023	2022
Other income				
Related companies	22,500	22,500	22,500	22,500
Financial income				
Subsidiary	-	-	75,616	75,616
Purchase of goods				
Subsidiary	-	-	-	68,062
Directors and management's benefits				
Short-term employee benefits	7,310,542	7,353,017	7,310,542	7,353,017
Post-employment benefits	101,260	77,712	101,260	77,712
Total	7,411,802	7,430,729	7,411,802	7,430,729

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NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)
FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2023 (UNAUDITED)

Business transaction with related companies for the nine-month periods ended 30 September 2023 and 2022 are as follows:

	In Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Other income				
Related companies	67,500	67,500	67,500	67,500
Financial income				
Subsidiary	-	-	224,383	105,205
Service expenses				
Subsidiary	-	-	-	171,000
Purchase of goods				
Subsidiary	-	-	-	305,881
Directors and management's benefits				
Short-term employee benefits	22,031,066	21,628,059	22,031,066	21,628,059
Post-employment benefits	307,285	233,136	307,285	233,136
Total	22,338,351	21,861,195	22,338,351	21,861,195

6. OTHER CURRENT FINANCIAL ASSETS

Other current financial assets as at 30 September 2023 and 31 December 2022 are as follows:

Consolidated and Separate financial statements

	In Baht					
	Fair value through profit or loss		Amortised cost		Total	
	30 September 2023	31 December 2022	30 September 2023	31 December 2022	30 September 2023	31 December 2022
Fixed deposits						
6 months	-	-	2,018	2,011	2,018	2,011
Unit trusts						
open-end fund	62,579,885	91,888,061	-	-	62,579,885	91,888,061
Total	62,579,885	91,888,061	2,018	2,011	62,581,903	91,890,072

Changes in unit trusts in open-ended funds measured at fair value through profit and loss for the nine-month period ended 30 September 2023.

Consolidated and Separate financial statements

	In Baht
	30 September 2023
Opening balance	91,888,061
Less Disposal during the year	(29,982,000)
Add Profit on change in fair value	673,824
Ending balance	62,579,885

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NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)
FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2023 (UNAUDITED)

7. TRADE AND OTHER CURRENT RECEIVABLES

	In Baht			
	Consolidated financial statements		Separate financial statements	
	30 September 2023	31 December 2022	30 September 2023	31 December 2022
Trade receivable - Subsidiary (Note 5.2)	-	-	23,450	23,450
Trade receivable - Other companies	101,616,383	96,053,268	101,610,225	95,713,546
Total trade receivable	101,616,383	96,053,268	101,633,675	95,736,996
Receivable - Revenue Department	10,922,422	14,706,193	7,900,204	11,746,245
Prepaid expenses	6,143,504	4,994,597	6,142,258	4,697,991
Other current receivables-Related companies (Note 5.2)	9,000	9,000	9,000	9,000
Other current receivables	1,297,214	1,771,220	945,840	715,219
Deposit	1,000,000	1,000,000	-	-
Total	<u>120,988,523</u>	<u>118,534,278</u>	<u>116,630,977</u>	<u>112,905,451</u>

The aging of trade receivables as at 30 September 2023 and 31 December 2022 are as follows:

	In Baht			
	Consolidated financial statements		Separate financial statements	
	30 September 2023	31 December 2022	30 September 2023	31 December 2022
Trade receivable - Subsidiary				
Overdue :				
Less than 3 months	-	-	-	23,450
7-12 months	-	-	23,450	-
Total Trade receivable - Subsidiary	<u>-</u>	<u>-</u>	<u>23,450</u>	<u>23,450</u>
Trade receivables - Other companies				
Within credit terms	85,329,080	53,689,940	85,329,080	53,685,393
Overdue :				
Less than 3 months	16,281,145	42,360,556	16,281,145	42,025,381
3-6 months	5,152	-	-	-
7-12 months	1,006	2,772	-	2,772
Total Trade receivables - Other companies	<u>101,616,383</u>	<u>96,053,268</u>	<u>101,610,225</u>	<u>95,713,546</u>

8. ACCOUNTS RECEIVABLE-PLANTERS

Consolidated and Separate financial statements

	In Baht	
	30 September 2023	31 December 2022
Accounts receivable-planters	9,114,240	14,215,290
<u>Less</u> Expected credit loss allowance	(896,238)	(873,190)
Net	<u>8,218,002</u>	<u>13,342,100</u>

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As at 30 September 2023 and 31 December 2022, 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 30 September 2023, 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.

9. RECEIVABLE FROM SALE AND PURCHASE ASSETS AGREEMENT WITH OPTION TO REPURCHASE MEMORANDUM

On 31 July 2023, the Company entered into a sale and purchase assets agreement of land together with buildings and machineries ("the assets") with the subsidiary in total amount of Baht 145 million (include vat) in order to repayment debt restructuring with the financial institutions (Note 16 and 25). The subsidiary received the money in full amount and transferred the ownership of assets on 7 August 2023.

On the same day, the Company and the subsidiary have entered into a memorandum of the option to repurchase all of the assets together at the same time within one year in amount of Baht 145 million plus interest rate as specified in the memorandum. Under the memorandum, the subsidiary has the duties to own the assets on behalf of the Company, maintenance the assets in a good condition with the subsidiary's expense and pay an insurance premium. This transaction is considered that the control over the assets has not been transferred to the Company. The Company's management, therefore, considers recording the transaction as a loan in the separate financial statements. The Company's management also considered the ability and uncertainty regarding the payment of Baht 145 million including interest to be received. The Company, therefore, did not recognize interest income in the separate financial statements. If the subsidiary is unable to repurchase such assets within the specified period in the memorandum, the Company will derecognize the loan and recognize the assets in the separate financial statements.

Movements of Receivable from sale and purchase assets agreement with option to repurchase memorandum for the nine-month period ended 30 September 2023 are as follows:

	In Baht
	<u>Separate financial statements</u>
Receivable from sale and purchase assets agreement with option to repurchase memorandum as at 31 July 2023	156,995,548
Deferred interest income	(11,995,548)
	<u>145,000,000</u>
<u>Less</u> Tax relating to the agreement	(981,308)
Net	<u><u>144,018,692</u></u>

10. INVENTORIES

	In Baht					
	<u>Consolidated financial statements</u>					
	Cost		Allowance for diminution of inventories		Inventories-net	
	30 September 2023	31 December 2022	30 September 2023	31 December 2022	30 September 2023	31 December 2022
Finished goods and semi-finished products	372,509,265	413,655,183	(10,338,864)	(9,919,758)	362,170,401	403,735,425
Raw material and supplies	36,096,434	36,106,178	(569,762)	(688,345)	35,526,672	35,417,833
Seeds, insecticide, fertilizer	33,460,860	36,914,831	(2,984,291)	(3,017,625)	30,476,569	33,897,206
Total	<u>442,066,559</u>	<u>486,676,192</u>	<u>(13,892,917)</u>	<u>(13,625,728)</u>	<u>428,173,642</u>	<u>473,050,464</u>

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NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)
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	In Baht					
	Separate financial statements					
	Cost		Allowance for diminution of inventories		Inventories-net	
30 September 2023	31 December 2022	30 September 2023	31 December 2022	30 September 2023	31 December 2022	
Finished goods and semi-finished products	365,698,918	391,029,124	(6,717,292)	(7,691,473)	358,981,626	383,337,651
Raw material and supplies	33,708,429	33,718,173	(532,978)	(688,345)	33,175,451	33,029,828
Seeds, insecticide, fertilizer	33,460,860	36,914,832	(2,984,291)	(3,017,625)	30,476,569	33,897,207
Total	32,868,207	461,662,129	(10,234,561)	(11,397,443)	422,633,646	450,264,686

For the nine-month period ended 30 September 2023, reduction (reversal) of cost to net realisable value is summarised as follows.

	In Baht	
	Consolidated financial statement	Separate financial statements
Allowance for inventories to net realizable value (reversal)	267,189	(1,162,882)

During the period, the Group has amortization of deteriorated inventories amount of million 9.71 baht recorded in administrative expenses.

11. INVESTMENT IN SUBSIDIARY

Separate financial statements as at 30 September 2023 and 31 December 2022.

	Country of incorporation	Paid-up Capital (In Baht)	Holdings (%)	At Cost (In Baht)	
				30 September 2023	31 December 2022
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
<u>Less</u> Impairment losses of investments in subsidiary				(127,132,323)	(111,000,000)
Net				-	16,132,323

Details of investments in subsidiary that have material non-controlling interests as at 30 September 2023.

Company	Proportion of equity interest held by non-controlling interests (%)	Accumulated balance of non-controlling interests	Loss allocated to non-controlling interests during the period	Dividend paid to non-controlling interests during the period
				(In Million Baht)
Sino-Thai Freeze & Dry Co., Ltd.	31.28	13.71	6.61	-

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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 30 September 2023	(In Million Baht)
Current assets	13.96
Non-current assets	225.10
Current liabilities	(172.71)
Non-current liabilities	(19.62)
Net-asset	<u>46.73</u>

Summarized information about comprehensive income.

For the three-month and nine-month periods ended 30 September 2023	(In Million Baht)	
	For the three-month period	For the nine-month period
Total revenue	<u>59.89</u>	<u>65.67</u>
Profit	51.38	21.13
Other comprehensive income	-	-
Total comprehensive income	<u>51.38</u>	<u>21.13</u>

On 14 December 2022, the subsidiary decided to cease operation because the operating results of the subsidiary do not meet the target. The result of the operation was loss and lack of liquidity and current liabilities exceeded current assets. As at 30 September 2023, the Group's management recorded allowance for loss on impairment of asset amounting of Baht 127.13 million (31 December 2022: Baht 111 million) and recorded loss on reduction of investment in subsidiary in statement of comprehensive income for the nine-month period ended 30 September 2023 amounting of Baht 16.13 million.

As at 31 July 2023, the loan from the financial institution and finance lease payable had a total amount of Baht 196.83 million(Note 16), consisting with the principal in the amount of Baht 183.95 million and accrued interest expenses in the amount of Baht 12.87 million. On 7 August 2023, the subsidiary paid the principal and accrued interest expenses under the debt restructuring agreement amounted to Baht 137.00 million and recorded a reduction of the principal and accrued interest expenses in the amount of Baht 59.83 million as the gain from debt restructuring in the consolidated statement of comprehensive income for the three-month and nine-month periods ended 30 September 2023 (Note 16).

Currently, the subsidiary is in the process of finding a new investor according to the subsidiary's business plan. This situation presents there is material uncertainty that may cast significant doubt on the subsidiary's ability to continue as a going concern. If the subsidiary is unable to find funding sources in accordance with the planned business plan. However, the subsidiary believes that it would be able to find funding sources in soon and be able to operate as usual. Additional, the subsidiary has no plan to liquidate the business within 12 months of the date of the financial statements. Therefore the financial statements of subsidiary has been prepared in accordance with the going concern principle. It does not include asset revaluation and reclassification of assets and liabilities. This may be necessary if the subsidiary is unable to continue as a going concern.

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12. INVESTMENT PROPERTY

Investment properties of the Group as at 30 September 2023 and 31 December 2022, 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 30 September 2023 amounted to Baht 113.81 million. (31 December 2022 : Baht 113.81 million).

13. PROPERTY, PLANT AND EQUIPMENT

	In Baht	
	Consolidated financial statements	Separate financial statements
For the nine-month period ended 30 September 2023		
Opening net book value	668,672,173	427,574,548
<u>Add</u> Acquisition	33,227,500	33,227,500
<u>Less</u> Disposal and write off assets	(59,244)	(34,152)
Depreciation	(69,110,867)	(52,492,459)
Closing net book value	<u>632,729,562</u>	<u>408,275,437</u>

14. REFUNDABLE DEPOSIT RECEIVABLE

On 25 March 2016, the Company has signed the pre-deposit lease agreement with the lessor. The prelease 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 prelease 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.

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Lease deposit on land as at 30 September 2023 and 31 December 2022 are as follows:

Consolidated and Separate financial statement

	In Baht	
	30 September 2023	31 December 2022
Opening balance	25,358,949	25,358,949
<u>Less</u> Allowance for expected credit loss	(25,358,949)	(25,358,949)
Net	-	-

15. INTANGIBLE ASSETS-SOFTWARE COMPUTER

	In Baht	
	Consolidated financial statements	Separate financial statements
For the nine-month period ended 30 September 2023		
Opening net book value	6,363,620	6,363,620
<u>Add</u> Acquisition	65,531	65,531
<u>Less</u> Amortization	(903,692)	(903,692)
Closing net book value	5,525,459	5,525,459

16. LOANS FROM FINANCIAL INSTITUTION

16.1 Bank overdrafts and short - term loans from financial institution

	Interest rate (per annum)	In Baht			
		Consolidated financial statement		Separate financial statement	
		30 September 2023	31 December 2022	30 September 2023	31 December 2022
Bank Overdrafts	MOR	-	10,051,587	-	-
Packing credit	MLR-1.5%	-	19,990,000	-	-
Total		-	30,041,587	-	-

As at 30 September 2023, the Company has the overdrafts and short-term loans facilities amounted to Baht 230 million. (31 December 2022: Baht 280 million). The facilities charge an interest at the rate of MOR per annum.

16.2 Long-term loans from financial institution

Consolidated financial statements as at 30 September 2023 and 31 December 2022.

Loans	Interest rate (per annum)	Contract repayment	In Baht	
			30 September 2023	31 December 2022
1. Loans from a local financial institution	3 - 5%	Monthly payment from 2018 to 2030	-	105,128,771
2. Loans from a local financial institution	3 - 5%	Monthly payment from 2018 to 2028	-	31,476,403
3. Loans from a local financial institution	3 - 5%	Monthly payment from 2018 to 2025	-	7,799,420
4. Loans from a local financial institution	3 - 5%	Monthly payment from 2017 to 2023	-	226,143
Total			-	144,630,737
<u>Less</u> Current portion of long-term loan from financial institution			-	(144,630,737)
Long-term loans-net			-	-

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The loan agreements contain certain covenants with which the subsidiary must comply, among other things. However, as at 31 December 2022, 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 as current liabilities in the statements of financial position.

During July and November 2022, the subsidiary made a negotiable for extension of repayment period and change the conditions of the payment. In December 2022, the subsidiary ceased the payment of principal and interest according to the terms of the loan agreements. As a result, the financial institution began to calculate the interest with the default interest rates (8.07% - 8.32% per annum) start from 1 January 2023 onwards.

16.3 Lease liabilities

Movement of the lease liabilities for the nine-month period ended 30 September 2023 are as follows:

	In Baht	
	Consolidated financial statements	Separate financial statements
As at 1 January 2023	11,572,803	2,290,652
Transfer to liabilities under debt restructuring	(9,282,151)	-
Repayment	(278,718)	(278,718)
As at 30 September 2023	2,011,934	2,011,934
<u>Less</u> Current portion of lease liabilities	(291,850)	(291,850)
Net	<u>1,720,084</u>	<u>1,720,084</u>

The following are the amounts for the three-month periods ended 30 September 2023 and 2022 recognized in profit or loss:

	In Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Depreciation	665,484	955,466	70,958	184,494
Interest paid	45,073	162,559	45,073	54,157
Expense relating to short-term lease	855,516	848,000	855,516	706,000
Leases of low-value underlying assets	12,000	12,000	12,000	12,000
Total	<u>1,578,073</u>	<u>1,978,025</u>	<u>983,547</u>	<u>956,651</u>

The following are the amounts for the nine-month periods ended 30 September 2023 and 2022 recognized in profit or loss:

	In Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Depreciation	2,031,926	2,840,991	267,735	547,463
Interest paid	350,255	340,864	140,009	170,886
Expense relating to short-term lease	2,326,279	2,399,200	2,307,279	1,939,200
Leases of low-value underlying assets	36,000	36,000	36,000	36,000
Total	<u>4,744,460</u>	<u>5,617,055</u>	<u>2,751,023</u>	<u>2,693,549</u>

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The Company 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 and certain directors and parent company.

Subsidiary

Movement of the Bank overdrafts and short - term loans, long - term loans from financial institution and lease liabilities of subsidiary entered into Debt Restructuring Agreements with financial institution and leasing company for the nine-month period ended 30 September 2023 are as follows:

	In Baht
	<u>Consolidated</u>
	<u>financial statements</u>
Opening balance	
Bank overdrafts and short - term loans (Note 16.1)	30,041,587
Long-term loans (Note 16.2)	144,630,737
Lease liabilities - Subsidiary (Note 16.3)	9,282,151
Total liabilities as at date debt restructuring	183,954,475
Accrued interest as at date debt restructuring	12,873,251
Cash paid for loan and lease liabilities under debt restructuring (Note 25)	(137,000,000)
Gain from debt restructuring (Note 25)	(59,827,726)
Ending balance	-

17. TRADE AND OTHER CURRENT PAYABLES

	In Baht			
	<u>Consolidated</u>		<u>Separate</u>	
	<u>financial statements</u>		<u>financial statements</u>	
	30 September	31 December	30 September	31 December
	2023	2022	2023	2022
Trade payables - Other companies/other person	28,677,645	24,127,388	27,822,001	22,739,670
Accrued expenses	27,483,078	29,627,091	26,347,310	25,139,420
Accrued interest	-	8,816,207	-	-
Unearned revenue	550,730	482,115	550,730	75,194
Factory construction payables	2,880,273	2,880,273	-	-
Purchase assets payables	7,806,626	739,118	7,688,508	555,902
Others payables	5,700,458	5,928,258	208,160	41,746
Total	<u>73,098,810</u>	<u>72,600,450</u>	<u>62,616,709</u>	<u>48,551,932</u>

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18. LONG-TERM LOANS FROM OTHER PERSON

Consolidated financial statements as at 30 September 2023 and 31 December 2022.

	In Baht	
	30 September 2023	31 December 2022
Long-term loans	22,815,300	24,684,000
<u>Less Current portion</u>	<u>(3,197,400)</u>	<u>(3,197,400)</u>
Long-term loans-net of current portion	<u>19,617,900</u>	<u>21,486,600</u>

Movement of the long-term loans from other persons for the nine-month period ended 30 September 2023 are as follows:

	In Baht
Opening balance	24,684,000
Repayment loan during the period	<u>(1,868,700)</u>
Ending balance	<u>22,815,300</u>

As at 30 September 2023, 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.

19. EMPLOYEE BENEFIT OBLIGATIONS

Movement in the present value of the defined benefit obligations for the nine-month period ended 30 September 2023 are as follows:

	In Baht	
	Consolidated financial statements	Separate financial statements
Defined benefit obligations at 1 January 2023	64,707,170	64,707,170
Included in profit or loss:		
Current service costs	2,279,497	2,279,497
Interest on obligation	922,296	922,296
Employee benefit paid during the period	<u>(5,076,333)</u>	<u>(5,076,333)</u>
Defined benefit obligations at 30 September 2023	<u>62,832,630</u>	<u>62,832,630</u>

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20. 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.

For the three-month periods ended 30 September 2023 and 2022, the Group has export sales and domestic sales are as follows:

	In Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Export sales	289,109,196	305,087,096	289,109,196	282,855,376
Domestic sales	19,162,744	21,147,897	19,162,744	19,803,328
Total	<u>308,271,940</u>	<u>326,234,993</u>	<u>308,271,940</u>	<u>302,658,704</u>

For the nine-month periods ended 30 September 2023 and 2022, the Group has export sales and domestic sales are as follows:

	In Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Export sales	877,157,761	993,207,522	874,858,854	934,076,175
Domestic sales	59,244,922	52,719,471	57,832,299	49,614,175
Total	<u>936,402,683</u>	<u>1,045,926,993</u>	<u>932,691,153</u>	<u>983,690,350</u>

21. IMPAIRMENT LOSSES OF ASSETS

Consolidated and Separate financial statements for the three-month and nine-month periods ended 30 September 2023 and 2022 are as follows:

	In Baht			
	For the three-month period		For the nine-month period	
	2023	2022	2023	2022
Loss on reduction of investment in subsidiary	-	-	16,132,323	-
Impairment losses on financial assets	75,616	-	224,383	-
	<u>75,616</u>	<u>-</u>	<u>16,356,706</u>	<u>-</u>

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22. INCOME TAX

Tax expenses (income) for the three-month periods ended 30 September 2023 and 2022 are made up as follows:

	In Baht			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2023	2022	2023	2022
Current income tax				
Corporate income tax	-	1,771,885	-	1,771,885
Deferred tax				
Relating to origination and reversal of temporary differences	(116,447)	(992,845)	(116,447)	(894,411)
Tax expenses (income) reported in the statements of comprehensive income	<u>(116,447)</u>	<u>779,040</u>	<u>(116,447)</u>	<u>877,474</u>

Tax expenses (income) for the nine-month periods ended 30 September 2023 and 2022 are made up as follows:

	In Baht			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2023	2022	2023	2022
Current income tax				
Corporate income tax	-	9,590,403	-	9,590,403
Deferred tax				
Relating to origination and reversal of temporary differences	(64,164)	128,771	(64,164)	328,670
Tax expenses (income) reported in the statements of comprehensive income	<u>(64,164)</u>	<u>9,719,174</u>	<u>(64,164)</u>	<u>9,919,073</u>

The amounts of income tax relating to each component of other comprehensive income for the three-month periods ended 30 September 2023 and 2022 are as follows:

	In Baht			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2023	2022	2023	2022
Loss from cash flow hedging	<u>(3,607,472)</u>	<u>(5,182,020)</u>	<u>(3,607,472)</u>	<u>(5,182,020)</u>

The amounts of income tax relating to each component of other comprehensive income for the nine-month periods ended 30 September 2023 and 2022 are as follows:

	In Baht			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2023	2022	2023	2022
Loss from cash flow hedging	(10,770,730)	(8,743,985)	(10,770,730)	(8,743,985)
Actuarial gain	-	164,175	-	-
Total	<u>(10,770,730)</u>	<u>(8,579,810)</u>	<u>(10,770,730)</u>	<u>(8,743,985)</u>

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

	In Baht			
	Consolidated financial statements		Separate financial statements	
	30 September 2023	31 December 2022	30 September 2023	31 December 2022
Statements of financial position				
Deferred tax assets				
Allowance for expected credit losses	179,248	174,639	179,248	174,639
Allowance for net realizable value	2,046,912	2,279,488	2,046,912	2,279,488
Provisions for employee benefit obligations	12,566,527	12,941,434	12,566,527	12,941,434
Change in fair value of derivatives	7,460,151	469,996	7,460,151	469,996
Loss from impairment of investments in subsidiary	9,000,000	9,000,000	9,000,000	9,000,000
Deferred tax liability				
Change in fair value of derivatives	(31,063)	(4,617,042)	(31,063)	(4,617,042)
Unrealized gain from change of investment open-end-fund	(425,028)	(286,662)	(425,028)	(286,662)
	<u>30,796,747</u>	<u>19,961,853</u>	<u>30,796,747</u>	<u>19,961,853</u>

23. FOREIGN CURRENCY RISK

The Group has balances of financial assets and liabilities denominated in foreign currencies as at 30 September 2023 and 31 December 2022 as follows.

	Amount					
	Consolidated financial statements		Separate financial statements		Average exchange rate	
	30 September 2023	31 December 2022	30 September 2023	31 December 2022	30 September 2023	31 December 2022
Foreign currency	(In Million)	(In Million)	(In Million)	(In Million)	(Baht per 1 foreign currency unit)	
Financial assets						
US Dollar	2.43	2.47	2.43	2.46	36.3944	34.3913
Financial liability						
US Dollar	0.007	0.022	0.007	0.022	36.7222	34.7335
Euro	-	0.001	-	0.001	-	37.2053

As at 30 September 2023, 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	19.33	33.8319	November 2023 - October 2024

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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

24. 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 30 September 2023 and 31 December 2022, 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 30 September 2023				
Assets measured at fair value				
Derivatives assets				
Foreign currency forward contracts	-	155,314	-	155,314
Trading investment-Fund	-	62,579,885	-	62,579,885
Liabilities measured at fair value				
Derivatives liabilities				
Foreign currency forward contracts	-	37,300,754	-	37,300,754
Assets for which fair value are disclosed				
Investment property	-	113,812,500	-	113,812,500
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

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During the current period, 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.

25. DEBT RESTRUCTURING THE WITH FINANCIAL INSTITUTION AND LEASING COMPANY

In May 2023, a local financial institution filed a lawsuit against the subsidiary (the first defendant) and the Company (the third defendant as a guarantor) to repay the principal of loans with interest in a total amount of Baht 186.81 million. On 31 July 2023, the financial institution with the leasing company which is the financial institution's subsidiary, the subsidiary and the Company (as the guarantor) entered into a Debt Restructuring Agreements in order to compromise with the Court. The subsidiary and the Company agreed to repay the debt in the total amount of Baht 137.00 million. On 27 July 2023, the board of directors' meeting passed a resolution to approve the debt restructuring plan.

As at 31 July 2023, the loan from the financial institution and finance lease payable had a total amount of Baht 196.83 million(Note 16), consisting with the principal in the amount of Baht 183.95 million and accrued interest expenses in the amount of Baht 12.87 million. On 7 August 2023, the subsidiary paid the principal and accrued interest expenses under the debt restructuring agreement amounted to Baht 137.00 million and recorded a reduction of the principal and accrued interest expenses in the amount of Baht 59.83 million as the gain from debt restructuring in the consolidated statement of comprehensive income for the three-month and nine-month periods ended 30 September 2023 (Note 16).

26. COMMITMENT AND CONTINGENT LIABILITIES

As at 30 September 2023

- 26.1 The Group has commitments for software license and system consulting agreement amounting of Baht 0.31 million.
- 26.2 The Group has contingently liability for bank guarantees issued in favor of government agency amounting to approximately Baht 9.47 million.
- 26.3 The Group has capital expenditure in respect of the solar rooftop on-grid system and the installment of machine amounting of Baht 14.79 million.

27. APPROVAL OF THE INTERIM FINANCIAL STATEMENTS

These interim financial statements have been approved by the Company's Board of Directors on 8 November 2023.