

**BAIYA INTERNATIONAL GROUP INC.  
CONSOLIDATED BALANCE SHEETS  
(Expressed in U.S. Dollars, except for the number of shares)**

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | **As of  December 31,** | | | | | | |
|  |  | **2022** | | |  | **2021** | | |
| **ASSETS** |  |  |  |  |  |  |  |  |
| CURRENT ASSETS |  |  |  |  |  |  |  |  |
| Cash |  | $ | 2,404,170 |  |  | $ | 134,488 |  |
| Accounts receivable, net |  |  | 2,432,947 |  |  |  | 3,932,509 |  |
| Advance to suppliers, net |  |  | 41,564 |  |  |  | 231,258 |  |
| Due from related parties |  |  | 1,969,553 |  |  |  | 2,933,960 |  |
| Deferred IPO costs |  |  | 452,521 |  |  |  | — |  |
| Prepaid expense and other current assets |  |  | 412,189 |  |  |  | 285,231 |  |
| Total current assets |  |  | 7,712,944 |  |  |  | 7,517,446 |  |
|  |  |  |  |  |  |  |  |  |
| NON-CURRENT ASSETS |  |  |  |  |  |  |  |  |
| Property and equipment, net |  |  | 3,264 |  |  |  | 5,791 |  |
| Right-of-use asset, net |  |  | 156,247 |  |  |  | 355,311 |  |
| Deferred tax assets |  |  | 5,974 |  |  |  | 2,983 |  |
| Total noncurrent assets |  |  | 165,485 |  |  |  | 364,085 |  |
| TOTAL ASSETS |  | $ | 7,878,429 |  |  | $ | 7,881,531 |  |
|  |  |  |  |  |  |  |  |  |
| LIABILITIES AND SHAREHOLDERS’ EQUITY |  |  |  |  |  |  |  |  |
| CURRENT LIABILITIES |  |  |  |  |  |  |  |  |
| Accounts payable |  | $ | 1,772,456 |  |  | $ | 2,248,317 |  |
| Advance from customers |  |  | 31,406 |  |  |  | 56,811 |  |
| Accrued liabilities and other payables |  |  | 1,848,047 |  |  |  | 1,704,417 |  |
| Taxes payable |  |  | 238,407 |  |  |  | 359,532 |  |
| Due to related parties |  |  | 1,498,328 |  |  |  | 216,914 |  |
| Lease liability, current portion |  |  | 22,292 |  |  |  | 34,023 |  |
| Line of credit |  |  | 144,990 |  |  |  | — |  |
| Long-term loans, current |  |  | 565,979 |  |  |  | — |  |
| Total current liabilities |  |  | 6,121,905 |  |  |  | 4,620,014 |  |
|  |  |  |  |  |  |  |  |  |
| NON-CURRENT LIABILITIES |  |  |  |  |  |  |  |  |
| Lease liability, non-current portion |  |  | — |  |  |  | 15,101 |  |
| Long-term loans, non-current |  |  | 53,853 |  |  |  | — |  |
| Total non-current liabilities |  |  | 53,853 |  |  |  | 15,101 |  |
| TOTAL LIABILITIES |  |  | 6,175,758 |  |  |  | 4,635,115 |  |
|  |  |  |  |  |  |  |  |  |
| COMMITMENTS AND CONTINGENCIES |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |
| SHAREHOLDER’S EQUITY |  |  |  |  |  |  |  |  |
| Preferred shares, par value $0.0001, 100,000,000 shares authorized, nil shares issued and outstanding |  |  | — |  |  |  | — |  |
| Ordinary common shares, par value $0.0001, 400,000,000 shares authorized, 10,000,000 shares issued and outstanding |  |  | 1,000 |  |  |  | 1,000 |  |
| Additional paid-in capital |  |  | 1,775,941 |  |  |  | 1,775,941 |  |
| Subscription receivable |  |  | (990 | ) |  |  | (990 | ) |
| Statutory Reserve |  |  | 290,860 |  |  |  | 258,944 |  |
| Accumulated other comprehensive income (loss) |  |  | (109,247 | ) |  |  | 94,092 |  |
| (Accumulated deficit) Retained earnings |  |  | (340,910 | ) |  |  | 955,109 |  |
| Total Company shareholders’ equity |  |  | 1,616,654 |  |  |  | 3,084,096 |  |
| Noncontrolling interest |  |  | 86,017 |  |  |  | 162,320 |  |
| Total shareholders’ equity |  |  | 1,702,671 |  |  |  | 3,246,416 |  |
| TOTAL LIABILITIES AND SHAREHOLDERS’ EQUITY |  | $ | 7,878,429 |  |  | $ | 7,881,531 |  |

**BAIYA INTERNATIONAL GROUP INC.  
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE (LOSS) INCOME  
(Expressed in U.S. Dollars, except for the number of shares)**

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | **For the years ended  December 31,** | | | | | | |
|  |  | **2022** | | |  | **2021** | | |
| Net revenues |  | $ | 13,161,560 |  |  | $ | 20,824,565 |  |
| Cost of revenues |  |  | 11,635,220 |  |  |  | 18,148,607 |  |
| Gross profit |  |  | 1,526,340 |  |  |  | 2,675,958 |  |
|  |  |  |  |  |  |  |  |  |
| Operating expenses |  |  |  |  |  |  |  |  |
| Selling expenses |  |  | 243,937 |  |  |  | 486,569 |  |
| General and administrative expenses |  |  | 2,205,442 |  |  |  | 1,477,647 |  |
| Research and development expenses |  |  | 479,218 |  |  |  | 337,770 |  |
| Total operating expenses |  |  | 2,928,597 |  |  |  | 2,301,986 |  |
| Income (loss) from operations |  |  | (1,402,257 | ) |  |  | 373,972 |  |
|  |  |  |  |  |  |  |  |  |
| Other income (expenses) |  |  |  |  |  |  |  |  |
| Interest income (expenses), net |  |  | (55,640 | ) |  |  | 7,317 |  |
| Government subsidy income |  |  | 190,944 |  |  |  | 75,261 |  |
| Other expenses, net |  |  | (39,307 | ) |  |  | (4,010 | ) |
| Other income, net |  |  | 95,997 |  |  |  | 78,568 |  |
| Income (loss) before income tax |  |  | (1,306,260 | ) |  |  | 452,540 |  |
| Less: income tax expense |  |  | 23,421 |  |  |  | 200,333 |  |
| Net (loss) income |  |  | (1,329,681 | ) |  |  | 252,207 |  |
| Less: net income (loss) attributable to non-controlling interests |  |  | (65,578 | ) |  |  | 12,610 |  |
| Net income (loss) attributable to Baiya International Group Inc. |  | $ | (1,264,103 | ) |  | $ | 239,597 |  |
|  |  |  |  |  |  |  |  |  |
| Comprehensive income |  |  |  |  |  |  |  |  |
| Net (loss) income |  | $ | (1,329,681 | ) |  | $ | 252,207 |  |
| Other comprehensive (loss) income |  |  |  |  |  |  |  |  |
| Foreign currency translation (loss) gain |  |  | (214,064 | ) |  |  | 46,160 |  |
| Total other comprehensive (loss) income |  |  | (214,064 | ) |  |  | 46,160 |  |
| Total comprehensive (loss) income |  |  | (1,543,745 | ) |  |  | 298,367 |  |
| Less: comprehensive (loss) income attributable to non-controlling interests |  |  | (76,303 | ) |  |  | 14,918 |  |
| Comprehensive (loss) income attributable to Baiya International Group Inc. |  | $ | (1,467,443 | ) |  | $ | 283,449 |  |
| (Loss) earnings per common share |  |  |  |  |  |  |  |  |
| Basic and diluted\* |  | $ | (0.13 | ) |  | $ | 0.02 |  |
| Weighted average number of common shares outstanding |  |  |  |  |  |  |  |  |
| Basic and diluted\* |  |  | 10,000,000 |  |  |  | 10,000,000 |  |

**BAIYA INTERNATIONAL GROUP INC.  
CONSOLIDATED STATEMENTS OF SHAREHOLDERS’ EQUITY  
(Expressed in U.S. Dollars, except for the number of shares)**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | **Preferred shares** | | | |  | **Common shares** | | | |  | **Additional  paid-in  capital** | |  | **Subscription  receivable** | | |  | **Statutory  reserve** | |  | **Accumulated other comprehensive income (loss)** | | |  | **Retained earnings (accumulated deficit)** | | |  | **Total Baiya’s shareholders’ equity** | | |  | **Non-controlling interests** | | |  | **Total  equity** | | |
| **Shares** |  | **Amount** | |  | **Shares** |  | **Amount** | |  |
| Balance at January 1, 2021 |  | — |  | $ | — |  | 10,000,000 |  | $ | 1,000 |  | $ | 448,371 |  | $ | (990 | ) |  | $ | 144,804 |  | $ | 50,240 |  |  | $ | 829,652 |  |  | $ | 1,473,077 |  |  | $ | 77,530 |  |  | $ | 1,550,607 |  |
| Appropriation to statutory reserve |  | — |  |  | — |  | — |  |  | — |  |  | — |  |  | — |  |  |  | 114,140 |  |  | — |  |  |  | (114,140 | ) |  |  | — |  |  |  | — |  |  |  | — |  |
| Capital contribution |  | — |  |  | — |  | — |  |  | — |  |  | 1,327,570 |  |  | — |  |  |  | — |  |  | — |  |  |  | — |  |  |  | 1,327,570 |  |  |  | 69,872 |  |  |  | 1,397,442 |  |
| Net income |  | — |  |  | — |  | — |  |  | — |  |  | — |  |  | — |  |  |  | — |  |  | — |  |  |  | 239,597 |  |  |  | 239,597 |  |  |  | 12,610 |  |  |  | 252,207 |  |
| Foreign currency translation adjustment |  | — |  |  | — |  | — |  |  | — |  |  | — |  |  | — |  |  |  | — |  |  | 43,852 |  |  |  | — |  |  |  | 43,852 |  |  |  | 2,308 |  |  |  | 46,160 |  |
| Balance at December 31, 2021 |  | — |  |  | — |  | 10,000,000 |  |  | 1,000 |  |  | 1,775,941 |  |  | (990 | ) |  |  | 258,944 |  |  | 94,092 |  |  |  | 955,109 |  |  |  | 3,084,096 |  |  |  | 162,320 |  |  |  | 3,246,416 |  |
| Appropriation to statutory reserve |  | — |  |  | — |  | — |  |  | — |  |  | — |  |  | — |  |  |  | 31,916 |  |  | — |  |  |  | (31,916 | ) |  |  | — |  |  |  | — |  |  |  | — |  |
| Net loss |  | — |  |  | — |  | — |  |  | — |  |  | — |  |  | — |  |  |  | — |  |  | — |  |  |  | (1,264,103 | ) |  |  | (1,264,103 | ) |  |  | (65,578 | ) |  |  | (1,329,681 | ) |
| Foreign currency translation adjustment |  | — |  |  | — |  | — |  |  | — |  |  | — |  |  | — |  |  |  | — |  |  | (203,339 | ) |  |  | — |  |  |  | (203,339 | ) |  |  | (10,725 | ) |  |  | (214,064 | ) |
| Balance at December 31, 2022 |  | — |  | $ | — |  | 10,000,000 |  | $ | 1,000 |  | $ | 1,775,941 |  | $ | (990 | ) |  | $ | 290,860 |  | $ | (109,247 | ) |  | $ | (340,910 | ) |  | $ | 1,616,654 |  |  | $ | 86,017 |  |  | $ | 1,702,671 |  |

**BAIYA INTERNATIONAL GROUP INC.  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
(Expressed in U.S. Dollars, except for the number of shares)**

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | **For the years ended  December 31,** | | | | | | |
|  |  | **2022** | | |  | **2021** | | |
| CASH FLOWS FROM OPERATING ACTIVITIES |  |  |  |  |  |  |  |  |
| Net income (loss) |  |  | (1,329,681 | ) |  |  | 252,207 |  |
| Adjustments to reconcile net income to net cash (used in) provided by operating activities: |  |  |  |  |  |  |  |  |
| Depreciation expense |  |  | 2,139 |  |  |  | 5,533 |  |
| Provision for doubtful accounts |  |  | 844,053 |  |  |  | 93,190 |  |
| Amortization of operating lease right-of-use assets |  |  | 177,843 |  |  |  | 188,539 |  |
| Change in deferred tax |  |  | (3,298 | ) |  |  | (12,199 | ) |
|  |  |  |  |  |  |  |  |  |
| Changes in operating assets and liabilities: |  |  |  |  |  |  |  |  |
| Accounts receivable, net |  |  | 704,945 |  |  |  | (262,411 | ) |
| Advance to suppliers, net |  |  | (141,522 | ) |  |  | 19,934 |  |
| Due from related parties |  |  | 760,214 |  |  |  | (920,301 | ) |
| Deferred IPO costs |  |  | (461,986 | ) |  |  | — |  |
| Prepaid expense and other current assets |  |  | (154,152 | ) |  |  | (120,167 | ) |
| Accounts payable |  |  | (312,815 | ) |  |  | (1,027,346 | ) |
| Advance from customers |  |  | (21,619 | ) |  |  | 56,022 |  |
| Accrued liabilities and other payables |  |  | 279,802 |  |  |  | 460,142 |  |
| Taxes payable |  |  | (96,177 | ) |  |  | 198,002 |  |
| Due to related parties |  |  | 1,330,285 |  |  |  | 23,508 |  |
| Lease liability, current portion |  |  | (25,135 | ) |  |  | (512,168 | ) |
| Net cash provided by (used in) operating activities |  |  | 1,552,896 |  |  |  | (1,557,515 | ) |
|  |  |  |  |  |  |  |  |  |
| CASH FLOWS FROM INVESTING ACTIVITIES |  |  |  |  |  |  |  |  |
| Purchase of fixed assets |  |  | — |  |  |  | (2,924 | ) |
| Net cash used in investing activities |  |  | — |  |  |  | (2,924 | ) |
|  |  |  |  |  |  |  |  |  |
| CASH FLOWS FROM FINANCING ACTIVITIES |  |  |  |  |  |  |  |  |
| Proceeds from loans |  |  | 1,728,334 |  |  |  | — |  |
| Repayments to loans |  |  | (944,416 | ) |  |  | — |  |
| Capital contribution |  |  | — |  |  |  | 1,397,442 |  |
| Net cash provided by financing activities |  |  | 783,918 |  |  |  | 1,397,442 |  |
|  |  |  |  |  |  |  |  |  |
| **EFFECT OF EXCHANGE RATE CHANGES ON CASH** |  |  | (67,132 | ) |  |  | (5,358 | ) |
|  |  |  |  |  |  |  |  |  |
| **NET INCREASE (DECREASE) IN CASH** |  |  | 2,269,682 |  |  |  | (168,355 | ) |
| **CASH, BEGINNING OF YEAR** |  |  | 134,488 |  |  |  | 302,843 |  |
| **CASH, END OF YEAR** |  |  | 2,404,170 |  |  |  | 134,488 |  |
|  |  |  |  |  |  |  |  |  |
| **Supplemental disclosure information:** |  |  |  |  |  |  |  |  |
| Cash paid for income tax |  | $ | 55,299 |  |  | $ | 46,101 |  |
| Cash paid for interest |  | $ | 56,883 |  |  | $ | — |  |
|  |  |  |  |  |  |  |  |  |
| **Supplemental disclosure of non-cash operating activity:** |  |  |  |  |  |  |  |  |
| Right of use assets obtained in exchange for operating lease liability |  | $ | — |  |  | $ | 24,711 |  |