

Malee Group Public Company Limited
and its subsidiaries
Review report and interim financial information
For the three-month period ended 31 March 2022

Independent Auditor's Report on Review of Interim Financial Information

To the Shareholders of Malee Group Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of Malee Group Public Company Limited and its subsidiaries as at 31 March 2022, and the related consolidated statements of comprehensive income, changes in shareholders' equity, and cash flows for the three-month period then ended, as well as the condensed notes to the interim consolidated financial statements. I have also reviewed the separate financial information of Malee Group Public Company Limited for the same period (collectively "interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34 *Interim Financial Reporting*. My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of review

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

Conclusion

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

Sutthirak Fakon
Certified Public Accountant (Thailand) No. 7712

EY Office Limited
Bangkok: 13 May 2022

Malee Group Public Company Limited and its subsidiaries

Statement of financial position

As at 31 March 2022

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		31 March 2022 (Unaudited but reviewed)	31 December 2021 (Audited)	31 March 2022 (Unaudited but reviewed)	31 December 2021 (Audited)
Assets					
Current assets					
Cash and cash equivalents		70,139	80,321	28,971	39,557
Trade and other receivables	3	658,861	650,186	488,946	491,330
Current portion of lease receivables	10	-	-	2,450	2,431
Inventories		474,705	553,713	306,463	350,503
Other current assets		67,026	53,216	47,925	21,109
Total current assets		1,270,731	1,337,436	874,755	904,930
Non-current assets					
Lease receivables, net of current portion	10	-	-	43,572	44,191
Investments in subsidiaries		-	-	542,126	542,126
Investments in joint ventures		16,467	14,121	-	-
Other long-term loans		31,657	31,657	-	-
Property, plant and equipment	5	1,557,538	1,581,616	1,401,244	1,415,747
Right-of-use assets	10	428,008	438,821	279,664	286,309
Intangible assets		195,303	197,444	11,701	12,784
Goodwill		54,299	54,606	-	-
Deferred tax assets		329,389	325,512	280,936	278,153
Right to claim from the former shareholder		34,801	34,992	-	-
Other non-current assets		35,630	29,297	31,548	25,158
Total non-current assets		2,683,092	2,708,066	2,590,791	2,604,468
Total assets		3,953,823	4,045,502	3,465,546	3,509,398

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

Malee Group Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 March 2022

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		31 March 2022 (Unaudited but reviewed)	31 December 2021 (Audited)	31 March 2022 (Unaudited but reviewed)	31 December 2021 (Audited)
Liabilities and shareholders' equity					
Current liabilities					
Bank overdrafts and short-term loans					
from financial institutions	6	1,098,402	1,128,197	941,169	951,282
Trade and other payables	7	627,827	652,373	443,949	439,389
Advances received from customers		38,679	82,702	31,684	75,437
Advance received from related party	2	-	-	30,000	30,000
Short-term loans from related parties	2	-	-	40,000	40,000
Current portions of:					
- Long-term loans from financial institutions	8	89,711	21,741	80,220	16,796
- Lease liabilities	10	36,439	40,841	34,245	37,453
Income tax payable		7,099	5,531	-	-
Other current liabilities		52,746	42,473	23,310	10,910
Total current liabilities		1,950,903	1,973,858	1,624,577	1,601,267
Non-current liabilities					
Non-current portions of:					
- Long-term loans from financial institutions	8	745,850	795,487	732,063	795,487
- Lease liabilities	10	217,397	224,486	217,397	224,125
Provision for long-term employee benefits		110,478	108,056	87,510	85,781
Deferred tax liabilities		158,077	152,636	94,160	87,725
Provision for taxation liabilities		34,801	34,992	-	-
Other non-current liabilities		-	-	1,502	1,502
Total non-current liabilities		1,266,603	1,315,657	1,132,632	1,194,620
Total liabilities		3,217,506	3,289,515	2,757,209	2,795,887

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

Malee Group Public Company Limited and its subsidiaries**Statement of financial position (continued)****As at 31 March 2022**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2022	31 December 2021	31 March 2022	31 December 2021
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Shareholders' equity				
Share capital				
Registered				
276,000,000 ordinary shares of Baht 0.5 each	<u>138,000</u>	<u>138,000</u>	<u>138,000</u>	<u>138,000</u>
Issued and fully paid				
276,000,000 ordinary shares of Baht 0.5 each	138,000	138,000	138,000	138,000
Retained earnings				
Appropriated - statutory reserve	14,000	14,000	14,000	14,000
Unappropriated	223,015	237,515	308,888	314,062
Other components of shareholders' equity	<u>254,736</u>	<u>254,123</u>	<u>247,449</u>	<u>247,449</u>
Equity attributable to owners of the Company	629,751	643,638	708,337	713,511
Non-controlling interests of the subsidiaries	<u>106,566</u>	<u>112,349</u>	-	-
Total shareholders' equity	<u>736,317</u>	<u>755,987</u>	<u>708,337</u>	<u>713,511</u>
Total liabilities and shareholders' equity	<u>3,953,823</u>	<u>4,045,502</u>	<u>3,465,546</u>	<u>3,509,398</u>
	-	-	-	-

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

Directors

(Unaudited but reviewed)

Malee Group Public Company Limited and its subsidiaries**Statement of comprehensive income****For the three-month period ended 31 March 2022**

(Unit: Thousand Baht, except earnings per share expressed in Baht)

	Note	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
		<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Revenues					
Sales		977,875	803,023	674,806	560,176
Other income					
Exchange gain		1,341	947	978	-
Others		8,726	5,353	34,315	31,598
Total revenues		<u>987,942</u>	<u>809,323</u>	<u>710,099</u>	<u>591,774</u>
Expenses					
Cost of sales		756,317	638,529	594,258	515,416
Selling and distribution expenses		103,569	96,552	8,995	10,367
Administrative expenses		127,229	113,886	92,310	78,792
Exchange loss		-	-	-	629
Total expenses		<u>987,115</u>	<u>848,967</u>	<u>695,563</u>	<u>605,204</u>
Operating profit (loss)		827	(39,644)	14,536	(13,430)
Share of gain (loss) from investments in joint ventures		1,245	(1,021)	-	-
Finance income		15	921	15	399
Finance cost		(18,161)	(16,505)	(16,073)	(15,283)
Loss before income tax		<u>(16,074)</u>	<u>(56,249)</u>	<u>(1,522)</u>	<u>(28,314)</u>
Income tax	11	(3,515)	11,998	(3,652)	10,835
Loss for the period		<u>(19,589)</u>	<u>(44,251)</u>	<u>(5,174)</u>	<u>(17,479)</u>
Other comprehensive income:					
<i>Other comprehensive income to be reclassified</i>					
<i>to profit or loss in subsequent periods:</i>					
Exchange differences on translation of financial statements					
in foreign currency		(81)	18,004	-	-
Other comprehensive income for the period		<u>(81)</u>	<u>18,004</u>	<u>-</u>	<u>-</u>
Total comprehensive income for the period		<u>(19,670)</u>	<u>(26,247)</u>	<u>(5,174)</u>	<u>(17,479)</u>

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

(Unaudited but reviewed)

Malee Group Public Company Limited and its subsidiaries

Statement of comprehensive income (continued)

For the three-month period ended 31 March 2022

(Unit: Thousand Baht, except earnings per share expressed in Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Loss attributable to:				
Equity holders of the Company	(14,500)	(43,000)	<u>(5,174)</u>	<u>(17,479)</u>
Non-controlling interests of the subsidiaries	<u>(5,089)</u>	<u>(1,251)</u>		
	<u>(19,589)</u>	<u>(44,251)</u>		
Total comprehensive income attributable to:				
Equity holders of the Company	(13,887)	(30,116)	<u>(5,174)</u>	<u>(17,479)</u>
Non-controlling interests of the subsidiaries	<u>(5,783)</u>	<u>3,869</u>		
	<u>(19,670)</u>	<u>(26,247)</u>		
Earnings per share				
Basic earnings per share				
Loss attributable to equity holders of the Company	<u>(0.053)</u>	<u>(0.156)</u>	<u>(0.019)</u>	<u>(0.063)</u>

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

(Unaudited but reviewed)

Malee Group Public Company Limited and its subsidiaries**Statement of changes in shareholders' equity****For the three-month period ended 31 March 2022**

(Unit: Thousand Baht)

Consolidated financial statements									
Equity attributable to owners of the Company									
			Other components of shareholders' equity						
			Other comprehensive income						
			Exchange						
			differences on						
			translation of						
			financial						
			statements in						
			foreign currency						
			Surplus on						
			revaluation of						
			assets						
			Total other						
			components of						
			shareholders'						
			equity						
			Total equity						
			attributable to						
			owners of						
			the Company						
			Non-controlling						
			interests of						
			the subsidiaries						
			Total						
			shareholders'						
			equity						
Issued and	Retained earnings								
fully paid-up	Appropriated								
share capital	- Statutory reserve	Unappropriated							
Balance as at 1 January 2021	138,000	14,000	351,531	(22,607)	253,195	230,588	734,119	105,511	839,630
Loss for the period	-	-	(43,000)	-	-	-	(43,000)	(1,251)	(44,251)
Other comprehensive income for the period	-	-	-	12,884	-	12,884	12,884	5,120	18,004
Total comprehensive income for the period	-	-	(43,000)	12,884	-	12,884	(30,116)	3,869	(26,247)
Balance as at 31 March 2021	<u>138,000</u>	<u>14,000</u>	<u>308,531</u>	<u>(9,723)</u>	<u>253,195</u>	<u>243,472</u>	<u>704,003</u>	<u>109,380</u>	<u>813,383</u>
Balance as at 1 January 2022	138,000	14,000	237,515	929	253,194	254,123	643,638	112,349	755,987
Loss for the period	-	-	(14,500)	-	-	-	(14,500)	(5,089)	(19,589)
Other comprehensive income for the period	-	-	-	613	-	613	613	(694)	(81)
Total comprehensive income for the period	-	-	(14,500)	613	-	613	(13,887)	(5,783)	(19,670)
Balance as at 31 March 2022	<u>138,000</u>	<u>14,000</u>	<u>223,015</u>	<u>1,542</u>	<u>253,194</u>	<u>254,736</u>	<u>629,751</u>	<u>106,566</u>	<u>736,317</u>

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

(Unaudited but reviewed)

Malee Group Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the three-month period ended 31 March 2022

(Unit: Thousand Baht)

	Separate financial statements				
	Issued and fully paid-up share capital	Retained earnings			Other components of equity
		Appropriated		Unappropriated	Other
		- Statutory reserve			comprehensive income
			Surplus on revaluation of assets	Total shareholders' equity	
Balance as at 1 January 2021	138,000	14,000	453,481	247,449	852,930
Total comprehensive income for the period	-	-	(17,479)	-	(17,479)
Balance as at 31 March 2021	<u>138,000</u>	<u>14,000</u>	<u>436,002</u>	<u>247,449</u>	<u>835,451</u>
Balance as at 1 January 2022	138,000	14,000	314,062	247,449	713,511
Total comprehensive income for the period	-	-	(5,174)	-	(5,174)
Balance as at 31 March 2022	<u>138,000</u>	<u>14,000</u>	<u>308,888</u>	<u>247,449</u>	<u>708,337</u>

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

(Unaudited but reviewed)

Malee Group Public Company Limited and its subsidiaries

Cash flow statement

For the three-month period ended 31 March 2022

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Cash flows from operating activities				
Loss before tax	(16,074)	(56,249)	(1,522)	(28,314)
Adjustments to reconcile loss before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	41,814	47,437	29,253	34,648
Expected credit losses (reversal)	1,903	(201)	968	-
Reduce cost to net realisable value of inventories (reversal)	14,524	(4,828)	11,805	(5,625)
Gain from disposals of equipment	(44)	-	(44)	-
Unrealised (gain) loss on exchange	(797)	(960)	(507)	555
Share of (gain) loss from investments in joint ventures	(1,245)	1,021	-	-
Provision for long-term employee benefits	2,568	2,510	1,875	1,834
Finance income	(15)	(921)	(15)	(399)
Finance cost	18,161	16,505	16,073	15,283
Profit from operating activities before changes in operating assets and liabilities	60,795	4,314	57,886	17,982
Operating assets (increase) decrease				
Trade and other receivables	(10,578)	(48,582)	1,416	(36,512)
Inventories	64,485	46,056	32,235	463
Other current assets	(11,378)	56,828	(24,604)	1,116
Other non-current assets	(6,333)	1,966	(6,390)	3,736
Operating liabilities increase (decrease)				
Trade and other payables	(24,848)	(37,333)	3,992	(11,565)
Advances from customers	(44,023)	77,958	(43,753)	44,768
Other current liabilities	10,272	(17,391)	12,400	(30)
Provision for long-term employee benefits	(146)	-	(146)	-
Cash flows from operating activities	38,246	83,816	33,036	19,958
Cash received from interest income	15	921	15	399
Cash paid for interest expenses	(17,017)	(16,505)	(14,956)	(15,283)
Cash paid for income tax	(2,433)	(1,371)	(2,211)	(1,325)
Net cash flows from operating activities	18,811	66,861	15,884	3,749

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

(Unaudited but reviewed)

Malee Group Public Company Limited and its subsidiaries

Cash flow statement (continued)

For the three-month period ended 31 March 2022

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Cash flows from investing activities				
Cash received from long-term loans to related party	-	-	-	31,500
Cash received from lease receivables	-	-	600	604
Cash paid for investment in subsidiary	-	-	-	(35,000)
Cash received from disposals of equipment	104	-	104	-
Cash paid for acquisitions of equipment	(5,577)	(4,464)	(5,541)	(4,025)
Cash paid for acquisitions of intangible assets	(281)	-	(281)	-
Net cash flows used in investing activities	<u>(5,754)</u>	<u>(4,464)</u>	<u>(5,118)</u>	<u>(6,921)</u>
Cash flows from financing activities				
Decrease in bank overdrafts	(27,765)	(27,957)	(10,093)	(6,104)
Cash received from short-term loans from financial institutions	712,513	668,312	652,613	592,332
Repayment of short-term loans from financial institutions	(714,543)	(690,383)	(652,633)	(612,396)
Cash received from short-term loans from related party	-	-	-	40,000
Cash received from short-term loans from financial institutions	20,000	-	-	-
Repayment of long-term loans from financial institutions	(1,639)	(6,145)	-	(6,145)
Repayment of lease liabilities	(12,794)	(17,064)	(11,239)	(14,885)
Net cash flows used in financing activities	<u>(24,228)</u>	<u>(73,237)</u>	<u>(21,352)</u>	<u>(7,198)</u>
Increase (decrease) in translation adjustments	<u>989</u>	<u>(4,409)</u>	<u>-</u>	<u>-</u>
Net decrease in cash and cash equivalents	<u>(10,182)</u>	<u>(15,249)</u>	<u>(10,586)</u>	<u>(10,370)</u>
Cash and cash equivalents at beginning of period	<u>80,321</u>	<u>83,669</u>	<u>39,557</u>	<u>46,294</u>
Cash and cash equivalents at end of period	<u>70,139</u>	<u>68,420</u>	<u>28,971</u>	<u>35,924</u>
	-	-	-	-
Supplemental cash flow information:				
Non-cash transactions				
Acquisitions of equipment for which cash has not been paid	1,076	-	1,076	-
Increase in right-of-use assets from lease liabilities	1,303	159	1,303	159

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

Malee Group Public Company Limited and its subsidiaries
Notes to consolidated interim financial statements
For the three-month period ended 31 March 2021

1. General information

1.1 Coronavirus disease 2019 Pandemic

The Coronavirus disease 2019 pandemic is adversely impacting most businesses and industries. This situation may bring uncertainties and have an impact on the environment in which the group operates. The Group's management has continuously monitored ongoing developments and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities, and has used estimates and judgement in respect of various issues as the situation has evolved.

1.2 Basis for the preparation of interim financial statements

These interim financial statements are prepared in accordance with Thai Accounting Standard No. 34 Interim Financial Reporting, with the Company choosing to present condensed interim financial statements. However, the Company has presented the statements of financial position, comprehensive income, changes in shareholders' equity, and cash flows in the same format as that used for the annual financial statements.

The interim financial statements are intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events and circumstances so as not to duplicate information previously reported. These interim financial statements should therefore be read in conjunction with the latest annual financial statements.

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

1.3 Basis of consolidation

These consolidated financial statements include the financial statements of Malee Group Public Company Limited ("the Company") and its subsidiaries ("the subsidiaries") ("the Group") and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2021. There have been no significant changes in the composition of the Group during the period.

1.4 Significant accounting policies

The interim financial statements are prepared by using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2021.

The revised financial reporting standards which are effective for fiscal years beginning on or after 1 January 2022, do not have any significant impact on the Group's financial statements.

2. Related party transactions

During the period, the Group had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Group and those related parties. There were no significant changes in the transfer pricing policy of transactions with related parties during the current period. Summaries significant business transactions with related parties as follows.

	(Unit: Million Baht)			
	For the three-month periods ended 31 March			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<u>Transactions with subsidiaries</u>				
(eliminated from the consolidated financial statements)				
Sales of goods	-	-	331	288
Management fee income	-	-	25	25
Rental expenses	-	-	1	1
Service expenses	-	-	7	-
<u>Transactions with joint ventures</u>				
Sales of goods	6	7	-	-
<u>Transactions with related companies</u>				
Purchases of raw materials and others	2	2	2	2
Production service fee	28	19	28	19
Rental and service expenses	4	4	4	4

(Unaudited but reviewed)

As at 31 March 2022 and 31 December 2021, the balances of the accounts between the Group and those related companies are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	31 March 2022	31 December 2021	31 March 2022	31 December 2021
		(Audited)	(Audited)	
<u>Trade and other receivables - related parties</u>				
<u>Trade receivables - related parties (Note 3)</u>				
Subsidiaries	-	-	149,487	193,362
Joint ventures	7,582	11,126	-	1,980
Total trade receivables - related parties	7,582	11,126	149,487	195,342
<u>Other receivables - related parties (Note 3)</u>				
Subsidiaries	-	-	12,271	27,563
Joint ventures	2,050	2,050	2,050	2,050
Related companies (Common shareholders/directors)	121	125	121	125
Total other receivables - related parties	2,171	2,175	14,442	29,738
Total trade and other receivables - related parties	9,753	13,301	163,929	225,080
<u>Deposit - related party</u>				
Related company (Common shareholders/directors)	8,125	8,125	8,125	8,125
<u>Trade and other payables - related parties</u>				
<u>Trade payables - related parties (Note 7)</u>				
Subsidiaries	-	-	-	6
Related companies (Common shareholders/directors)	21,198	14,336	21,191	14,324
Total trade payables - related parties	21,198	14,336	21,191	14,330
<u>Other payables - related parties (Note 7)</u>				
Subsidiaries	-	-	50,187	56,416
Related companies (Common shareholders/directors)	475	131	175	124
Directors	323	-	323	-
Total other payables - related parties	798	131	50,685	56,540
Total trade and other payables - related parties	21,996	14,467	71,876	70,870
<u>Advance received from related party</u>				
Subsidiary	-	-	30,000	30,000

(Unaudited but reviewed)

(Unit: Thousand Baht)

Consolidated		Separate	
financial statements		financial statements	
31 March	31 December	31 March	31 December
2022	2021	2022	2021
	(Audited)		(Audited)
<u>Short-term loans from related party</u>			
Subsidiary	-	40,000	40,000

The above loans and interest are repayable within January 2023, unsecured, and carry interest at the rate 3.3 percent per annum. During the period, there were no movements of short-term loans from related party.

Directors and management's benefits

For the three-month periods ended 31 March 2022 and 2021, the Group had employee benefit expenses payable to their directors and management as below:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Short-term employee benefits	17,022	14,477	14,836	14,113
Post-employment benefits	526	828	526	814
Total	<u>17,548</u>	<u>15,305</u>	<u>15,362</u>	<u>14,927</u>

Guarantee obligations with related parties

The Company has outstanding guarantee obligations with a subsidiary and its subsidiary has outstanding guarantee obligations with the Company, as described in Note 9 to the interim financial statements.

3. Trade and other receivables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	31 March 2022	31 December 2021	31 March 2022	31 December 2021
	(Audited)		(Audited)	
<u>Trade receivables - related parties</u>				
Aged on the basis of due dates				
Not yet due	6,040	7,603	74,004	88,903
Past due up to 3 months	1,542	3,523	75,483	106,439
Total trade receivables - related parties	7,582	11,126	149,487	195,342
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	507,121	482,613	250,899	190,966
Past due				
Up to 3 months	124,827	139,663	66,707	65,772
3 - 6 months	926	262	21	-
6 - 12 months	1,309	120	-	-
Over 12 months	7,500	7,587	5,616	5,616
Total	641,683	630,245	323,243	262,354
Less: Allowance for expected credit losses	(11,166)	(9,223)	(6,422)	(5,454)
Total trade receivables - unrelated parties, net	630,517	621,022	316,821	256,900
Total trade receivables - net	638,099	632,148	466,308	452,242
<u>Other receivables</u>				
Other receivables - related parties	2,171	2,175	14,442	29,738
Accrued income	19,366	16,678	8,196	9,350
Total	21,537	18,853	22,638	39,088
Less: Allowance for expected credit losses	(775)	(815)	-	-
Total other receivables - net	20,762	18,038	22,638	39,088
Total trade and other receivables - net	658,861	650,186	488,946	491,330

The Company and its subsidiary entered in to an agreements to transfer debt collecion right to financial institution, as described in Note 9 to the interim financial statements.

4. Inventories

Movements in the reduce cost to net realisable value of inventories account for the three-month period ended 31 March 2022 are summarised below:

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
Balance as at 1 January 2022	30,114	21,323
Reduce cost to net realisable value of inventories during the period	14,524	11,805
Balance as at 31 March 2022	44,638	33,128

5. Property, Plant and equipment

Movements in property, plant and equipment account for the three-month period ended 31 March 2022 are summarised below:

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
Net book value as at 1 January 2022	1,581,616	1,415,747
Acquisitions during the period - at cost	5,533	5,497
Disposal during the period - net book value as at disposal date	(60)	(60)
Depreciation for the period	(28,916)	(19,940)
Translation adjustments	(635)	-
Net book value as at 31 March 2022	1,557,538	1,401,244

6. Bank overdrafts and short-term loans from financial institutions

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2022	2021	2022	2021
		(Audited)		(Audited)
Bank overdrafts	18,012	12,186	18,012	12,186
Promissory notes	903,432	905,462	874,152	874,171
Discounted promissory notes	100,459	136,619	37,567	40,632
Trust receipt	65,061	49,637	-	-
Packing credits	11,438	24,293	11,438	24,293
Total	1,098,402	1,128,197	941,169	951,282

7. Trade and other payables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2022	2021	2022	2021
		(Audited)		(Audited)
Trade payables - related parties	21,198	14,336	21,191	14,330
Trade payables - unrelated parties	348,942	341,324	271,002	248,428
Other payables - related parties	798	131	50,685	56,540
Other payables - unrelated parties	81,376	88,090	49,724	54,531
Accrued expenses	175,513	208,492	51,347	65,560
Total trade and other payables	627,827	652,373	443,949	439,389

8. Long-term loans from financial institutions

Movements of the long-term loans from financial institutions account for the three-month period ended 31 March 2022 are summarised below:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
Balance as at 1 January 2022		817,228		812,283
Additional borrowings		20,000		-
Repayments		(1,639)		-
Translation adjustments		(28)		-
Balance as at 31 March 2022		835,561		812,283
Less: Current portion		(89,711)		(80,220)
Long-term loans - net of current portion		745,850		732,063

In March 2022, the subsidiary had entered into a loan agreement with local bank amounting to Baht 20 million with interest rate at MLR+1.5 per annum. The principle and interests are payable in monthly installment from the date of the first installment in April 2022 to March 2025.

9. Credit facilities

Credit facilities granted by financial institutions of the Group are guaranteed by the following.

- a) The guarantee provided by the Company and its subsidiary. Guarantee fees have been charged at 2.50 percent per guarantee amount.
- b) The pledge/mortgage of by the assets of the Company and its subsidiaries with the net book value as at 31 March 2022 as summarised below:

	(Unit: Million Baht)	
	Consolidated	Separate
	<u>financial statements</u>	<u>financial statements</u>
Land	327	327
Property - net	80	70
Machinery and equipment - net	399	346

- c) The Company and its subsidiary entered in to an agreements to transfer debt collecion right to financial institution amounting to approximately Baht 100 million (the Company only: Baht 38 million) as collateral to secure discounted promissory notes.

10. Lease agreements

10.1 Right-of-use assets

Movements of the right-of-use assets account for the three-month period ended 31 March 2022 are summarised below:

	(Unit: Thousand Baht)	
	Consolidated	Separate
	<u>financial statements</u>	<u>financial statements</u>
Net book value as at 1 January 2022	438,821	286,309
Acquisitions during the period - at cost	1,303	1,303
Depreciation for the period	(11,486)	(7,948)
Translation adjustments	(630)	-
Net book value as at 31 March 2022	<u>428,008</u>	<u>279,664</u>

10.2 Lease receivables

Movements of the lease receivables account for the three-month period ended 31 March 2022 are summarised below:

	(Unit: Thousand Baht)
	<u>Separate financial statements</u>
Balance as at 1 January 2022	46,622
Recognised interest income during the period	358
Received during the period	(958)
Balance as at 31 March 2022	<u>46,022</u>
Less: Current portion	<u>(2,450)</u>
Lease receivables - net of current portion	<u><u>43,572</u></u>

10.3 Lease liabilities

Movements of the lease liabilities account for the three-month period ended 31 March 2022 are summarised below:

	(Unit: Thousand Baht)	
	Consolidated	Separate
	<u>financial statements</u>	<u>financial statements</u>
Balance as at 1 January 2022	265,327	261,578
Increase during the period	1,303	1,303
Recognised as interest during the period	2,181	2,155
Repayment during the period	(14,975)	(13,394)
Balance as at 31 March 2022	<u>253,836</u>	<u>251,642</u>
Less: Current portion	<u>(36,439)</u>	<u>(34,245)</u>
Lease liabilities - net of current portion	<u><u>217,397</u></u>	<u><u>217,397</u></u>

11. Income tax

Interim corporate income tax was calculated on loss before income tax for the period, using the estimated effective tax rate for the year.

Income tax for the three-month periods ended 31 March 2022 and 2021 are made up as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Current income tax:				
Current income tax charge	(1,568)	(2,380)	-	-
Deferred tax:				
Relating to origination and reversal of temporary differences	(1,947)	14,378	(3,652)	10,835
Income tax reported in profit or loss	<u>(3,515)</u>	<u>11,998</u>	<u>(3,652)</u>	<u>10,835</u>
Income tax reported in other comprehensive income	<u>383</u>	<u>(2,826)</u>	<u>-</u>	<u>-</u>

12. Segment information

The Group is organised into business units based on their products and services. During the current period, the Group has not changed the organisation of their reportable segments from the last annual financial statement.

The following tables present revenue and profit information regarding the Group's operating segments for the three-month periods ended 31 March 2022 and 2021.

(Unit: Thousand Baht)

	For the three-month periods ended 31 March									
	Agriculture products		Others		Total		Elimination of inter-segment revenues		Consolidated financial statements	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Revenues										
Revenues from external customers	926,435	759,762	51,440	43,261	977,875	803,023	-	-	977,875	803,023
Inter-segment revenues	331,207	288,318	384	-	331,591	288,318	(331,591)	(288,318)	-	-
Total revenues	1,257,642	1,048,080	51,824	43,261	1,309,466	1,091,341	(331,591)	(288,318)	977,875	803,023
Segment profit	198,645	154,525	17,298	16,698	215,943	171,223	5,615	(6,729)	221,558	164,494
Unallocated income and expenses:										
Other income									10,067	6,300
Selling and distribution expenses									(103,569)	(96,552)
Administrative expenses									(127,229)	(113,886)
Share of gain (loss) from investments in joint ventures									1,245	(1,021)
Finance income									15	921
Finance cost									(18,161)	(16,505)
Loss before income tax									(16,074)	(56,249)
Income tax									(3,515)	11,998
Loss for the period									(19,589)	(44,251)

(Unaudited but reviewed)

Sales by geographic market are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements	
	For the three-month periods ended 31 March	
	<u>2022</u>	<u>2021</u>
Segment in Thailand	548,932	448,432
Segment in Overseas	428,943	354,591
Total	<u>977,875</u>	<u>803,023</u>

13. Commitments and contingent liabilities

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March 2022	31 December 2021	31 March 2022	31 December 2021
		(Audited)		(Audited)
Capital commitments - purchases of fixed assets	45	33	45	33
Service commitments				
Payable:				
Within 1 year	13	13	-	-
Over 1 and up to 5 years	10	-	-	-
Total	<u>23</u>	<u>13</u>	<u>-</u>	<u>-</u>
Bank guarantees for electricity usage and sales of goods	11	11	9	9

14. Foreign currency risk

As at 31 March 2022 and 31 December 2021, the balance of financial assets and financial liabilities in foreign currency are summarised below.

Foreign currency	Consolidated financial statements					
	Financial assets		Financial liabilities		Average exchange rate	
	31 March	31 December	31 March	31 December	31 March	31 December
	2022	2021	2022	2021	2022	2021
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
		(Audited)		(Audited)		
USD	1.0	1.0	-	1.5	33.2973	33.4199

Foreign currency	Separate financial statements					
	Financial assets		Financial liabilities		Average exchange rate	
	31 March	31 December	31 March	31 December	31 March	31 December
	2022	2021	2022	2021	2022	2021
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
		(Audited)		(Audited)		
USD	-	-	-	1.4	33.2973	33.4199

15. Financial instruments**15.1 Fair values of financial instruments**

Most of the Group's financial instruments are classified as short-term or have interest rates that are close to market rate. Therefore, the carrying amounts of these financial instruments is estimated to approximate their fair value.

15.2 Fair value hierarchy

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

(Unit: Million Baht)

Consolidated financial statements							
Level 1		Level 2		Level 3		Total	
31 March 2022	31 December 2021	31 March 2022	31 December 2021	31 March 2022	31 December 2021	31 March 2022	31 December 2021

(Audited)

**Assets measured at
fair value**

Land	-	-	-	-	427	427	427	427
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(Unit: Million Baht)

Separate financial statements							
Level 1		Level 2		Level 3		Total	
31 March 2022	31 December 2021	31 March 2022	31 December 2021	31 March 2022	31 December 2021	31 March 2022	31 December 2021

(Audited)

**Assets measured at
fair value**

Land	-	-	-	-	409	409	409	409
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During the current period, there were no changes in the methods and assumptions used in estimating the fair value of financial instruments and there were no transfers within the fair value hierarchy.

16. Events after the reporting period

- a) On 27 April 2022, the Annual General Meeting of the Company's shareholders for year 2022 passed a resolution approving the shareholding and management restructuring plan of the Company by acquiring ordinary shares in Abico Holdings Public Company Limited ("ABICO"), whose securities are listed on the Market for Alternative Investment. The Company will pay for the share acquisition with newly issued ordinary shares of the Company, at the swap ratio of one ordinary share in ABICO per 1.12930899 newly issued ordinary shares in the Company for the purpose of allocating them to ABICO's shareholders who accept the offer. The Company will increase the registered capital from Baht 138 million to Baht 276 million by issuing 276 million new ordinary shares with a par value of Baht 0.50 each, a total of 138 million.
- b) On 29 April 2022, the Annual General Meeting of Shareholders for year 2022 of Malee International Company Limited passed a resolution to approving dividend payment of Baht 150 per share or totaling Baht 60 million.

17. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 13 May 2022.