



ANNUAL REPORT 2023

CHIANGMAI FROZEN FOODS PUBLIC CO.,LTD.





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Message from Chairman of Board of Directors

Chiangmai Frozen Foods Public Company Limited, stock abbreviation “CM,” produces and distributes agricultural processed products. By the freezing process, Throughout more than 30 years, we have maintained high production standards. Continuously develop production models, develop product quality (Quality), and take care of the environment. (Environmental), society (Social) and corporate governance (Governance) for the business to grow sustainably. (Sustainability) In addition to frozen products, the company has also developed ready-to-eat products under the brand Cornista. and EDA In 2023, a year marked by the subsiding of the global pandemic, Frozen Foods Public Company Limited demonstrated its resilience. Despite the initial impact on our operations, we swiftly adjusted our strategies, leading to a more positive direction. We are proud to announce that in 2023, the group achieved a revenue of 1.25 billion baht. This success has further fueled our commitment to expanding our customer base to other regions worldwide, including the United States, European countries, and the Asian region.

On behalf of the board of directors, executives, and all employees, we extend our heartfelt gratitude to our shareholders, investors, business partners, and all stakeholders, both domestically and abroad. Your unwavering cooperation and support have been instrumental in our journey. We reiterate our commitment to conducting business according to sustainable development guidelines as we strive for stable business growth under the principles of good governance.

Mr. Prayoon Pholpipattanaphong
Chairman of the Board of Directors,
Chiangmai Frozen Foods Public Company Limited

Clarification of Chairman of the Audit Committee

Dear The Shareholders,

The Company's Board of Directors has resolved to appoint an Audit Committee, which consists of three independent directors: Mr. Amnuay Yossuk, Chairman of the Audit Committee; Mr. Amphon Ruayfuphan; and Ms. Chutima Tangmatitham, members of the Audit Committee. Perform duties as assigned by the Company's Board of Directors, following the regulations of the Thailand Stock Exchange.

In the year 2023, The Audit Committee held several meetings. We invited the auditor-related management department and internal auditors to the conference four times. In summary, the main results of the work were as follows:

1. Review quarterly financial and financial statements for 2023 and listen to reports and clarifications from management and auditors in related matters clearly and adequately. Therefore, the auditor consistently believes that such financial statements are correct in all material respects, following generally accepted accounting standards.
2. Review the disclosure of information on connected transactions between the Company, subsidiaries, and related companies. I believe that the information regarding the connected transactions had been disclosed correctly and adequately.
3. Review compliance with securities and stock exchange laws. And laws related to the company's business. The audit committee found no significant issues. Regarding non-compliance with the law on securities and exchange and regulations related to business in any way
4. Strengthen the independence of internal auditors' work. Approve the annual internal audit plan. Review the company's internal control system and adequate risk management and effectiveness, including evaluating the adequacy of the internal control system according to the guidelines set by the Securities and Exchange Commission (SEC). There are five elements: control environment, risk assessment, control measures, information and communication systems. Tracking system In summarizing the operations in various areas, the Audit Committee has assessed and believes that the company has an internal control system and risk management that is adequate and effective, and no flaws in internal control were found. That is significant and will cause a significant impact

1. Considered and proposed to the Board of Directors To request approval to appoint an auditor and audit fees for the year 2023 by proposing auditors from the AST Master office who are independent and approved by the SEC.
2. Supervising corruption prevention The Audit Committee has focused on improving the company's operating processes and internal control systems to ensure a control system. Internally, it covers the prevention of corruption. To ensure transparency and review. In addition, the company has been certified as a member of the Thai Private Sector Collective Action Coalition Against Corruption. in combating corruption, which shows our commitment to tackling all forms of corruption. The Audit Committee is responsible for reviewing Evaluation results according to the self-evaluation form regarding anti-corruption measures of businesses according to the Thai Private Sector Collective Action Coalition Against Corruption Project. This is following the principles of good corporate governance for listed companies.
3. Review and supervise the performance of directors, executives, and employees to ensure compliance with the anti-fraud and corruption policy by the results of the internal auditor's review and supervision of the audit. No corruption was found regarding compliance with the anti-fraud and corruption policy of directors, executives, and employees for 2023.
4. The Audit Committee's self-assessment, which is an annual evaluation, was carried out. The assessment results of 2023 show that the Audit Committee has performed its duties successfully according to the set plan. The results of the Audit Committee's self-assessment were 95 percent.

Mr. Amnuay Yossuk

Chairman of the Audit Committee

28 February 2024

Financial Highlights

	Unit	2021	2022	2023
Statement of Income				
Sales Income	Million baht	1,064.39	1,347.48	1,269.63
Earnings before interest, Taxes, Depreciation and Amortization (EBITDA)	Million baht	25.95	64.07	189.98
Profit attribute to Equity Holders of the Company	Million baht	(70.69)	(31.76)	98.45
Statement of Financial Position				
Total Assets	Million baht	1,664.83	1,634.49	1,527.35
Total Liabilities	Million baht	352.89	356.01	155.71
Non-controlling Interests of the Subsidiaries	Million baht	30.78	7.10	9.18
Equity Attributable to Owners of the Company	Million baht	1,281.16	1,271.38	1,362.46
Shares or Information about Common Shares				
Issued and Paid-up Share Capita	Million Share	381.15	381.15	381.15
Book Value per share	THB	3.44	3.35	3.60
Earnings (Loss) per Share	THB	(0.19)	(0.08)	0.26
Dividend per Share	THB	Omission	Omission	0.09 *
Dividend Payout Ratio	Percent	Omission	Omission	84.51*
Share Price at the End of the Period	THB	2.84	2.58	2.18

*Remark

The dividend payment from the operations of 2023 is still uncertain and depends on the resolution of the 2024 Annual General Meeting of Shareholders, which is scheduled to convene on Wednesday, 24 April 2024

BOARD OF DIRECTORS



Mr. Prayoon Pholpipattanaphong
Chairman of Board of Company



Mr. Prapas Pholpipattanaphong
Chairman of Executive Committee



Mr. Ankoon Pholpipattanaphong
Managing Director



Mr. Lan, Mu-Chiou
Director



Mr. Amnuay Yossook
Independent Director



Mr. Ampon Ruayfupant
Independent Director



Dr. Phusit Wonglorsaichon
Independent Director



Miss. Chutima Tangmatitham
Independent Director



Mr. Lan Ming Te
Director



Mr. Peerapat Pholpipattanaphong
Executive Director

Section

1

Business and Operation Performance

1. Structure and operations of the group of companies

1.1 Policy and overview of business operations

Chiangmai Frozen Foods Public Company Limited, also known as "CM," specializes in producing, processing, and distributing frozen vegetables, including soybeans, green beans, sweet corn, and baby corn. Over 90 percent of the company's product sales are to international markets, with Japan being a significant trading partner, accounting for approximately 10 percent of sales within that market segment. Additionally, the company distributes its products domestically.

Vision, mission, and corporate philosophy

Vision

- We are dedicated to advancing our position as a frontrunner in frozen agricultural products and agricultural processing.

Mission

- The company strives to develop and choose high-quality vegetables that are fresh, clean, and free from chemicals, delivering products promptly according to customer preferences.
- The company also aims to ensure profitable returns on investment by upholding principles of corporate governance.

Corporate philosophy

- The highest satisfaction of our customers is our highest wish.

Corporate values

- Shareholders and all stakeholders will be treated equitably and impartially.
- Risks will always be carefully assessed and managed.
- Leadership development will be fostered across all personnel levels, promoting a positive and secure work environment.

- Strong relationships will be cultivated with society and communities, focusing on environmental preservation.
- The company will strive to become a high-quality organization and aspire to become a learning organization.
- Any forms of corruption and unethical practices will be strongly opposed.
- The company will not engage in or support businesses that violate human rights.

Business goals

- Consistently uphold product quality to comply with established standards.
- Committed to manufacturing products that fulfill consumer requirements.
- Actively seek avenues to expand business operations for the mutual benefit of all stakeholders.
- Conduct business operations ethically, prioritizing environmental sustainability and fostering positive relationships between the company and the community.

Company control and changes in the past year

"Mr. Prayoon Pholpipattanaphong, Chairman of the Board, or Mr. Ankoon Pholpipattanaphong, Managing Director, or Mr. Prapas Pholpipattanaphong, signed and affixed the company seal."

- In 2023, the Company has no change in control.

Changes in business operations in the past year:

- In 2023, the company did not undergo any changes in its business operations.

Change in shareholding structure Management or business operations in the past 3 years

In the past 3 years, there has been no change in the shareholding structure, management, or business operations.

Important changes and developments

November 1988	The establishment of the company with registered capital of 50 million baht and share value of 10 baht per share was registered.
April 1989	Build the first factory at Nong Chom Subdistrict, San Sai District, Chiang Mai Province, on an area of 15 rai 36. 6 sq m., completed on October 2 53 2
February 1990	Start earning income from operations.
December 1991	Increase registered capital from 50 million baht to 1 2 5 million baht.
January 1993	Licensed by the Stock Exchange of Thailand to be listed securities
January 1993	Start buying and selling securities on the Thailand Stock Exchange under the initials CM.
February 1994	Transformation from a limited company to a public limited company.
March 1994	Build a second factory at Mae Faek Mai Subdistrict, San Sai District, Chiang Mai Province, on 2 6 rai 2 9 . 9 sq m. It was completed, and production began in October 1995.
November 1998	Increase registered capital from 1 2 5 million baht to 2 10 million baht.
April 2003	Joint investment with River Kwai International Company Limited at the ratio of 51: 49 in Agrifood Processing Company Limited with an investment of 1 2 0 million baht, 30 million baht has been paid.

March 2004	Build a new cold room at Mae Faek Mai Subdistrict, San Sai District, Chiang Mai Province, on 8 rai three ngan 97 sq m., completed on July 2, 2005.
July 2004	Buy investments in companies Agrifood Processing Co., Ltd. from River Kwai International Co., Ltd. increased from 51 percent to 100 percent.
May 2005	Increased registered capital from 2 10 million baht to 315 million baht
May 2005	Change stock value From the original value of 10 baht per share to 1 baht per share.
May 2007	Increased registered capital from 315 million baht to 346 million baht
May 2009	Increased registered capital from 346 million baht to 381 million baht
August 2014	Study the feasibility of acquiring land and establishing a subsidiary in the Republic of the Union of Myanmar.
December 2014	The company stopped distributing products through Agrifood Processing Co., Ltd. (subsidiary) and proceeded to sell by exporting itself directly.
November 2015	The Company's Board of Directors resolved to register and cancel Agrifood Processing Company Limited.
March 2016	The Company has agreed to lease land with a foreign company in the Republic of the Union of Myanmar. To prepare to invest in factory construction according to the investment plan.
December 2016	Agrifood Processing Company Limited (subsidiary) has completed registration of liquidation.
May 2017	Invested in Sino-Thai Freeze and Dry Company Limited, 15 percent of the registered capital. Representing an investment of 37. 50 million baht.

August 2020	Additional investment in Sino-Thai Freeze and Dry Company Limited, at a ratio of 15 percent of the additional registered capital. Representing an investment of 7.5 million baht
March 2021	Invested additionally in Sino-Thai Freeze and Dry Company Limited with an investment budget of 120.20 million baht with a shareholding percentage of 68.7 percent.
November 2021	Board of Directors There was a resolution to cancel investment in Myanmar. The political unrest situation in Myanmar may significantly affect the returns and operations of investment projects
December 2022	Report on the resolution of the meeting of the board of directors of Sino-Thai Freeze and Dry Company Limited (subsidiary company) regarding the temporary cessation of operations of the subsidiary company.
January 2023	The company has received investment promotion card benefits, which are improvements in production efficiency for using renewable energy and modification of machinery to increase production efficiency for solar power generation. The company receives rights and benefits from various taxes, including exemption from corporate income tax for net profits obtained from promoted businesses for three years, three cards, including frozen vegetable and fruit production, two cards, and cold storage services, 1 card.
May 2023	According to the report of the resolution of the Board of Directors meeting, the company Entered into a debt restructuring agreement to compromise with the court. A financial institution filed a lawsuit against a subsidiary, and the company (as a guarantor) agreed to repay debt in the amount of 137 million baht, with principal amounting to 183.95 million baht and accrued interest amounting to 12.87 million baht. It was completed on August 7, 2023.

Key events in 2023:

The Company and its subsidiaries finalized debt restructuring agreements with financial institutions. In July 2023, the subsidiary and the company reached a debt restructuring agreement to settle debts totaling 137 million baht, completing the payment on August 7, 2023. The total debt, comprising loan and lease obligations, amounted to 196.83 million baht, with a principal of 183.95 million baht and accrued interest of 12.87 million baht. The company recognized a reduction in principal and accrued interest of 59.83 million baht as profit from debt restructuring in the consolidated statement of comprehensive income for the year ended December 31, 2023.

Corporate Governance Achievement Award



Assessment of Corporate Governance Reports for the Year 2022

The Company underwent an evaluation by the Thai Institute of Directors Association (IOD) with support from the Stock Exchange of Thailand. The assessment resulted in the Company being rated as "Excellent" according to the criteria

Certification of Membership Renewal in the Collective Action Coalition Against Corruption (CAC)



The company has been certified as a member of the CAC project since 2017. The company's membership was renewed on December 31, 2022, and is valid until December 31, 2025.



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TLS 8001



Company standards

The company has been certified with production management standards, including:

- Good Agricultural Practice (GAP) for promoting the care of farmers in cultivating crops destined for production.

Regarding production management within the factory, the company has been certified with:

- Good Manufacturing Practice (GMP) standards for safe food production.
- Hazard Analysis Critical Control Point (HACCP) system for analyzing and controlling hazards and critical points.
- Food safety management systems ISO 22000 and FSSC 22000 are used to ensure food safety.

Regarding employee care:

- The company has received standards for employee care according to the system.
- Thai Labor Standard TLS-8001:2020

1. Nature of business

The company functions as a manufacturer and exporter specializing in frozen vegetables, including frozen green beans, frozen soybeans, frozen sweet corn, frozen baby corn, and frozen mixed vegetables. Its raw materials are sourced from local farmers engaged in the cultivation of crops across the upper northern region of Thailand, facilitated through a project promoting agricultural practices conducive to the production plant's needs. The company supports farmers by providing seeds, fertilizers, pesticides, and advance payments, with agricultural extension officers offering expert guidance on planting and crop care in accordance with Good Agricultural Practices (GAP) and customer standards. This support spans the entire cultivation process, from pre-planting stages to harvest and delivery to the factory, ensuring farmers' adherence to correct agricultural practices. Furthermore, the company guarantees purchase of produce from farmers at fixed prices.

In the factory, the production process begins with the selection and preparation of raw materials, followed by trimming, washing, boiling, freezing, and storing the products in a cold room at -25 degrees

Celsius. The products are then gradually packed and shipped to customers based on orders. The entire production process adheres to efficient procedures aligned with various standards such as FSSC 22000, ISO 22000, HACCP, GMP, and customer specifications, as well as relevant laws. The company's distribution network extends to numerous countries, with Japan serving as its primary trading partner.

Product characteristics

The company's primary offerings consist of frozen vegetable products derived from agricultural produce like soybeans, green beans, sweet corn, carrots, baby corn, and others. These undergo a series of production steps including selection, trimming, washing, boiling, and subsequent freezing. They are then stored in a cold room before undergoing grading, packing, and exportation, all managed through an efficient production process. The company adheres to various standards such as ISO 22000, FSSC 22000, HACCP, GMP, and GAP. Equipped with modern machinery, the

products are known for their high quality, freshness, cleanliness, and delicious taste, meeting customer preferences precisely.

Moreover, in 2023, the company enhanced its product portfolio by introducing frozen edamame, its original product sold under the brand "eda." Additionally, it innovated new products by leveraging its original raw materials, such as the BENAS brand edamame bread spread mixed with white chocolate, and the CORNISTA brand crispy sweet corn products coated with white chocolate and caramel butter. Initially available in retail stores and online platforms, these offerings aim to add value and cater to evolving consumer demands.

Characteristics of the original product in the OEM product group



Characteristics of products in the company's brands



Marketing policy in the past year

In 2023, the company recorded a sales volume of 19,917 tons, translating to a total sales value of 1,253.83 million baht. This marked a decrease of 83 million baht or 6 percent compared to the previous year. The company specializes in exporting frozen green bean products, frozen soybeans, and frozen sweet corn, with exports accounting for 93.67 percent of total sales and domestic sales comprising 6.33 percent. It holds a market share of approximately 1.0 percent in Japan within the mentioned product categories imported from other countries. Customer satisfaction levels remain consistently good to very good.

Moreover, the company has initiated marketing strategies to expand domestic and international sales channels. This involves introducing products under the company's proprietary brand, encompassing traditional offerings like frozen soybeans under the "Eda" brand, and new products derived from original raw materials. These value-added products are marketed under the company's own brand, including the BENAS brand edamame bread spread mixed with white chocolate and the CORNISTA brand crispy sweet corn coated with white chocolate and caramel butter. Initially, these products will be available for purchase at retail stores and through online platforms.

Competitive strategy

1. Pay heed to customer feedback across all demographics and promptly address their expectations and requirements.
2. Enhance product quality to consistently adhere to global standards, ensuring safety from chemical contaminants and impurities.
3. Ensure timely and efficient delivery of products tailored to meet customer specifications.
4. Foster the development of staff members, equipping them with the necessary knowledge and skills to operate at peak efficiency.

Highlights

1. The company maintains strong, long-standing relationships with its customers.
2. The company's senior executives possess extensive experience and expertise in trading agricultural products for over a decade.
3. The company's primary products are high-quality agricultural goods, fresh and ensured to be safe.

Cons

1. is longer than competitors in foreign countries, both China and Taiwan, making the company There is a higher transportation cost.
2. The size of most plantations is small and spread over a wide area. It is difficult to control and supervise the cultivation area. Compared to competitors abroad

target customers

The company's primary clientele includes importers, major traders, dealers, and retail customers who distribute products to supermarkets, various retail outlets, and food industry manufacturers. The majority of consumers of the company's products belong to the middle class and above demographic. Additionally, business customers seek semi-finished products that are clean, hygienic, and convenient for consumption.

Pricing policy

The company's policy is to offer products at competitive prices that can rival both domestic and international competitors.

The company's products are distributed to foreign countries through various channels:

1. Sales via importers and distributors.
2. Direct sales to customers.

Additionally, products sold under the company's brand within the country will be distributed through Modern Trade channels and online platforms.

Proportion of domestic and international sales

In the previous year, the company primarily sold its products to foreign markets, with 93.67 percent of sales going to countries such as Japan, the United States, Sweden, Denmark, Taiwan, and China. Domestic sales accounted for 6.33 percent.

Japan is the company's key market, given its widespread consumption of frozen vegetable products. The company's offerings are superior to competitors' products, yet offered at a more competitive price point. Consequently, consumer satisfaction with the company's products remains outstanding..

Competition conditions

The competitive landscape is relatively favorable for frozen vegetable products, given their high demand and consumption rate, particularly in Japan's primary market. Japanese consumers prioritize products that are fresh, clean, hygienic, and easy to prepare, which aligns well with the company's offerings. Additionally, Thailand's geographical advantage, with its minimal exposure to natural disasters, ensures consistent product delivery, unlike competitors such as China, which often face disruptions in supply due to frequent natural calamities. The Company's primary competitors include foreign counterparts like China, which possess comparable business scale and competitiveness in terms of product quality, pricing, and delivery reliability. Additionally, local manufacturers produce similar frozen agricultural products within the country, contributing to the competitive landscape.

Product Sourcing

The company sources its raw materials from farmers participating in its project, facilitated through raw material collectors operating across 16 northern provinces, including areas

like Chiang Mai, Chiang Rai, Phrae, Nan, Phayao, and others.

The company provides seeds, fertilizers, and pesticides to support farmers, ensuring a reserve payment for their produce. Agricultural extension officers from the company offer guidance and expertise to farmers throughout the planting process, advising on maintenance, fertilization, and the proper use of chemicals to ensure the production of high-quality, safe products with optimal yields per unit of land. Upon harvest, the company purchases the produce at guaranteed prices, deducting the costs of seeds, fertilizers, and pesticides from the purchase price.

The proportion of raw materials purchased in the country is approximately 200 raw material collectors, which accounts for 99 percent of the total.

Foreign countries - The company imports raw materials. Accounting for 1 percent.

Work that has not yet been delivered

As the company maintains year-round production, it ensures timely delivery of products based on customer orders, resulting in no backlog of undelivered orders.

Production capacity, production volume, and production value

Only for the company

list	2021	2022	2023	unit
Total production capacity of the machine	4 2,000	4 2,000	4 2,000	ton
Actual production volume (depending on the season) and quantity of raw materials)	18, 583	19,955	19,917	ton
Capacity utilization rate	44.25	47.51	47.42	%
The rate of increase (decrease) in the volume of production.	(4.63)	7.38	(0.19)	%

Group income structure

Unit: million baht

product	2021	%	2022	%	2023	%
Frozen vegetables and fruits	1,055.59	100	1,336.73	100	1,253.83	100
other	-		-		-	
Total sales revenue	1, 055.59	100	1, 336.73	100	1,253.83	100
Gain (loss) from exchange rate	(9.08)		(43.38)		4.48	
Investment Income	0.26		0 .45		2.19	
Other income	8. 54		10.29		13.61	
Total income	1,055.31		1,304.09		1,274.11	

product market	2021	%	2022	%	2023	%
Sales income - abroad	989.59	93.3	1,256.75	93.7	1,174.47	93.67
Revenue from sales - domestic	66.33	6.7	79.98	6.3	79.36	6.33
Total sales revenue	1,055. 59	100.0	1,336.73	100.0	1,253.83	100.0
Gain (loss) from exchange rate	(25.23)		(43.38)		4.48	
Investment Income	3.38		0 . 45		2.19	
Other income	8.59		10.29		13.61	
Total income	1,083.27		1,304.09		1,274.11	

Assets used in business operations

Chiang Mai Frozen Foods Public Company Limited has net assets Used in conducting business according to the financial statements for the year as of 31 December 2023 as follows :

Property type/characteristics	Ownership	Value (million baht)	Obligation
Head office building land, number 149 / 32 - 34 Soi Anglo Plaza, Surawong Road, Suriyawong Subdistrict, Bang Rak District, Bangkok, area 54 . 4 sq m.	own	25.6	- None -
Land, Factory 1, No. 92 Village No. 3, Nong Chom Subdistrict, San Sai District, Chiang Mai Province Area 15 rai 98. 5 sq m.	own	3.13	- None -
Land, Factory 2, No. 299 Village No. 14, Mae Faek Mai Subdistrict, San Sai District, Chiang Mai Province, area 27 rai three ngan 98 . 9 sq m.	own	34.71	- None -
Land, Factory 2, No. 299 Village No. 14, Mae Faek Mai Subdistrict, San Sai District, Chiang Mai Province, area 15 rai one ngan 53 . 6 sq m.	own	7.20	- None -
Land, Factory 2, No. 299 Village No. 14, Mae Faek Mai Subdistrict, San Sai District, Chiang Mai Province, area 5 rai two ngan. 24 sq m.	own	4.07	- None -
Land, Factory 2, No. 299 Village No. 14, Mae Faek Mai Subdistrict, San Sai District, Chiang Mai Province, area 16 rai three ngan 38 . 5 sq m.	own	8.69	- None -
New cold storage land, number 299 / 1 Village No. 14, Mae Faek Mai Subdistrict, San Sai District, Chiang Mai Province, area 8 rai three ngan 97 sq m.	own	5.37	- None -
Land at Bang Rakam District, Phitsanulok Province, area 154 rai 30 sq m.	own	15.38	- None -
Head office building, four floors, three booths No. 149 / 32 - 34 Soi Anglo Plaza, Surawong Road, Bang Rak District, Bangkok	own	2.38	- None -

Property type/characteristics	Ownership	Value (million baht)	Obligation
Factory Building 1, No. 92 Village No. 3, Nong Chom Subdistrict, San Sai District, Chiang Mai Province	own	48.24	- None -
Factory Building 2, No. 299 Village No. 14, Mae Faek Mai Subdistrict, San Sai District, Chiang Mai Province	own	20.07	- None -
Cold storage building, number 299 / 1 Village No. 14, Mae Faek Mai Subdistrict, San Sai District, Chiang Mai Province	own	14.26	- None -
All machinery and equipment	own	197.15	- None -

Sino-Thai Freeze and Dry Company Limited has net assets. Used in conducting business according to the financial statements for the year as of 31 December 2023 as follows :

Property type/characteristics	Ownership	Value (million baht)	Obligation
Land , Ratchaburi Factory, Huai Yang Thon Subdistrict, Pak Tho District, Ratchaburi Province, total area 95 rai 3 ngan 37.6 square wah.	own	24.26	Kasikorn Bank Mortgage
Factory building and structures, number 202, Village No. 3, Huai Yang Thon Subdistrict, Pat Tho District, Ratchaburi Province	own	153.88	Kasikorn Bank Mortgage
All machinery and equipment	own	64.40	Kasikorn Bank Mortgage

1.3 Group shareholding structure

As of December 31, 2023, the Company has the shareholding structure in subsidiaries as follows:



The Company does not hold more than 10 percent of shares in any other juristic person.

Relationship with major shareholders

1	Kaset Nuea Company Limited	<p>It is a company that operates an agricultural business that is not related to the main business of the company. The business operations of the Company and the business group of the significant shareholders: There is no conflict of interest. And there is no cross-shareholding between them, with Mr. Prayoon Phonpipattanaphong being the major shareholder, holding 30 percent. He is a shareholder in the company, amounting to 306517 shares, representing 0.08 percent.</p> <p>As of December 30, 202, 6 Kaset Nuea Company Limited holds 162 458 988 shares, representing 42—62 percent.</p>
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Securities and shareholder information

Shareholder information

The list of major shareholders as of December 28, 2023 is as follows:

Major shareholders		Ended on 30 December 2022		Ended on 28 December 2023	
		Number of shares	%	Number of shares	%
1	Kaset Nuea Company Limited	162,458,988	42.62	162,458,988	42.62
	Mr. Prayoon Pholpipattanaphong	306,517	0.08	306,517	0.08
	Mr. Ekaphong Pholpipattanaphong	769,090	0.20	769,090	0.20
	Mr. Ankun Pholpipattanaphong	3,702,600	0.97	3,702,600	0.97
	Mr. Nirun Pholpipattanaphong	2,876,000	0.75	2,876,000	0.75
	Mrs. Jarurat Pholpipattanaphong	181,500	0.05	181,500	0.05
	Miss Phanthira Pholpipattanaphong	181,500	0.05	181, 500	0.05
	Miss Atipa Pholpipattanaphong	181,500	0.05	181, 500	0.05
	Total	170,657,695	44.77	170,657,695	44.77
2	Nomura Securities Co., Ltd.	20,878,387	5.48	20, 878,387	5.48
3	Mr. Lan, Ming - Shin	6,302,625	1.65	19,192,148	5.03
4	Mr. Lan, Ming- Te	5,899,139	1.55	19,085,821	5.01
5	Mr. Prapas Pholpipattanaphong	9,102,800	2.39	9,102,800	2.39
6	Miss Chang, Min - Fang	8,837,730	2.32	8,837,730	2.32
7	Thai NVDR Company Limited	5,857,885	1.32	6,377,287	1.67
8	MR.Hung,Hsin - Hsu	3,659,040	0.96	6,250,860	1.64
9	Mr.Liu, Chi - Rong	5,717,250	1.50	5,717,250	1.50
10	Mr.Lan Mu-Chiou and Spouse	24,030,830	5.01	0	0
	Total	260,090,759	68.24	265,416,743	69.62

Compare company shareholdings divided by shareholder nationality.

Shareholders	As of 30 December 2022			As of 28 December 2023		
	Number of cases	Number of shares	%	Number of cases	Number of shares	%
Thai nationality	3,076	297,843,580	77.00	2,926	297,829,480	78.14
Alien nationality	35	83,302,145	23.00	30	83,316,245	21.86
Total	3,111	381,145,725	100.00	2,956	381,145,725	100.00
Taiwan	14	60,028,569	15.75	10	59,998,569	12.43
Japan	9	22,758,595	5.97	9	22,758,595	5.97
Hong Kong	2	-	-	-	-	-
United States of America	3	162,076	0.04	3	162,076	0.04
Other	9	352,905	0.09	8	397,005	0.06

- The company has no agreement between the major shareholders. Which will have an impact on the issuance and offering of securities or management of the company

Changes in securities holdings of directors in the year 2023 (Unit: shares)

First and last name			Position	Shares held at the beginning of the year	Shares held at the end of the year	Change
1	Mr. Prayoon Pholpipattanaphong		Executive committee	306,517	306,517	-
	Other related persons			3,645,090	3,645,090	-
	Kaset Nuea Company Limited			162,458,988	162,458,988	-
	Total			166,410,595	166,410,595	-
2	Mr. Prapas Pholpipattanaphong	personal	Executive committee	9,102,800	9,102,800	-
		Spouse		-	-	-
		Total		9,102,800	9,102,800	-
3	Mr. Ankoon Pholpipattanaphong	personal	Executive committee	3,702,600	3,702,600	-
		Spouse		181,500	181,500	-
		Child		363,000	363,000	-
		Total		4,247,100	4,247,100	-
4	Mr. Lan Mu Chiou	personal	Director	18,886,724	-	(18,886,724)
		Spouse		5,144,106	-	(5,144,106)
		Total		24,030,830	-	(24,030,830)
5	Mr. Lan Ming Te		Director	5,889,139	19,085,821	13,196,682
6	Mr. Peerapat Pholpipattanaphong		Executive committee	2,855,000	2,855,000	-
7	Mr. Amnuay Yossook		Independent Director	667,920	667,920	-
8	Mr. Amphon Ruayfuphan		Independent Director	71,874	71,874	-
9	Dr. Phusit Wonglorsaichol		Independent Director	-	-	-
10	Miss Chutima Tangmatitham		Independent Director	-	-	-
Total shareholding of the board of directors				213,275,258	202,441,110	-
Calculated as a percentage of the number of issued and paid-up shares.				56.00	53.11	(10,834,148)

Changes in securities holdings of executives According to the SEC's definition in the year 2023 (Unit: shares)

First and last name			position	Holding shares at the beginning of the year	Shares held at the end of the year	change
1	Mr. Prayoon Pholpipattanaphong Other related people Kaset Nuea Company Limited		Chairman of the Board of Directors and Authorized Directors	306,517	306,517	-
				3,645,090	3,645,090	-
				162,458,988	162,458,988	-
				166,410,595	166,410,595	-
2	Mr. Prapas Pholpipattanaphong	personal	Chairman of the Executive Board and Authorized Director	9,102,800	9,102,800	-
		Spouse		-	-	-
		Total		9,102,800	9,102,800	-
3	Mr. Ankoon Pholpipattanaphong	personal	Managing Director and Authorized Director	3,702,600	3,702,600	-
		Spouse		181,500	181,500	-
		child		363,000	363,000	-
		Total		4,247,100	4,247,100	-
4	Miss Narak Krissadee		Director of Finance (CFO), Company Secretary	-	-	-
5	Miss Warisara Kengkakha		General Manager and Acting Factory Office Manager 2	-	-	-
6	Ms. Piyalak Chuapudee		Factory Manager 1	-	-	-
7	Mr. Thammarat Charoensanti		Factory Manager 2	-	-	-
8	Mr. Sai Rung Buntom		Agricultural Extension Manager	-	-	-

1.4 Number of registered capital and paid-up capital

Number of registered capital and paid-up capital

- Company It has a registered common share capital of 381,145,725 baht, paid up 381,145,725 baht, divided into 381,145,725 ordinary shares valued at 1.00 baht per share.
- The company has no other shares, such as preferred shares, stock purchase warrants, convertible bonds, etc.

1.5 Issuance of other securities (debt instruments)

- The company issues securities in the form of ordinary shares only. Do not issue other securities, such as preferred shares. Or warrants to purchase shares or convertible bonds, etc.

1.6 Dividend payment policy

Company The policy is to pay dividends of not less than 60 percent of net profits, except in cases where the company has a project to expand investment. Will consider paying dividends as financially appropriate

History of dividend payments for the past five years

Paid from the operating results of the year	Rate (baht/share)	Number of shares (shares)	Date of closing register book for the right of dividend	Dividend payment date
2019	0.06	381,145,725	18 Mar. 2020	8 May 2020
2020	No dividends paid			
2021	No dividends paid			
2022	No dividends paid			
*2023	0.09	381,145,725	13 Mar. 2024	17 May 2024

List	Unit	2019	2020	2021	2022	2023*
Net Profit (Loss) Consolidated Financial Statements	Million baht	34.76	1.15	(85.62)	(55.64)	100.42
Number of shares	Million shares	381.14	381.14	381.14	381.14	381.14
face value	baht/share	1.00	1.00	1.00	1.00	1.00
Earnings (Loss) per share	baht/share	0.09	0.003	(0.19)	(0.08)	0.26
Book value	baht/share	3.69	3.69	3.44	3.35	3.60
dividend	Million baht	22.87	Omission	Omission	Omission	34.30*
dividend	baht/share	0.06	Omission	Omission	Omission	0.09*
Dividend payout rate	%	65.78	Omission	Omission	Omission	84.51*

Note: *Dividends will be paid from the operating results of 2023. As a result, the entitlement to receive dividends remains uncertain and is contingent upon the resolution of the 2024 Annual General Meeting of Shareholders, scheduled for Wednesday, April 24, 2024.

2 Risk management

2.1 Risk management policy and plan

With its comprehensive understanding of various risks, the company periodically evaluates and monitors the impact of potential events that could pose a risk to its business operations. To ensure meticulous and effective risk management, the Company has assembled a highly competent Risk Management Committee. This committee, comprising executive directors, independent directors, and related senior executives, diligently analyzes various risk factors and assesses potential risks, thereby finding appropriate ways to prevent or manage risks.

2.2 Risks to business operations

The Risk Management Committee will report to the Audit Committee and the Board of Directors for acknowledgment and consideration at least every six months on risks that significantly influence the Company. It can be summarized as follows:

Risk from fluctuations in the quantity and price of raw materials

The company's primary raw materials for its frozen products, including edamame, green beans, and sweet corn, are susceptible to climate change and natural disasters. However, the company has taken a proactive stance to mitigate this risk. It is aware of the potential fluctuations in the amount and price of raw materials supplied to the factory each year, which directly impact the company's production costs and operating results. This foresight and preparedness inspire confidence in the company's risk management strategy.

Seven hundred families of farmers participated in the project, with no farmer on whom the company relies to purchase raw materials that are higher than 20 percent of the total value of raw materials. In addition, Company Planting is planned. Especially the company's agricultural raw materials. It can be planted 2-3 times a year, with a harvest time of approximately 60-90 days. The company can increase or decrease the amount of planting in each generation. To suit the market situation

Risk of dependence on foreign markets

Currently, the company exports frozen vegetable products to the Japanese market, which accounts for more than 90 percent of total foreign sales, which is dependent on the Japanese market in this high proportion. As a result, the Company's business operations may be affected by the slowing down of the Japanese economy or changes in the country's trade policy.

However, the company's products are food products. That is necessary for living, and Japanese people also like to consume frozen soybeans and green beans. In addition, the company has always had good relationships with customers, so the impact of relying mainly on the Japanese market is not at a high level of risk.

Risk from changes in exchange rates

Since the company's export value is 93.3 percent of total sales and it sells all of its products in United States dollars, exchange rate changes may affect the company's income and operating results.

Measures to reduce risk in this case: The Company entered into a contract to sell US dollars in advance. This can considerably reduce the risk of foreign currency exchange rates. The company will enter into an agreement to sell money in advance, which has a contract period of 12 months, sufficient to project income for the entire year. This allows the company to protect against risks from exchange rate fluctuations for approximately 8-10 months.

Risks related to the amount of chemical residues in products

Regarding product quality, the amount of chemical residue must not exceed the standards set by the customer. This puts the company at risk in terms of returning products from customers. If the product quality cannot be controlled to have the amount of chemicals according to the standards agreed upon with the customer, this will affect the company's income and operating results, including confidence in the product and the company.

Product quality control measures which is the effect caused by that chemical residue.

The company has a strict inspection process following GMP standards. The company has provided a highly efficient chemical residue detector. Currently, the company has two machines that can detect more than 250 chemical residues, while the company uses approximately 20 types of chemicals. There were no product returns in the past year due to the amount of chemical residues. Beyond the specified standards

Risk of labor shortage in production

This is because the production process of the company's products relies heavily on human resources. The labor market, especially in Chiang Mai province, is becoming more competitive, and other expanding businesses include tourism. As a result, the company may face labor shortages or higher labor costs. This affects the company's production costs and operating results, including the announcement of the Royal Decree on the Management of Foreigners' Work, B.E. 2017, which may cause a labor shortage in the labor market.

The company has risk management measures. By setting a wage rate that motivates workers to work with the company. Including other benefits that workers will receive, such as various living expenses, Scholarships for the children of workers, And organizing training to develop labor skills continuously. To create a good feeling about working with the company. And from the government's policy of granting relief to foreign workers. The company, therefore, hires foreign workers under special laws. This makes it possible to reduce labor problems quite a bit.

Management

The board of Directors Consists of directors representing major shareholder groups. Six people have long experience in the agricultural business, and four independent directors jointly set policies for the management team. The board supervises and controls the management team's operations continuously and efficiently.

The management team consists of a senior management team of 4 people, each with good knowledge and abilities in agricultural business management. There is appropriate

decentralization of governance and decision-making, including having joint meetings to decide on critical administrative issues.

The work of the Executive Committee and the management team of the company Operates under good corporate governance policy, Taking into account every group of stakeholders. It is transparent and verifiable, and every meeting of the Board of Directors reports on the results of operations and provides opportunities for all directors to ask questions satisfactorily. Therefore, the seven risks in the company's management are low.

Financial

Company It has total assets of 1 527 million baht and liabilities of 155 million baht, or 10 percent of total assets. And has shareholders' equity of 1,278.48 million baht or 90 percent of total assets. There is a debt-to-equity ratio of 0.28:1 times, a liquidity ratio of 11.21 times, and a quick ratio of 3.75 times, together with the credit limits of the four financial institutions the company uses are different credit lines. All

must have collateral. Shows the financial status and reliability of the company. Received from financial institutions is at a high level. In addition, the company adheres to the principles of monetary policy that emphasize prudence. This causes the company's financial risk to be at a low level.

Investor side

The company has always had good operating results and profits. However, from 2020 until 2022, the company was affected by decreased sales due to the spread of the COVID-19 virus, causing a loss of 2022. Later, in 2023, the company returned to a normal state. And can pay regular dividends from operations to shareholders as of December 31, 2023. The Company has unallocated retained earnings net of legal reserves of 863 million baht or Calculated as a percentage 57 of total assets

3 Driving business for sustainability

Sustainability management policy

The company is committed to managing sustainability following business operations and prioritizing the environment and society. The company divides the policy into various parts as follows.

3.1 Social responsibility and sustainable business operations

Board of Directors Give importance to community, social, and environmental development. To be strong and live together sustainably and happily. The Company, therefore, determines the roles, duties, and responsibilities of the Company's directors, executives, and employees to treat the community, society, and environment according to the company's business ethics principles. This is for the company's directors, executives, and employees to adhere to. The company has policies in various areas for the development of communities, society, and the environment, consisting of:

Policy on Treatment of Shareholders

The company adheres to the principle of equitable and equitable treatment of shareholders. The guidelines are as follows:

- The company is committed to creating quality and stable growth, so shareholders can receive sustainable returns from the company's efficient work and good operating results.
- The company respects the rights of shareholders. To obtain the necessary information equally and disclose operating results, financial status, along with
 - accurate and truthful supporting information According to the Stock Exchange of Thailand and the Securities and Exchange Commission determines
 - The company performs its duties with honesty, integrity, transparency, and fairness to build confidence that every decision and action is taken in the best interests of every shareholder and every group of stakeholders.
 - The company controls operations. Follow company policy and continuously develop operations to have better quality

Policy on treatment of customers

The company is deeply committed to ensuring customer satisfaction. This commitment is reflected in the following guidelines:

- The company provides a service system to create customer satisfaction. By treating every customer equitably and equally. without discrimination
- The company is dedicated to providing comprehensive and accurate service information. We ensure our information is reliable and does not distort facts, always considering our customers' benefits. The company has organized a system for customers to complain about the service. or conducting business of the company By acting quickly and respond to customers in the best possible way
- The company controls the environment. Areas within and around factory and office buildings should be safe for life. and customer assets and those who come in contact with the company
- The company is committed to creating an impression and satisfaction with customers for customers to receive the best service

Policy on treatment of trading partners

- The company is dedicated to maintaining sustainable relationships with trading partners and contracting parties.

This commitment is underpinned by clear objectives regarding the quality of products and services, technical quality, and trust in each other. This dedication instills a sense of security and confidence in our partners.

- The company organizes competitions based on the information received equally.
- The company is committed to fairness in the procurement process. It provides clear criteria for evaluating and selecting suppliers and contracting parties, ensuring that all parties feel valued and respected.
- The company creates contracts with trading partners that are appropriate and fair.
- The company provides a management and tracking system. To ensure that The conditions of the contract are fully complied with. And prevent fraud and corruption at every step of the procurement process
- The company upholds a prompt payment policy, ensuring that partners and contractors are paid on time and according to the agreed payment terms. This commitment reassures our partners and demonstrates our respect for their contributions.

Policy on treatment of business competitors

- The company conducts business within the framework of fair competition rules. The company adheres to the following principles:
- The company will not seek confidential information of business competitors by dishonest means or inappropriate
- The company will conduct business under the rules of good competition. Do not destroy the reputation of business competitors by accusing them of business. with dishonesty and without factual information

Policy on treatment of creditors

- The company has a policy to treat creditors fairly. The guidelines are as follows:
- The company will strictly comply with the guarantee conditions given to creditors.
- The company will control the repayment of loans and interest to all loan creditors in full and on time. and comply with the loan conditions according to the agreement without using the loan money in a way that is contrary to the purpose of the loan
- The company will manage the funds. To ensure creditors' financial status and the Company's good debt repayment ability

- The company will report and provide accurate company information. and completely to creditors
- If one of the conditions cannot be complied with, The company will quickly notify creditors in advance to participate. Let's consider finding solutions.

Policy on treatment of employees

The company recognizes the value of human resources and wishes to make personnel proud of the organization. There is a participatory working atmosphere and opportunities for career advancement.

Our Company is deeply committed to the development of our personnel. We believe in promoting their potential, enhancing their knowledge and abilities, and fostering a culture of continuous learning. This commitment is a testament to our belief in the value of our employees and a key driver in maintaining our business excellence. As such, we have a comprehensive policy to ensure fair compensation and welfare and to encourage the development of our employees' knowledge and potential. This commitment to our employees' growth underscores our dedication to their welfare and is a testament to our company's values.

- At Our company, we uphold the principles of fairness and equal opportunity in our hiring practices. We select individuals for various positions based on their qualifications, educational background, experience, and other job requirements without discrimination based on gender, age, race, or religion. This commitment to diversity and inclusion is a cornerstone of our company's values.
- The company encourages employees to receive training, develop knowledge and abilities, and develop their work potential to a higher level. To increase work efficiency and provide opportunities for employees to advance in their careers
- The company encourages employees always to receive relevant news. According to appropriate opportunities and as far as possible, To increase efficiency and good relationships in working together, the company has established a human resource management system regarding appointments, transfers, and awards and clear punishment of employees by acting with honesty, fairness, and fairness based on the knowledge, abilities, and suitability of employees.
- The company operates an open-door policy, allowing employees to voice their suggestions, complaints, and grievances regarding work-related issues. This is not considered a disciplinary offense, and we encourage it as it promotes transparency and trust within our organization. All complaints will be protected and treated as confidential. We are committed to seriously considering all feedback and finding swift solutions.

Guidelines for employee

compensation and welfare

- Set compensation with fairness. It should not be lower than specified by labor law. Consider appropriateness according to each employee's knowledge, ability, experience, and performance, consistent with the average of the same industry, and is a compensation consistent with business expansion. and the growth of the company Both in the short term and in the long term

- Provide various benefits such as bonuses, overtime pay, living expenses, uniform and equipment fees, group insurance premiums, provident fund contributions, annual health examinations, and legal benefits such as social security fund contributions, compensation fund contributions, and employee benefits upon retirement at age 60, which, as of December 31, 2023, had a total of employee benefits according to the financial statements of 63,764,761 baht.
 - The company provides a provident fund named SCB Piamsap Provident Fund, registered Registration number 77 / 1997 with SCB Asset Management Co., Ltd. It is the fund manager as of December 31, 2023. There are 149 fund members with savings, contributions, and benefits totaling 82,665,790.34 baht.
 - Providing a loan source for buying a house/renovating a building at a particular interest rate. And provident fund loan sources
 - In 2023, total employee compensation amounted to 251,376,689.17 baht, consisting of salary, wages, bonuses, living expenses, overtime pay, uniform and equipment costs, group insurance costs, provident fund contributions, social security contributions, compensation fund contributions, Employee benefits upon retirement
- Guidelines for developing knowledge and potential of employees**
- Arrange a comprehensive orientation for new employees to ensure they are well-prepared and feel valued. This includes familiarizing them with the rules and regulations outlined in the employee handbook and brochure.
 - Providing in-house training is critical to our commitment to your safety and professional development. This involves inviting expert speakers to lecture on workplace safety, the importance of working together, and ensuring compliance with our anti-corruption policy for the most efficient use of resources
 - Send employees to receive training at outside offices such as Dharmniti, IOD, Federation of Accounting Professions, etc.

- We strongly encourage employees to pursue further studies, as we believe in the power of continuous learning to develop knowledge and prepare for career growth. This is a testament to our commitment to your professional advancement.

Safety and Hygiene Practice Policy

The company realizes that safety and hygiene are its primary responsibilities and essential factors for the organization's sustainable growth. The company has established a policy that will facilitate employees and contractors to work safely, and following the requirements of relevant laws by

- The company will find ways to prevent accidents, injuries, and illnesses. Due to work With the serious cooperation of every employee. Including finding ways to limit and control risks in unsafe operations.
- The company will cooperate with government agencies and other organizations. To quickly suppress emergencies or accidents caused by operations effectively and be careful
- The company will strictly comply with various laws and regulations regarding safety. and will bring management standards regarding safety that are reliable to come into force in cases where there are no laws and regulations yet specified
- The company will arrange for the design of tools and equipment and the preparation of regulations. Action planning and training employees will ensure they have knowledge and understanding and receive adequate information regarding work safety. This will prevent dangers that may arise from machinery, work methods, or various diseases.
- Employees reporting to work with illegal drugs in the system or under the influence of alcohol or other addictive substances at levels that can impair operations. Must receive disciplinary punishment according to the company's regulations.

Safety and hygiene practices

- Lay out the factory layout well, orderly, and proportionately.
- Provide a safe entrance and exit from the work area.
- Set appropriate walking routes that are wide enough and convenient.
- Provide appropriate cabinets or boxes for storing tools in a designated location.
- Production processes that are prone to fire or explosion separated from other work areas
- There are adequate fire escape routes in the event of a fire.
- Organize the lighting system and proper and adequate ventilation
- There is basic first aid training, fire escape practice using a fire extinguisher using a fire extinguisher and checking various equipment constantly ready to use.
- Provide appropriate exercise and recreation facilities.
- Provide facilities such as toilets and first aid rooms.
- Arrange annual health examinations for employees.
- Provide group insurance for employees.

Policy on participation in community and social development

To maintain a good community and society, the company has therefore established guidelines as follows:

The company will act strictly according to its rights as a good citizen according to the law or regulations issued by regulatory agencies and regularly cooperate with the government sector. The company values the role of employees and related parties in understanding and adhering to our operating guidelines. We strongly encourage your active involvement in community and social development, as your contributions are pivotal to our collective success.

The company is steadfast in its commitment to projects and social activities. We aim to foster love, unity, and harmony within the community and society.

The company will take care of and prevent its operations from being damaged. Cause damage to the quality of life of the community and society.

The company will continuously and seriously raise awareness of responsibility towards the community and society among employees at all levels.

The company will jointly promote and create communities and society. Support activities related to community development to improve the quality of life and exchange experiences from operations with communities and society. To improve work regularly

Environmental and natural resource policy

The company is committed to conducting business responsibly, environmentally friendly, and with natural resources according to the following principles:

- The company will manage with the goal of preventing impacts. To the environment and natural resources and better than legal requirements
- The company focuses on developing operational processes to meet international standards and review and evaluate performance regularly.
- The company will cultivate and promote employees. Including those involved in being responsible for the environment and natural resources
- The company is aware of preserving the environment and natural resources to make it livable and a source of watersheds. Establish a process for educating employees through training so that every employee knows the importance of becoming jealous, preserving, and using natural resources most cost-effectively.
- The company will take care of the environment and biological diversity. in the area of operation To create a sustainable ecological balance

- The company will participate in reducing the production of greenhouse gases. That will affect climate change
- The company will seek opportunities to exchange, learn, and share experiences from operations with other agencies. To continuously improve the company's operations.

Human rights policy

The company has a business policy based on respect for human rights according to international principles as follows:

- The Company will treat all employees with respect, honor, and dignity.
- The company encourages employees to exercise their legitimate rights as citizens. According to the provisions of the Constitution and according to the law

- The company will maintain employees' personal information such as biography and health history. Work history Public disclosure or transfer of employees' personal information can be done only with the consent of that employee. However, harassment is considered a disciplinary offense unless done according to company regulations or the law
- The company does not violate or support businesses that violate human rights. All employees must not do anything offensive or threatening verbally or by acting against others based on race, gender, religion, age, or physical disability.
- There is a legal termination process according to the Labor Protection Act 1998.

Anti-fraud and corruption policy

The company has an ideology of conducting business with ethics. Comply with the law, be transparent, and adhere to social responsibility. and all groups of stakeholders. According to corporate governance and business ethics principles, no form of corruption is supported. Therefore, in 2013, the company joined the Thai private sector's coalition to fight against corruption. In 2015, the company created a policy against corruption. Fraud and corruption in writing and applying to become a member of the Anti-Corruption

Partnership Network for Thailand To join in the campaign to make every organization aware of the impact of corruption and fraud. Set guidelines as follows:

- The company has established a policy against fraud and corruption. In writing, the company's directors, executives, and employees are prohibited from doing anything related to corruption, and all forms of corruption benefit oneself, family, friends, and acquaintances, directly or indirectly. Regardless of whether one is in the receiver, giver, or offerer position. Both in money or not in the form of money to government agencies or private agencies that the company has done business with or has contact with and must strictly follow the policy. If you do not follow the rules, disciplinary punishment will be considered according to the regulations set by the company. And maybe punished according to law If the action is illegal

- The company places importance on human resource management. Implement anti-fraud and corruption policies and use them to make them concrete, communicate, educate, and train employees. Concerning the prevention of illegal exploitation of benefits and guidelines for practice, encourage personnel to understand and practice it as an organizational culture.
- The company is fair and protects employees who refuse to commit corruption or report fraud and corruption related to the company. By using measures to protect complainants or those who cooperate in informing and reporting fraud and corruption as specified by the company in protection and confidentiality measures. For employees who refuse to commit fraud and corruption in the company. There is a policy of not demoting, punishing or giving negative results to that employee. However, denying fraud and corruption will cause the company to lose business opportunities.
- The company has an independent and objective internal audit department. This department reports directly to the Audit Committee, assesses corruption risks, evaluates the possibility of corruption, and considers measures to prevent and control corruption for maximum efficiency to ensure that the company can effectively prevent and control fraud and corruption.
- The company has supervision, supervision, and consultation guidelines to monitor and evaluate performance. According to the anti-fraud and corruption policy, designating the committee to examine, it is responsible for regularly supervising compliance with anti-fraud and corruption policies at least once a year; guidelines and operational requirements must be reviewed to comply with business changes, regulations, and legal requirements.
- The company assesses the risk of fraud and corruption by creating a risk management policy that addresses risks that may occur from normal operations and those that may arise from fraud and corruption. Find measures and guidelines to prevent risks.

- The company will publish an anti-fraud and corruption policy for giving or receiving gifts, charitable donations, support, political assistance, and procurement personnel management, including spending on business entertainment for customers, partners, creditors, related agencies, company employees, and subsidiaries.
- Business representatives and the public are informed through the Company's communication channels, such as its website, email, fax, annual disclosure reports, brochures, social responsibility reports, orientation, training, seminars, and letters by post.

Whistleblowing policy or complaints

The company provides measures for reporting clues or complaints from illegal acts or ethics or rights being violated or behavior that may indicate fraud, corruption, or misconduct of persons in the organization, both from directors, executives, employees, and other stakeholders; complaints or whistleblowing by all stakeholder groups will be protected considered a secret and is not considered a disciplinary offense in the case where the complainant or whistleblower is an employee of the Company, and the company will expedite the investigation and resolve the problem quickly.

A secure channel to access information, Receive advice, Report clues, make complaints, or have your rights violated

A secure platform is provided for employees or stakeholders to access information confidently regarding compliance with anti-fraud and corruption measures. Individuals can seek advice on such matters by visiting the company's website at www.cmfrozen.com. Navigate to the Investor Relations section and select relevant topics, such as the anti-fraud and corruption policy, business ethics, corporate governance policy, or other related issues.

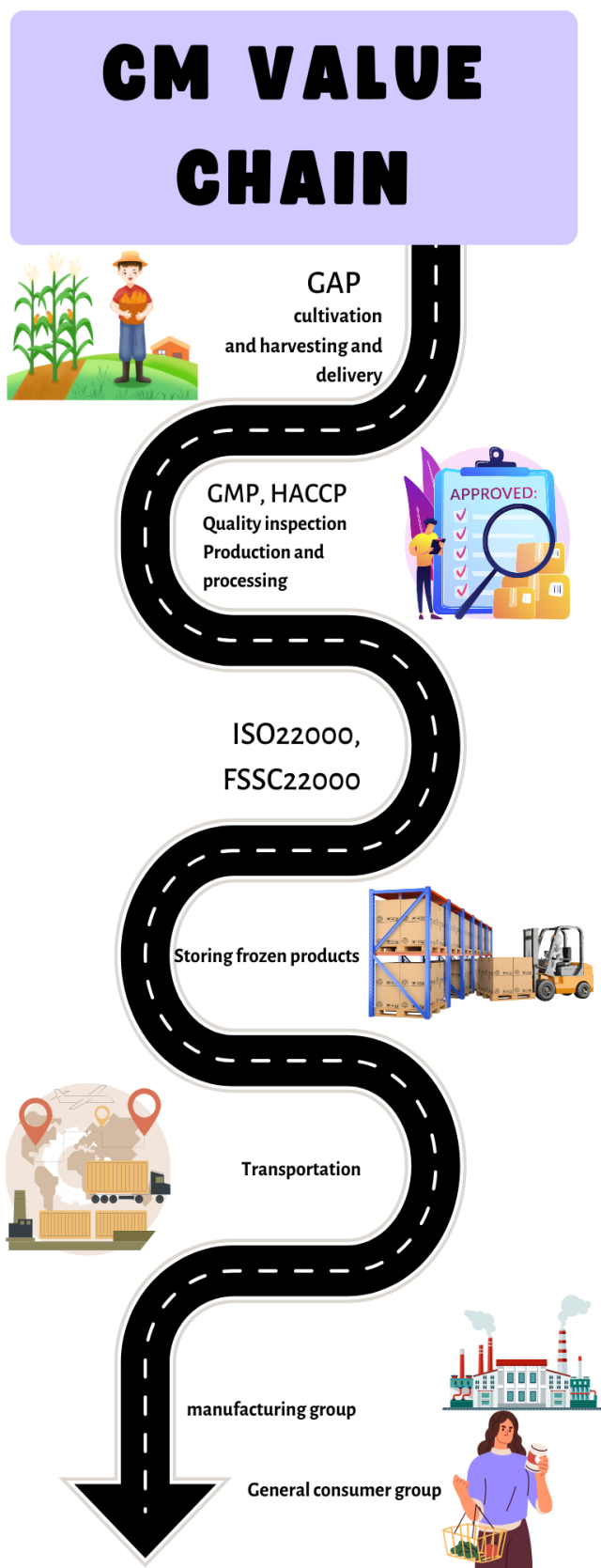
Similarly, a secure channel is available for employees or stakeholders to make complaints or report information or suspicions related to fraud and corruption, as well as rights violations, without fear of reprisal. Complaints, information, or clues can be sent via mail to the Chairman of the Audit Committee, the Chairman of the Corporate Governance Committee, or the Company Secretary at Chiang Mai Frozen Foods Public Company Limited, located at No. 149/34 Soi Anglo Plaza, Surawong Road, Suriyawong Subdistrict, Bang Rak District, Bangkok 10500. Alternatively, submissions can be emailed to cg@cmfrozen.com or reported by phone at 02-238-4091 or 02-634-0061-4. Additionally, individuals may use the complaint box to submit complaints.

3. Business sustainability

The company is dedicated to fostering sustainable growth and generating enduring value with stakeholders across its entire value chain. It prioritizes understanding the needs and shared interests of all stakeholder groups. Consequently, the focus lies on meticulous management, beginning with sourcing high-quality raw materials. These materials are then sent to the factory and processed following rigorous standards. The end goal is to deliver products to customers that exceed expectations and ensure utmost satisfaction while maintaining a commitment to minimize any adverse impacts on society and the environment.

Importance

The company upholds sustainable practices throughout its supply chain, ensuring that trading partners align with its standards of sustainability, which encompass environmental, social, and ethical considerations in business operations. This commitment entails adherence to labor laws, fostering fairness, and promoting transparency in trade practices. Integrity is upheld throughout the process, from sourcing raw materials to delivering high-quality products to customers.



Supply Chain Management Policies

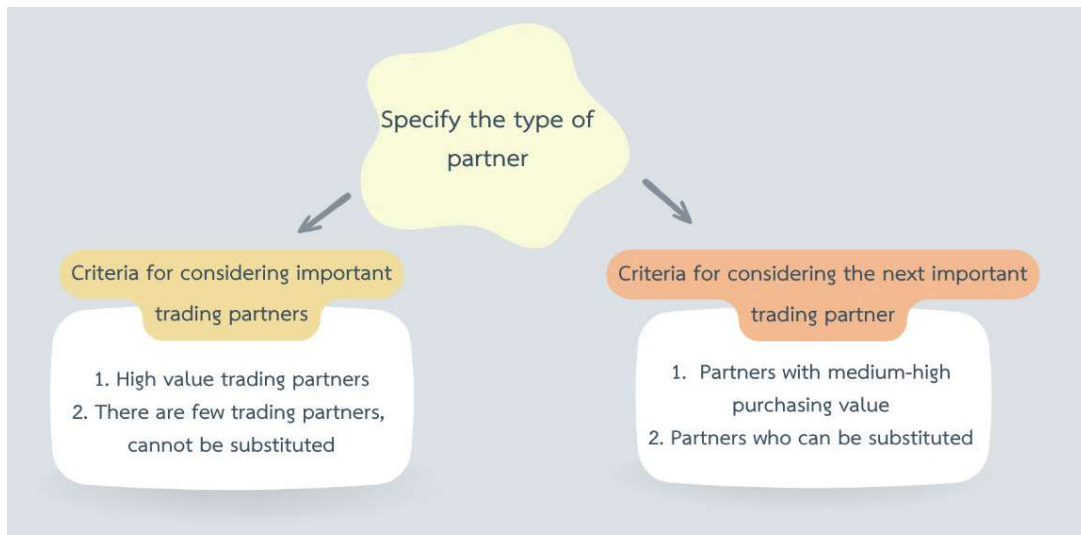
Chiangmai Frozen Foods Public Company Limited upholds operational principles of transparency and legality, considering environmental impacts, social responsibility, and good governance practices. To attain desired success and treat business partners equitably, the company implements a procurement policy that ensures fair, transparent, and verifiable selection of business partners while preventing fraud and corruption. The company refrains from engaging with partners offering dishonest benefits and strictly adheres to business ethics to uphold transparency and fairness.

Additional Information: Ethics of Business Partners

Partner Categorization:

Critical Tier 1 Trading Partners: 11 out of 228 partner

Critical Non-Tier 1 Trading Partners: 13 cases out of 228 partner



Assessing Supplier Performance:

The company conducts annual supplier evaluations (Onsite Audits) to assess the risk of contamination that may impact food safety. These evaluations utilize an assessment form based on system requirements and laws such as ISO, HACCP, GHP, RMUTT, and other relevant standards, covering environmental, social, and corporate governance aspects.

Trade Credit Management Policy (Credit Terms) with Trading Partners:

The company has established credit management criteria as standard guidelines for determining, inspecting, and ensuring transparency in credit terms. The standard credit term is set at an average of 30 days but may vary based on factors such as the duration of the business relationship, product rotation cycle, product quality, and service. Payment terms are mutually agreed upon with each trading partner, adhering to principles of fairness. In 2023, there were no instances of late payments.

Participation and care for key stakeholders

The company, which produces frozen vegetables and is expanding into a more diverse food market, prioritizes connecting with all stakeholders. This includes business partners, farmers, society, government agencies, and group customers, encompassing internal and external dimensions. Plans are in place to develop the organization sustainably, ensuring continuous engagement and shared sustainability goals across six stakeholder groups.

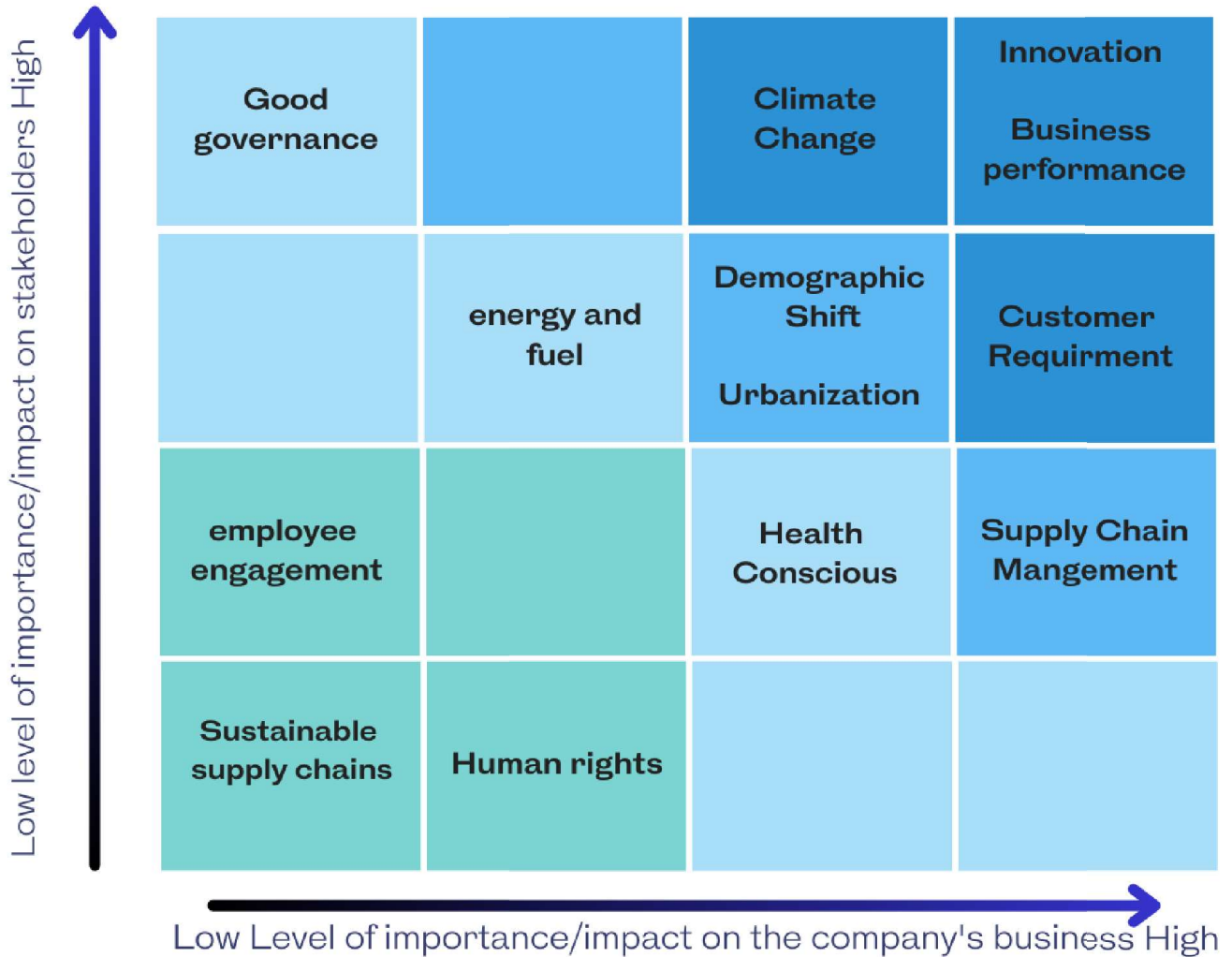
Stakeholders	Communication channel	Expectations	Fulfilling expectations
Partners/Business Partners	<ul style="list-style-type: none"> • Visit / Partner meeting • Training 	<ul style="list-style-type: none"> • Fair procurement • The exact amount of agricultural production • Increasing productivity, reducing costs 	<ul style="list-style-type: none"> • Business Ethics for Partners • Partner meeting • Company's website
Community/Society	<ul style="list-style-type: none"> • Activities with the community • Meeting with community representatives • Channels for receiving complaints from the community 	<ul style="list-style-type: none"> • Supporting activities within the community • Not creating pollution for the community 	<ul style="list-style-type: none"> • Control to prevent and reduce impacts Environmental aspects from business operations • Support and participate in various activities with the community.
Employee	<ul style="list-style-type: none"> • Activities to build relationships with employees • Meeting with employees • Survey of employee satisfaction/satisfaction • Channels for receiving complaints 	<ul style="list-style-type: none"> • Receive benefits and good compensation • There is progress in career • Safe workplace 	<ul style="list-style-type: none"> • Fair compensation management • Continuously develop the skills, knowledge, and abilities of employees. • Manage space and work methods to be safe and nice workplace
Government Agencies	<ul style="list-style-type: none"> • One report 	<ul style="list-style-type: none"> • Compliance with the law 	<ul style="list-style-type: none"> • The law is followed correctly.
Shareholders / Joint Venture Partners / Creditors	<ul style="list-style-type: none"> • One report • Analyst meeting 	<ul style="list-style-type: none"> • Receive good dividends • Transparency, verifiable 	<ul style="list-style-type: none"> • Disclose information transparently through various channels such as one report. Company website, etc. • Risk management and Develop working efficiency
Customer/Consumer	<ul style="list-style-type: none"> • Survey/Market Research • Customer satisfaction survey 	<ul style="list-style-type: none"> • The products have quality and reasonable prices. • New product 	<ul style="list-style-type: none"> • Setting the right price • After-sale service • Continuous development of products and services

3. 3 Evaluation of essential issues.

The Corporate Sustainable Stock Committee has collated significant internal and external business operations matters, including stakeholders. It prioritizes concerns aligned with the Global Reporting Initiative (GRI) framework, encompassing issues related to the company's industries. This process identifies and prioritizes sustainability issues impacting the business across the value chain's economic, social, and environmental dimensions. These insights define activities crucial for sustainability and many ongoing activities from the previous year.

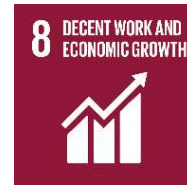


Sustainability Management Process Materiality Matrix



Responsible sourcing of raw materials

The company's primary focus is frozen food production, with its main raw materials sourced from various crops such as soybeans, green beans, sweet corn, and baby corn. In 2023, contract farming initiatives are actively encouraged with farmer groups in the northern region to foster job opportunities, income generation, and economic development within communities and society. Currently, we are engaged with 7,340 farmers.



4,507 farmers participate the project



72 farmers participate the project



1,452 farmers participate the project



1,729 farmers participate the project

Operational guidelines

The company's agricultural promotion department develops planting plans tailored to each crop's production season, aligning with the goal of meeting customer demand. Prior to actual planting, meetings are held with intermediaries and farmer representatives to discuss cultivation objectives and guaranteed pricing conditions and address any concerns or suggestions. This ensures mutual understanding and enables the smooth execution of related activities. Additionally, the company has deployed a team of agricultural extension officers across farmland areas to conduct educational meetings with farmers, provide guidance on planting techniques, and promptly address any issues encountered during cultivation.



Meeting with collector before planting



Meeting with farmer to explain on how to plant and care before actual planting

Farmers are integral members of a broader stakeholder group with whom the company collaborates closely. The company places significant emphasis on and endeavors to support the development of farming methods and practices for crops in alignment with the GAP system (Good Agricultural Practice), tailored to the specific geographical conditions of each planting area. This involves leveraging local resources efficiently, guided by principles of conservation, appropriateness, value, and ecosystem preservation. Implemented activities include cultivating crops in low-water areas and advocating for the adoption of sprinkler and water spray systems. In regions abundant with rice straw material, farmers are advised to utilize rice straw as a covering for planting plots to retain soil moisture and suppress weed growth, thereby minimizing the need for burning, which can contribute to air pollution. Collaborative efforts with collectors entail establishing organized, accurate, and secure storage facilities for cultivation chemicals, promoting mutual sustainability objectives.



Project to improve the chemical storage room to be in accordance with the GAP system in collaboration with the collector.



recommendations for planting plants appropriately in each area such as using sprinklers and using straw as mulch to save water

Operating according to the principles of corporate governance

Anti-corruption

The company is committed to conducting business with integrity, adhering to legal requirements, promoting transparency, and fulfilling social responsibilities towards all stakeholders. Upholding corporate governance principles and ethical business practices, we vehemently oppose corruption in all its forms. We maintain a firm stance against corruption and have implemented rigorous anti-corruption policies to ensure transparent, fair, and efficient business operations. Moreover, we prioritize educating and raising awareness among our employees about anti-corruption measures. As evidence of our commitment to transparency, we have participated in and been accepted by the Thai Private Sector Collective Action Coalition Against Corruption (CAC) on three occasions: firstly, on March 9, 2017; secondly, on November 4, 2019; and most recently, on December 31, 2022. These engagements underscore our dedication to conducting business ethically and transparently.

Goal:

Employees at all levels are aware of the policies and guidelines for 100 %

Operational guidelines

The company has included policies and guidelines for anti-corruption operations in the orientation course for new employees and training courses for all former employees.

Group of employees/stakeholders	Guidelines
Old employee	<ul style="list-style-type: none"> • Training / Retraining • Include the course in the annual training plan.
New employee	<ul style="list-style-type: none"> • Include the curriculum in the orientation training plan. • Employees are 100% aware.
Partners / Customers / Related Agencies	<ul style="list-style-type: none"> • Company website, email, fax • One report

Within the procurement system, the company has instituted an anti-corruption policy for suppliers, emphasizing transparent and ethical collaboration. This commitment is explicitly stated in the purchase order document (PO), affirming, "The company condemns all types of corruption." This declaration clearly indicates the company's dedication to conducting fair and equitable trade with its partners.

Performance

Employees at all levels of the company Acknowledge the policy and guidelines for 100 % anti-fraud and corruption. No complaints regarding corruption were found either from employees within the company or from outsiders sent through the company's communication channels. In the operating cycle throughout 2023, no cases of corruption were found from the operations of employees themselves or those involving outsiders in any case.

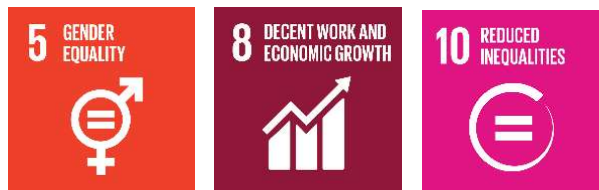


Product development and innovation

The company acknowledges the crucial role of product quality in influencing consumer well-being and contentment, thus placing utmost importance on careful attention at every stage of the business supply chain to benefit customers. With a focus on product development, the company specializes in frozen food production and continuously broadens its product portfolio to meet customer needs. For instance, it introduces innovative offerings like edamame bread spread infused with white chocolate under the **BENAS** brand and freeze-dried sweet corn products coated with white chocolate, butter, and caramel butter branded **CORNISTA**. These products cater to both local and international markets. Furthermore, the company actively pursues research and development initiatives, collaborating with external entities such as the Northern Science Park, Food and Packaging Innovation Center, Agro-Industrial Business Service Center, Thailand Institute of Scientific and Technological Research, and the Faculty of Agro-Industry at Chiang Mai University. This collaborative effort aims to enhance and diversify product offerings in line with customer preferences and feedback. Through these endeavors, the company remains steadfast in delivering top-notch, safe products that ensure customer satisfaction.

Social operations

The company acknowledges the significance of harmonizing with the community and surrounding society. Therefore, it has established a policy framework to support and engage with culture and communities to foster positive relationships, cooperation, and mutual support. This framework also seeks to mitigate conflicts and address issues promptly to prevent adverse impacts on the community. Additionally, the company strives to promote understanding and serve as a role model for society while ensuring the well-being and safety of its employees. Activities prioritize building confidence and mutual trust and fostering transparent and sustainable relationships. 2023, the company conducted various activities to benefit society and communities, including: [List the activities performed in 2023].

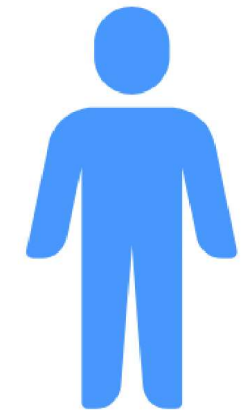


1. Human rights

Based on the motto "Every employee is a valuable asset to the company," the company is dedicated to enhancing its employees' overall quality of life. This commitment extends to aspects such as health, well-being, welfare, and safety while upholding principles of human rights and equality. The company has formulated a human rights policy grounded in international principles of respect for human rights, ensuring alignment with the standards outlined in Thai labor laws.

2. Company Employment

The company fosters equal social opportunities for all employees, regardless of gender, age, race, religion, or disability. In 2023, the company employed the following number of individuals:



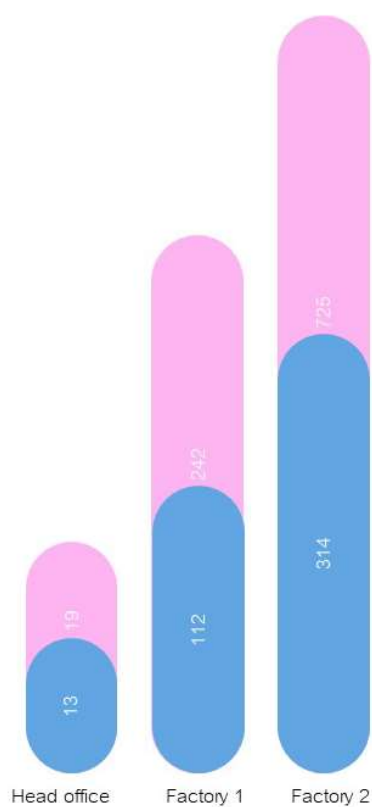
30.8%

439 people



69.2%

986 people



Organization has total of 1,425 people separate by operational area



Male

439



Female

986

Age range	Operational level		Staff		Executives		Senior Executives	
	Male	Female	Male	Female	Male	Female	Male	Female
Less than 30 years	105	190	14	11	2	7	0	0
30-50 years	179	466	31	17	23	14	6	5
More than 50 years	52	250	6	6	13	16	8	4
Total	336	906	51	34	38	37	14	9
people with disabilities	9	6	-	-	-	-	-	-



3. Develop personnel to have knowledge and abilities

Employees are considered invaluable assets to the company, pivotal for gaining a competitive edge in today's increasingly fierce market. Consequently, the company strongly emphasizes enhancing employees' knowledge and fostering a culture of continuous learning to adapt to technological advancements and anticipate forthcoming challenges. This includes embracing new work methodologies and ensuring compliance with the regulations of partner countries. To achieve this, a comprehensive development strategy has been implemented, focusing on enhancing expertise in job-related matters and international laws and standards, including those of trading partners. Additionally, employees are equipped with essential knowledge pertinent to daily life, contributing to the cultivation of a positive organizational culture that serves as the cornerstone for the company's journey toward long-term success and sustainability.

Target:

The company aims for its personnel to undergo training to enhance their knowledge and understanding of their roles, with an average of at least 6 hours per person per year.

Operational Guidelines:

Personnel constitute a vital resource for driving the organization toward its objectives. Therefore, prioritizing personnel development is crucial for steering the organization toward success. The company has thus devised strategies to unlock its personnel's potential, aligning with evolving work environments and demands. This encompasses enhancing knowledge, technological proficiency, and skills to foster effective competitiveness.

Coaching training serves as a framework for work development, drawing on personnel's concepts and experiences to tap into their innate potential. This approach fosters a sense of achievement in successful work execution, including problem-solving in accordance with kaizen principles. The company has established policies and guidelines for collaborative work development activities.

The knowledge curriculum adheres to international standard systems, equipping personnel with the necessary knowledge to execute their roles accurately and in line with international standards and trading partner regulations. Activities follow organizational culture and product standards, such as GAP, GHP, HACCP, ISO 22000, FSSC 22000, SMETA, HALAL, and PLS 8001. A work strategy is also implemented, necessitating a unit to monitor, oversee, and disseminate information and updates throughout the organization for practical application. Furthermore, both internal and external training courses are provided within the organization to empower personnel with applicable knowledge for efficient work execution.

Performance:

In 2023, the company aims to provide personnel development training averaging 10.36 hours per person per year, enhancing their knowledge and understanding of their roles.



4. Safety and working environment of employee

The company prioritizes the health and safety of its employees, both within the workplace and in their daily lives, and ensures the safety of business partners who interact and collaborate with the company. Strict adherence to fundamental safety laws is emphasized, with a firm commitment to comply with safety standards mandated by local and international regulations.

A safety committee has been established to oversee occupational health and safety in the workplace. Monthly meetings are conducted to monitor, supervise, and enhance safety measures, encompassing both physical locations and employee conduct. This includes conducting risk assessments to identify potential hazards and implementing measures to mitigate risks. Regular safety training sessions are organized to raise employee awareness and ensure adherence to safety protocols.

To further strengthen safety measures, the company has installed CCTV cameras to monitor premises and maintain records. Additionally, dedicated staff members are assigned to ensure continuous safety oversight and security guards are deployed around the clock. These measures are implemented to achieve zero accidents within the organization.

Target

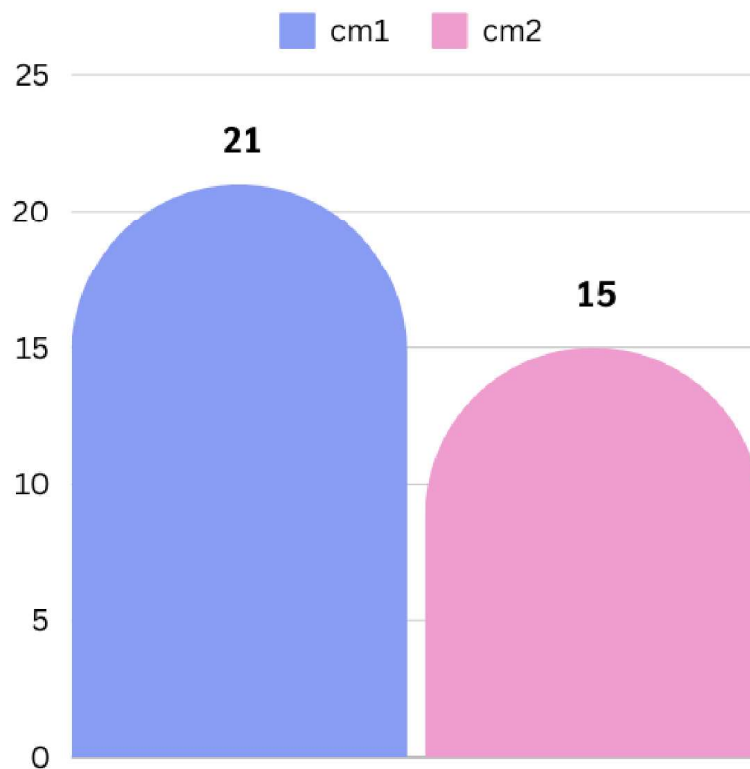
Set a target of zero employee accidents.

Operational guidelines

The company has formed a safety committee comprising employer and employee representatives, as mandated by law. This committee comprises 36 members across two factories, spanning multiple departments and shifts. A comprehensive security policy has been established to ensure occupational health and safety regulations compliance. This policy outlines guidelines for safe work practices and organizes various initiatives to promote workplace safety.

Monthly committee meetings are convened to evaluate potential risks and hazards. This includes analyzing insights gathered from Safety Walk activities and identifying hazards arising from work behaviors and environmental factors. Measures are then implemented to disseminate preventive knowledge among employees and reduce the likelihood of accidents. This involves preparing warning signs and safety symbols in three languages to ensure comprehension by all employees and ongoing supervision by the safety team.

Number of safety committees by factory (people)



Continuous safety training is organized to promote awareness, understanding, and adherence to workplace safety standards. This includes training sessions on various topics such as safe forklift driving, handling of ammonia chemicals, fire drills, fire escape procedures, and safety week activities. Additionally, management operates under the TLS 8001: 2020 system to ensure the welfare of employees and enable them to work safely.

Information regarding risk points and observed risky behaviors identified by the committee or relevant authorities is promptly communicated. This includes utilizing the LINE application for swift dissemination of information, enabling quick implementation of necessary improvements and corrections. Moreover, immediate action is taken to address any emergencies encountered during operations.



Safety training activities

The company has implemented initiatives to prevent and monitor occupational illnesses and provide healthcare for all staff members. This includes organizing an annual health examination program for employees working in high-risk environments to ensure their well-being and mitigate any potential health impacts. If any health issues are identified, prompt action is taken to address and treat them effectively.



Enhancing Safety Infrastructure:

The company prioritizes the safety of all stakeholders who interact with or visit the premises. This includes ensuring safety within the factory premises and extending safety measures to the surrounding areas where various individuals are involved. This encompasses trade partners delivering goods, large trucks loading items, employee shuttles, and staff vehicles. Risk areas have been identified and divided into zones, with designated lanes and enhanced warning signs implemented to guide everyone involved in safe and proper conduct.



Place a roundabout sign in front of the company office. Providing correct vehicle operation



Improving the entrance-exit channels in front of the factory from a single channel to separate entrance-exit channels



Put up warning signs and draw lines in the factory for clear direction

Activities to build energy on organizational measures for road safety

The company, situated in a community area adjacent to a busy thoroughfare, recognizes the potential risk of accidents for employees commuting to work and driving daily. To address this concern, initiatives have been implemented to promote safe driving practices during the commute and in regular activities. Collaborating with network partners such as the Thai Health Promotion Foundation, Provincial Administrative Organization, Central Vehicle Accident Victims Protection Company Limited, local police, San Sai District, and the Labor Protection and Welfare Office of Chiang Mai Province, the company has participated in training sessions. These sessions focus on educating individuals about safe driving practices, traffic regulations, and the importance of wearing helmets and seat belts while driving. As a result of these efforts, the company was recognized as a model organization for road safety in 2023.



Activities with partners in the Road Safety Organization



Received a award as a model organization for road safety in the year 2023

Performance

In 2023, the Lost Time Injury Frequency Rate (LTIFR) for employees was recorded at 2.39 individuals per 1,000,000 hours worked. There were no reported fatalities resulting from employee work during this period. Gender-specific data on lost-time injuries indicate 5 cases involving male employees and 2 cases involving female employees.



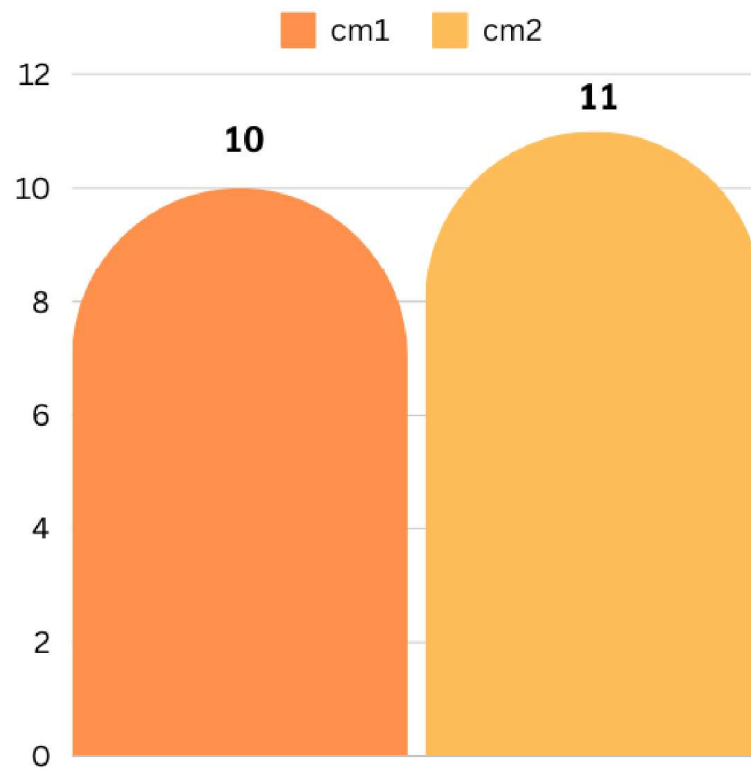
5. Strengthening relationships with employees

The company values cultural diversity among its employees and promotes inclusivity without discrimination based on gender, age, race, religion, or disability. A Welfare Committee has been established to foster camaraderie and mutual support among employees. This committee is dedicated to enhancing employee welfare and strengthening interpersonal relationships, fostering a sense of friendship and kinship among colleagues.

Various activities are organized to promote unity and cultural exchange among employees. These include inviting monks to receive alms at the company, participating in traditional ceremonies such as pouring water over the heads of the elderly during the City New Year Festival and distributing scholarships to employees' children. Additionally, fun-filled competitions such as Somtam-style contests and Krathong-making competitions using natural materials during the Loy Krathong Festival are organized. Funny sports activities are also arranged to encourage employees to enjoy friendly competition together.

Employee retirement day celebrations and singing contests during Safety Week are also part of the company's efforts to promote inclusivity and cultural appreciation. During these events, employees showcase their talents by participating in singing contests featuring both Thai and Shan songs, reflecting the workforce's diverse cultural backgrounds and fostering a sense of camaraderie among colleagues.

Number of welfare committee (people)





Somtarn contest on the Thai's new year



Provide scholarships to employees' children



Awarding certificates to outstanding employees



Make merit by offering food to monks on important occasions.



Connect with fun sports.



pay respect to the elders



Krathong contest made from natural materials

6. Maintaining the personal information of customers

The company initiated guidelines for compliance with the Personal Data Protection Act (PDPA) in May 2020. This includes formulating policies, manuals, and protocols to address complaints arising from the unauthorized disclosure of personal information. Emphasis is placed on upholding the privacy rights of individuals, granting them control over their data. Any collection, usage, or disclosure of personal data must follow legal provisions requiring explicit consent from data owners unless mandated by law for purposes such as protecting life, health, safety, or legal proceedings, as well as for research or statistical purposes.

The company has established protocols to safeguard personal data in handling personal information about employees, partners, and customers, including various departments like human resources, administration, agricultural extension agencies, and procurement. This includes the formation of a Personal Data Protection Committee and appointing a Personal Data Protection Officer, comprising 11 members responsible for overseeing all internal and external data management within the organization.

In the event of a personal data breach, individuals can report the incident via email at cm2@cmfrozen.com or by contacting the administrative personnel department at Factory 1 (053-844960-61) or Factory 2 (053-848088-92). The report should include the informant's name, contact details, and the nature of the leaked information, as well as specific details of the incident, such as date, time, and location, to facilitate the investigation and implementation of necessary management measures.

7. Create satisfaction for customers.

Customer feedback serves as a valuable reflection of their viewpoints, a perspective highly valued by the company's team. Consequently, this feedback is thoroughly analyzed to establish guidelines for enhancing various aspects, including products, services, production facilities, machinery, and operational processes. Additionally, it informs the development of new products tailored to meet the diverse needs of our customer base. Our ultimate objective is to ensure maximum customer satisfaction, which is aligned with the core philosophy of our company.

Target

Satisfaction evaluation scores from customers using products and services must be **more than 75%**.

*To continuously increase customer satisfaction, in 2024, the target will be adjusted to **more than 80%***

Carrying out activities

The company conducts its operations through its sales department, which regularly administers customer satisfaction surveys twice a year to assess their experiences with products and services. The results of these evaluations are then analyzed and utilized for further improvement and processing.

Performance

In 2023, the company distributed documents to customers to assess their satisfaction, segmented into evaluations for the CM1 and CM2. The evaluation results can be categorized as follows.

CM1: 69.2% of evaluated customers scored above 75%, while 30.8% scored below. The average satisfaction rating among customers was 84.95%.

CM2: 71.4% of evaluated customers scored 75% or higher, while 28.6% scored below. The average customer satisfaction rating was 84.40%.

8. Responsibility towards community and society

The company is akin to a household within the community, with its employees as residents. It undertakes initiatives to nurture and maintain this large household, ensuring harmonious coexistence with the community. Acknowledging the significance of community integration, the company has established policies to foster positive relationships, cooperation, and support for local organizations. These efforts aim to mitigate conflicts, address potential issues, and serve as a positive example within the community.

Target

There must be no written complaints about social impacts.

Operational guidelines

The company engages in various activities to contribute to the welfare of the community and society. These include observing Labor Day, participating in anti-drug campaigns, promoting workplace safety, and contributing to Kathin Samakkhi offerings. Additionally, the company supports efforts to extinguish forest fires, collaborates with local communities in tree planting initiatives, and participates in blood donation drives organized by the Thai Red Cross Society. These endeavors aim to foster strong relationships, transparency, and sustainability within the community.

The cooperative education project is a collaborative effort between the company and local educational institutions. In 2023, the company hosted five students from the Faculty of Agro-Industry at Chiang Mai University. These students engaged in hands-on learning experiences within an industrial factory setting to gain practical insights before entering the workforce. Through their participation, students presented projects derived from their learnings, aiding the company in cost reduction and optimizing work processes aligned with their studies. This initiative fosters real-world learning and mutual benefits for both parties.

Drug screening activities: To ensure the well-being of its diverse workforce, the company conducts drug screening activities as part of its commitment to maintaining a safe and healthy workplace environment. Collaborating with government officials from the San Sai District, the company organizes employee drug testing sessions. In cases where substance use is identified, a training program is arranged to support behavioral change and ongoing monitoring. This proactive approach serves as both a deterrent and a means of fostering positive development, aiming to prevent potential issues or adverse impacts on the community and promote harmonious coexistence.



Provide scholarships to employees' children



Awarding certificates to outstanding employees



Make merit by offering food to monks on important occasions.



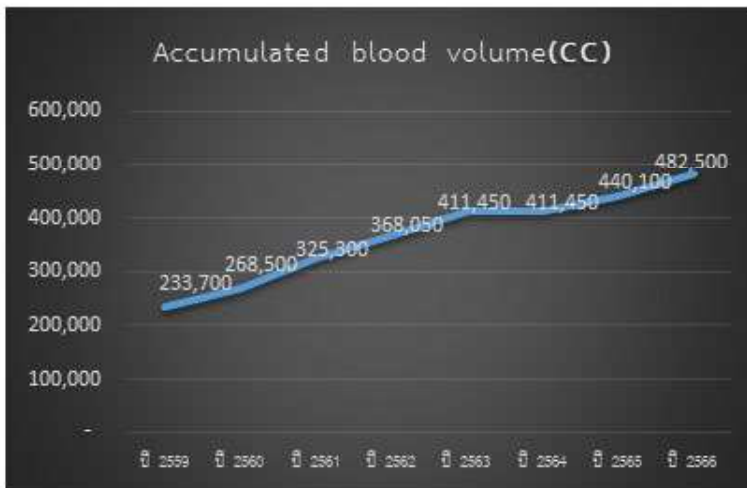
Connect with fun sports.



pay respect to the elders



Krathong contest made from natural materials



Statistics on total blood donations



Drug screening activities

Performance

The company demonstrates a proactive and conscientious approach to its operations, striving to mitigate any adverse effects and sustainably foster mutual benefits with the community. In 2023, no complaints concerning the company's activities that could have impacted the community or society were reported.

Environmental operations

The current shift in climate patterns contributes to global warming, making it imperative for every agency and organization to prioritize and collaborate on mitigating its various impacts. The company has formulated an environmental management policy encompassing water, waste, and energy management to address this. This policy encourages directors, executives, and employees across all levels to utilize resources efficiently and effectively. Communication and knowledge dissemination are emphasized to ensure all stakeholders understand and implement resource management guidelines in their daily activities. The company also engages in various initiatives, such as volunteering for reforestation projects, releasing fish into local waterways, promoting resource recycling awareness, and implementing energy conservation measures. Moreover, environmental compliance is upheld by regularly monitoring air quality, noise levels, temperature, lighting, chemical distribution, and wastewater quality. Measurement results are compared against legal standards, and reports are promptly submitted to relevant authorities within specified timelines.

Target

There were no chemical/oil/wastewater spills that had a significant impact on the community.

Operational guidelines

Conducting activities in compliance with legal regulations involves implementing preventive measures and maintenance to ensure machines operate smoothly without causing pollution. The company adheres to legal requirements by regularly measuring water and air pollution levels and preparing reports for submission to relevant government agencies. Additionally, training sessions are conducted to keep employees informed about new environmental regulations, enabling them to take appropriate actions.

Regarding information reporting, the company submits operational data related to the environment to relevant government bodies following legal mandates. This includes reporting R.S.2 to the Pollution Control Department, R.W.1 and R.W.2 to the Department of Industrial Works, and information on water pumping volumes to the Department of Groundwater Resources, among other things.



Industrial volunteer activities unite to care for the environment.

In recognition of His Majesty King Maha Vajiralongkorn's efforts, His Majesty has initiated collaboration between industry, private sector entities, and local communities to undertake reforestation projects to expand green areas. This initiative serves as a small contribution towards carbon capture and mitigating global warming. Additionally, efforts include releasing fish into natural water bodies to preserve ecological balance and sustain local communities. Furthermore, participation in enhancing local temples is also part of these endeavors.



Volunteer activities for planting forests, releasing fish, and developing communities

The waste material reuse contest aims to raise awareness about resource utilization and maximize its value. Employees participate by creating items and appliances from leftover materials and damaged household equipment, which encourages them to recognize the value of repurposing items for optimal use.



Environmental monitoring activities The company has developed an ecological monitoring strategy, including plans for collecting wastewater samples, assessing air quality from boiler emissions, and conducting annual assessments of factory environmental quality. These plans enable us to monitor and oversee our operations, ensuring they do not negatively impact the environment and surrounding communities.

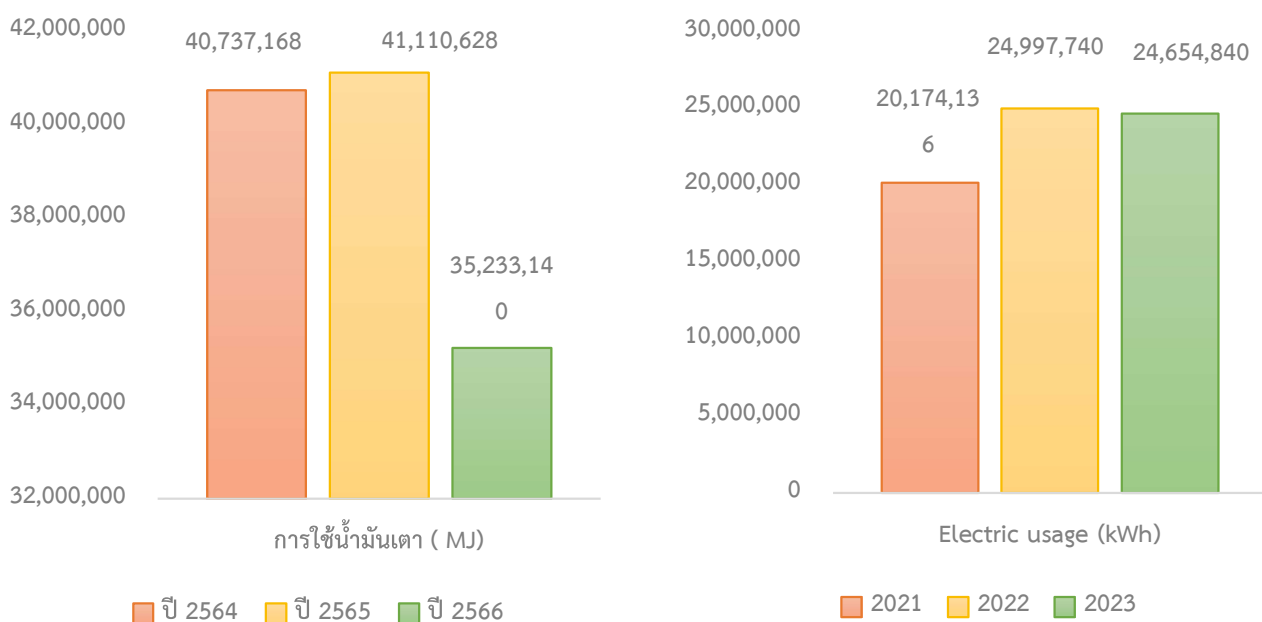
Performance

In the previous year of 2023, business management records indicate no instances of chemical/oil/wastewater spills with significant community impact. Additionally, no damages or fines were incurred due to legal violations or environmental disturbances.

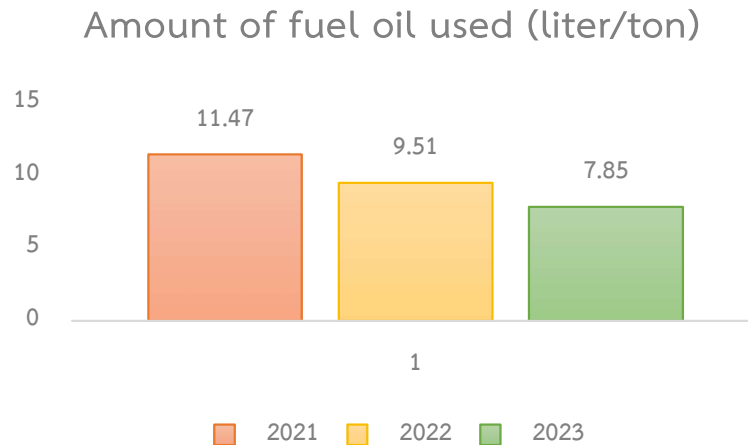


Power consumption

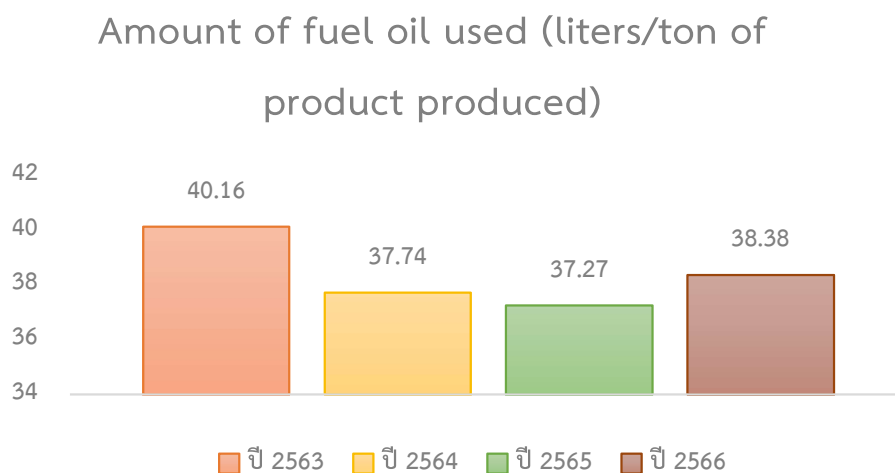
Energy is vital for global populations and constitutes a portion of production costs. Amidst evolving conditions, reliance on fossil fuels has contributed to environmental changes, including rising temperatures associated with global warming. Recognizing this, the company actively engages in environmental preservation efforts by reducing energy consumption. This includes implementing energy-efficient practices, such as managing energy consumption per unit of production, utilizing energy-saving equipment, minimizing water usage through recycling, waste separation, and harnessing clean energy sources like solar power. Since early 2021, the company has installed and utilized Solar rooftop systems to reduce dependence on fossil fuels. This commitment to environmental stewardship is fundamental to the company's ethos, as it collaborates with various sectors to address global challenges. In 2023, the company's two factories collectively consumed 35,233,140 megajoules of fuel oil energy and 24,654,840 kWh of electrical energy. Through effective management, energy usage decreased compared to 2022.



Fuel oil energy is utilized during the production of sweet corn. A comparison between 2022 and 2023 revealed a decrease in energy consumption per unit by 1.66 liters, equivalent to a reduction of 17.45%.



Fuel oil energy is employed in the production of soybeans and green beans. Upon comparing the years 2022 and 2023, it was observed that energy consumption per unit increased by 1.11 liters/ton, equivalent to 2.97%. This rise can be attributed to reduced production volume and a more varied distribution of production periods, leading to increased energy usage per production unit in recent years. The team will persist in analyzing and refining their processes for improvement.





Renewable energy from sunlight

The company prioritizes the utilization of renewable energy sources. Since the start of 2021, solar panels with a combined capacity of 2.47 megawatts have been operational across factories and cold storage units. This solar energy generation initiative aims to harness sunlight to power the facilities, thereby decreasing reliance on electricity sourced from the grid. This endeavor contributes to adopting renewable energy alternatives and mitigating global warming.

	Average target (kwh ./year)	Year 2021	Year 2022	Year 2023
Number of units produced (kWh)	3,206,735	3 ,445,041	3,548,996	3,418,252
Average electricity cost (baht/ kWh)		3.3744	3.8813	4.4292
Electricity costs that can be reduced (baht/year)		11,625,011.60	13,774,532.11	15,140,171.59
Co ₂ emissions (ton Co ₂ eq / year)		1,098.96	1,132.12	1,090.42

Note: According to computations on the website, the initiative supports efforts to reduce greenhouse gas emissions through the Duean Glass Gas Reduction Mechanism. The Greenhouse Gas Management Organization and the Ministry of Natural Resources and Environment are involved entities.

website: <http://ghgreduction.tgo.or.th/th/calculation/less-calculate-document/less-energy.html>

Water use management

The company is dedicated to water resource management and prioritizes operational practices that preserve water resources for sustainable use, ensuring minimal impact on communities that share these resources. Groundwater, obtained following permits issued by the Department of Groundwater Resources, is used for various production purposes such as cleaning production areas, tools, and equipment, washing raw materials, blanching or sterilizing products, and cooling before freezing. Additionally, water is utilized in production support systems like boilers and cooling systems to ensure the production of clean and hygienic products. This commitment reflects the company's responsibility towards customers, aiming to deliver satisfaction through fresh, clean, and safe products in value and quality.

Target

Each year, the proportion of reused water utilized exclusively within the production facility must exceed 5% of the factory's total water usage.

Operational guidelines

The raw water utilized across all factory facilities is sourced from underground groundwater and undergoes filtration within the factory's proprietary system. This filtration ensures that the water meets the required consumption and utilization standards throughout the facility. To mitigate risks associated with water usage, comprehensive management processes are implemented, encompassing data tracking from the water source, reduction of water consumption per unit of product (reduce), reuse of water (reuse), and water recycling (recycle). This approach aims to maximize the efficiency of water utilization. Moreover, the company emphasizes the importance of water management by minimizing the use of fresh water and prioritizing the treatment and recycling of used water. Efforts are made to ensure that the treated wastewater meets legal standards and does not adversely impact the surrounding community or water sources. As such, a systematic management framework is in place.

Recheck

The company relies on groundwater extracted from underground sources, adhering to permitted extraction limits. Guidelines have been established to monitor groundwater usage status, utilizing data from the Department of Groundwater Resources' website as a fundamental database for our pumped water sources. Usage levels vary according to production volumes, prompting the implementation of measures to monitor and analyze usage per production unit. Efforts are made to optimize water consumption efficiency. Regarding water availability for cultivation, updates from the Intelligent Water Operations Center and the Ministry of Agriculture and Cooperatives' website are monitored, enabling the evaluation and planning of planting activities aligned with water supply conditions. This ensures minimal impact on the production plant's input volume.

Reduce

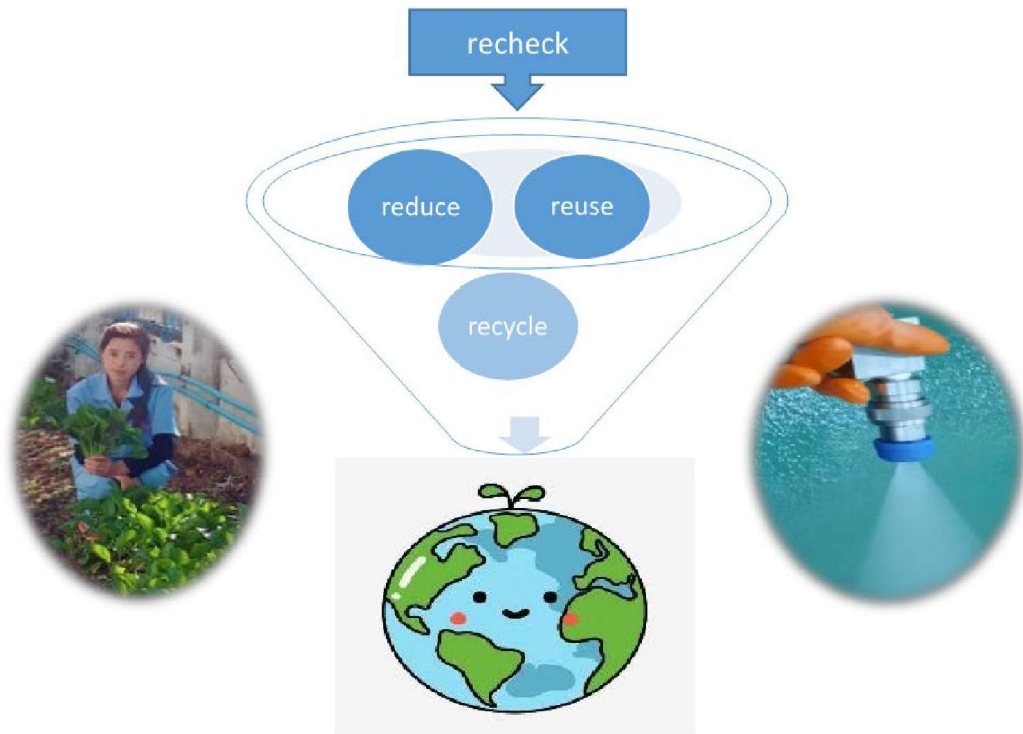
Water is extensively used for cleaning in the agricultural product production sector. Recognizing this, the company implements measures and monitoring protocols to regulate usage. These include the installation of a float for water distribution control, incorporating water pressure-reducing valves preceding actual valves, and deploying water sprinklers tailored to specific tasks. Moreover, an energy conservation committee has been established to oversee usage patterns, conduct energy walks to identify irregularities and evaluate water consumption per production unit. This meticulous analysis and monitoring aim to optimize water usage and maximize efficiency.

Reuse

In production, water used for washing our products' raw materials is recycled. This recycled water is employed in general processes unrelated to the product, such as conveying scraps from the production line via a conveyor rail system. Additionally, the temperature of the freezing water is adjusted through a heat exchanger system to optimize its utility before being directed to the factory's treatment system.

Recycle

The water utilized within the factory undergoes treatment to guarantee its quality before being discharged into the public mine shaft. With a management objective to minimize discharge, the company implements various activities to recycle treated water. These include cleaning roads and external scrap filter systems, utilizing water for sludge removal, spraying warehouse roofs to lower temperatures, watering lawns and green areas across all factories, and supporting employee vegetable growing projects. It's important to note that all recycled water is entirely separate from and does not come into direct contact with the product.



Performance

In 2023, the proportion of reused water solely employed in the production facility amounted to 3.72% of the factory's total water consumption, indicating an increase from the previous year. However, the target has yet to be met. The company remains dedicated to implementing diverse measures to attain the set objectives. Additionally, the water consumption per unit of sweet corn production stands at 5.68 cubic meters per ton.

Garbage and waste management

The company primarily focuses on frozen vegetable production, sourcing crops as its primary raw materials. With most waste originating from agricultural leftovers, the company is dedicated to socially and environmentally responsible business practices. Waste management initiatives have been implemented to address waste generated during operations. This includes developing a waste management plan, segregating waste into distinct categories for storage at designated depots, and establishing key performance indicators (KPIs) to monitor and regulate waste quantities. Agricultural crop residues like corn husks and defective bean pods constitute the bulk of the factory's waste, which is repurposed as animal feed in collaboration with the Maejo Dairy Cooperative. General waste, encompassing both hazardous and non-hazardous materials, is managed by subcontractors in compliance with legal regulations for disposal.



Factory waste separation management



Greenhouse gas emissions (Carbon Footprint)

There is a significant shift in weather patterns, with global temperatures surpassing previous levels, leading to what is now termed "World Boiling." This state of change necessitates collective action across all sectors. Our company acknowledges its role as a small entity in this global context and is committed to conducting business with social and environmental responsibility. Continuous efforts are underway to control and minimize greenhouse gas emissions, focusing on efficient energy and resource management. These efforts not only reduce costs but also add value to our operations.

One primary initiative involves utilizing alternative energy sources. The Solar Roof Top, installed with a capacity of 2.47 megawatts in late 2020 and operational since early 2021, generates 3,418,252 kWh of electrical energy annually for our factories. This renewable solar energy reduces greenhouse gas emissions by an estimated 1,090,422.39 kilograms of carbon dioxide equivalent per year.

Additionally, we engage in other activities to mitigate global warming. Waste sorting practices optimize waste management, with certain types recycled and reused for maximum benefit. Community tree planting initiatives increase green spaces, aiding in carbon dioxide absorption. Emissions from boiler shafts are closely monitored to ensure compliance with legal regulations. Transitioning to online meetings minimizes energy consumption associated with travel. Furthermore, staff training on greenhouse gases and global warming fosters a shared commitment to reducing environmental impact.

In 2023, our company's greenhouse gas emissions from scope 1 and 2 activities amounted to 17,742.20 tons of CO₂ equivalent.

Note:

Reference calculations from the website:

<https://thaicarbonlabel.tgo.or.th/tools/files.php?mod=Y0hKdlpVmpkSE5mWlcxcGMzTnBiMjQ9&type=WDBaSlRFVlQ&files=Tnc9PO>

4 Management Discussion and Analysis

4.1 Analysis of Business and Financial Performance

Executive Summary

- By December 31, 2023, the Company's current assets, comprising cash, cash equivalents, and other current financial assets, surged by 57 million baht or 20% compared to the corresponding period in 2022. Additionally, the company recorded a net cash flow from operations of 252 million baht in 2023.
- Sales revenue in 2023 amounted to 1,254 million baht, reflecting a decrease of 83 million baht or 6.2% compared to 2022. This decline was primarily attributed to reduced product sales to foreign markets. Meanwhile, the cost of sales decreased by 6.3%, leading to a 5.9% decrease in gross profit, aligning with the reduction in revenue.
- In 2023, the company achieved a net profit of 100 million baht, a significant improvement from 2022, which incurred a net loss of 55 million baht. This turnaround was primarily driven by a decrease in distribution costs by 49.9 million baht or 36.49%, an increase in exchange rate gains by 47.8 million baht or 110% compared to 2022, and a reduction in corporate income tax by 9.4 million baht or 90% compared to the same period in 2022.

2023 Economy

In 2023, the Thai economy grappled with ongoing uncertainties in its recovery trajectory, mainly stemming from the global economic downturn. Despite momentum from the tourism sector and private consumption growth, merchandise exports and industrial production declined. Moreover, high inflation, global financial market volatility, and domestic interest rate hikes added to the challenges. Geopolitical tensions escalated, increasing energy costs and heightened financial and production expenses, particularly given China's significant role as Thailand's primary trading partner and the world's second-largest economy. Consequently, both short-term and long-term economic challenges loomed.

The Japanese economy, a pivotal trading partner for the company, faced its hurdles in 2023. Labor shortages and inflationary pressures squeezed business profits, contributing to the yen's continued depreciation. Despite this, the tourism sector showed signs of recovery from the lingering effects of the COVID-19 crisis.

Throughout 2023, the Thai baht fluctuated between 32.57 and 37.24 baht per dollar before closing the year at 34.16 baht per dollar, marking a 1.3% appreciation from the previous year. However, concerns persisted regarding the US economic outlook and the potential for interest rate cuts by the Federal Reserve. Subsequently, the baht weakened following vital US economic and labor market data, coupled with inflation exceeding the Federal Reserve's target, prompting further interest rate hikes. Uncertainty loomed as the FOMC meeting approached in July 2023, compounded by domestic political factors and the slow pace of the Thai economy's recovery.

Towards the end of 2023, the baht saw a resurgence amid expectations that the US policy interest rate had peaked at 5.25-5.50%, with speculation of potential interest rate cuts by the Federal Reserve in 2024.

2023 Performance

Analysis of comparative operating results for the year Ending December 31, 2023 and 2022, summarized as follows.

Summary of operating results, consolidated income statement Unit: Baht	Consolidated financial statements		change	
	2023	2022	Amount	%
Revenue from Sales	1,253,830,648	1,336,733,909	(82,903,261)	(6.2 %)
Cost of sales	(1,020,184,627)	(1,089,226,646)	69,042,019	(6.3 %)
Gross profit	233,646,021	247,507,263	(13,861,242)	(5.6 %)
Gain (loss) from exchange rate	4,485,253	(43,376,590)	47,861,843	110.3 %
Profits from debt restructuring	59,827,726	0	59,827,726	
Other income	13,612,177	10,292,015	3,320,162	32.3 %
Profit before expenses	311,571,177	214,422,688	97,148,489	45.3 %
Distribution costs	(86,894,346)	(136,810,489)	49,916,143	(36.5 %)
Administrative expenses	(120,376,674)	(97,254,792)	(23,121,882)	23.8 %
Profit from operating activities	104,300,157	(19,642,593)	123,942,750	631.0 %
financial income	2,189,091	451,758	1,737,333	384.6 %
Financial costs	(5,014,345)	(6,845,437)	1,831,092	(26.7 %)
Loss from asset impairment	0	(19,072,075)	19,072,075	(100.0 %)
Profit (loss) before income tax	101,474,903	(45,108,347)	146,583,250	325 . 0 %
Income (expenses) income tax	(1,055,116)	(10,534,742)	9,479,626	(90.0 %)
Profit (loss) for the year	100,419,787	(55,643,089)	156,062,876	280.5 %
Part of the large company	98,345,168	(31,761,617)	130,106,785	409.6 %
The portion that belongs to a non-controlling interest.	2,074,619	(23,881,472)	25,956,091	108.7 %
Earnings (loss) per share Part of the large company	0.26	(0.08)	0.34	409.6 %

- Total sales income decreased by 83 million baht, or 6.2%, compared to 2022 due to a decline in exports and the strengthening of the baht. However, domestic distribution expanded by 11% from 2022.
- Gross profit declined by 14 million baht, or 5.6%, from 2022 due to revenue decreases, with a corresponding reduction in the cost of sales.
- Profit before expenses surged by 97 million baht or 32.3% from 2022, primarily driven by the recognition of profits from debt restructuring of subsidiaries totaling 59.8 million baht and gains from exchange rates that increased by 4.4 million baht compared to 2022, which incurred a loss of 43 million baht from foreign exchange.
- Distribution expenses plummeted by 49 million baht or 36.5% due to reduced international shipping costs, which returned to normal levels following the COVID-19 outbreak.
- The company secured an investment promotion from the Office of the Board of Investment for solar power generation systems, entailing a three-year corporate income tax exemption starting from the third quarter of 2022. Consequently, corporate tax in 2023 decreased by 9 million baht, or 90%, compared to 2022.
- The profit and loss for 2023 amounted to 100 million baht, marking an improvement from 2022, which incurred a loss of 55 million baht, attributable to the abovementioned factors.

STATEMENT OF FINANCIAL POSITION

statement

Consolidated statement of financial position as of 31 December 2023 compared to Consolidated statement of financial position As of 31 December 2022

List	Financial information		Increase (Decrease)	
	December 31, 2023	December 31, 2022	Amount	%
Unit: Baht				
Assets	1,527,353,954	1,634,492,829	(107,138,875)	(6.6 %)
Liabilities	155,713,603	356,014,093	(200,300,490)	(56.3%)
Shareholder's equity	1,371,640,351	1,278,478,736	93,161,615	7.3%

Total assets as of December 31, 2023, amounted to 1,527 million baht, a decrease of 107 million baht compared to 2022. The significant increases and decreases are detailed below

Financial information Unit: Baht	Total Assets		Increase (Decrease)	
	December 31, 2023	December 31, 2022	Amount	%
Cash and cash equivalents	278,038,237	192,066,717	85,971,520	44.8%
Other current financial assets	62,927,165	91,890,072	(28,962,907)	(31.5%)
Trade and other current receivables	126,004,463	118,534,278	7,470,185	6.3%
Farmer's debtor	23,089,085	13,342,100	9,746,985	73.1%
Inventories	325,925,565	473,050,464	(147,124,899)	(31.1%)
Derivative assets	14,911,955	23,085,208	(8,173,253)	(35.4%)
Total current assets	830,896,470	911,968,839	(81,072,369)	(8.9%)
Investment property	22,128,578	22,128,578	0	0.0%
Land, buildings, and equipment	643,476,896	668,672,173	(25,195,277)	(3.8%)
Intangible assets-computer programs	5,260,336	6,363,620	(1,103,284)	(17.3%)
Deferred tax assets	20,721,280	19,961,853	759,427	3.8%
Income tax waiting to be refunded	2,511,285	3,515,866	(1,004,581)	(28.6%)
Other non-current assets	2,359,109	1,881,900	477,209	25.4%
Total non-current assets	696,457,484	722,523,990	(26,066,506)	(3.6%)
Total assets	1,527,353,954	1,634,492,829	(107,138,875)	(6.6%)

- The cash and cash equivalents saw a boost of 85 million baht, facilitated by transferring matured short-term mutual funds from other current financial assets worth 30 million baht to enhance flexibility in business operations. Additionally, the reduction in raw material purchases compared to 2022 contributed to this increase
- Inventories declined by 147 million baht, or 31%, compared to 2022 due to a more effective inventory management policy.

2. As of December 31, 2023, total liabilities amounted to 155 million baht, a decrease of 200 million baht compared to the same period in 2022, with details of the significant increases and decreases as follows.

Unit: Baht	Total Liabilities		Increase (Decrease)	
	December 31, 2023	December 31, 2022	Amount	%
Overdrafts and short-term loans from financial institutions	-	30,041,587	(30,041,587)	(100.0%)
Trade and other payables	58,316,817	72,600,450	(14,283,633)	(19.7%)
Current portion of long-term loans from financial institutions	-	144,630,737	(144,630,737)	(100.0%)
Current portion of lease liabilities	298,288	2,278,694	(1,980,406)	(86.9%)
Current portion of long-term loans from other persons	5,756,100	3,197,400	2,558,700	80.0%
Short-term loans from related parties	250,000	-	250,000	100.0%
Derivative liabilities	3,428,419	2,349,981	1,078,438	45.9%
Other current liabilities	6,084,364	5,427,365	656,999	12.1%
Total current liabilities	74,133,988	260,526,214	(186,392,226)	(71.5%)
Liabilities under lease agreements	1,643,054	9,294,109	(7,651,055)	(82.3%)
Long-term loans from other parties	16,171,800	21,486,600	(5,314,800)	(24.7%)
Estimating employee benefit liabilities	63,764,761	64,707,170	(942,409)	(1.5%)
Total non-current liabilities	81,579,615	95,487,879	(13,908,264)	(14.6%)
Total debts	155,713,603	356,014,093	(200,300,490)	(56.3%)

- Bank overdrafts and short-term loans from financial institutions decreased by 30 million baht. In comparison, loans from financial institutions decreased by 144 million baht, attributed to the restructuring and repayment of debts by subsidiaries.
- Trade and other current payables decreased by 14 million baht, with liabilities under lease agreements dropping by 7 million baht and long-term loans from other parties decreasing by 5 million baht, primarily due to subsidiary debt repayments.

3. Shareholders' equity amounted to 1,371 million baht as of December 31, 2023, an increase of 93 million baht compared to 2022. The significant increases and decreases are detailed below.

Financial information	Total shareholders' equity		Increase (Decrease)	
	December 31, 2023	December 31, 2022	Amount	%
Unit: Baht				
Owner's equity of the parent company	1,362,463,169	1,271,376,173	91,086,996	7.2 %
	9,177,182	7,102,563	2,074,619	29.2 %
Total shareholders' equity	1,371,640,351	1,278,478,736	93,161,615	7.3 %

- An increase from net profit for 2023 of 100 million baht.
- Decreased from other components of shareholders totaling 5 million baht, which consists of Loss from mathematical estimation 2.1 million, tax impact - used derivative contracts 2.8 million baht

4. Consolidated cash flow statement for the year ending 31 December 2023: The group's net cash increased by 85 million compared to the consolidated cash flow statement for the year ending 31 December 2022, with details of activities as follows.

Financial information Unit: Baht	Cash flow		Increase (Decrease)	
	December 31, 2023	December 31, 2022	Amount	%
Net cash provided by operating activities	252,316,509	59,725,590	192,590,919	322.5%
Net cash used in investing activities	(26,303,984)	(72,878,199)	46,574,215	(63.9%)
Net cash used in financing activities	(140,041,005)	9,096,401	(149,137,406)	(1639.%)
Net cash increased	85,971,520	(4,056,208)	90,027,728	(2219.5%)
Cash and cash equivalents at the beginning of the year	192,066,717	196,122,925	(4,056,208)	(2.1%)
Cash and cash equivalents at year-end	278,038,237	192,066,717	85,971,520	44.8%

- Net cash generated from operating activities increased by 192 million baht compared to 2022, attributed to reduced raw material purchases to enhance inventory management efficiency.
- Net cash utilized in investing activities during 2023 was directed towards machinery and equipment purchases totaling 59 million baht to boost production efficiency and replace obsolete machinery. Additionally, equipment sales amounted to 1.4 million baht.
- Net cash utilized in financing activities was allocated to loan repayments and liabilities under lease agreements as part of debt restructuring efforts, totaling 137 million baht.

5. Important financial ratios

Important financial ratios	Year 2023	Year 2022
Liquidity ratio (times)	11.21	3.50
Quick ratio of capital (times)	3.75	0.74
Gross profit margin (percent)	18.63	18.52
Operating profit margin (percent)	8.32	(1.47)
Net profit margin (percent)	8.01	(4.16)
Rate of return on equity (percent)	7.32	(4.35)
Rate of return on total assets (percent)	6.57	(3.40)
Debt to equity ratio (times)	0.11	0.28

The key financial ratios in 2023 reflect a return to normal business operations following the temporary impact of asset impairment losses and exchange rate losses in 2022. Consequently, the net profit margin and return on equity decreased. However, the gross profit margin remained relatively stable.

4.2 Important financial information

Statement of the financial position of the company and subsidiaries

For the year ending 31 December 2021-2023

(Unit: million baht)

Asset	Year					
	2021	%	2022	%	2023	%
Current assets						
Cash and cash equivalents	196.21	11.80	192.07	11.8	278.04	18.20
Other current financial assets	41.67	2.05	91.89	5.6		
Trade and other receivables	93.31	5.60	118.53	7.3	126.00	8.25
Farmer's debtor	22.80	1.40	13.34	0.8	23.09	1.51
short term loans	-	-	-	-	-	-
Inventories	499.73	30.00	473.05	28.9	325.92	21.34
Derivative assets	1.41	0.10	23.09	1.4	14.91	0.98
Other current assets	0.22	-	-	-	-	-
Total current assets	855.26	51.40	911.97	55.8	830.90	54.40
Other non-current financial assets	-	-	-	-		-
Investment property	22.13	1.40	22.13	1.4	22.13	1.45
Land, buildings, and equipment-net	727.14	43.70	668.67	40.9	643.48	42.13
Land rental deposit	-	-	-	-	-	-
Goodwill	19.07	1.10	-	-	-	-
Intangible assets-computer programs	6.36	0.40	6.36	0.4	5.26	0.34
Deferred tax assets	28.76	1.70	19.96	1.2	20.72	1.3
Income tax waiting to be refunded	2.97	0.20	3.52	0.2	2.51	0.2
Other non-current assets	2.07	0.10	1.88	0.1	2.36	0.1
Total non-current assets	809.57	48.60	722.52	44.2	696.46	45.6
Total assets	1,664.83	100	1,634.49	100.0	1,527.35	100

(Unit: million baht)

Liabilities and shareholders' equity	Year					
	2021	%	2022	%	2023	%
Current liabilities						
Bank overdrafts and short-term loans from financial institution	11.06	0.7	30.04	1.8	-	-
Trade payables and other current payables	72.34	4.49	72.60	4.4	58.3	3.8
Long-term loans from financial institutions that are due within one year	4.69	0.3	144.63	8.8	-	-
Long-term loans classified as current liabilities	141.61	8.5	-	-	-	-
Financial lease liabilities are due within one year.	3.63	0.2	2.28	0.1	0.30	0.1
A long-term loan from another person that is due within one year.	2.14	0.1	3.20	0.2	5.76	0.4
Short-term loans from related parties	-	-	-	-	0.25	-
Accrued income tax	-	-	-	-	-	-
Derivative contract liabilities	10.61	0.60	2.35	0.1	3.43	0.2
Other current liabilities	6.35	0.4	5.43	0.3	6.08	0.4
Total current liabilities	252.42	14.7	260.53	15.9	74.13	4.8
Non-current liabilities						
Liabilities under lease agreements	10.86	0.7	9.29	0.6	1.64	0.1

(Unit: million baht)

Liabilities and shareholders' equity	Year					
	2021	%	2022	%	2023	%
Non-current liabilities						
Liabilities under lease agreements	10.86	0.7	9.29	0.6	1.64	0.1
Long-term loans from other parties	23.63	1.4	21.49	1.3	16.17	1.1
Estimating employee benefit liabilities	65.98	4.0	64.71	4.0	63.76	4.2
Total non-current liabilities	100.47	6.10	95.49	5.8	81.58	5.3
Total debts	352.89	20.8	356.01	21.8	155.71	10.2
Shareholder's equity						
Stock scholarship, value 1 baht per share						
Registered capital 381,145,725 shares						
In 2019-2021						
Issued and paid-up shares: 381,145,725 shares						
In 2019-2021						
	381.15	22.9	381.15	23.3	381.15	24.9
Share premium	68.0	4.1	68.0	4.2	68.0	4.4
Retained earnings						
-Allocated for legal reserve	38.11	2.3	38.11	2.3	38.11	2.5
- the portion that has not been allocated	798.96	48.2	767.07	46.9	863.7	56.5
Other components of shareholders' equity	(5.06)	(0.3)	17.04	1.0	11.5	0.7
Total equity of owners of the parent company	1,281.16	77.20	1,271.37	77.8	1,362.46	89.2
Non-controlling interests	30.78	2.0	7.10	0.4	9.18	0.6
Total shareholders' equity	1,311.94	79.20	1,278.48	79.2	1,371.64	89.8
Total liabilities and shareholders' equity	1,664.83	100.0	1,634.49	100.0	1,527.35	100.0

Statement of comprehensive income of the company and subsidiaries
For the year ending 31 December 2021 - 2023

List	year					
	2021	%	2022	%	2023	%
Revenue from Sales	1,055.59	100.0	1,336.73	100.0	1,253.83	100.0
Cost of sales	(948.11)	(89.8)	(1,089.23)	(81.5)	(1,020.18)	(81.4)
Gross profit	107.48	10.2	247.51	18.5	233.65	18.6
Gain (loss) from exchange rate	(9.08)	(0.9)	(43.38)	(3.2)	4.48	0.4
Profits from debt restructuring	-	-	-	-	59.83	4.8
Other income	8.54	0.8	10.29	0.8	13.61	1.1
Profit before expenses	106.94	10.1	214.42	16.0	311.57	24.8
Distribution costs	(72.86)	(6.9)	(136.81)	(10.2)	(86.89)	(6.9)
Administrative expenses	(88.32)	(8.8)	(97.25)	(7.3)	(120.38)	(9.6)
Including expenses for selling and administration	(161.18)	(15.2)	(234.06)	(17.5)	(207.27)	(16.5)
Profit (loss) from operating activities	(54.24)	(51.1)	(19.64)	(1.5)	104.30	8.3
financial income	0.26	-	0.45	0.0	2.19	0.2
Financial costs	(3.93)	(0.04)	(6.84)	(0.05)	(5.01)	(0.4)
Loss from impairment of financial assets	(30.09)	(2.8)	(19.07)	(1.4)	-	-
Profit before income tax expenses	(88.01)	(8.3)	(45.11)	(3.4)	101.47	8.1
Income (Expenses) Income Tax	2.39	0.2	(10.53)	(0.8)	(1.05)	(0.1)
Profit for the year	(85.62)	(8.1)	(55.64)	(4.2)	100.42	(8.0)
Net profit (loss) per share	(0.22)	-	(0.08)	-	0.26	-
Other comprehensive income for the year						
Items that will be recorded later in profit or loss.						
Reclassifying items from the hedge accounting reserve	24.06	2.3	103.39	7.7	17.81	1.4
<u>Deduct</u> the impact of income taxes.	(4.81)	(0.5)	(20.68)	(1.5)	(3.56)	(0.2)
Changes in the fair value of derivative hedging transactions	(53.11)	(5.0)	(75.75)	(5.7)	(24.74)	(2.0)
<u>Deduct</u> the impact of income taxes	10.62	1.0	15.15	1.1	4.50	0.4
Items that will not be reclassified to profit or loss later.						

Losses from changes in the value of equity investments that are determined to be measured at fair value through other comprehensive income.	-	-	-	-	-	-
<u>Deduct</u> the impact of income taxes.	-	-	-	-	-	-
Remeasurement of post-employment benefit obligations						
Profit (loss) from actuarial estimates	5.06	0.5	0.09	0.0	2.14	0.2
<u>Deduct</u> the impact of income taxes	(1.01)	(0.1)	(0.02)	(0.1)	0.43	-
Other comprehensive income (loss) for the year	(19.19)	(1.8)	22.18	1.7	(7.26)	(0.6)
Total comprehensive income (loss) for the year	(104.81)	(9.5)	(33.46)	(2.5)	93.16	7.4
Profit (Loss) Sharing						
Part of the large company	(70.69)	(6.7)	(31.76)	(2.4)	98.34	7.4
The portion that belongs to a non-controlling interest.	(14.93)	(1.4)	(23.88)	(1.8)	2.07	0.2
Total	(85.62)	(8.1)	(55.64)	(4.2)	104.42	8.3
Sharing of total comprehensive income						
Part of the large company	(89.88)	(8.5)	(9.78)	(0.7)	91.09	7.3
The portion that belongs to a non-controlling interest.	(14.93)	(1.4)	(23.67)	(1.8)	2.07	0.2
Total	(104.81)	(9.9)	(33.46)	(2.5)	93.16	7.4
Basic earnings (loss) per share						
Profit (loss) attributable to the parent company	(0.19)		(0.08)		0.26	

Statement of cash flows of the company and subsidiaries

For the year ending 31 December 2021 - 2023

list	year		
	2021	2022	2023
Cash flow from operating activities			
Profit before income tax	(88.01)	(45.11)	101.47
Adjustments to reconcile net profit to net cash from operating activities			
Unrealized gains and losses from exchange rates	2.31	1.24	1.63
Loss from impairment of financial assets	25.36	-	-
Reversal of loss from product value reduction	0.92	1.81	(3.71)
Loss from writing off deteriorated products	23.12	2.83	16.37
Reversal of doubtful debts	0.25	0.45	0.20
Gain from adjusting the fair value of investments	0.48	(0.22)	(1.02)
Gain from selling investments.	(0.63)	-	-
Loss (profit) from equipment sales and amortization	(0.20)	(1.00)	(1.39)
Depreciation and amortization	84.93	83.71	85.67
Loss from impairment of goodwill	-	19.07	-
Employee benefits upon retirement	4.47	9.48	3.04
Changes in the fair value of foreign currency forward contracts	4.81	(2.29)	2.32
Interest income	(0.10)	(0.23)	(0.93)
Interest expenses	3.93	6.84	5.01
Operating profit before changes in operating assets and liabilities	64.77	76.12	148.84
Operating assets decreased (increased)			
Trade accounts receivable	(11.88)	(26.92)	(9.11)
Farmer's debtor	(1.14)	9.44	9.94
Inventories	(53.76)	22.49	134.46
Current assets	2.34	0.21	-
Other non-current assets	0.17	0.19	(0.48)
Operating liabilities increased (decreased)			
Trade accounts payable	(55.76)	(0.49)	(5.77)
Other current liabilities	(1.91)	(2.83)	0.66
Employee retirement benefit obligations	(1.52)	(10.66)	(7.35)
Cash received from operations	(58.69)	67.55	251.31
Pay income tax	(1.04)	(7.83)	(0.04)
Receive income tax refund.	-	-	1.04

Net cash provided by operating activities	(59.73)	(59.72)	252.32
Cash flow from investing activities			
Other current financial assets (increase)	200	(50)	29.98
Cash paid for investments in related companies	(0.20)	-	-
Cash on the date of purchasing the subsidiary (before the capital increase of the subsidiary)	0.08	-	-
Interest income	0.52	0.23	0.93
Short-term loans to other companies	-	-	-
Proceeds from the liquidation of subsidiaries	-	-	-
Cash paid for investments in related companies	-	-	-
Cash payment for land rental deposit	-	-	-
Cash received from equipment sales	0.93	4.88	1.46
Cash paid to purchase buildings and equipment	(62.60)	(27.71)	(58.58)
Cash paid to purchase computer programs	(0.03)	(0.28)	(0.09)
Net cash provided by (used in) investing activities.	138.69	(72.88)	(26.30)
Cash flow from financing activities			
Bank overdrafts and short-term loans from financial institutions decreased.	(16.24)	18.98	-
Pay dividends	-	-	-
Cash payments for long-term loans from other parties	(7.70)	(1.08)	(2.76)
Cash paid for long-term loans from financial institutions	(0.32)	(1.66)	-
Cash repayment of loans, debts under lease agreements, debt restructuring agreements.	-	-	(137)
pay interest	(3.93)	(4.94)	(0.18)
Pay off debts according to the lease agreement.	(2.27)	(2.20)	(0.34)
Net cash used in financing activities	(30.45)	9.10	(140.04)
Cash and cash equivalents increased (decreased) - net	48.51	(4.06)	85.97
Cash and cash equivalents at the beginning of the year	147.61	196.12	192.07
Cash and cash equivalents at year-end	196.12	192.07	278.04
<u>Additional cash flow information revealed</u>			
Non-cash items			
Purchase a vehicle by recording a rental contract.	-	-	-

Purchase of equipment by entering into a finance lease agreement	2.64	-	-
Purchase of equipment by recording other creditors	1.09	0.77	0.75
Accrued dividends increased	-	-	-

Financial ratios

Financial ratios	unit	Financial statements		
		2021	2022	2023
<u>Mobility analysis ratio</u>				
Liquidity ratio	Time	3.48	3.50	11.21
Quick ratio	Time	0.80	0.74	3.75
Cash flow ratio	Time	(0.37)	0.23	3.40
Trade receivable turnover ratio	Time	12.30	12.62	10.25
Average debt collection period	day	29.26	28.53	35.59
Inventory turnover ratio	Time	1.97	2.24	2.55
Average sales period	day	182.42	160.71	142.93
Payable turnover ratio	Time	13.57	15.03	15.59
Debt repayment period	day	26.53	23.95	23.42
Cash Cycle	day	185.15	165.29	155.10
<u>Ratios show the ability to earn profits.</u>				
Gross profit margin	%	10.18	18.52	18.63
Operating profit margin	%	(5.59)	(1.47)	8.32
net profit margin	%	(8.11)	(4.17)	8.01
Rate of return on equity	%	(6.01)	(3.40)	0.61
<u>Operating efficiency ratio</u>				
Rate of return on assets	%	(5.08)	(2.63)	6.35
Rate of return on fixed assets	%	(22.72)	(7.79)	15.31
Asset turnover rate	Time	0.66	(2.62)	0.79
<u>Monetary policy analysis ratios</u>				
Debt to equity ratio	equal	0.27	0.28	0.11
Dividend payout rate	%	-	-	84.51

5 General Information and Other Information

5.1 General Information

Name	Chiangmai Frozen Foods Public Company Limited
Office Location	149/34 Soi Anglo Plaza, Surawongse Road, Kwaeng Suriyawongse, Khet Bangrak, Bangkok 10500, Thailand.
Registration	0107-537-000-513
Telephone	(662) 238-4091, (662) 634-0061-4
Facsimile	(662) 238-4090
Website	www.cmfrozen.com
Business Type	Manufacture and Export of Frozen Vegetables such as Soy Beans, Green Beans, Sweet Corn, Carrot, Baby Corn, etc.
Capacity	42,000 Metric Tons per Year
Factory (Branch)	1 st Plant No. 92 Moo 3, Chiangmai-Phrao Road, Nongjom, Sansai, Chiangmai Province 50210, Thailand. Tel. (6653) 844-961-4, 498-195-6 Fax. (6653) 498-199 2 nd Plant No. 299 Moo 14, Chiangmai-Phrao Road, Mae Fag Mai, Sansai, Chiangmai Province 50290, Thailand. Tel. (6653) 848-088-94 Fax. (6653) 848-097
Registered Capital	Three hundred eighty-one million one hundred forty-five thousand seven hundred twenty-five common shares, each with a par value of 1 Baht and an aggregate value of 381,145,725 Baht.
Paid-up Capital	Three hundred eighty-one million one hundred forty-five thousand seven hundred twenty-five common shares, each with a par value of 1 Baht and an aggregate value of 381,145,725 Baht.

5.2 Other Information

Shares in juristic persons held by the company more than 50%

Name	Sino Thai Freeze and Dry Co., Ltd.
Head Office	149/27-28 Pornpiwat Building 2 nd Floor, Soi Anglo Plaza, Surawongse, Bangrak, 10550
Factory	202 Moo 3, Huayyangtone, Paktor, Rachaburi, 70140
Telephone & Facsimile	Telephone: 662-235 8132 Fax: 662-235 8133
E-mail	st-fd@freezedry.co.th
Business Type	Manufacture and Distributor of Frozen & Freeze Dry Foods, Fruits & Herbs
Registered and Paid-up Capital	Ordinary shares 54,463,420 of each 10 Baht per share paid up 544,632,400 Baht.
Percentage of Shareholding	68.7% by the company considered THB 37.43 Million.

Other important information.

Registrar	Thailand Securities Depository Co., Ltd. The Stock Exchange of Thailand Building, No. 93, 14 th Floor, Rachadapisek Road, Kwaeng Disdain, Khet Dindaeng, Bangkok 10400 Thailand. Tel.(662) 009-9000 Fax.(662) 009-9991
Auditor	Ms. Chamaporn Rodloytuk, C.P.A.(Thailand) No.9211 AST Master Office of 790/12 Thonglor Tower, Soi Tonglor 18, Sukhumvit Road 55, Kwaeng Klongtoey, Khet Wattana, Bangkok 10110, Thailand. Tel.(662)381-5716, (662)381-8016
Legal Advisor	Mr. Vanchandr Vivaboonyawongse No. 1 Soi Ramintra 23 (junction 18), Ramintra Rd., Kwaeng Monument, Khet Bang Khen, Bangkok 10220. Telephone 081-827-2961

5.3 Legal disputes

In 2023, the company and its subsidiary had no dispute over laws that were important to the company's business.

5.4 Secondary Market – None

5.5 Financial Institution

Financial Institution	Siam Commercial Bank Public Co., Ltd., Thanachart Bank Public Co., Ltd., Krungthai Bank Public Co., Ltd. Bank of Ayudhya Public Co., Ltd.
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Section

2

Corporate Governance

6 Corporate Governance Policy

6.1 Overview of corporate governance policies and practices

Business governance and supervision policy

The Company's Board of Directors knows the importance of good corporate governance. For transparency, the competitiveness of the business must be increased, and confidence among shareholders, investors, and all related parties must be increased. Therefore, an operational policy has been established. To supervise the business. It covers the following essential principles:

1. The company will treat shareholders and stakeholders equally and is fair to all parties
2. The Board of Directors is committed to creating sustainable growth for the company in the long term. The Company's business will be managed with caution. And carefully within the framework of legal requirements and business ethics. The committee will perform its duties to the best of its ability to achieve maximum efficiency for shareholders and other stakeholders, prevent conflicts of interest, and take responsibility for its own decisions and actions.
3. The company will operate with complete transparency and is committed to disclosing any relevant information to all involved parties when the need arises.
4. The company will conduct business by always considering the risks. and will manage risks appropriately.
5. The company sets important policies for its operations in advance every year. The board of Directors Will prioritize the control system and internal audit and supervise the administration to implement effective policies.

The company has established a robust code of ethics that all directors, executives, and employees are bound to follow. This code of ethics is not just a formality but

testament to our commitment to integrity and ethical conduct in all aspects of our business. It is a cornerstone of our corporate governance, ensuring that the highest standards of ethics and professionalism guide all our actions.

The Board of Directors is committed to creating an excellent corporate governance process. It is a standard, and the practice should be distributed to employees at all levels throughout the company. To create a proper corporate governance culture, all directors, executives, and employees are requested to strictly adhere to the Corporate Governance Policy, which has been reviewed from the resolution of the Board of Directors meeting No. 1/2022 on February 27, 2022

Leadership and Vision

The Board of Directors determines the company's corporate governance policy, vision, mission, strategies, goals, and business plans and supervises the management operation according to the established business plan efficiently and effectively. The committee reviewed and approved the vision to add maximum economic value to the business and maximum security for shareholders. The company aims to improve business ethics, corporate governance policy, and other appropriate policies. It must conform to current rules and regulations and those that will occur at least every five years.

In the Board of Directors meeting No. 1/2023 on February 27, 2023, the Board reviewed the company's vision, mission, and strategy. The board believes that the vision, mission, and strategy are still current and can be used to run a successful business.

Conflict of interest

The Board of Directors has carefully and meticulously managed the business to prevent conflicts of interest. When a transaction may have a conflict of interest, the Audit Committee will be aware of transactions with conflicts of interest. The related items have been carefully considered every time as appropriate. It requires compliance with the rules of the Stock Exchange of Thailand, with prices and conditions similar to transactions with outsiders. The details, transaction value, contract parties, and reasons/necessities are disclosed in the annual report, the One Report, the notes in the financial statements, the general information section, and accounting transactions with related persons.

Stakeholders

Recognition committee and be aware of the rights of relevant stakeholders. There is a policy to encourage cooperation between the company and all groups of stakeholders. They are creating mutual benefits and ensuring that all stakeholders are protected. In good conduct, the company considers the rights of all stakeholders, including shareholders, customers, business partners, competitors, creditors, and employees. It considers safety and hygiene responsibility to the community and society, including the environment and natural resources, human rights, and anti-corruption. The guidelines for directors, executives, and employees are specified in the business ethics and set out as a policy in the corporate governance policy. The company provides channels for all stakeholders to file complaints with the company if fairness is not received from the Company's practices, Whether by the committee executives or employees. The Company promises that complaints from stakeholders will be protected and kept secret. The company will investigate according to the established process and find solutions immediately.

Anti-corruption

The company places importance on corruption. It is considered part of the policy in conducting business, which the company specifies in the business ethics, including anti-fraud and corruption as specified in the corporate governance policy, topic Anti-Fraud and Corruption Policy for all directors, executives, and employees to adhere to and at the Company's Board of Directors Meeting No. 4/2013 on November 11, 2013, the Board of Directors resolved to approve the Company's announcement of its intentions. To be a united front of action for the Thai private sector in combating corruption. In the meeting of the Company's Board of Directors No. 1/2015 on February 26, 2015, the Company's Board of Directors resolved to approve the preparation of an Anti-fraud and corruption policy in writing to provide clear guidelines for conducting business and aiming to develop into a sustainable organization. On April 21, 2015, the company applied to join the Anti-Corruption Partnership Network for Thailand to participate in the campaign to make every organization aware of the impact of corruption and fraud. Received certification as a member of the Coalition for Action on March 9, 2017, and received certification as a member continuing for the second term on 4 November 2019, anti-corruption policy has been reviewed From the resolution of the Board of Directors meeting No. 1/2023 on 27 February 2023

6.2 business ethics

The Board has approved regulations regarding business ethics or a manual for directors, executives, and employees to encourage directors, executives, and employees at all levels to adhere to them regularly and as a standard practice. All directors, executives, and employees have signed to acknowledge the documents regarding such regulations and confirm compliance. This is considered a framework for the company's operating standards. In addition, the committee has assigned a person responsible for the work responsible for continuously following up on performance results and constantly improving such regulations to be appropriate. Business ethics has been reviewed from the resolution of the Company's Board of Directors Meeting No. 2/2021 on 23 February 2021 and disclosed on the Company's website.

6.3 Review of essential charters/policies/practices

- Review and improve the charter of the Board of Directors.
- Review and improve the Nomination and Compensation Committee Charter.
- Review and improve the Risk Management Committee Charter.
- Review and improve the Charter of the Corporate Governance and Sustainability Committee.
- Review and improve the Executive Committee Charter.
- Review and improve approval authority

Setting the company's vision, mission, and strategy

- The Board of Directors has jointly considered, reviewed, and determined the Company's vision, mission, and strategy. Taking into account changes in the business environment and operations for sustainable growth To create business growth that takes into account all groups of stakeholders

Supervising and monitoring the implementation of strategies

- Consider the company's financial performance.
- Consider investment plans to expand your business. Including acquisitions and considering changing factors that may affect investment plans

Corporate governance system Internal control and risk management

- Consider corporate sustainability issues. and jointly set goals.
- Consider organizational risk issues and indicators affecting the company's operations.
- Consider complaint management Through the Corporate Governance and Sustainability Committee and the audit committee.

Consider acknowledging the results of the annual self-evaluation of the Board of Directors.

Anti-corruption operations

- Consider acknowledging the implementation of the No Gift Policy.
- Consider reviewing and improving the anti-corruption policy.

Shareholders: Rights and equality

The Company's Board of Directors acknowledges the significance of shareholders and is committed to ensuring their fair treatment through good corporate governance practices. As part of this commitment, the Company encourages shareholders to propose agenda items for consideration at the annual general meeting and to nominate suitable candidates for election as independent directors. Shareholders may also submit questions regarding the meeting agenda to the committee before the meeting date.

Recognizing shareholders' rights to receive accurate, timely, and comprehensive information, the Company pledges to provide meeting invitations and accompanying documents, including the board of directors' recommendations on each agenda item, through the securities registrar at least 21 days before the meeting. Furthermore, shareholders will have access to meeting-related information on the company's website at least 30 days before the meeting date to allow for thorough review.

To facilitate shareholder attendance, the Company schedules meetings at convenient times and accessible locations. Shareholders who cannot attend in person may appoint a proxy, allowing any of the Company's independent directors to represent and vote on their behalf during the meeting.

Facilitation on the shareholder meeting day

On the day of the shareholder meeting, The company places equal importance on all shareholders. Therefore, retail and institutional investors have established a policy to provide convenience to shareholders. Participate in the annual general meeting of shareholders or an extraordinary meeting of shareholders, during which the Company selects the meeting location. That is convenient for traveling, Including traveling by public transportation. And there is enough parking for personal cars. Schedule a meeting date, not a public or business holiday. Schedule the meeting time between 8:00 a.m. - 4:00 p.m. Provide staff with equipment to assist in registering to attend the meeting using the Barcode system. Arrange stamp duty for authorization to participate in the meeting. Shareholders can register to attend the meeting 2 hours before or during the meeting. To exercise voting rights on agenda items that have not been voted on. Suppose there is a meeting using the E-AGM system. In that case, the company has provided convenience to shareholders by announcing the meeting by mail and on the company website so that shareholders can participate at their convenience. We also use appropriate digital systems for live broadcasting to ensure smooth completion throughout the meeting.

Shareholder meeting

The Company's Board of Directors organizes an annual general meeting of shareholders within four months from the end of the fiscal year. Extraordinary shareholder meetings In the case of requesting a special resolution from shareholders, the company gives importance to every shareholder, including institutional shareholders. Small shareholders: Therefore, the company invites and supports institutional and small shareholders. Attend the meeting to ask questions. Leave a comment. Provide various suggestions that will be beneficial to business operations. The company is ready to facilitate all shareholders equally and exercise the right to vote transparently and fairly

by holding meetings according to the agenda specified in the meeting notice. For the agenda for the election of directors, The company has separated matters so that shareholders can exercise their voting rights to elect directors individually. It also allows shareholders' representatives to inspect the vote counting to ensure accuracy, and disclose the resolutions of the shareholder meeting along with the voting results within 9:00 a.m. on the business day following the day of the shareholder meeting, prepare complete meeting minutes and publish them on the Thailand Stock Exchange. and report via the company's website within 14 days from the shareholder meeting date.

Criteria and methods for voting to elect directors are as follows.

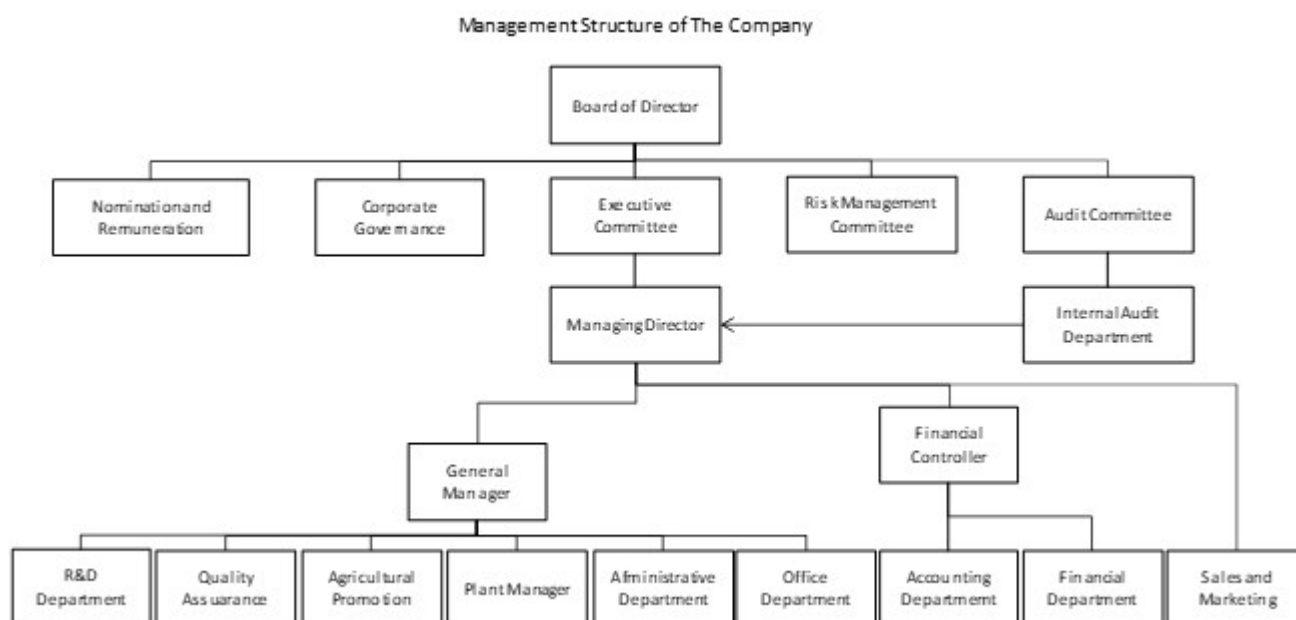
1. One shareholder has votes equal to 1 share per 1 vote.
2. Each shareholder must use all their votes according to 1. to elect one or several people as directors, but the votes cannot be divided among anyone to any extent.
3. The person receiving the highest number of votes in descending order will Be elected as a director equal to the number of directors that will be elected at that time. If the persons elected in descending order have the same number of votes, the number of directors that should be or will be elected at that time exceeds the number of directors. Let the chairman have the deciding vote.

CG and AGM evaluation results

list	2017	2018	2019	2020	2021	2022	2023
The overall average score of the CG assessment	88	91	91	91	92	91	81
AGM assessment results	97	100	100	99	97	99	95

7 Corporate Governance Structure and Important Information about the Board Sub-Committees, Executives, Employees, etc.

7.1 Corporate governance structure



7.2 Information about the Board of Directors and sub-committees

Board of Directors	Position	Type of director
1. Mr. Prayoon Pholpipattanaphong	Chairman of the Board of Directors	Executive Director
2. Mr. Prapas Pholpipattanaphong	Chairman of the Executive Committee	Executive Director
3. Mr. Ankoon Pholpipattanaphong	Managing Director	Executive Director
4. Mr. Lan Mu Chiou	director	Non-Executive Director
5. Mr. Amnuay Yossuk	director	independent directors
6. Mr. Amphon Ruayfuphan	director	independent directors
7. Dr. Phusit Wonglorsaichol	director	independent directors

8. Ms. Chutima Tangmatitham	director	independent directors
9. Mr. Peerapat Pholpipattanaphong	director	Executive Director
10. Mr. Lan Ming Te	director	Non-Executive Director
With Miss Narak Krissadee – Financial Controller (CFO). Being the company secretary		

Audit Committee	Position	Type of director
1. Mr. Amnuay Yotsuk	Chairman	independent directors
2. Mr. Amphon Ruayfuphan	Audit Committee	independent directors
3. Ms. Chutima Tangmatitham	Audit Committee	independent directors
Mr. Amphon Ruayfuphan, possessing a Master's degree in Business Administration and Finance from Cornell University, USA, brings extensive expertise in management accounting and financial statement analysis. Alongside him is Mr. Weerawat Sakulmirit, serving as the Deputy Manager of Internal Audit, who also fulfills the role of secretary of the audit committee and heads the internal audit department.		

Executive Committee	Position	Type of director
1. Mr. Prapas Pholpipattanaphong	Chairman	Executive Director
2. Mr. Prayoon Pholpipattanaphong	Executive committee	Executive Director
3. Mr. Ankoon Pholpipattanaphong	Managing Director	Executive Director

Nomination and Remuneration Committee	position	Type of director
1. Mr. Amnuay Yossuk	Chairman	independent directors
2. Mr. Amphon Ruayfuphan	Director	independent directors
3. Ms. Chutima Tangmatitham	Director	independent directors
4. Mr. Prapas Pholpipattanaphong	Director	Executive Director
5. Mr. Ankun Pholpipattanaphong	Director	Executive Director
With Mr. Vanchandr Sivaboonyawongs– as legal advisor and secretary.		

Corporate Governance Committee and Sustainability	Position	Type of Director
1. Mr. Ankoon Pholpipattanaphong	Chairman	Executive Director
2. Mr. Peerapat Pholpipattanaphong	Director	Executive Director
3. Ms. Chutima Tangmatitham	Director	independent directors
4. Ms. Narak Krisadee	Director and Secretary	Finacial Controller (CFO)
5. Ms. Warisara Kangkanka	Director	General Manager
6. Ms. Piyalak Chuapoodue	Director	Factory Manager 1
7 Mr. Thammarat Charoensanti	Director	Factory Manager 2

Risk Management Committee	Position	Type of Director
1. Mr. Ankoon Pholpipattanaphong	Chairman	Executive Director
2. Ms. Narak Krissadee	Director and Secretary	Finacial Controller (CFO)
3. Ms. Warisara Kangkanka	Director	General Manager
4. Ms. Piyalak Chuapoodue	Director	Factory Manager 1
5. Mr. Thammarat Charoensanti	Director	Factory Manager 2

Additional pertinent details regarding directors, independent directors, and senior executives are as follows:

- None of the company's directors or senior executives are currently employed or associated with an external auditing firm that the company has engaged within the past two years.
- No directors who also hold executive positions within the company serve as directors in more than three publicly listed companies.
- Additionally, no directors or executives within the company serve on the boards of more than two publicly listed companies outside the business group.
- There are no independent directors hold directorship positions in more than three other listed companies.
- Notably, one non-executive director possesses relevant work experience closely aligned with the company's business operations.

Qualifications and Standards for Directors and Key Executives:

1. Directors may hold positions in a maximum of three companies listed on the Stock Exchange.
2. Directors and key executives must not have been employed by or partnered with an auditing firm utilized by the company in the past two years.
3. They are required to submit a report on the company's securities transactions to the Securities and Exchange Commission (SEC) within three business days and inform the company secretary or the designated individual appointed by the Board of Directors.

4. Directors and executives are prohibited from trading securities using privileged insider information.
5. Any conflicts of interest must be disclosed to the Board of Directors.
6. The board of directors must review and approve Significant transactions involving related parties.

Meaning of column: A = number of years serving as an independent director, B = director of a company in which the company invests more than 10 %, C = other listed companies, D = work experience in related businesses, E = knowledge of accounting. (*Can read financial statements **Can analyze financial statements ***Graduated in accounting), F = Director training in the past year

List of Directors	Characteristics of directors	A	B	C	D	E	F
Mr. Prayoon Pholpipattanaphong*	Executive committee	-	✓	-	✓	✓	-
Mr. Prapas Pholpipattanaphong*	Executive committee	-	-	-	✓	✓	-
Mr. Ankoon Pholpipattanaphong*	Executive committee	-	✓	-	✓	✓	-
Mr. Lan Mu Chiu	Non-executive directors	-	-	-	✓	-	-
Mr. Amnuay Yotsuk*	Independent Director	31	-	-	✓	✓	-
Mr. Amphon Ruayfuphan**	Independent Director	18	-	-	✓	✓	-
Dr. Phusit Wonglorsaichon***	Independent Director	14	-	-	✓	✓	-
Ms. Chutima Tangmatitham**	Independent Director	8	-	-	✓	✓	-
Mr. Peerapat Pholpipattanaphong	Executive committee	-	-	-	✓	✓	-
Mr. Lan Ming Te	Non-Executive Director	-	-	-	✓	✓	✓

Definition of Independent Director:

1. Ownership of company shares, subsidiaries, affiliates, or related entities, including shares held by related parties, should not exceed 0.50 percent of the paid-up capital. This criterion is more stringent than the SEC's requirement of not exceeding 1.0 percent.
2. Serving as a director in no more than three other listed companies, a stricter limit compared to the SEC's allowance of up to five companies.
3. Exclusion from administrative roles, employment, consultancy, or any form of control over the company, its subsidiaries, affiliates, related entities, or entities where major shareholders hold shares directly or indirectly. Additionally, individuals with conflicts of interest must not maintain any such ties for a minimum of two years.
4. Avoidance of business relationships or provision of professional services as an auditor to the company, its subsidiaries, affiliates, or related entities, or entities with conflicting interests, unless free from such affiliations for at least two years.
5. Independence from management and significant shareholders of the company.
6. Absence from directorial roles in other listed companies within the corporate group, subsidiaries, affiliates, or related entities, or entities where major shareholders hold shares directly or indirectly.
7. At least one independent director should possess substantial knowledge and experience in finance and accounting.
8. Absence of characteristics prohibited by the company's corporate governance policy.
9. Absence of characteristics prohibited by the Securities and Exchange Commission.

Chairman of the Board's Responsibilities and Duties:

1. Collaborate with the Managing Director to determine agenda items for the Board of Directors and shareholder meetings.
2. Lead the directors in overseeing and monitoring the Executive Committee and other sub-committees to ensure they meet their objectives per the set plan.
3. Preside over meetings of both the company's committees and shareholders.
4. Hold the deciding vote in cases of a tie during the board of directors or shareholder meetings.

Powers and duties of the Board of Directors	Powers and duties of the Executive Committee (Management)
<ol style="list-style-type: none"> 1. The committee ensures adherence to the company's regulations, encompassing legal requirements, objectives, regulations, and resolutions from shareholder meetings. 2. Define the company's vision, direction, and strategic approach. 3. Approve significant strategies and policies, including financial objectives, goals, and operational plans, while ensuring adherence to the established plan. 4. Establish an accounting system, oversee financial reporting and auditing, and ensure the implementation of an efficient internal control system and effective internal auditing. 	<ol style="list-style-type: none"> 1. Establish management policies and operational directives in alignment with the company's goals and policies, aimed at fostering stability and maximizing company benefits. 2. Oversee, monitor, and ensure that the management department operates in strict accordance with established policies. 3. Possess authority to approve and execute legal actions within the parameters defined by the Board of Directors. 4. Perform any additional duties as delegated by the Board of Directors.

Powers and duties of the Board of Directors	Powers and duties of the Executive Committee (Management)
<p>5. Oversee and manage conflicts of interest, including transactions involving related parties.</p> <p>6. Develop comprehensive risk management guidelines and ensure the existence of systems or processes for effectively managing risks by executives.</p> <p>7. Ensure establishing a system or mechanism to appropriately compensate senior executives, providing both short-term and long-term incentives.</p> <p>8. Establish communication channels tailored to each group of shareholders and stakeholders of the company.</p> <p>9. Ensure accurate, clear, transparent, reliable, and high-standard information is disclosed.</p> <p>10. Serve as a leader and set a precedent for exemplary performance in the workplace.</p>	

Approval Authority of the Board of Directors

In accordance with the company's regulations, the Board of Directors is empowered to take action only upon receiving approval through resolutions passed at the Company's shareholder meetings, particularly in the following matters:

1. Approval of the balance sheet and profit and loss account.
2. Approval of profit allocation.
3. Election of new directors to replace those retiring by rotation or electing additional directors in the event of an increase in the number.
4. Approval of directors' remuneration.
5. Election of auditors and determination of the audit fees.
6. Amendment of the memorandum of association and company regulations.
7. Capital increase, capital reduction, transfer of reserves to compensate for accumulated losses, dividend payment, offering for sale or allocation of new shares, issuance of bonds.
8. Acquisition or disposal of assets with an individual value equal to or exceeding 15%.
9. Sale or transfer of the company's business, acquisition of other businesses, making, amending, or terminating contracts related to the rental of the company's businesses.
10. Merger or dissolution of the business.

Composition of Non-Executive Directors

The Company's Board of Directors comprises 10 directors, distributed as follows:

- 4 executive directors
- 2 non-executive directors
- 4 independent directors

Despite the Chairman of the Company's Board of Directors having a familial relationship with the Managing Director, they maintain independent perspectives on operations. This independence is upheld within the board's structure, including executive and non-executive directors. Specifically, there are at least 3 independent directors out of the total board, ensuring independent management oversight. This composition allows for impartial scrutiny of administration, instilling confidence among all stakeholders that the Chairman and Managing Director fulfill their duties with integrity, fairness, and equality, representing the shareholders' interests with a balanced distribution of power, merging or separating positions

Chairman and Managing Director Not the same person To have a clear separation of roles

7.3 Sub-committees

The Board of Directors has established a sub-committee to oversee the company's business operations. This committee is structured as follows:

Executive Committee

Initially formed on January 4, 2000, this committee comprised 3 executive directors. Subsequently, on April 26, 2023, an additional member was appointed, bringing the total to 4 individuals. The committee is vested with the following authorities and responsibilities:

1. Establish management policies and operational directions aligned with the company's policies and objectives, aiming to ensure stability and maximize benefits for the company.
2. Oversee and monitor management to ensure adherence to established policies efficiently and effectively.
3. Hold authority to approve investments, property acquisitions, other expenditures, and borrowing within limits set by the Company's Board of Directors.
4. Undertake any other tasks as delegated by the Company's Board of Directors.

Effective from January 1, 2016 onwards, approval authority is vested in Mr. Prayoon Pholpipattanaphong, Chairman of the Board, or Mr. Ankoon Phonphipattanaphong, Managing Director, or Mr. Prapas Pholpipattanaphong, who is authorized to sign and affix the company seal

Audit Committee

Established on August 28, 1998, for 3 years, the Audit Committee comprises independent directors and 1 independent director, Mr. Amphon Ruayfuphan, who possesses expertise in accounting and finance. The committee members are:

1. Mr. Amnuay Yossook - Chairman of the Audit Committee
2. Mr. Amphon Ruayfuphan - Audit Committee Member
3. Ms. Chutima Tangmatitham - Audit Committee Member

Mr. Weerawat Sakulmirit, Deputy Manager of Internal Audit, serves as the secretary of the audit committee.

Qualifications of the Audit Committee

1. All members of the audit committee must be independent directors.
2. At least one member of the audit committee must hold a degree in accounting or possess significant knowledge of accounting and financial statement analysis.

Powers and Duties of the Audit Committee

1. Propose the appointment and dismissal of external auditors.
2. Recommend the appointment, transfer, and dismissal of internal auditors.
3. Review the company's financial statements to ensure compliance with generally accepted accounting standards.
4. Assess the adequacy of the internal control system.
5. Evaluate the adequacy of measures to mitigate fraud and corruption.

6. Supervise and monitor directors, executives, and employees to ensure adherence to anti-fraud and corruption policies.
7. Prepare a report on the activities of the Audit Committee.
8. Undertake any other audit-related tasks delegated by the Company's Board of Directors.

Nomination and Remuneration Committee

Established on August 13, 2009, for a 3-year term, the Nomination and Remuneration Committee comprises 5 members, including 3 independent directors, 2 executive directors, and a legal advisor serving in an advisory capacity. The committee chair, an independent director, is responsible for identifying qualified individuals for directorship roles following company criteria and the requirements stipulated by the Stock Exchange of Thailand and the Office of the Securities Commission. The committee recommends candidates to the Board of Directors for consideration and approval and proposes their appointment to the shareholders for voting. Additionally, it evaluates and presents recommendations on director remuneration structures to the Board of Directors for further consideration and eventual approval by the shareholders.

Corporate Governance and Sustainability Committee

Established on November 12, 2012, for a 3-year term, the Corporate Governance and Sustainability Committee comprises 6 members: directors, executives, and other experts. At least 1 member of the committee member must be an independent director, with Mr. Vanchantr Siwabunyawong serving as an advisor. The committee is tasked with formulating corporate governance policies aligned with legal frameworks, regulations, and guidelines from bodies such as the Stock Exchange of Thailand and the Securities and Exchange Commission. It also develops sustainability policies and guides the Company's stakeholders to ensure adherence to governance principles. The committee oversees the effective management of operations and strives for continuity in line with shareholder and stakeholder expectations.

Risk Management Committee

The Risk Management Committee, comprising 5 members, including 1 executive director, 4 executives, and legal advisors in advisory roles, is responsible for establishing policies and systems for risk management. It monitors and assesses risk management processes, tracking results from identification, analysis, and assessment activities. The committee ensures the systematic implementation and ongoing practice of risk management throughout the company by providing guidance to internal departments and overseeing continuous adherence to established protocols.

7.4 Executives, executive and management officials

List of executives

a) Executives, according to the definition of the Securities and Exchange Commission

List of names		position	Educational Qualification
1	Mr. Prayoon Pholpipattanaphong	Chairman of the Board of Directors and authorized person to sign	Accounting and Honorary Doctorate Maejo University
2	Mr. Prapas Pholpipattanaphong	Executive Chairman and authorized person to sign	high school
3	Mr. Ankoon Pholpipattanaphong	Managing Director and authorized person to sign	Master of Business Administration, University of Colorado, USA, Bachelor of Communication Arts, Bangkok University
4	Mr. Peerapat Pholpipattanaphong	Marketing Manager	Bachelor's Degree, Economics, Chiang Mai University, Master's Degree, Political Science, International Relations Waseda University Japan
4	Miss Narak Krissadee	Financial Controller (CFO) and Company Secretary	Bachelor's Degree - Business Administration (Accounting), Ramkhamhaeng University
5	Miss Warisara Kengkanka	General Manager and Acting Manager of the Factory Office 2	Higher Diploma
6	Miss Piyalak Chuapdue	Factory Manager 1	Bachelor's degree in Food Science and Technology
7	Mr. Thammarat Charoensanti	Factory Manager 2	Bachelor's degree in Mechanical Engineering, Master's degree in Agricultural Industry Administration
8	Mr. Sairung Buntom	Agricultural Extension Manager	Bachelor's degree in Agricultural Studies (Horticulture)

Executive and management officials

List of names		position	Educational Qualification
1	Miss Nichapa Sungkitboon	Accounting Manager	Bachelor's degree in accounting,
2	Mr. Apidej Kulprayong	Deputy Factory Manager 2	Bachelor's degree in Food Industry Technology
3	Mr. Boonmee Saman	Deputy Factory Manager 1	Bachelor's degree in Agronomy
4	Mr. Charnwit Suwannarat	Deputy Quality Assurance Manager	Bachelor's degree in Food Science
5	Mr. Weerawat Sakulmirit	Deputy Manager of Internal Audit	Bachelor's Degree Accounting
6	Miss Kamornrat Pholpipattanaphong	Deputy Office Department, Factory 1	Bachelor's degree in International Business Administration, Master's degree in business administration
7	Mr. Witthaya Kamlangkeng	Deputy Accounting Manager	Bachelor's Degree Accounting Master's Degree - Business Administration
8	Ms. Ratinuch Wongwisawakit	Senior Assistant Marketing Manager	Bachelor of Arts Master's degree in business administration
9	Mr. Wiset Wiwitkulthorn	Assistant Marketing Manager	Bachelor's degree in business administration
10	Mr. Chaiwat Treeyanurux	Assistant Manager, Administrative Personnel	Bachelor's Degree in Automotive Engineering Master of Business Administration

Director and Executive Compensation

The company has established a transparent and clear remuneration framework for directors and executives, aligning with the criteria necessary to retain qualified individuals. Directors on the audit committee receive additional compensation commensurate with their increased responsibilities.

Remuneration Policy

Considering their workload, the Nomination and Remuneration Committee recommends appropriate compensation for the Board of Directors, subcommittees, managing directors, executive directors, and senior executives. This aims to incentivize them to perform their duties to the best of their abilities, ensuring sustainable growth, favorable operational outcomes, and equitable returns for shareholders, employees, and stakeholders in the short and long term.

Compensation Criteria

The company assesses compensation levels by benchmarking against industry standards or reports from organizations like the Thai Institute of Directors Association. Additionally, it considers the previous year's compensation levels and ensures that remuneration aligns with directors' and executives' workload, expertise, and requirements. These proposals are subject to annual shareholder approval. The company adheres to relevant laws and regulations in determining compensation levels for the Board of Directors, subcommittees, managing directors, executive directors, and senior executives.

Compensation Structure

- The four executive directors each receive an annual compensation of 400,000 baht.
- Non-executive directors, totaling six individuals, also receive an annual director compensation of 400,000 baht each. Additionally, the Chairman of the Audit Committee receives director remuneration adjusted for the increased workload at 40,000 baht per month. In comparison, two audit committee members receive remuneration adjusted for the increased workload of 20,000 baht per month each.
- Other Remuneration – Non-executive directors and members of every subcommittee do not receive additional compensation such as meeting allowances, bonuses, life insurance premiums, or company vehicles.
- Executive Directors receive additional compensation comprising salary, bonuses, living expenses, a 3% provident fund contribution, and a company car.
- Senior executives receive salary, bonuses, living expenses, a 3% provident fund contribution, and a company car.

Compensation Amount In 2023, the company disbursed various compensations to directors and executives, as detailed below:

(Unit: Baht)

First and last name	Position	2022	2023
1. Mr. Prayoon Pholpipattanaphong	Chairman of the Board of Directors	400,000	400,000
2. Mr. Prapas Pholpipattanaphong	Chairman of the Executive Committee	400,000	400,000
3. Mr. Ankoon Pholpipattanaphong	Managing Director	400,000	400,000
4. Mr. Lan Mu Chiu	director	400,000	400,000
5. Mr. Amnuay Yotsuk	Independent Director	400,000	400,000
6. Mr. Amphon Ruayfuphan	Independent Director	400,000	400,000
7. Dr. Phusit Wonglorsaichol	Independent Director	400,000	400,000
8. Ms. Chutima Tangmatitham	Independent Director	400,000	400,000
9. Mr. Peerapat Pholpipattanaphong	Director	-	400,000
10. Mr. Lan Ming Te	Director	-	400,000
Other compensation includes meeting allowances, bonuses, insurance premiums, etc.		-none-	-none-
Total remuneration for directors		3,200,000	4,000,000

Audit Committee

(Unit: Baht)

First and last name	position	2022	2023
1. Mr. Amnuay Yossook	Chairman of the Audit Committee	480,000	480,000
2. Mr. Amphon Ruayfuphan	Audit Committee	240,000	240,000
3. Ms. Chutima Tangmatitham	Audit Committee	240,000	240,000
Total compensation for the Audit Committee		960,000	960,000

Executive Committee and Executives

list	Year 2022		Year 2023	
	Number of cases	Amount (Baht)	Number of cases	Amount (Baht)
salary	8	20,669,160	9	21,365,975
bonus, gratuity	8	-	9	-
cost of living	8	62,400	9	66,430
Social security contributions	8	50,400	9	77,250
Provident contribution	8	620,076	9	690,650
Total	8	21,402,036	9	22,200,305
Including remuneration for directors, executives, and executives		25,562,036		27,160,305

7.5 Information about employees

The total number of employee jobs is appropriate for business operations. The company has not had any significant changes in the number of employees or labor disputes in the past 3 years.

Human resources as of 31 December 2023

List	Male	Female	Total
Administrative/Administration Department	37	47	84
Management / Production / Technicians	75	24	99
Daily employee, contractor	337	905	1,242
<u>Total</u>	<u>449</u>	<u>976</u>	<u>1,425</u>

The company has a proportion of hiring people with disabilities—100 non-disabled employees for every 1 disabled person, a fraction of 100. If the number exceeds 50, 1 additional disabled person must be hired.

Summary of employment of people with disabilities from 2022-2023		
	2022	2023
Factory 1	3	3
Factory 2	13	13
Total	16	16

Summary of turnover rates from 2022 - 2023, an average of two factories.		
Employee type	2022	2023
Monthly	2.34	2.34
Daily	4.41	4.41
Alien	3.04	3.04

7.6 Other important information

Auditor details and compensation

According to the resolution of the Annual General Meeting of Shareholders 2023, it was approved to select AST Master Company Limited, with

- | | |
|---------------------------------|--------------------------------------|
| 1. Mr. Pradit Rodloytook, | Certified Public Accountant No. 0218 |
| 2. Miss Nongram Laohaareedilok, | Certified Public Accountant No. 4334 |
| 3. Mrs. Pornthip Lerttanongsak | Certified Public Accountant No. 7633 |
| 4. Miss Sunan Thakhamsuk, | Certified Public Accountant No. 8207 |
| 5. Miss Chamaporn Rodloytook, | Certified Public Accountant No. 9211 |

Is responsible for auditing the company's financial statements for the year 2023, which is an independent auditor reliable and is an auditor approved by the Securities and Exchange Commission.

- Compensation from auditing the company's accounts Paid to the auditing office in 2023 of 1,200,000.00 baht. (One million two hundred thousand baht)
- Other service fees: None

Company Secretary

The company has designated a company secretary responsible for overseeing committee activities and coordinating various tasks, including:

- Offering fundamental guidance to directors regarding company regulations, rules, and protocols, ensuring adherence, and promptly notifying directors of any significant changes.
- Arranging shareholder meetings and committee gatherings following legal requirements, company regulations, and established norms.
- Documenting minutes of shareholder meetings and Board of Directors meetings, ensuring compliance with resolutions passed during these gatherings.
- Ensuring disclosure and reporting of information within their purview adhere to regulations set by the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission.
- Engaging and communicating with general shareholders to inform them about their rights and company news.
- Supervising the activities of the Company's Board of Directors.

8 Report on important performance results in corporate governance

8.1 Summary of the performance of duties of the committee

board meeting

1. The company sets the schedule for board meetings in advance annually. The meeting will be held regularly, at least once per quarter. And each director knows the said schedule. In 2024, the meeting schedule is as follows:

Meeting no.	Day-Month-Year	
1	Wednesday	February 28, 2024
2	Wednesday	24 April 2024
3	Wednesday	8 May 2024
4	Wednesday	7 August 2024
5	Wednesday	13 November 2024
6	Wednesday	December 11, 2024

2. Chairman and Managing Director consideration matters to be included in the meeting agenda.
3. Arrange for sending meeting invitation letters, agendas, and meeting documents to be sent to directors at least seven days before the meeting date to have enough time to consider the information
4. Require directors to attend the meeting of not less than two out of three of the entire committee when considering voting on essential matters such as the acquisition or disposal of assets of the company and its subsidiaries that have a significant impact on the company, Expanding investment projects, determining the level of administrative authority, Setting financial management policy and risk management, etc.
5. At the meeting, if any director is a stakeholder in the agenda being considered must leave the meeting before starting consideration on that agenda
6. Every committee member can propose matters for the meeting agenda and check meeting documents and other essential documents. If in doubt, other directors and management must take steps to answer those questions.

7. The Company Secretary or an assigned person must prepare the minutes of committee meetings within the period specified by law

The meeting attendance of each committee member is summarized as follows:

Name List	Period of rank hold (Year)	Meeting Attendance / Total Meetings (times), % Meeting Attendance etc. (In 2023, the Board of Directors held nine meetings)			
		Regular meeting agenda	Special Meeting	Total	%
1. Mr. Prayoon Pholpipattanaphong	3	9 / 9		9 / 9	100.00
2. Mr. Prapas Pholpipattanaphong	3	9 / 9		9 / 9	100.00
3. Mr. Ankoon Pholpipattanaphong	3	9 / 9		9 / 9	100.00
4. Mr. Lan Mu-Chiou	3	8 / 9		8 / 9	88.89
5. Mr. Amnuay Yossook	3	9 / 9		9 / 9	100.00
6 . Mr. Amphon Ruayfuphan	3	8 / 9		8/ 9	88.89
7. Dr. Phusit Wonglorsaichon	3	7 / 9		7 / 9	77.78
8. Miss Chutima Tangmatitham	3	9 / 9		9 / 9	100.00
9. Mr. Peeraphat Pholpipattanaphong [*]	3	6 / 7		6 / 7	85.71
10. Mr. Lan Ming-Te [*]	3	6 / 7		6 / 7	85.71
Every director has a proportion of their attendance at board meetings. They are accounting for 92.70 percent of the meetings for 2023.					

^{*} 2 directors were appointed to the committee on April 26, 2023, as per the resolution of the Annual General Meeting 1/2023.

Recruitment and appointment of directors and senior executives

Criteria and process for selecting and appointing new directors

According to the regulations set forth by the SEC and SET, the company allows shareholders to nominate individuals who are not disqualified according to the company's stipulations and the Securities and Exchange Commission's regulations. Nominees must provide consent to be elected as independent directors of the company. This year, the nomination period spans from December 14, 2022, to January 31, 2023. Detailed information, criteria, and procedures have been outlined on the company's website, www.cmfrozen.com, under Investor Relations, explicitly addressing the Rights of Shareholders. Additionally, announcements are made on the Stock Exchange of Thailand's website, www.set.or.th.

The Nomination and Remuneration Committee will evaluate individuals from shareholder nominations (if any) and those from the director database. Candidates must possess the qualifications specified by the company and comply with legal requirements, company regulations, and various related criteria. These criteria include professional skills, business expertise related to the company's operations, or proficiency in accounting, finance, and law. Essential skills lacking in the current board composition will also be considered, aligning with the company's business strategy. Gender, age, race, and religion will not limit selection. The committee will present its recommendations to the Company's Board of Directors for consideration and approval and subsequently to shareholders for individual consideration and appointment.

To establish a quorum at the shareholder meeting, a minimum of 25 shareholders and proxies (if any) representing shares totaling at least one-third of the 381,145,725 shares must be present. Each shareholder must cast all their votes for a single person. While multiple individuals can be elected as directors, votes cannot be divided among candidates. The approval of director appointments occurs during the shareholder meeting, with elected individuals ranked in descending order of votes and corresponding to available director positions. If a tie leads to an excess of required directors, a subsequent election will occur, and the chairman will cast the deciding vote.

Self-assessment

The Company arranges for an annual evaluation of the performance of the Board of Directors and sub-committee members.

1. Board self-evaluation form

Criteria

The board self-evaluation form adopts evaluation guidelines from the Stock Exchange and adapts them to suit the nature and structure of the Company's Board of Directors. The evaluation results will significantly develop the committee's duties and operations to be efficient and effective.

The assessment form is divided into six categories as follows:

1. Structure and qualifications of the committee
2. Roles, duties, and responsibilities of the committee
3. board meeting
4. Duties of directors
5. Relationships with management
6. Self-development of directors and development of executives

Assessment process

The Company Secretary distributes a self-evaluation form to all company directors after each year. Subsequently, the evaluations are compiled and reported to the Corporate Governance Committee, which presents the findings at the annual Board of Directors' meeting.

Self-evaluation form for individual directors

Criteria

The individual director's self-evaluation form serves as a tool to facilitate a thorough review and enhancement of their duties for increased efficiency and effectiveness. The evaluation covers topics aligned with the committee's core responsibilities as stipulated by legal requirements, charters, and business ethics. These include compliance with the Corporate Governance Policy, the Anti-fraud and Corruption Policy, and the manual outlining anti-corruption measures for directors, executives, and employees. The assessment form is categorized into three main sections:

1. Committee structure and qualifications
2. Committee meetings
3. Roles, duties, and responsibilities of the committee

Assessment process

The company secretary distributes the self-evaluation form to all directors and encourages them to assess their performance annually. Subsequently, the collected evaluations are reported to the Corporate Governance Committee and the Nomination and Remuneration Committee, with the latter informed by the former. The outcomes of this evaluation process are then presented at the annual Board of Directors' meeting. Regarding the Nomination and Remuneration Committee, the results are crucial in selecting new directors to replace those with expired terms.

2. Subcommittee self-evaluation form

The subcommittee comprises the Audit Committee, the Nomination and Remuneration Committee, the Corporate Governance Committee, and the Risk Management Committee. An annual self-evaluation is conducted, and the results play a crucial role in enhancing the performance of duties, supporting the Board of Directors' work, and contributing to the overall effectiveness of the company's business operations.

Performance evaluation	Average evaluation results (%)
Board of Directors	
1. Board of Directors (entire group)	94.79
1. Board of Directors (individual)	94.09
Subcommittee	
1. Audit Committee	95.00
1. Nomination and Remuneration Committee	94.53
1. Corporate Governance and Sustainability Committee	84.64
1. Risk Management Committee	80.11

Succession plan

The company is actively engaged in formulating a development plan for the systematic replacement of job positions. This initiative aims to equip the workforce with qualitative and quantitative enhancements, ensuring the seamless continuity of practical administration. The plan involves identifying and grooming personnel, encompassing key executives, to assume pivotal roles within the company's leadership and essential positions in the management structure. This process extends to roles integral to the company's operations or those requiring specialized skills, profound expertise, or presenting challenges in terms of replacement. Well-defined criteria have been established to guide the preparation of succession plans for these critical job positions, encompassing considerations, selection processes, and related criteria.

Treatment of new directors

The company furnishes a director's manual and conducts orientation for new directors. This comprehensive manual encompasses essential documents such as the memorandum of association, company regulations, the latest annual report, and other vital supporting materials. It also includes detailed information about the roles and responsibilities of the Board of Directors, Corporate Governance Policy, business ethics, anti-corruption measures, and various other policies. Additionally, the manual delineates the specific roles and responsibilities of each subcommittee.

Training and knowledge development

The company adheres to a policy of facilitating new directors by providing training courses. These courses enrich their knowledge, ensuring that directors comprehend their roles and responsibilities while staying informed about pertinent rules, regulations, and applicable laws.

Supervision of operations of subsidiaries

- None -

Ensuring the Responsible Use of Insider Information

The company has established comprehensive policies and procedures to govern directors, executives, and employees regarding using undisclosed internal information for personal gain or the advantage of others. To reinforce compliance and understanding among directors, executives, and employees, the following measures are implemented:

- Formulating a code of conduct for both company directors and employees, specifically addressing the use of insider information and safeguarding customer secrets. This code is distributed to directors, executives, and employees for acknowledgment through signatures, and strict adherence is expected throughout.
- Prohibiting directors, executives, and employees from possessing material inside information that could influence changes in the Company's securities' prices. Actions such as revealing, using, buying, or selling securities or encouraging others to do so, directly or indirectly, are strictly forbidden during the 14 days before the public disclosure of financial statements or internal information. Individuals privy to inside information are prohibited from disclosing it to others until it has been reported to the Stock Exchange.
- Before disseminating important company information to external parties, approval must be obtained from the Company's Board of Directors, managing director, or assigned personnel.
- Limit the sharing of inside information within the scope of assigned duties and responsibilities.
- Implementing stringent measures and a system to tightly control the company's information within respective divisions tightly, preventing the premature disclosure of critical internal details before the official release.
- Outlining punitive measures for violations: According to its work regulations, the company considers breaches of these regulations as disciplinary offenses. Appropriate punishments may include verbal warnings, written warnings, probation, and termination of employment through dismissal, layoff, or dismissal, depending on the circumstances.

The company diligently adheres to the Code of Best Practices, conducting an annual self-assessment of the board of directors and consistently improving and reviewing business ethics, Corporate Governance Policy, Anti-Corruption Policy, Risk Management Policy, manuals for directors, executives, and employees regarding anti-corruption measures, Board Charter, Subcommittee, Internal Control Manual. This ensures that the management aligns with the Code of Conduct of the Stock Exchange of Thailand, the Office of the SEC, and relevant laws.

8.2 Summary of the performance of duties of the Audit Committee

See more details at the Audit Committee Report, page 2

8.3 Summary of the performance of duties of other sub-committees

The meeting attendance of each subcommittee is summarized as follows:

List of names	Executive Committee	Audit Committee	Nomination and Compensation Committee	Corporate Governance Committee and sustainability	Risk Management Committee	Board of Directors who are not executive directors
<u>Number of meetings in 2023</u>	9	4	2	2	2	1
Meeting attendance of each director						
1. Mr. Prayoon Pholpipattanaphong	9 / 9					
2. Mr. Prapas Pholpipattanaphong	9 / 9		2 / 2			
3. Mr. Ankoon Pholpipattanaphong	9 / 9		2 / 2	2 / 2	2 / 2	
4. Mr. Lan Mu-Chiou						1 / 1
5. Mr. Amnuay Yossook		4 / 4	2 / 2			1 / 1
6. Mr. Ampon Ruayfupant		4 / 4	2 / 2			1 / 1
7. Dr. Phusit Wonglorsaichol				1 / 2		1 / 1
8. Ms. Chutima Tangmatitham		4 / 4	2 / 2	2 / 2		1 / 1
9. Mr. Peeraphat Pholpipattanaphong	6 / 7				1 / 2	
10. Ms. Narak Krissadee				1 / 2	1 / 2	
11. Mr. Weerawat Sakulmeerit		4 / 4		2 / 2	2 / 2	
12. Miss Warisala Kengkankha				2 / 2	2 / 2	
13. Miss Piyalak Cherphuthue				2 / 2	2 / 2	
14. Mr. Thammarat Charoensanti				2 / 2	2 / 2	

Report from the Corporate Governance and Sustainability

Committee

In 2023, the Corporate Governance and Sustainability Committee conducted three meetings, diligently fulfilling its corporate governance and sustainability responsibilities.

The critical activities encompassed:

1. Acknowledging the commendable score of 95 points received in the 2023 AGM.
2. Recognizing the CGR assessment results for 2023, attaining a commendable score of 81%.
3. Acknowledging the results of the 2023 sustainable stock assessment and affirming the company's commitment to undergoing the evaluation in the coming year.
4. Deliberating on applying the eight digits of the CG Code to the company's business operations, with a proposal for consideration and resolution by the Board of Directors.
5. Reviewing business ethics and corporate governance policy.
6. Evaluating the anti-fraud and corruption policy.
7. Scrutinizing the manual for directors, executives, and employees regarding anti-fraud and corruption measures.
8. Assessing the Charter of the Corporate Governance Committee.
9. Conducting a self-evaluation of the Board of Directors for 2023.

The Corporate Governance and Sustainability Committee maintains its oversight role by ensuring that directors, executives, and employees adhere to policies and achieve tangible and impactful results.

Report from the Nomination and Remuneration Committee

In 2023, the Nomination and Remuneration Committee conducted two meetings, diligently fulfilling its responsibilities related to recruitment and remuneration. The key activities include:

1. Exploring suitable candidates with the requisite qualifications for directorship, presenting recommendations to the Board of Directors and the 2023 Annual General Meeting of Shareholders. The Company invited individual shareholders to nominate potential directors from December 14, 2022, to January 31, 2023. Public awareness was raised through the websites www.cmfrozen.com and www.set.or.th. Notably, no shareholder nominated an individual for consideration as a company director. Additionally, the committee proposed the appointment of two new directors to enhance knowledge diversity and committee capabilities, thereby supporting changes in the current business landscape.
2. Evaluating and determining the annual remuneration for the Company's Board of Directors and subcommittees for 2023. The proposal, which considered increased workload, industry benchmarks, and previous-year compensation, was presented to the Board of Directors and shareholders for consideration and approval. The shareholder meeting resolved the approval of the proposed remuneration.
3. Assessing directors' knowledge, skills, and experience (Board skill matrix) to provide insights for appointing qualified directors. Emphasis was placed on directors possessing expertise and abilities contributing to the company's operational success.
4. Reviewing the charter of the Nomination and Remuneration Committee.
5. Establishing the process for selecting directors and determining remuneration.
6. Acknowledging the results of the Nomination and Compensation Committee's self-evaluation for 2023.

The Nomination and Remuneration Committee executed its duties meticulously and ethically, adhering to the responsibilities outlined in the Nomination and Remuneration Committee Charter. The focus remained on considering the benefits the company would derive from its decisions.

Report from the Risk Management Committee

In 2023, the Risk Management Committee conducted two meetings, diligently fulfilling its responsibilities in risk management. The key activities undertaken are outlined below:

1. **Risk Assessment and Solutions:** The committee assessed risks across various domains, including production and business operations, exchange rates, product quality management, finance, and investment. Solutions were devised to mitigate identified risks.
2. **Corruption Risk Assessment:** Evaluation was carried out to identify potential risks from corruption. The results indicated the absence of corruption in the performance of duties by directors, executives, and employees. The Company demonstrated effective risk management in each area, resulting in satisfactory outcomes. Consequently, the company maintained robust operational performance, and risks were acceptable.
3. **Review of Committee Charter:** A thorough Risk Management Committee Charter review was conducted.
4. **Approval Authority Review:** The committee reviewed its approval authority.
5. **Internal Control System Manual Review:** A comprehensive review of the internal control system manual was undertaken.
6. **Risk Management Policy Review:** The committee revisited the risk management policy.
7. **Biannual Review of Risk Assessment Results:** The risk assessment results for 2023 were scrutinized twice during the year.
8. **Board of Directors Self-Evaluation:** The Board of Directors conducted a self-evaluation for 2023.

9. **Preparation of Committee Report:** A detailed report summarizing the Risk Management Committee's activities for the year 2023 was prepared.
10. **Risk Management Manual Review:** The risk management process manual was reviewed.

The Risk Management Committee has steadfastly committed to mitigating business risks, ensuring that the Company operates with minimal exposure to potential hazards

9 Internal control and related transactions

9.1 internal control

The Board of Directors, The Audit Committee, and The Company's Management be aware of having an efficient and adequate internal control system. The Audit Committee is assigned to the Internal Audit Department, responsible for evaluating the adequacy and suitability of the internal control system annually with various company departments. The office also ensures that every aspect of the company's work processes is efficient, effective, and meets international standards.

In 2023, the Audit Committee and Internal Audit Department diligently evaluated the adequacy of the internal control system. Following the guidelines set by the Securities and Exchange Commission (SEC), they meticulously examined the five elements: control environment, risk assessment, control measures, information systems, and data communications. The audit committee has assessed the tracking system to summarize the operations in various areas. They concluded that the company's internal control system and risk management are adequate and practical, with no significant internal control deficiencies that would cause a considerable impact.

9.2 Related transactions

The Board of Directors has been vigilant in overseeing the administration, particularly preventing conflicts of interest. The Audit Committee is promptly informed of any transactions with conflicts of interest and connected transactions, which are then carefully considered. The company's commitment to ethical practices is evident in its strict adherence to the rules of the Stock Exchange, ensuring that prices and conditions are similar to transactions with outsiders. The details of these transactions, including their value, contract parties, and reasons/necessities, are transparently disclosed in the annual report and One Report and in the notes to the financial statements under the topic of general information and accounting transactions with related persons.

The company's policy on determining the price of products sold to related companies is guided by trade agreements and a market-driven approach. This approach ensures that the company operates with the same fairness and transparency as it would with a general contracting party in a similar situation. The company's commitment to fair business practices is further demonstrated by its compliance with all business mechanisms in setting prices, giving discounts, and extending credit. These decisions are made by officials directly responsible for management approval, with no involvement from shareholders with an interest. However, the company's market mechanism remains the primary factor in determining pricing, discounts, and credits, ensuring fairness to all customers. In the future, the company will continue to conduct transactions with each other, always considering the maximum benefits that the company will receive.

Related transactions in 2023

Company characteristics	Company name	relationship	Item characteristics	Value (Baht)
Subsidiary company	Sino -Thai Freeze and Dry Co., Ltd.	68.7 % of shares held by the company	There are no transactions in 2023	-
Related companies	CT Prosper Group Co., Ltd.	There are common shareholders and directors.	Rental income Office space 30 square meters is the price agreed upon according to the contract.	90,000
Related companies	Saithong Global Fruit Co., Ltd.	There are common shareholders and directors.	There are no transactions in 2023	-

Section 3

3

Financial Statement

Report from the Company's Board of Directors

Dear shareholders,

The Board of Directors, committed to financial transparency, takes full responsibility for the Company's financial statements and the information presented in the annual information form. These financial statements are meticulously prepared following Thailand's generally accepted accounting standards. The selection of appropriate accounting policies, their consistent application, and the exercise of prudent judgment and reasonable estimates are critical to preparing these financial statements. Moreover, the Board ensures the inclusion of relevant information in the notes to the financial statements.

Recognizing the significance of adhering to business ethics and upholding sound corporate governance principles, the Company has appointed several sub-committees, including the Executive Committee, Audit Committee, Nomination and Remuneration Committee, Corporate Governance Committee, and Risk.

Management Committee. These sub-committees are crucial in supervising and advising management to operate within legal frameworks, regulations, and prevailing industry practices. Furthermore, the Company has established an internal audit department and an effective internal control system to instill confidence in the accuracy of accounting information, ensure efficient resource utilization, and identify weaknesses to prevent corruption and significant business damage.

As part of our commitment to preventing corruption, the Board approved an anti-corruption policy in Meeting No. 1/2015, urging strict adherence by directors, executives, and employees. The Company also took a proactive step by joining the Anti-Corruption Partnership Network on April 21, 2015, to participate actively in the campaign against corruption and fraud.

Certification as a Thai Private Sector Collective Action Coalition Against Corruption member was obtained on March 9, 2017, and reaffirmed on November 4, 2019, further demonstrating our unwavering commitment to ethical business practices.

Underlining our commitment to the equitable treatment of all stakeholders, the Board has clearly defined the roles, duties, and responsibilities of directors, executives, and employees. Upholding business ethics, they are expected to treat shareholders, customers, partners, competitors, creditors, employees, society, communities, and the environment fairly and transparently. This commitment aims to foster equality, transparency, and fairness and contribute to the overall development of society, community, and the environment for sustainable and harmonious coexistence.

In 2023, the Board conducted nine board meetings, collectively fulfilling their duties with a focus on continuous improvement in operational efficiency. An annual self-assessment of the entire Board of Directors and individual committees was organized to ensure accountability and effectiveness.

Your Faithfully,

Mr. Prayoon Pholpipattanaphong,
Chairman of the Board of Directors

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 2023, 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 2023, 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 draw attention to Note 17 and 32 to the financial information. On 31 July 2023, the financial institution, the leasing company which is a subsidiary of the financial institutions, the subsidiary and the Company entered into a Debt Restructuring Agreements in a total amount of Baht 137.00 million. The loan from the financial institution and finance lease payable had a total amount of Baht 196.83 million, consisting with the principal in the amount of Baht 183.95 million and accrued interest expenses in the amount of Baht 12.87 million. 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 year ended 31 December 2023. My opinion is not modified in respect of the matter.



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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 94% of total revenue of the Group. 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 and cost of sales and revenues disaggregated by products group to determine the accuracy and the appropriateness of revenues recognized throughout the accounting period.

Impairment assessment of investment in subsidiary

As described in Note to the financial statements 12, Estimated impairment of investment of subsidiary. 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 investment in subsidiary in separate financial statements. The consideration of impairment of investment 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 investment and the management's assumptions used in estimate the recoverable amount. 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 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 investment.

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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.
- 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.

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- 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.
28 February 2024

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2023

ASSETS	Notes	In Baht			
		Consolidated		Separate	
		financial statement		financial statements	
		2023	2022	2023	2022
CURRENT ASSETS					
Cash and cash equivalents	6	278,038,237	192,066,717	276,421,919	190,702,047
Other current financial assets	7	62,927,165	91,890,072	62,927,165	91,890,072
Trade and other current receivables	8	126,004,463	118,534,278	121,612,304	112,905,451
Accounts receivable-planters	9	23,089,085	13,342,100	23,089,085	13,342,100
Receivable from sale and purchase assets agreement					
with option to repurchase memorandam	10	-	-	144,018,692	-
Short-term loan to subsidiary	5.2	-	-	-	-
Inventories	11	325,925,565	473,050,464	325,650,656	450,264,686
Derivatives assets	30	14,911,955	23,085,208	14,911,955	23,085,208
TOTAL CURRENT ASSETS		830,896,470	911,968,839	968,631,776	882,189,564
NON-CURRENT ASSETS					
Investment in subsidiary	12	-	-	-	16,132,323
Investment property	13	22,128,578	22,128,578	22,128,578	22,128,578
Property, plant and equipment	14	643,476,896	668,672,173	424,565,152	427,574,548
Refundable deposit receivable	15	-	-	-	-
Intangible assets-software computer	16	5,260,336	6,363,620	5,260,336	6,363,620
Deferred tax assets	28	20,721,280	19,961,853	20,061,132	19,961,853
Income tax refundable		2,511,285	3,515,866	2,511,285	3,515,866
Other non-current assets		2,359,109	1,881,900	1,784,409	1,802,340
TOTAL NON-CURRENT ASSETS		696,457,484	722,523,990	476,310,892	497,479,128
TOTAL ASSETS		1,527,353,954	1,634,492,829	1,444,942,668	1,379,668,692

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 2023

LIABILITIES AND SHAREHOLDERS' EQUITY	Notes	In Baht			
		Consolidated		Separate	
		financial statement		financial statements	
		2023	2022	2023	2022
CURRENT LIABILITIES					
Bank overdrafts and short-term loans from financial institutions	17.1	-	30,041,587	-	-
Trade and other current payables	18	58,316,817	72,600,450	48,796,623	48,551,932
Current portion of long-term loan from financial institutions	17.2	-	144,630,737	-	-
Current portion of lease liabilities	17.3	298,288	2,278,694	298,288	349,310
Current portion of long-term loans from other persons	19	5,756,100	3,197,400	-	-
Short-term loans from related person	5.2	250,000	-	-	-
Derivatives liabilities	30	3,428,419	2,349,981	3,428,419	2,349,981
Other current liabilities	20	6,084,364	5,427,365	3,603,484	2,945,446
TOTAL CURRENT LIABILITIES		74,133,988	260,526,214	56,126,814	54,196,669
NON-CURRENT LIABILITIES					
Lease liabilities	17.3	1,643,054	9,294,109	1,643,054	1,941,342
Long-term loans from other persons	19	16,171,800	21,486,600	-	-
Employee benefit obligations	21	63,764,761	64,707,170	63,764,761	64,707,170
TOTAL NON-CURRENT LIABILITIES		81,579,615	95,487,879	65,407,815	66,648,512
TOTAL LIABILITIES		155,713,603	356,014,093	121,534,629	120,845,181
SHAREHOLDERS' EQUITY					
Share capital-Baht 1 par value					
Authorized shares					
381,145,725 common shares		381,145,725	381,145,725	381,145,725	381,145,725
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	22	38,115,000	38,115,000	38,115,000	38,115,000
Unappropriated		863,703,675	767,071,790	824,648,545	754,519,128
Other component of equity		11,498,769	17,043,658	11,498,769	17,043,658
Total equity attributable to the parent company		1,362,463,169	1,271,376,173	1,323,408,039	1,258,823,511
Non-controlling interests		9,177,182	7,102,563	-	-
TOTAL SHAREHOLDERS' EQUITY		1,371,640,351	1,278,478,736	1,323,408,039	1,258,823,511
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		1,527,353,954	1,634,492,829	1,444,942,668	1,379,668,692

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 2023

	Notes	In Bath			
		Consolidated financial statement		Separate financial statements	
		2023	2022	2023	2022
Revenues from sales	24	1,253,830,648	1,336,733,909	1,250,119,118	1,264,272,551
Cost of sales		<u>(1,020,184,627)</u>	<u>(1,089,226,646)</u>	<u>(1,014,079,111)</u>	<u>(975,931,789)</u>
Gross profit		233,646,021	247,507,263	236,040,007	288,340,762
Gain(loss) on exchange rate		4,485,253	(43,376,590)	4,462,612	(43,643,222)
Gain from debt restructuring	17,32	59,827,726	-	-	-
Other income		<u>13,612,177</u>	<u>10,292,015</u>	<u>11,148,937</u>	<u>8,776,738</u>
Profit before expenses		311,571,177	214,422,688	251,651,556	253,474,278
Cost of distributions		<u>(86,894,346)</u>	<u>(136,810,489)</u>	<u>(86,826,220)</u>	<u>(131,340,705)</u>
Administrative expenses		<u>(120,376,674)</u>	<u>(97,254,792)</u>	<u>(75,905,674)</u>	<u>(73,337,864)</u>
Profit(loss) from operating activities		104,300,157	(19,642,593)	88,919,662	48,795,709
Finance income		2,189,091	451,758	2,485,869	631,741
Finance costs		<u>(5,014,345)</u>	<u>(6,845,437)</u>	<u>(1,415,245)</u>	<u>(225,021)</u>
Loss of allowance impairment of assets	25	<u>-</u>	<u>(19,072,075)</u>	<u>(16,432,322)</u>	<u>(121,180,822)</u>
Profit(loss) before tax		101,474,903	(45,108,347)	73,557,964	(71,978,393)
Tax expenses	28	<u>(1,055,116)</u>	<u>(10,534,742)</u>	<u>(1,715,264)</u>	<u>(9,426,027)</u>
Net profit(loss) for the year		100,419,787	(55,643,089)	71,842,700	(81,404,420)
Other comprehensive income					
Other comprehensive income to be reclassified to profit or loss in subsequent year					
Hedging reserve reclassified to profit or loss		17,814,202	103,387,782	17,814,202	103,387,782
<u>Less : Tax effect</u>	28	<u>(3,562,840)</u>	<u>(20,677,556)</u>	<u>(3,562,840)</u>	<u>(20,677,556)</u>
Change in fair value of hedging derivatives		<u>(24,745,314)</u>	<u>(75,754,967)</u>	<u>(24,745,314)</u>	<u>(75,754,967)</u>
<u>Less : Tax effect</u>	28	<u>4,949,063</u>	<u>15,150,993</u>	<u>4,949,063</u>	<u>15,150,993</u>
Other comprehensive income not to be reclassified to profit or loss in subsequent year					
Remeasurements of post-employment benefit obligations					
Actuarial gain(loss)		<u>(2,141,604)</u>	<u>96,461</u>	<u>(2,141,604)</u>	<u>(724,416)</u>
<u>Less : Tax effect</u>	28	<u>428,321</u>	<u>(19,293)</u>	<u>428,321</u>	<u>144,883</u>
Other comprehensive income for the year		<u>(7,258,172)</u>	<u>22,183,420</u>	<u>(7,258,172)</u>	<u>21,526,719</u>
Total comprehensive income for the year		<u>93,161,615</u>	<u>(33,459,669)</u>	<u>64,584,528</u>	<u>(59,877,701)</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 2023

	In Bath			
	Consolidated		Separate	
	financial statement		financial statements	
	2023	2022	2023	2022
Profit(loss) attributable to:				
Equity holders of the parent	98,345,168	(31,761,617)	71,842,700	(81,404,420)
Non-controlling interests	2,074,619	(23,881,472)	-	-
	<u>100,419,787</u>	<u>(55,643,089)</u>	<u>71,842,700</u>	<u>(81,404,420)</u>
Total comprehensive income attributable to:				
Equity holders of the parent	91,086,996	(9,783,613)	64,584,528	(59,877,701)
Non-controlling interests	2,074,619	(23,676,056)	-	-
	<u>93,161,615</u>	<u>(33,459,669)</u>	<u>64,584,528</u>	<u>(59,877,701)</u>
Basic earnings(loss) per share				
Profit(loss) attributable to equity holders of the parent	<u>0.26</u>	<u>(0.08)</u>	<u>0.19</u>	<u>(0.21)</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 2023

	In Baht							
	Consolidated financial statements							
	Equity holders of the parent							
	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 comprehensives 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	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	21,978,004	205,416	22,183,420
Total comprehensive income for the year	-	-	-	(31,889,865)	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	1,271,376,173	7,102,563	1,278,478,736
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	7,102,563	1,278,478,736
Profit for the year	-	-	-	98,345,168	-	98,345,168	2,074,619	100,419,787
Other comprehensive income for the year	-	-	-	(1,713,283)	(5,544,889)	(7,258,172)	-	(7,258,172)
Total comprehensive income for the year	-	-	-	96,631,885	(5,544,889)	91,086,996	2,074,619	93,161,615
Balance as at 31 December 2023	381,145,725	68,000,000	38,115,000	863,703,675	11,498,769	1,362,463,169	9,177,182	1,371,640,351

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 2023

	In Baht					
	Separate financial statement					
	Retained earnings				Other component of equity	Total
	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 comprehensives income	
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
Loss for the year	-	-	-	(81,404,420)	-	(81,404,420)
Other comprehensive income for the year	-	-	-	(579,533)	22,106,252	21,526,719
Total comprehensive income for the year	-	-	-	(81,983,953)	22,106,252	(59,877,701)
Balance as at 31 December 2022	<u>381,145,725</u>	<u>68,000,000</u>	<u>38,115,000</u>	<u>754,519,128</u>	<u>17,043,658</u>	<u>1,258,823,511</u>
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 year	-	-	-	71,842,700	-	71,842,700
Other comprehensive income for the year	-	-	-	(1,713,283)	(5,544,889)	(7,258,172)
Total comprehensive income for the year	-	-	-	70,129,417	(5,544,889)	64,584,528
Balance as at 31 December 2023	<u>381,145,725</u>	<u>68,000,000</u>	<u>38,115,000</u>	<u>824,648,545</u>	<u>11,498,769</u>	<u>1,323,408,039</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 CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	In Bath			
		Consolidated		Separate	
		financial statement		financial statements	
		2023	2022	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit(loss) before tax		101,474,903	(45,108,347)	73,557,964	(71,978,393)
Adjustments to reconcile net profit(loss) to net cash provided by operating activities					
Unrealized loss on exchange rate		1,630,624	1,242,991	1,630,624	1,229,950
Loss on impairment of financial assets		-	-	300,000	10,180,822
Loss on impairment of investment in subsidiary		-	-	16,132,323	111,000,000
Loss of allowance for goodwill impairment		-	19,072,075	-	-
Loss on diminution in value of inventories (reversal)		(3,707,345)	1,812,136	(3,670,911)	4,334,513
Loss for write-off inventories		16,368,920	2,383,848	-	-
Loss of allowance for expected credit losses		202,010	450,754	195,852	17,154
Gain from changes in value of other current financial assets		(1,019,085)	(223,619)	(1,019,085)	(223,619)
Gain from debt restructuring	17,32	(59,827,726)	-	-	-
Net gain on disposal of assets and write-off of assets		(1,396,708)	(1,009,900)	(485,257)	(1,160,300)
Gain on cancellation of lease liabilities		-	(9,179)	-	-
Depreciation and amortization		85,675,098	83,708,798	63,514,309	59,157,269
Employee benefit		3,039,271	9,481,099	3,039,271	3,945,059
Change in fair value of forward exchange contracts		2,320,579	(2,295,545)	2,320,579	(2,295,545)
Interest income		(932,627)	(228,139)	(1,229,405)	(408,122)
Interest expenses		5,014,345	6,845,437	1,415,245	225,021
Profit from operating activities before change in operational assets and liabilities		148,842,259	76,122,409	155,701,509	114,023,809
Decrease(increase) in operational assets					
Trade and other current receivables		(9,106,961)	(26,917,969)	(10,337,471)	(36,258,432)
Accounts receivable-planters		(9,942,837)	9,444,842	(9,942,837)	9,444,842
Inventories		134,463,324	22,486,365	128,284,941	1,372,615
Other current assets		-	215,020	-	-
Other non-current assets		(477,209)	189,746	17,931	189,746
Increase(decrease) in operational liabilities					
Trade and other current payables		(5,770,714)	(492,400)	(581,640)	(4,157,244)
Other current liabilities		656,999	(2,833,052)	658,038	(276,456)
Employee benefit obligations		(7,352,933)	(10,663,225)	(7,352,933)	(4,334,267)
Cash received from operating activities		251,311,928	67,551,736	256,447,538	80,004,613
Cash paid for tax		(35,917)	(7,826,146)	(35,917)	(7,826,146)
Income tax refundable		1,040,498	-	1,040,498	-
Net cash provided by operating activities		252,316,509	59,725,590	257,452,119	72,178,467

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 2023

	Notes	In Bath			
		Consolidated		Separate	
		financial statement		financial statements	
		2023	2022	2023	2022
CASH FLOWS FROM INVESTING ACTIVITIES					
Decrease (increase) in other current financial assets		29,981,992	(50,000,003)	29,981,992	(50,000,003)
Cash paid for sale and purchase assets agreement					
with option to repurchase memorandum	10	-	-	(144,018,692)	-
Interest received		932,621	228,137	929,399	227,298
Proceeds from disposal of equipment		1,456,101	4,884,922	519,558	1,619,747
Cash paid for acquisition of plant and equipment		(58,579,120)	(27,707,994)	(58,514,021)	(26,920,830)
Cash paid for acquisition of computer software		(95,578)	(283,261)	(95,578)	(283,261)
Net cash used in investing activities		(26,303,984)	(72,878,199)	(171,197,342)	(75,357,049)
CASH FLOWS FROM FINANCING ACTIVITIES					
Increase in bank overdrafts and short-term loans					
from financial institutions		-	18,979,967	-	-
Cash receivable for short-term loans from other persons		250,000	-	-	-
Cash paid for long-term loans from other persons		(2,756,100)	(1,080,000)	-	-
Cash paid for long-term loan from financial institutions		-	(1,663,716)	-	-
Repayment of loan and lease liabilities					
under debt restructuring	17,32	(137,000,000)	-	-	-
Interest paid		(185,595)	(4,936,323)	(185,595)	(225,021)
Payment for lease liabilities		(349,310)	(2,203,527)	(349,310)	(853,101)
Net cash provided by(used in) financing activities		(140,041,005)	9,096,401	(534,905)	(1,078,122)
Net increase(decrease) in cash and cash equivalents		85,971,520	(4,056,208)	85,719,872	(4,256,704)
Cash and cash equivalents, beginning of year		192,066,717	196,122,925	190,702,047	194,958,751
Cash and cash equivalents, end of year		<u>278,038,237</u>	<u>192,066,717</u>	<u>276,421,919</u>	<u>190,702,047</u>
Supplement disclosures of cash flows information					
Non cash items					
Purchases of equipment by recording as other payables Increase		753,100	768,865	818,199	585,648
Purchases of intangible assets by recording as other payables Increase		8,132	-	8,132	-
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.

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. FINANCIAL REPORTING STANDARDS

3.1 Financial reporting standards that became effective in the current year

During current year, 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 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.

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:

	No. of Years
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 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

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.

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.

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:

	Relationship
<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
Short-term loans to / Short-term loans from	Interest charge at rate of 0 - 8.32% 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 2023

5.2 Balances of transactions with related companies

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

	In Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Trade receivables (Note 8)				
Subsidiary	-	-	23,450	23,450
<u>Less</u> Expected Credit Loss				
Loss	-	-	(23,450)	-
Total trade receivables	-	-	-	23,450
Accrued Interest				
Subsidiary	-	-	480,822	180,822
<u>Less</u> Expected Credit Loss	-	-	(480,822)	(180,822)
Total accrued Interest	-	-	-	-
Other receivables (Note 8)				
Related companies	9,000	9,000	9,000	9,000
Receivable from sale and purchase assets agreement with option to repurchase memorandum (Interest charge at rate of 8.32% per annum) (Note 10)				
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 year	-	-	-	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 year	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.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023

5.3 Business transaction with related companies

Business transaction with related companies for the years ended 31 December 2023 and 2022 are as follows:

	In Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Sale income				
Subsidiary	-	-	-	23,450
Other income				
Related companies	90,000	90,000	90,000	90,000
Financial income				
Subsidiary	-	-	299,999	180,822
Service expenses				
Subsidiary	-	-	-	171,000
Purchase of goods				
Subsidiary	-	-	-	725,398
Directors and management's benefits				
Short-term employee benefits	30,468,923	28,592,032	30,468,923	28,592,032
Post-employment benefits	408,545	307,917	408,545	307,917
Total	30,877,468	28,899,949	30,877,468	28,899,949

6. CASH AND CASH EQUIVALENTS

	In Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Cash	116,507	176,053	112,507	126,053
Current deposits	2,153,010	1,454,754	541,269	540,425
Saving deposits	275,766,670	190,433,871	275,766,093	190,033,530
Fixed deposits	2,050	2,039	2,050	2,039
Total	278,038,237	192,066,717	276,421,919	190,702,047

The weighted average effective interest rates of deposits at financial institutions were 0.05 % to 0.80% per annum (2022 : 0.05% to 0.35% per annum).

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023

7. OTHER CURRENT FINANCIAL ASSETS

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

Consolidated and Separate financial statements

	In Baht					
	Fair value through profit or loss		Amortised cost		Total	
	2023	2022	2023	2022	2023	2022
Fixed deposits 6 months	-	-	2,019	2,011	2,019	2,011
Unit trusts open-end fund	62,925,146	91,888,061	-	-	62,925,146	91,888,061
Total	62,925,146	91,888,061	2,019	2,011	62,927,165	91,890,072

Changes in unit trusts in open-ended funds measured at fair value through profit and loss for the year ended 31 December 2023.

Consolidated and Separate financial statements

	In Baht	
	2023	2022
Opening balance	91,888,061	41,664,442
Additions during the year	-	50,000,000
Disposal during the year	(29,982,000)	-
Profit on change in fair value	1,019,085	223,619
Ending balance	62,925,146	91,888,061

8. TRADE AND OTHER CURRENT RECEIVABLES

	In Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Trade receivable - Subsidiary (Note 5.2)	-	-	-	23,450
Trade receivable - Other companies	103,756,059	96,053,268	103,756,059	95,713,546
Total trade receivable	103,756,059	96,053,268	103,756,059	95,736,996
Value added tax receivable	13,560,861	14,706,193	10,520,166	11,746,245
Prepaid expenses	6,489,209	4,994,597	6,489,209	4,697,991
Other current receivables-Related companies (Note 5.2)	9,000	9,000	9,000	9,000
Other current receivables	1,189,334	1,771,220	837,870	715,219
Deposit	1,000,000	1,000,000	-	-
Total	126,004,463	118,534,278	121,612,304	112,905,451

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023

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

	In Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Trade receivable - Subsidiary				
Overdue :				
Less than 3 months	-	-	-	23,450
Over 12 months	-	-	23,450	-
<u>Less</u> Expected Credit Loss	-	-	(23,450)	-
Total Trade receivable - Subsidiary	-	-	-	23,450
Trade receivables - Other companies				
Within credit terms	71,378,446	53,689,940	71,378,446	53,685,393
Overdue :				
Less than 3 months	32,351,700	42,360,556	32,351,700	42,025,381
3-6 months	25,913	-	25,913	-
7-12 months	5,519	2,772	-	2,772
Over 12 months	639	-	-	-
<u>Less</u> Expected Credit Loss	(6,158)	-	-	-
Total Trade receivables - Other companies	103,756,059	96,053,268	103,756,059	95,713,546

9. ACCOUNTS RECEIVABLE-PLANTERS

Consolidated and Separate financial statements

	In Baht	
	2023	2022
Accounts receivable-planters	24,158,128	14,215,290
<u>Less</u> Expected credit loss allowance	(1,069,043)	(873,190)
Net	23,089,085	13,342,100

As at 31 December 2023 and 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 31 December 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.

10. 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 17 and 32). 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 years ended 31 December 2023 are as follows:

	In Baht
	Separate financial statements
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)
	145,000,000
Less Tax relating to the agreement	(981,308)
Net	144,018,692

11. INVENTORIES

	In Baht					
	Consolidated financial statements					
	Cost		Allowance for diminution of inventories		Inventories-net	
	2023	2022	2023	2022	2023	2022
Finished goods and semi-finished products	273,643,044	413,655,183	(4,850,585)	(9,919,758)	268,792,459	403,735,425
Raw material and supplies	36,994,071	36,106,178	(2,270,914)	(688,345)	34,723,157	35,417,833
Seeds, insecticide, fertilizer	25,206,833	36,914,831	(2,796,884)	(3,017,625)	22,409,949	33,897,206
Total	335,843,948	486,676,192	(9,918,383)	(13,625,728)	325,925,565	473,050,464

	In Baht					
	Separate financial statements					
	Cost		Allowance for diminution of inventories		Inventories-net	
	2023	2022	2023	2022	2023	2022
Finished goods and semi-finished goods	273,315,192	391,029,124	(4,522,733)	(7,691,473)	268,792,459	383,337,651
Raw material and supplies	34,855,163	33,718,173	(406,915)	(688,345)	34,448,248	33,029,828
Seeds,insecticide, fertilizer	25,206,833	36,914,832	(2,796,884)	(3,017,625)	22,409,949	33,897,207
Total	<u>333,377,188</u>	<u>461,662,129</u>	<u>(7,726,532)</u>	<u>(11,397,443)</u>	<u>325,650,656</u>	<u>450,264,686</u>

For the year ended 31 December 2023, reduction (reversal) of cost to net realisable value is summarised as follow.

	In Baht	
	Consolidated financial statement	Separate financial statements
Allowance for inventories to net realizable value (reversal)	(3,707,345)	(3,670,911)

During the year, the Group has amortization of deteriorated inventories amount of Baht 16.37 million recorded in administrative expenses.

12. INVESTMENT IN SUBSIDIARY

Separate financial statements as at 31 December 2023 and 2022.

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

Details of investments in subsidiary that have material non-controlling interests as at 31 December 2023.

Company	(In Million Baht)			
	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
	(%)			
Sino-Thai Freeze & Dry Co., Ltd.	31.28	9.18	2.07	-

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 2023	(In Million Baht)
Current assets	6.28
Non-current assets	219.49
Current liabilities	(177.36)
Non-current liabilities	(16.17)
Net-asset	<u>32.24</u>

Summarized information about comprehensive income.

For the year ended 31 December 2023	(In Million Baht)
Total revenue	66.03
Profit	6.63
Other comprehensive income	-
Total comprehensive income	<u>6.63</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 31 December 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 separate statement of comprehensive income for the year ended 31 December 2023 amounting of Baht 16.13 million (Note 25).

As at 31 July 2023, the loan from the financial institution and finance lease payable had a total amount of Baht 196.83 million, 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 year ended 31 December 2023 (Note 17).

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.

13. INVESTMENT PROPERTY

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

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14. PROPERTY, PLANT AND EQUIPMENT

Consolidated financial statements

	In Baht							Total
	Land and Improvement	Building and Improvement	Machineries and equipment	Right-of-use	Vehicle	Office equipment and fixtures	Building in progress and machinery under installation	
As at 1 January 2022								
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
<u>Less</u> 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
<u>Add</u> 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)
<u>Less</u> 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>

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FOR THE YEAR ENDED 31 DECEMBER 2023

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

	In Baht							Total
	Land and Improvement	Building and Improvement	Machineries and equipment	Right-of-use	Vehicle	Office equipment and fixtures	Building in progress and machinery under installation	
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
<u>Less</u> 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>
Transaction during the year ended 31 December 2023								
Opening net book value	112,727,452	232,066,268	208,018,385	17,811,691	6,778,727	7,573,953	83,695,697	668,672,173
<u>Add</u> Acquisition	-	2,619,359	17,914,211	-	-	1,950,283	36,848,367	59,332,220
Transfer in (out)	-	566,961	77,002,646	(13,481,912)	-	250,800	(64,338,495)	-
<u>Less</u> Disposal and write off assets	-	(1)	(54,774)	-	-	(4,618)	-	(59,393)
Depreciation	-	(24,988,048)	(55,378,311)	(338,694)	(624,461)	(3,138,590)	-	(84,468,104)
Closing net book value	<u>112,727,452</u>	<u>210,264,539</u>	<u>247,502,157</u>	<u>3,991,085</u>	<u>6,154,266</u>	<u>6,631,828</u>	<u>56,205,569</u>	<u>643,476,896</u>
As at 31 December 2023								
Cost	119,035,153	677,678,333	1,071,722,047	6,571,178	28,785,175	35,130,013	56,205,569	1,995,127,468
<u>Less</u> Accumulated depreciation	(6,307,701)	(467,169,008)	(824,219,890)	(2,580,093)	(22,630,909)	(28,498,185)	-	(1,351,405,786)
Allowance for impairment	-	(244,786)	-	-	-	-	-	(244,786)
Net book value	<u>112,727,452</u>	<u>210,264,539</u>	<u>247,502,157</u>	<u>3,991,085</u>	<u>6,154,266</u>	<u>6,631,828</u>	<u>56,205,569</u>	<u>643,476,896</u>

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
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14. PROPERTY, PLANT AND EQUIPMENT (CON'T)

Separate 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 2022								
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
<u>Less</u> 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	<u>82,057,372</u>	<u>114,782,435</u>	<u>148,688,312</u>	<u>5,061,735</u>	<u>5,313,804</u>	<u>6,838,224</u>	<u>95,598,730</u>	<u>458,340,612</u>
Transaction during the year ended 31 December 2022								
Opening net book value as at 1 January 2022	82,057,372	114,782,435	148,688,312	5,061,735	5,313,804	6,838,224	95,598,730	458,340,612
<u>Add</u> 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)
<u>Less</u> 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	<u>82,057,372</u>	<u>100,290,876</u>	<u>144,222,582</u>	<u>4,329,779</u>	<u>6,778,727</u>	<u>6,199,515</u>	<u>83,695,697</u>	<u>427,574,548</u>

CHIANGMAI FROZEN FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023

14. 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 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
<u>Less</u> 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	<u>82,057,372</u>	<u>100,290,876</u>	<u>144,222,582</u>	<u>4,329,779</u>	<u>6,778,727</u>	<u>6,199,515</u>	<u>83,695,697</u>	<u>427,574,548</u>
Transaction during the year ended 31 December 2023								
Opening 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
<u>Add</u> Acquisition	-	2,619,359	17,914,211	-	-	1,950,283	36,848,367	59,332,220
Transfer in (out)	-	566,961	63,520,734	-	-	250,800	(64,338,495)	-
<u>Less</u> Disposal and write off assets	-	(1)	(32,184)	-	-	(2,116)	-	(34,301)
Depreciation	-	(17,015,359)	(41,800,998)	(338,694)	(624,461)	(2,527,803)	-	(62,307,315)
Closing net book value	<u>82,057,372</u>	<u>86,461,836</u>	<u>183,824,345</u>	<u>3,991,085</u>	<u>6,154,266</u>	<u>5,870,679</u>	<u>56,205,569</u>	<u>424,565,152</u>
As at 31 December 2023								
Cost	88,365,073	531,910,491	967,331,596	6,571,178	28,785,175	32,230,055	56,205,569	1,711,399,137
<u>Less</u> Accumulated depreciation	(6,307,701)	(445,203,869)	(783,507,251)	(2,580,093)	(22,630,909)	(26,359,376)	-	(1,286,589,199)
Allowance for impairment	-	(244,786)	-	-	-	-	-	(244,786)
Net book value	<u>82,057,372</u>	<u>86,461,836</u>	<u>183,824,345</u>	<u>3,991,085</u>	<u>6,154,266</u>	<u>5,870,679</u>	<u>56,205,569</u>	<u>424,565,152</u>

15. 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.

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

Consolidated and Separate financial statement

	In Baht	
	2023	2022
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	<u>-</u>	<u>-</u>

16. INTANGIBLE ASSETS-SOFTWARE COMPUTER

	In Baht		
	Consolidated financial statement		
	Software	Software in progress	Total
As at 1 January 2022			
Cost	14,199,663	-	14,199,663
<u>Less</u> Accumulated amortization	<u>(6,775,130)</u>	<u>-</u>	<u>(6,775,130)</u>
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	<u>218,261</u>	<u>65,000</u>	<u>283,261</u>
<u>Less</u> Amortization	<u>(1,344,174)</u>	<u>-</u>	<u>(1,344,174)</u>
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
<u>Less</u> Accumulated amortization	<u>(8,119,305)</u>	<u>-</u>	<u>(8,119,305)</u>
Net book value	<u>6,298,620</u>	<u>65,000</u>	<u>6,363,620</u>
Transactions during the year ended 31 December 2023			
Opening net book value	6,298,620	65,000	6,363,620
<u>Add</u> Acquisition	<u>103,710</u>	<u>-</u>	<u>103,710</u>
<u>Less</u> Amortization	<u>(1,206,994)</u>	<u>-</u>	<u>(1,206,994)</u>
Closing net book value	<u>5,195,336</u>	<u>65,000</u>	<u>5,260,336</u>
As at 31 December 2023			
Cost	14,521,635	65,000	14,586,635
<u>Less</u> Accumulated amortization	<u>(9,326,299)</u>	<u>-</u>	<u>(9,326,299)</u>
Net book value	<u>5,195,336</u>	<u>65,000</u>	<u>5,260,336</u>
	In Baht		
	Separated financial statement		
	Software	Software in progress	Total
As at 1 January 2022			
Cost	14,167,163	-	14,167,163
<u>Less</u> Accumulated amortization	<u>(6,742,630)</u>	<u>-</u>	<u>(6,742,630)</u>
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	<u>218,261</u>	<u>65,000</u>	<u>283,261</u>
<u>Less</u> Amortization	<u>(1,344,174)</u>	<u>-</u>	<u>(1,344,174)</u>
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
<u>Less</u> Accumulated amortization	<u>(8,086,805)</u>	<u>-</u>	<u>(8,086,805)</u>
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
Transactions during the year ended 31 December 2023			
Opening net book value	6,298,620	65,000	6,363,620
<u>Add</u> Acquisition	103,710	-	103,710
<u>Less</u> Amortization	(1,206,994)	-	(1,206,994)
Closing net book value	<u>5,195,336</u>	<u>65,000</u>	<u>5,260,336</u>
As at 31 December 2023			
Cost	14,489,135	65,000	14,554,135
<u>Less</u> Accumulated amortization	<u>(9,293,799)</u>	<u>-</u>	<u>(9,293,799)</u>
Net book value	<u>5,195,336</u>	<u>65,000</u>	<u>5,260,336</u>

17. LOANS FROM FINANCIAL INSTITUTION

17.1 Bank overdrafts and short - term loans from financial institution

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

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

17.2 Long-term loans from financial institution

Consolidated financial statements as at 31 December 2023 and 2022.

			In Baht	
			2023	2022
Loans	Interest rate (per annum)	Contract repayment		
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			<u>-</u>	<u>144,630,737</u>
<u>Less</u> Current portion of long-term loan from financial institution			<u>-</u>	<u>(144,630,737)</u>
Long-term loans-net			<u>-</u>	<u>-</u>

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.

17.3 Lease liabilities

Movement of the lease liabilities for the year ended 31 December 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	(349,310)	(349,310)
As at 31 December 2023	1,941,342	1,941,342
<u>Less</u> Current portion of lease liabilities	<u>(298,288)</u>	<u>(298,288)</u>
Net	<u>1,643,054</u>	<u>1,643,054</u>

The following are the amounts for the years ended 31 December 2023 and 2022 recognized in profit or loss:

	In Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Depreciation	1,747,461	3,796,456	338,694	731,956
Interest paid	393,804	499,923	183,558	222,117
Gain on cancellation of lease liabilities	-	(9,179)	-	-
Expense relating to short-term lease	3,454,187	3,980,200	3,204,146	2,553,200
Leases of low-value underlying assets	48,000	48,000	48,000	48,000
Total	<u>5,643,452</u>	<u>8,315,400</u>	<u>3,774,398</u>	<u>3,555,273</u>

The Company have 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 2023, future minimum lease payments required under the lease liabilities agreements were as follows:

	(In Million Baht)		
	Consolidated and Separate financial statement		
	Less than 1 year	1-5 years	Total
Future minimum lease payments	0.46	1.80	2.26
Deferred interest expenses	(0.16)	(0.16)	(0.32)
Present value of future minimum lease payments	<u>0.30</u>	<u>1.64</u>	<u>1.94</u>

As at 31 December 2022, 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	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>

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 year ended 31 December 2023 are as follows:

	In Baht
	Consolidated
	financial statements
Opening balance	
Bank overdrafts and short - term loans (Note 17.1)	30,041,587
Long-term loans (Note 17.2)	144,630,737
Lease liabilities - Subsidiary (Note 17.3)	<u>9,282,151</u>
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 32)	(137,000,000)
Gain from debt restructuring (Note 32)	<u>(59,827,726)</u>
Ending balance	<u>-</u>

18. TRADE AND OTHER CURRENT PAYABLES

	In Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Trade payables - Other companies/other person	19,320,901	24,127,388	18,465,257	22,739,670
Accrued expenses	28,568,529	29,627,091	28,395,629	25,139,420
Accrued interest	-	8,816,207	-	-
Unearned revenue	75,194	482,115	75,194	75,194
Factory construction payables	2,880,273	2,880,273	-	-
Purchase assets payables	1,530,097	739,118	1,411,979	555,902
Others payables	5,941,823	5,928,258	448,564	41,746
Total	58,316,817	72,600,450	48,796,623	48,551,932

19. LONG-TERM LOANS FROM OTHER PERSON

Consolidated financial statements as at 31 December 2023 and 2022.

	In Baht	
	2023	2022
Long-term loans	21,927,900	24,684,000
Less Current portion	(5,756,100)	(3,197,400)
Long-term loans-net of current portion	16,171,800	21,486,600

Movement of the long-term loans from other persons for the year ended 31 December 2023 are as follows:

	In Baht
Opening balance	24,684,000
Repayment loan during the year	(2,756,100)
Ending balance	21,927,900

As at 31 December 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.

20. OTHER CURRENT LIABILITIES

	In Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Accrued dividends	1,580,634	1,599,534	1,580,634	1,599,534
Value added tax payable	711,410	592,263	680,098	559,912
Retention	2,449,568	2,449,568	-	-
Other current liabilities	1,342,752	786,000	1,342,752	786,000
Total	6,084,364	5,427,365	3,603,484	2,945,446

21. EMPLOYEE BENEFIT OBLIGATIONS

Movement in the present value of the defined benefit obligations for the years ended 31 December 2023 and 2022 are as follows:

	In Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Defined benefit obligations at 1 January	64,707,170	65,985,757	64,707,170	64,371,962
Transferred from business acquisition				
Included in profit or loss:				
Current service costs	3,039,271	3,393,870	3,039,271	3,058,939
Interest on obligation	1,229,649	911,413	1,229,649	886,120
Curtailment	-	5,175,816	-	-
Employee benefit paid during the year	(7,352,933)	(10,663,225)	(7,352,933)	(4,334,267)
Actuarial losses				
Financial assumptions changes	(535,794)	(2,808,343)	(535,794)	(2,571,418)
Experience adjustments	2,677,398	2,711,882	2,677,398	3,295,834
Defined benefit obligations at 31 December	63,764,761	64,707,170	63,764,761	64,707,170

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	
	2023	2022	2023	2022
Costs of sales	2,338,052	3,383,635	2,338,052	3,081,022
Sales expenses	98,690	134,007	98,690	117,645
Administrative expenses	602,529	5,963,457	602,529	746,392
Cost of Interest	1,229,649	-	1,229,649	-
Total	4,268,920	9,481,099	4,268,920	3,945,059

The Group expect to pay Baht 17.75 million of long-term employee benefits during the next year (2022: Baht 18.79 million).

As at 31 December 2023, the weighted average duration of the liabilities for long-term employee benefit is 8 years (2022 : 8 years).

Principal actuarial assumptions at the reporting date.

	In Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Discount rate	2.65% per annum	2.49 - 3.19% per annum	2.65% per annum	2.49% per annum
Salary increase rate	2 %	2 - 5%	2 %	2%
Employee turnover rate	Scale related to Age ranging from 4.58-34.38%	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			
	2023			
	Consolidated financial statements		Separate financial statements	
Defined benefit obligation at 31 December	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(3.16)	3.53	(3.16)	3.53
Salary Increase Rate (1% movement)	3.48	(3.17)	3.48	(3.17)
Turnover Rate (20% movement)	(3.33)	3.75	(3.33)	3.75
	In Million Baht			
	2022			
	Consolidated financial statements		Separate financial statements	
Defined benefit obligation at 31 December	Increase	Decrease	Increase	Decrease
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

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.

22. 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.

23. EXPENSES BY NATURE

Significant expenses by nature are as follows:

	In Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Changes in finished goods, semi-finished products and raw materials	134,126,370	30,600,957	118,310,658	7,565,458
Purchase raw materials	365,716,139	467,829,805	365,716,139	431,831,263
Depreciation and amortization	85,675,098	83,708,798	63,514,309	59,157,269
Staff costs	258,031,885	270,721,044	253,335,395	244,716,792
Freight	30,213,535	33,914,605	30,187,335	33,324,444
Sales promotion	6,337,483	10,215,566	6,333,408	8,124,306

24. 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 years ended 31 December 2023 and 2022, the Group has export sales and domestic sales are as follows:

	In Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Export sales	1,174,467,460	1,256,749,904	1,172,168,553	1,193,903,654
Domestic sales	79,363,188	79,984,005	77,950,565	70,368,897
Total	<u>1,253,830,648</u>	<u>1,336,733,909</u>	<u>1,250,119,118</u>	<u>1,264,272,551</u>

25. IMPAIRMENT LOSSES OF ASSETS

Consolidated and Separate financial statements for the years ended 31 December 2023 and 2022 are as follows:

	In Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Loss on reduction of investment in subsidiary	-	-	16,132,323	111,000,000
Impairment losses on financial assets	-	-	300,000	10,180,822
Loss of allowance for goodwill impairment	-	19,072,075	-	-
	-	19,072,075	16,432,323	121,180,822

26. 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 are as follows.

Details			
1. Certificate No.	65-1484-1-07-1-0	65-1483-1-07-1-0	65-0960-1-04-1-0
2. Promotional privileges for	Manufacturing of frozen vegetable	Manufacturing of frozen vegetable	Cold storage service
3. The significant privileges are			
3.1 Exemption of corporate income tax for net profit from promotional privileges and exemption of income tax on dividends paid from the profit of the operations throughout the period in which the corporate income tax is exempted.	3 years	3 years	3 years
3.2 Exemption of import duty on machinery as approved by the Board.	Granted	Granted	Granted
3.3 Exemption of import duty on raw materials and significant supplies used in export production for a period of five year from the first import date.	Granted	Granted	Non-granted
4. Date of first earning promotional privileges under the promotion certificates			
- Raw materials	-	-	-
- Machinery	29 Nov 2022	29 Nov 2022	10 Aug 2022
- Income tax	01 Dec 2022	01 Dec 2022	01 Dec 2022

Sales classified as promoted and non-promoted business for the years ended 31 December 2023 and 2022 of the Company are summarised as follows:

	In Baht					
	Separate financial statements					
	Promoted business		Non- promoted business		Total	
	2023	2022	2023	2022	2023	2022
Export sales	1,172,158,184	63,851,389	10,369	1,130,052,265	1,172,168,553	1,193,903,654
Domestic sales	77,064,985	6,340,645	885,580	64,028,252	77,950,565	70,368,897
Total	1,249,223,169	70,192,034	895,949	1,194,080,517	1,250,119,118	1,264,272,551

27. PROVIDENT FUND

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

The Company contribution amount for the years ended 31 December 2023 and 2022 amounted to Baht 1.83 million and Baht 1.81 million, respectively

28. INCOME TAX

Tax expenses for the years ended 31 December 2023 and 2022 are made up as follows:

	In Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Current income tax				
Corporate income tax	-	7,282,387	-	7,282,387
Deferred tax				
Relating to origination and reversal of temporary differences	1,055,116	3,252,355	1,715,264	2,143,640
Tax expenses reported in the statements of comprehensive income	<u>1,055,116</u>	<u>10,534,742</u>	<u>1,715,264</u>	<u>9,426,027</u>

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2023 and 2022 are as follows:

	In Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Loss from cash flow hedging	(1,386,223)	5,526,563	(1,386,223)	5,526,563
Actuarial gain	(428,321)	19,293	(428,321)	(144,883)
Total	<u>(1,814,544)</u>	<u>5,545,856</u>	<u>(1,814,544)</u>	<u>5,381,680</u>

	In Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Profit (Loss) before tax	101,474,903	(45,108,347)	73,557,964	(71,978,393)
Applicable tax rate (%)	20	20	20	20
Income tax using the Thai corporation tax rate	20,294,981	(9,021,669)	14,711,593	(14,395,679)
Utilization of taxable loss carried forward	-	(2,432,299)	-	(2,432,299)
Promotional privileges	(15,977,889)	-	(15,977,889)	-
Incoming not subject to tax	(12,169,362)	(44,724)	(203,817)	(44,724)
Addition expenses deductible for tax purposes	(22,439,103)	(3,143,650)	(4,665,452)	(3,143,650)
Expenses not deductible for tax purposes	4,661,676	6,530,899	6,161,207	27,324,381
Capital expenditure with the right to increase deductible	(25,642)	(25,642)	(25,642)	(25,642)
Tax losses	25,335,162	15,047,740	-	-
Effect of elimination entries on the consolidated financial statements	320,177	371,732	-	-
Current tax	-	7,282,387	-	7,282,387
Relating to origination and reversal of temporary differences	1,055,116	3,252,355	1,715,264	2,143,640
Tax expenses	<u>1,055,116</u>	<u>10,534,742</u>	<u>1,715,264</u>	<u>9,426,027</u>

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

	In Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Statements of financial position				
Deferred tax assets				
Allowance for expected credit losses	213,809	174,639	218,499	174,639
Allowance for net realizable value	1,545,306	2,279,488	1,545,306	2,279,488
Provisions for employee benefit obligations	12,752,952	12,941,434	12,752,952	12,941,434
Change in fair value of derivatives	685,684	469,996	685,684	469,996
Loss from impairment of investments in subsidiaries	9,000,000	9,000,000	9,000,000	9,000,000
Deferred tax liability				
Change in fair value of derivatives	(2,982,391)	(4,617,042)	(2,982,391)	(4,617,042)
Unrealized gain from change in value of investment open-end-fund	(494,080)	(286,662)	(494,080)	(286,662)
Receivable from sale and purchase assets agreement with option to repurchase memorandum	-	-	(664,838)	-
	<u>20,721,280</u>	<u>19,961,853</u>	<u>20,061,132</u>	<u>19,961,853</u>

29. FINANCIAL INSTRUMENTS

29.1 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.

29.2 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.

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 EUR. 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 2023 and 2022 as follows.

	Amount					
	Consolidated financial statements		Separate financial statements		Average exchange rate	
	2023	2022	2023	2022	2023	2022
Foreign currency	(In Million)	(In Million)	(In Million)	(In Million)	(Baht per 1 foreign currency unit)	
Financial assets						
US Dollar	2.72	2.47	2.72	2.46	34.0590	34.3913
Financial liability						
US Dollar	0.02	0.022	0.02	0.022	34.3876	34.7335
EUR	-	0.001	-	0.001	-	37.2053

As at 31 December 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	19.29	34.1308	January - December 2024

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

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 2023, 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.

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	4,632,203
	- 5	4,632,203

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.

	In Baht			
	Consolidated financial statements			
	Less than 1 year	1 to 5 years	> 5 years	Total
Trade and other current payables	(58,316,817)	-	-	(58,316,817)
Lease liabilities	(456,564)	(1,802,355)	-	(2,258,919)
Long-term loans from other persons	(5,756,100)	(16,171,800)	-	(21,927,900)
Foreign currency forward contracts	658,339,084	-	-	658,339,084

	In Baht			
	Separate financial statements			
	Less than 1 year	1 to 5 years	> 5 years	Total
Trade and other current payables	(48,796,623)	-	-	(48,796,623)
Lease liabilities	(456,564)	(1,802,355)	-	(2,258,919)
Foreign currency forward contracts	658,339,084	-	-	658,339,084

29.3 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.

30. 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 2023 and 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 31 December 2023				
Assets measured at fair value				
Derivatives assets				
Foreign currency forward contracts	-	14,911,955	-	14,911,955
Trading investment-Fund	-	62,925,146	-	62,925,146
Liabilities measured at fair value				
Derivatives liabilities				
Foreign currency forward contracts	-	3,428,419	-	3,428,419
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

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.

31. 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 2023, debt to equity ratio in the consolidated financial statements is 0.11:1 and separate financial statements is 0.09:1 (2022: consolidated financial statements is 0.28:1 and separate financial statements is 0.10:1).

32. 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, 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 year ended 31 December 2023 (Note 17).

33. COMMITMENT AND CONTINGENT LIABILITIES

As at 31 December 2023

33.1 The Company have commitments for software license and system consulting agreement amounting of Baht 0.31 million.

33.2 The Company have contingently liability for bank guarantees issued in favor of government agency amounting to approximately Baht 9.86 million.

33.3 The Company have capital expenditure in respect of the solar rooftop on-grid system improvement and the installment of machine amounting of Baht 24.79 million.

34. EVENTS AFTER THE REPORTING YEAR

On 28 February 2024, in accordance with the resolution of the Board of Directors Meeting No.1/2024, it was resolved to approve the payment of dividends to shareholders at the rate of Baht 0.09 per share for 381.1 million shares in the amount to Baht 34.3 million, paid from the operating results of the year ended 31 December 2023.

Such resolution will be proposed to the annual general meeting of shareholders for the year 2024 for further approval.

35. APPROVAL OF THE FINANCIAL STATEMENTS

These financial statements have been approved by the Company's Board of Directors on 28 February 2024.

Attachment 1

Detail of directors, executives, and secretary.

Biography of the Directors.

1. Mr. Prayoon Pholpipattanaphong

Type of director	Chairman of the Board of Directors, Authorized Director
Age	90 years
Education	Accounting profession
Other qualifications	Honorary Doctor, Agricultural, Maejoe University
Director training program/year	DAP-15/2004
Experience	<ul style="list-style-type: none"> Chairman of Chiangmai Frozen Foods PCL., from November 1988 - present Chairman of Agrifood Processing Co., Ltd., from June 2003 – December 2015
Positions in other listed companies	None
Positions in non-listed companies	Sino Thai Freeze and Dry Co., Ltd., from May 2017-present
Positions in rival companies / related companies	None
Meeting attendance in 2023	<ul style="list-style-type: none"> Board of Company Meeting 9 / 9 times Board of Executive Director Meeting 9 / 9 times
Date and no. of years on the board	November 3, 1988, 35 years
CM Shareholding on 31 Dec. 2023	306,517 shares or 0.08%

2. Mr. Prapas Pholpipattanaphong

Type of director	Executive director (Chairman of Executive Committee, Chairman of Risk Management Committee, Authorized Director)
Age	74 years
Education	High school certificate
Director training program/year	DAP-8/2004
Experience	<ul style="list-style-type: none"> Managing Director of Chiangmai Frozen Foods PCL., from Nov. 3, 1988-Dec 31, 2015 Chairman of Executive Committee of Chiangmai Frozen Foods PCL., from Jan 1, 2016-present Authorized Director of Chiangmai Frozen Foods PCL., from Nov. 3, 1988-present
Positions in other listed companies	None
Positions in non-listed companies	Director of Agrifood Processing Co., Ltd., from Jun. 6, 2003-December 21, 2015
Positions in rival companies / related companies	None
Meeting attendance in 2023	<ul style="list-style-type: none"> Board of Company Meeting 9 / 9 times Executive Director Meeting 9 / 9 times Board of Nomination & Remuneration Meeting 2 / 2 times
Date and no. of years on the board	November 3, 1988, 35 years
CM Shareholding on 31 Dec. 2023	Private 9,102,800 shares or 2.39% Spouse - shares or - % Total 9,102,800 shares or 2.39%

3. Mr. Ankoon Pholpipattanaphong

Type of director	Executive Director (Managing Director, Authorized Director)		
Age	54 years		
Education	<ul style="list-style-type: none"> • Master of Business Administration-Colorado University, USA • Bachelor of Communication, Bangkok University 		
Director training program/year	DAP-12/2004, UFS-10/2005		
Experience	<ul style="list-style-type: none"> • Executive director & Marketing Manager of Chiangmai Frozen Foods PCL., from Apr. 27, 2000-present • Assis.Managing Director of Chiangmai Frozen Foods PCL, from Feb. 1, 2007-Dec. 31, 2015. • Managing Director of Chiangmai Frozen Foods PCL., from Jan. 1, 2016-present • Company's Secretary of Chiangmai Frozen Foods PCL., from Feb. 28, 2008-Dec. 31,2015. • Authorized director of Agrifood Processing Co., Ltd., from Jun. 6, 2003-Dec 21, 2015 		
Positions in listed companies	None		
Positions in non-listed companies	None		
Positions in rival companies / related companies	None		
Meeting attendance in 2023	<ul style="list-style-type: none"> • Board of Company Meeting 9 / 9 times • Board of Executive Director Meeting 9 / 9 times • Board of Nomination & Remuneration Meeting 2 / 2 times • Board of Corporate Governance Meeting 3 / 3 times • Board of Risk Management Meeting 2 / 2 times 		
Date and no. of years on the board	April 27, 2000, 23 years		
CM Shareholding on 31 Dec. 2023	Private	3,702,600 shares or 0.96%	
	Spouse	181,500 shares or 0.05%	
	Child	363,000 shares or 0.10%	
	Total	4,247,100 shares or 1.11%	

4. Mr. Lan Mu Chiou

Type of director	Non-executive director
Age	76 years
Education	High school certificate
Director training program/year	None
Experience	Director of Chiangmai Frozen Foods PCL., from Nov. 3, 1988-present
Positions in listed companies	None
Positions in non-listed companies	None
Positions in rival companies / related companies	None
Meeting attendance in 2023	<ul style="list-style-type: none"> Board of Company Meeting 8 / 9 times
Date and no. of years on the board	November 3, 1988, 35 years
CM Shareholding on 31 Dec. 2023	Private - shares or 0% Child 24,030,830 shares or 1.35% Total 24,030,830 shares or 6.30%

5. Mr. Amnuay Yossuk

Type of director	Independent director (Chairman of Audit Committee, Chairman of Nomination & Remuneration Committee)
Age	87 years
Education	<ul style="list-style-type: none"> • Master of Economics (Agriculture), Arizona University, USA. • Bachelor of Economics, Thammasat University
Other qualification	Honorary Doctor, Cooperative Agricultural, Maejoe University
Director training program/year	DAP-15/2004
Experience	<ul style="list-style-type: none"> • Deputy Minister, Ministry of Public Health (1981-1983) • Deputy Minister, Ministry of Finance (1983-1985) • Deputy Minister, Ministry of Commerce (1985-1986) • Prime Minister Adviser (1988-1990) • Deputy Minister, Ministry of Foreign Affairs (1985-1986) • Independent Director-Chiangmai Frozen Foods PCL., from Mar. 12, 1993-present
Positions in listed companies	None
Positions in non-listed companies	<ul style="list-style-type: none"> • Chairman of PiriyaPol International (1986-present) • President of Mae Joe University Council (1999-present)
Positions in rival companies / related companies	None
Meeting attendance in 2023	<ul style="list-style-type: none"> • Board of Company Meeting 9/9 times • Board of Audit Committee Meeting 4 / 4 times • Board of Nomination & Remuneration Meeting 2 / 2 times • Board of Non-Executive Director Meeting 1 / 1 time
Date and no. of years on the board	March 12, 1993, 30 years
CM Shareholding on 31 Dec. 2023	667,920 shares, or 0.18%

6. Mr. Ampon Ruayfupant

Type of director	Independent director (Audit Committee)
Age	55 years
Education	<ul style="list-style-type: none"> • Master of Business Finance, Cornell University, USA. • Bachelor of Business Administration, Assumption University
Director training program/year	None
Experience	<ul style="list-style-type: none"> • Risk Management Manager of GE Capital (1994-1996) • Independent Director-Chiangmai Frozen Foods PCL., from Apr. 26, 2006-present • Director-Amarin Printing PCL., from 2013-2017)
Positions in listed companies	Director-Amarin Printing PCL., from 2013-2017)
Positions in non-listed companies	Executive director of Pilot Knit Sports Wear Co., Ltd. (2000 - present)
Positions in rival companies / related companies	None
Meeting attendance in 2023	<ul style="list-style-type: none"> • Board of Company Meeting 8 / 9 times • Board of Audit Committee Meeting 4 / 4 times • Board of Nomination & Remuneration Meeting 2 / 2 times • Board of Non-Executive Director Meeting 1 / 1 time
Date and no. of years on the board	April 26, 2006, 16 years
CM Shareholding on 31 Dec. 2023	71,874 shares, or 0.02%

7. Dr. Phusit Wonglorsaichon

Type of director	Independent director (Chairman of Corporate Governance Committee)
Age	53 years
Education	<ul style="list-style-type: none"> • Ph.D. - Business Administration Nova South Eastern University, USA. • Ph.D. - Education Chulalongkorn University, USA. • Master of Business Administration (Honor) at Indianapolis University. Master of Accounting, Thammasat University. • Bachelor - Material Science, Ceramics Chulalongkorn University
Director training program/year	DAP 170/2020 BNCP 9/2020
Experience	<ul style="list-style-type: none"> • Thai Chamber of Commerce. -started Sep. 28, 2012-present • Independent Director-Chiangmai Frozen Foods PCL., from Apr. 30, 2010-present
Positions in listed companies	None
Positions in non-listed companies	None
Positions in rival companies / related companies	None
Meeting attendance in 2023	<ul style="list-style-type: none"> • Board of Company Meeting 7 / 9 times • Board of Corporate Governance 1 / 2 times • Board of Non-Executive Director Meeting 1 / 1 time
Date and no. of years on the board	April 30, 2010, 12 years
CM Shareholding on 31 Dec. 2023	None

8. Miss Chutima Tangmatitham

Type of director	Independent director (Audit Committee)
Age	55 years
Education	<ul style="list-style-type: none"> • Bachelor's degree: B. Eng (Industrial), Chulalongkorn University • Post-grad: MBA, Sasin Graduate Institute of Business Administration of Chulalongkorn University
Director training program/year	DAP.67/2007, AACP.26/2017
Experience	<ul style="list-style-type: none"> • 1990-2015: M.K. Real Estate Development PCL, Latest position: Authorized director and assistant managing director for finance and accounting
Positions in listed companies	None
Positions in non-listed companies	Authorized director: Samukkee Cement Company Limited
Positions in rival companies / related companies	None
Meeting attendance in 2023	<ul style="list-style-type: none"> • Board of Company Meeting 9 / 9 times • Board of Audit Committee Meeting 4 / 4 times • Board of Nomination & Remuneration Meeting 2 / 2 times • Board of Corporate Governance 2 / 2 times • Board of Non-Executive Director Meeting 1 / 1 time
Date and no. of years on the board	Company Director on April 26, 2016, 7 years
CM Shareholding on 31 Dec. 2023	None

8. Mr. Peerapat Pholpipattanaphong

Type of director	Executive Director
Age	34 years
Education	<ul style="list-style-type: none"> • MA International Relations, Waseda University, Japan • MSc Economics, University of Kent, UK • Bachelor of Economics, Chiangmai University, Thailand
Director training program/year	DAP.213/2024
Experience	<ul style="list-style-type: none"> • Quality Assurance Officer, Nichirei Foods Inc, Japan April 2017 - March 2021 • Sale and Marketing Manager – Chiangmai Frozen Foods August 2021 -present
Positions in listed companies	None
Positions in non-listed companies	None
Positions in rival companies / related companies	None
Meeting attendance in 2023	Board of Company Meeting 6 / 7 times
Date and no. of years on the board	Company Director on April 26, 2023, 1 year
CM Shareholding on 31 Dec. 2023	2,855,000 shares, or 0.75%

10. Mr. Lan Ming Te

Type of director	Non-Executive Director
Age	50 years
Education	MBA Marketing & Corporate Strategic Management, Pace University, Taiwan
Director training program/year	DAP.211/2023
Experience	General Manager, Yantai Beihai Foodstuff Co., Ltd March 2003 - present
Positions in listed companies	None
Positions in non-listed companies	None
Positions in rival companies / related companies	None
Meeting attendance in 2023	Board of Company Meeting 6 / 7 times
Date and no. of years on the board	Company Director on April 26, 2023, 1 year
CM Shareholding on 31 Dec. 2023	19,085,824 shares, or 5.01%

Miss Narak Krissadee

Position	Financial Controller / Company Secretary
Age	43
Education	Bachelor's degree – Accounting
Training program/year	CFO's Orientation course for new IPOs (2019)
Work Experiences	<ul style="list-style-type: none"> ● Chiangmai Frozen Food PCL,- Financial Controller, 2023 -Present ● Clinixir Co.,Ltd. - Accounting, Finance and Purchase Manager, 2023 ● BS Industry Service Co.,Ltd. – Commercial Director, 2015 - 2021
CM Shareholding on 31 Dec. 2023	None

Relationship of Directors and Management

Name - Surname	Position	Family relations between the executive
Mr. Prayoon Pholpipattanaphong	<ul style="list-style-type: none"> Chairman of the Board of Directors Authorized Director Related Company's Director (The company invested >10%) 	Brother of Mr. Prapas & father of Mr. Ankoon
Mr. Prapas Pholpipattanaphong	<ul style="list-style-type: none"> Chairman of Executive Committee Authorized Director Board of Nomination & Remuneration Committee Chairman of the Risk Management Committee 	Younger brother of Mr. Prayoon

Mr. Ankoon Pholpipattanaphong	<ul style="list-style-type: none"> ● Managing Director ● Authorized Director ● Marketing Manager ● Chairman of the Board of Corporate Governance Committee ● Chairman of the Board of Risk Management Committee ● Board of Nomination & Remuneration Committee ● Approved Information of the Company 	Son of Mr. Prayoon
Mr. Lan, Mu-Chiou	Non-executive Director	Father of Mr.Lan Ming Te
Mr. Amnuay Yossuck	<ul style="list-style-type: none"> ● Independent Director ● Chairman of the Board of Audit Committee ● Chairman of Nomination & Remuneration Committee 	None

Mr. Ampon Ruayfupant	<ul style="list-style-type: none"> Independent Director Board of Audit Committee Board of Nomination & Remuneration Committee Board of Corporate Governance Committee 	None
Dr. Phusit Wonglorsaichon	<ul style="list-style-type: none"> Independent Director 	None
Miss Chutima Tangmatitham	<ul style="list-style-type: none"> Independent Director Board of Audit Committee Board of Nomination & Remuneration Committee 	None
Mr. Lan Ming Te	Non-executive Director	Son of Mr.Lan Mu Chiou
Mr. Peerapat Pholpipattanaphong	Executive Director	Sof of Mr.Prayoon Pholpipattanaphong
Miss Warisara Kangkanka	<ul style="list-style-type: none"> General Manager and Acting Office Manager 2 	Age 56 Years Education: Diploma Holding: None, Relations: None

Ms. Narak Krissadee	<ul style="list-style-type: none"> Financial Controller (CFO) Company's Secretary Approved of Information of Company (TSD) 	Age 43 Years Education: Bachelor's degree Accounting Holding: None, Relations: None
Miss Nichapa Sungkitboon	<ul style="list-style-type: none"> Accounting Manager (Accountant) Issued Information 	Age 54 Years Education: Bachelor of Accounting, Holding: Relations: None
Miss Piyaluk Chuaphudee	Plant Manager 1	Age 54 Years Education: Bachelor of Food Science Holding: None, Relations: None
Mr. Tummarat Charoensanti	Plant Manager 2	Age 50 Years Education: Bachelor of Mechanical Engineer, Master of Agro-Industry Management Holding: None, Relations: None
Mr. Sairung Boontom	Agricultural Promotion Manager	Age 58 Years Education: Agricultural Education Horticulture Holding: None, Relations: None

Attachment 2

Details of Directors of Subsidiary Company Sino-Thai Freeze and Dry Co., Ltd.,

1. Mr. Prayoon Pholpipattanaphong
2. Mr. Ankoon Pholpipattanaphong
3. Mr. Xiao Kek Song
4. Ms. Darunee Ruengtham

Attachment 3

Detail about Internal Audit

Chief of Work Internal Audit
Name-Surname: Mr. Weerawat Sakulmeerit
Position: Deputy Internal Audit Manager
Age: 47 years old
Education: <ul style="list-style-type: none"> ● Bachelor's Degree in Accounting ● CPIAT (Institute of Internal Auditors of Thailand) ● IACP (Federation of Accounting Professions) ● IT Audit (NSTDA)
Experience: <ul style="list-style-type: none"> ● Vice Internal Audit Manager, Chiangmai Frozen Foods PCL., January 2017 - Present ● Assistant Internal Audit Manager, Chiangmai Frozen Foods PCL., July 2016 – December 2016 ● Internal Audit Manager, Eastern Technical Engineering PCL., February -June 2016 ● Internal Audit Manager, Group Lease PCL., June 2013 – January 2016 ● Control Supervisor, Suzuki Leasing, April 2010 – May 2013

Attachment 4

Detail about Asset for business performance

Asset for Business Performance

Chiangmai Frozen Foods Public Co.,Ltd. has net assets for business operation as of 31 December 2023 as follows,

Type of assets	Type of possession	Value (Million Baht)	Burden
Land of the office building, No.149/32-34 Soi Anglo Plaza, Surawongse Road, Khet Bangrak, Bangkok 54.4 Square wahs	Owner	25.6	None
Land 1 st Plant No.92 Moo 3 Chiangmai-Phrao Road, Nongjom, Sansai, Chiangmai 15 rais 98.5 Square wahs	Owner	3.13	None
Land 2 nd Plant No. 299 Moo 14 Chiangmai-Phrao Road, Maefagmai, Sansai, Chiangmai 27 rais 3 ngan 98.9 Square wahs	Owner	34.7	None
Land 2 nd Plant No. 299 Moo 14 Chiangmai-Phrao Road, Maefagmai, Sansai, Chiangmai 15 rais 1 ngan 53.6 Square wahs	Owner	7.2	None
Land at Maefagmai, Sansai, Chiangmai 5 rais 2 agan 24 Square wahs	Owner	4.07	None
Land at Maefagmai, Sansai, Chiangmai 16 rais 3 ngan 38.5 Square wahs	Owner	8.69	None
Land –New Cold storage No. 299/1 Moo 14 Chiangmai-Phrao Road, Maefagmai, Sansai, Chiangmai 8 rais 3 ngan 97 square wahs	Owner	5.37	None

Type of assets	Type of possession	Value (Million Baht)	Burden
Land at Amphur Bangragum, Phitsanulok Province 154 rais 30 square wahs	Owner	15.38	None
Office Building, 4 Floors, 3 Units No. 149/32-34 Soi Anglo Plaza, Surawongse Road, Bangrak, Bangkok	Owner	2.38	None
1 st Plant Building No. 92 Moo 3 Chiangmai-Phrao Road, Nongjom, Sansai, Chiangmai	Owner	52.33	None
2 nd Plant Building No. 299 Moo 14 Chiangmai-Phrao Road, Maefagmai, Sansai, Chiangmai	Owner	22.49	None
New cold storage No. 299/1 Moo 14 Chiangmai- Phrao Road, Maefagmai, Sansai, Chiangmai	Owner	20.12	None
Machinery & Equipment	Owner	161.05	None

Sino-Thai Freeze and Dry Co., Ltd has net assets for business operation as of 31 December 2023 as follows,

Type of assets	Type of possession	Value (Million Baht)	Burden
Land for plant at Rachaburi, Huayyangtone, Paktor, Rachaburi 95 Rais, 3 Ngan, 37.6 Square wah	Owner	24.26	Chiangmai Frozen Foods PCL.
1 st Plant Building No. 202 Moo 3, Huayyangtone, Paktor, Rachaburi	Owner	153.88	Chiangmai Frozen Foods PCL.
Machinery & Equipment	Owner	64.40	Chiangmai Frozen Foods PCL.

Attachment 5

Corporate Governance Policy and Code of Business Conduct

The company reveals the corporate Governance Policy and Code of Business Conduct reviewed by the Board of Directors at www.cmfrozen.com under the topic (Investor Relations)

Attachment 6

Audit Committee Report

This can be found in the annual report 2023 on page 2