

## **AUDITOR'S REPORT ON THE REVIEW OF THE INTERIM FINANCIAL INFORMATION**

To the Shareholders and the Board of Directors of R&B Food Supply Public Company Limited

I have reviewed the interim consolidated financial information of R&B Food Supply Public Company Limited and its subsidiaries, and the separate financial information of R&B Food Supply Public Company Limited. These comprise the consolidated and separate statements of financial position as at 31 March 2020, the related consolidated and separate statements of comprehensive income, changes in equity, and cash flows for the three-month period then ended, and the condensed notes to the interim financial information. Management is responsible for the preparation and presentation of this interim consolidated and separate financial information in accordance with Thai Accounting Standard 34, "Interim Financial Reporting". My responsibility is to express a conclusion on this interim consolidated and separate financial information based on my review.

### **Scope of review**

I conducted my review in accordance with the 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 consolidated and separate financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34, "Interim Financial Reporting".

### **Emphasis of matter**

I draw attention to note 4 of the interim financial information, which describes the accounting policies in relation to adopting the temporary exemptions announced by the Federation of Accounting Professions to relieve the impact from COVID-19 for the reporting period ending between 1 January 2020 and 31 December 2020. My conclusion is not modified in respect to this matter.

PricewaterhouseCoopers ABAS Ltd.

### **Paiboon Tunkoon**

Certified Public Accountant (Thailand) No. 4298  
Bangkok  
15 May 2020

**R&B FOOD SUPPLY PUBLIC COMPANY LIMITED**

**INTERIM CONSOLIDATED AND SEPARATE  
FINANCIAL INFORMATION (UNAUDITED)**

**31 MARCH 2020**

**R&B Food Supply Public Company Limited**  
**Statement of Financial Position**  
**As at 31 March 2020**

	Notes	Consolidated financial information		Separate financial information	
		Unaudited 31 March 2020 Baht	Audited 31 December 2019 Baht	Unaudited 31 March 2020 Baht	Audited 31 December 2019 Baht
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents		1,270,233,511	1,234,416,297	1,120,831,288	1,091,584,267
Short-term investments	9	-	6,088,762	-	-
Financial assets measured at amortised cost	9	6,088,762	-	-	-
Trade and other receivables	10	779,799,306	726,918,668	686,919,762	634,200,304
Current portion of long-term loans to related parties	24	-	-	67,378,439	58,308,000
Inventories	11	728,269,131	682,513,013	433,530,443	412,203,466
Other current assets		12,642,684	9,236,859	1,503,246	1,054,560
<b>Total current assets</b>		<b>2,797,033,394</b>	<b>2,659,173,599</b>	<b>2,310,163,178</b>	<b>2,197,350,597</b>
<b>Non-current assets</b>					
Deposit at bank pledged as collateral		3,159,700	3,159,700	-	-
Investments in subsidiaries	12	-	-	774,437,468	756,023,624
Long-term loans to related parties	24	-	-	257,237,227	227,190,875
Investment properties	13	67,126,009	67,126,009	103,288,923	104,343,822
Property, plant and equipment	14	1,602,239,795	1,622,609,273	732,418,597	750,811,246
Right-of-use assets	5, 15	302,565,793	-	152,380,445	-
Intangible assets	14	8,021,105	11,313,675	3,813,662	6,098,277
Deferred tax assets		33,650,942	32,870,268	14,609,580	12,492,344
Other non-current assets		15,068,140	16,061,897	9,122,683	8,950,547
<b>Total non-current assets</b>		<b>2,031,831,484</b>	<b>1,753,140,822</b>	<b>2,047,308,585</b>	<b>1,865,910,735</b>
<b>Total assets</b>		<b>4,828,864,878</b>	<b>4,412,314,421</b>	<b>4,357,471,763</b>	<b>4,063,261,332</b>

.....Director

The accompanying notes are an integral part of these consolidated and company financial statements.

**R&B Food Supply Public Company Limited**  
**Statement of Financial Position (Cont'd)**  
**As at 31 March 2020**

	Notes	Consolidated financial information		Separate financial information	
		Unaudited 31 March 2020 Baht	Audited 31 December 2019 Baht	Unaudited 31 March 2020 Baht	Audited 31 December 2019 Baht
<b>Liabilities and equity</b>					
<b>Current liabilities</b>					
Trade and other payables	16	330,036,090	311,767,892	268,075,805	256,321,887
Current portion of long-term borrowings from financial institutions	17	10,865,268	13,763,292	-	-
Current portion of lease liabilities	18	10,639,925	71,554	4,167,848	-
Current portion of long-term borrowings from related parties	17, 24	-	12,492,000	-	-
Income tax payable		65,693,344	26,132,541	54,223,781	21,711,420
Other current liabilities		11,369,957	10,912,632	6,644,985	6,177,903
<b>Total current liabilities</b>		<b>428,604,584</b>	<b>375,139,911</b>	<b>333,112,419</b>	<b>284,211,210</b>
<b>Non-current liabilities</b>					
Long-term borrowings from financial institutions	17	32,378,058	40,326,020	-	-
Lease liabilities	18	300,889,217	35,081,539	153,836,183	32,835,396
Long-term borrowings from related parties	17, 24	-	37,508,000	-	-
Employee benefit obligations	19	55,434,546	54,383,772	35,709,074	35,054,436
<b>Total non-current liabilities</b>		<b>388,701,821</b>	<b>167,299,331</b>	<b>189,545,257</b>	<b>67,889,832</b>
<b>Total liabilities</b>		<b>817,306,405</b>	<b>542,439,242</b>	<b>522,657,676</b>	<b>352,101,042</b>

The accompanying notes are an integral part of these consolidated and company financial statements.

**R&B Food Supply Public Company Limited**  
**Statement of Financial Position (Cont'd)**  
**As at 31 March 2020**

	Note	Consolidated financial information		Separate financial information	
		Unaudited 31 March 2020 Baht	Audited 31 December 2019 Baht	Unaudited 31 March 2020 Baht	Audited 31 December 2019 Baht
<b>Equity</b>					
Share capital					
Authorised share capital					
Ordinary shares, 2,000,000,000 shares of par Baht 1 each		2,000,000,000	2,000,000,000	2,000,000,000	2,000,000,000
Issued and paid-up share capital					
Ordinary shares, 2,000,000,000 shares of paid-up Baht 1 each		2,000,000,000	2,000,000,000	2,000,000,000	2,000,000,000
Share premium account on issue of share Premium arising from business combination under common control		1,248,938,736	1,248,938,736	1,248,938,736	1,248,938,736
Retained earnings					
Appropriated					
Legal reserve	21	110,350,000	110,350,000	110,350,000	110,350,000
Unappropriated		570,394,011	423,929,843	475,525,351	351,871,554
Other components of equity		(11,940,350)	(7,665,932)	-	-
<b>Total equity attributable to owners of the parent</b>		4,012,454,972	3,870,265,222	3,834,814,087	3,711,160,290
Non-controlling interests		(896,499)	(390,043)	-	-
<b>Total equity</b>		4,011,558,473	3,869,875,179	3,834,814,087	3,711,160,290
<b>Total liabilities and equity</b>		4,828,864,878	4,412,314,421	4,357,471,763	4,063,261,332

The accompanying notes are an integral part of these consolidated and company financial statements.

**R&B Food Supply Public Company Limited**  
**Statement of Comprehensive Income**  
**For the three-month period ended 31 March 2020**

	Consolidated		Separate	
	financial information		financial information	
	Unaudited	Unaudited	Unaudited	Unaudited
	31 March	31 March	31 March	31 March
	2020	2019	2020	2019
Notes	Baht	Baht	Baht	Baht
Revenue from sales and rendering services	789,000,106	689,654,482	602,632,363	498,064,202
Revenues from hotel operations	18,687,118	27,704,525	-	-
<b>Total revenue</b>	<b>807,687,224</b>	<b>717,359,007</b>	<b>602,632,363</b>	<b>498,064,202</b>
Cost of goods sold and rendering services	(435,518,457)	(420,819,845)	(351,221,212)	(319,338,780)
Cost of rendering hotel services	(23,577,659)	(29,749,706)	-	-
<b>Total cost</b>	<b>(459,096,116)</b>	<b>(450,569,551)</b>	<b>(351,221,212)</b>	<b>(319,338,780)</b>
<b>Gross profit</b>	<b>348,591,108</b>	<b>266,789,456</b>	<b>251,411,151</b>	<b>178,725,422</b>
Other income	9,334,397	2,526,415	23,739,358	13,926,875
Selling expenses	(49,700,969)	(48,611,595)	(36,013,494)	(32,654,630)
Administrative expenses	(109,927,752)	(104,313,729)	(72,721,002)	(65,188,083)
Net impairment losses on financial assets	(7,071,743)	-	(6,677,779)	-
Finance costs	(4,595,438)	(6,924,997)	(2,209,924)	(4,541,010)
<b>Profit before income tax expense</b>	<b>186,629,603</b>	<b>109,465,550</b>	<b>157,528,310</b>	<b>90,268,574</b>
Income tax expense	20 (39,653,107)	(22,156,633)	(31,391,548)	(18,194,538)
<b>Profit for the period</b>	<b>146,976,496</b>	<b>87,308,917</b>	<b>126,136,762</b>	<b>72,074,036</b>
<b>Other comprehensive income</b>				
<i>Items that will be reclassified subsequently to profit or loss</i>				
Currency translation differences	(4,416,312)	(1,566)	-	-
Total items that will be reclassified subsequently to profit or loss	(4,416,312)	(1,566)	-	-
<b>Other comprehensive loss for the period</b>	<b>(4,416,312)</b>	<b>(1,566)</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income for the period</b>	<b>142,560,184</b>	<b>87,307,351</b>	<b>126,136,762</b>	<b>72,074,036</b>
<b>Profit attributable to:</b>				
Owners of the parent	147,341,058	87,701,743	126,136,762	72,074,036
Non-controlling interests	(364,562)	(392,826)	-	-
	<b>146,976,496</b>	<b>87,308,917</b>	<b>126,136,762</b>	<b>72,074,036</b>
<b>Total comprehensive income attributable to:</b>				
Owners of the parent	143,066,640	87,703,661	126,136,762	72,074,036
Non-controlling interests	(506,456)	(396,310)	-	-
	<b>142,560,184</b>	<b>87,307,351</b>	<b>126,136,762</b>	<b>72,074,036</b>
<b>Earnings per share</b>				
Basic earnings per share attributable to owners of the parent (Baht)	22 0.07	0.06	0.06	0.05

The accompanying notes are an integral part of this interim financial information

R&B Food Supply Public Company Limited  
Statement of Changes in Equity  
For the three-month period ended 31 March 2020

Consolidated financial information (Unaudited)											
Attributable to owners of the parent											
	Notes	Issued and paid-up share capital Baht	Share premium account Baht	Premium arising from business combination under common control Baht	Retained earnings		Other components of equity		Total owners of the parent Baht	Non controlling interests Baht	Total equity Baht
					Appropriated for legal reserve Baht	Unappropriated Baht	Other comprehensive income Translation of financial statements Baht				
<b>Opening balance as at 1 January 2019</b>	21	1,480,000,000	93,663,209	94,712,575	77,000,000	350,502,734		(3,046,750)	2,092,831,768	(1,078,436)	2,091,753,332
Total comprehensive income for the period		-	-	-	-	87,701,743		1,918	87,703,661	(396,310)	87,307,351
<b>Closing balance as at 31 March 2019</b>		<u>1,480,000,000</u>	<u>93,663,209</u>	<u>94,712,575</u>	<u>77,000,000</u>	<u>438,204,477</u>		<u>(3,044,832)</u>	<u>2,180,535,429</u>	<u>(1,474,746)</u>	<u>2,179,060,683</u>
<b>Opening balance as at 1 January 2020</b>	21	2,000,000,000	1,248,938,736	94,712,575	110,350,000	423,929,843		(7,665,932)	3,870,265,222	(390,043)	3,869,875,179
Retrospective adjustments from adoption of new financial reporting standards	5	-	-	-	-	(876,890)		-	(876,890)	-	(876,890)
<b>Opening balance as at 1 January 2020 - restated</b>		<u>2,000,000,000</u>	<u>1,248,938,736</u>	<u>94,712,575</u>	<u>110,350,000</u>	<u>423,052,953</u>		<u>(7,665,932)</u>	<u>3,869,388,332</u>	<u>(390,043)</u>	<u>3,868,998,289</u>
Total comprehensive income for the period		-	-	-	-	147,341,058		(4,274,418)	143,066,640	(506,456)	142,560,184
<b>Closing balance as at 31 March 2020</b>		<u>2,000,000,000</u>	<u>1,248,938,736</u>	<u>94,712,575</u>	<u>110,350,000</u>	<u>570,394,011</u>		<u>(11,940,350)</u>	<u>4,012,454,972</u>	<u>(896,499)</u>	<u>4,011,558,473</u>

The accompanying notes are an integral part of this interim financial information

**R&B Food Supply Public Company Limited**  
**Statement of Changes in Equity (Cont'd)**  
**For the three-month period ended 31 March 2020**

<b>Seperate financial information (Unaudited)</b>					
<b>Notes</b>	<b>Issued and paid-up share capital Baht</b>	<b>Share premium account Baht</b>	<b>Retained earnings</b>		<b>Total Baht</b>
			<b>Appropriated for legal reserve Baht</b>	<b>Unappropriated Baht</b>	
<b>Opening balance as at 1 January 2019</b>	1,480,000,000	93,663,209	77,000,000	246,302,496	1,896,965,705
Total comprehensive income for the period	-	-	-	72,074,036	72,074,036
<b>Closing balance as at 31 March 2019</b>	<u>1,480,000,000</u>	<u>93,663,209</u>	<u>77,000,000</u>	<u>318,376,532</u>	<u>1,969,039,741</u>
<b>Opening balance as at 1 January 2020</b>	2,000,000,000	1,248,938,736	110,350,000	351,871,554	3,711,160,290
Retrospective adjustments from adoption of new financial reporting standards	-	-	-	(2,482,965)	(2,482,965)
<b>Opening balance as at 1 January 2020 - restated</b>	<u>2,000,000,000</u>	<u>1,248,938,736</u>	<u>110,350,000</u>	<u>349,388,589</u>	<u>3,708,677,325</u>
Total comprehensive income for the period	-	-	-	126,136,762	126,136,762
<b>Closing balance as at 31 March 2020</b>	<u>2,000,000,000</u>	<u>1,248,938,736</u>	<u>110,350,000</u>	<u>475,525,351</u>	<u>3,834,814,087</u>

The accompanying notes are an integral part of this interim financial information



**R&B Food Supply Public Company Limited**  
**Statement of Cash Flows**  
**For the three-month period ended 31 March 2020**

	Notes	Consolidated financial information		Separate financial information	
		Unaudited 31 March 2020	Unaudited 31 March 2019	Unaudited 31 March 2020	Unaudited 31 March 2019
		Baht	Baht	Baht	Baht
<b>Cash flows from operating activities</b>					
Profit before income tax expense		186,629,603	109,465,550	157,528,310	90,268,574
Adjustments for:					
Depreciation of building and building improvement from investment property	13	-	-	1,054,899	1,321,996
Depreciation of building and equipment	14	39,254,814	44,009,614	20,420,658	21,982,357
Amortisation of right-of-use assets	15	5,484,794	-	2,727,077	-
Amortisation expenses	14	3,484,271	3,515,194	2,364,315	2,405,829
Net impairment losses on financial assets		7,071,743	-	6,677,779	-
Allowance for doubtful accounts (reversal)		-	(129,197)	-	(32,912)
Decrease in value of inventories (reversal)	11	13,351	(228,377)	192,413	(1,152,382)
Allowance for inventory obsolescence	11	2,995,660	1,784,317	157,857	1,303,213
(Gain) Loss on disposals of equipment		(9)	314,640	-	(865,744)
Written off equipment		19,114	-	1	-
Employee benefit expenses	19	1,145,094	1,520,826	654,638	825,182
Rental income		-	-	(2,511,420)	(3,513,453)
Expense from investment property		115,920	-	57,960	-
Interest income		(109,660)	(124,608)	(2,772,259)	(1,248,350)
Finance costs		4,595,438	6,924,997	2,209,924	4,541,010
Unrealised (gain) loss on exchange rate		(6,484,219)	2,226,098	(10,032,311)	1,589,127
Changes in operating assets and liabilities					
- trade and other receivables		(58,571,161)	(25,612,002)	(50,852,029)	(17,393,988)
- inventories		(48,765,129)	2,944,745	(21,677,247)	5,293,941
- other current assets		(3,405,825)	(476,902)	(448,686)	340,633
- other non-current assets		993,757	(133,544)	(172,136)	1,413,000
- trade and other payables		15,542,676	(3,533,729)	7,716,340	(6,213,632)
- other current liabilities		457,325	(410,131)	467,082	(13,649)
Cash flows from operations		150,467,557	142,057,491	113,763,165	100,850,752
<u>Less</u> employee benefit paid	19	(94,320)	-	-	-
<u>Less</u> interest paid		(4,595,438)	(6,879,854)	(2,209,924)	(4,384,908)
<u>Less</u> income tax paid		(656,897)	(503,181)	(375,682)	(340,569)
Net cash flows generated from operating activities		145,120,902	134,674,456	111,177,559	96,125,275

The accompanying notes are an integral part of this interim financial information

**R&B Food Supply Public Company Limited**  
**Statement of Cash Flows (Cont'd)**  
**For the three-month period ended 31 March 2020**

	Notes	Consolidated		Separate	
		financial information		financial information	
		Unaudited	Unaudited	Unaudited	Unaudited
		31 March	31 March	31 March	31 March
		2020	2019	2020	2019
		Baht	Baht	Baht	Baht
<b>Cash flow from investing activities</b>					
Purchases of property, plant and equipment		(49,010,476)	(36,888,190)	(30,233,170)	(17,843,162)
Proceeds from disposals of property, plant and equipment		5,989	13,411	-	-
Purchases of intangible assets	14	(191,701)	(523,829)	(79,700)	-
Long-term loans made to related parties	24	-	-	(68,633,523)	-
Proceeds from repayment of long-term loans to related parties	24	-	-	15,674,443	7,625,000
Acquisition of subsidiary, net of cash acquired	12	-	-	(4,673,477)	(22,674,625)
Proceeds of rental income from investment property		-	-	2,233,491	3,513,453
Payment of investment property		(96,600)	-	(57,960)	-
Interest received		81,882	53,777	2,613,600	1,248,350
Net cash flows used in investing activities		(49,210,906)	(37,344,831)	(83,156,296)	(28,130,984)
<b>Cash flows from financing activities</b>					
Proceeds from promissory notes		-	65,000,000	-	45,000,000
Repayments of promissory notes		-	(70,000,000)	-	(40,000,000)
Repayments on long-term borrowings from financial institutions	17	(10,845,986)	(6,901,217)	-	(3,660,000)
Repayments on long-term borrowings from related parties	24	(50,000,000)	(5,850,000)	-	-
Repayments on lease liabilities		(1,466,068)	-	(164,487)	-
Net cash flows (used in) generated from financing activities		(62,312,054)	(17,751,217)	(164,487)	1,340,000
<b>Net increase in cash and cash equivalents</b>					
		33,597,942	79,578,408	27,856,776	69,334,291
Cash and cash equivalents at the beginning of the period		1,234,416,297	249,418,066	1,091,584,267	92,832,321
Exchange gain (loss) on cash and cash equivalents		2,219,272	(308,520)	1,390,245	(135,592)
<b>Cash and cash equivalents at the end of the period</b>		<b>1,270,233,511</b>	<b>328,687,954</b>	<b>1,120,831,288</b>	<b>162,031,020</b>
<b>Non-cash item</b>					
Purchases of property, plant and equipment		4,891,249	246,631	4,637,738	3,494,484
Purchases of intangible assets		-	856,129	-	862,000
Account receivable from selling machinery & equipment		-	-	-	20,768,744
Increase in right-of-use assets transferred from					
property, plant and equipment under lease agreements	15	34,991,295	-	32,842,898	-
Increase in right-of-use assets from existing lease agreements	15	277,842,117	-	125,333,122	-
Adjusted the beginning balance of accrued lease payments					
to right-of-use assets	15	(4,782,825)	-	(3,068,498)	-
Rental income on a straight line basis of investment property		-	-	277,929	-
Increase in investment in a subsidiary from initial recognition at					
fair value of loans to related parties due to first time adoption					
of financial reporting standards relating to financial instruments	12	-	-	13,740,367	-

The accompanying notes are an integral part of this interim financial information

## 1 General information

R&B Food Supply Public Company Limited (“the Company” is a public limited company which listed on the Stock Exchange of Thailand. The Company is incorporated and domiciled in Thailand. The address of the Company’s registered office is as follows:

Head office: 3395 Soi Ladprao 101 (Wadbuengthonglang) Klongchan, Bangkok, Bangkok 10240.

For reporting purpose, the Company and its subsidiaries are referred to as “the Group”.

The principal business operations of the Company and its subsidiaries (“the Group”) are manufacturing and trading of bread products, colour, fragrances and chemicals, which are used in food, beverage, consumer product industries and hotel business.

The interim consolidated and separate financial information are presented in Thai Baht, unless otherwise stated.

This interim consolidated and separate financial information were authorised for issue by the Board of Directors on 15 May 2020.

## 2 Significant events during the current period

The outbreak of Coronavirus Disease 2019 (“COVID-19”) in early 2020 has adverse effects on operating results for the three-month period ended 31 March 2020 particularly on the hotel businesses

The series of precautionary measures that continues to be implemented across regions including restrictions and controls over travelling resulted in 23.17% hotel booking cancellation during Q1’2020, a high season for hotel businesses. Consequently, revenue from hotel businesses for the three-month period dropped by approximately Baht 9.02 million or 32.55% comparing to prior year. The Group is now paying close attention to the development of the COVID-19 situation, evaluating its impact on the operation while strategizing for effective solutions.

## 3 Basis of preparation

The interim consolidated and separated financial information has been prepared in accordance with Thai Accounting Standard (TAS) no. 34, Interim Financial Reporting and other financial reporting requirements issued under the Securities and Exchange Act.

The interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2019.

An English version of these interim financial information has been prepared from the interim financial information that is in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language interim financial information shall prevail.

## 4 Accounting policies

The accounting policies used in the preparation of the interim financial information are consistent with those used in the annual financial statements for the year ended 31 December 2019, except for the following:

- 1) the adoption of the new financial reporting standards together with the application of the relevant relief measures as described in Note 5; and
- 2) the following application of the temporary exemption guidance to relieve the impact from COVID-19 (temporary measures to relieve the impact from COVID-19) announced by the Federation of Accounting Professions (TFAC) for the reporting periods ending between 1 January 2020 and 31 December 2020.

### Reversal of deferred tax assets

The Group has chosen to exclude information related to COVID-19 which causes uncertainty when considering the sufficiency of future taxable profit for the purpose of assessing the utilisation of deductible temporary differences. Instead, the Group writes down the carrying amount of the deferred tax assets when it's not probable that the future taxable profit will be available for utilising the deductible temporary differences.

### Impairment of assets

The Group has chosen to exclude information related to COVID-19 as an indication of the impairment of assets particularly assets relating to hotel businesses.

### Fair value measurements of investment properties

The Group has chosen not to take into account the information related to COVID-19 in its financial projections for the purpose of fair valuing property, plant and equipment, and investment properties. As of 31 March 2020, the fair value of the Group and the Company were Baht 126,800,000 and Baht 129,717,550, respectively.

## 5 Adoption of new financial reporting standards and changes in accounting policies

The Group has adopted financial reporting standards relating to financial instruments (TAS 32, TFRS 7 and TFRS 9) and leases standard (TFRS 16) retrospectively from 1 January 2020, but has not restated comparatives for the 2019 reporting period, as permitted in the standards. The reclassifications and adjustments arising from the new requirements are therefore recognised in the opening statement of financial position on 1 January 2020.

The following tables show the adjustments made to the amounts recognised in each line item in the statement of financial position upon adoption of the financial reporting standards relate to financial instruments (TAS 32 and TFRS 9) and leases standard (TFRS 16):

	Consolidated financial information			
	As at 31 December 2019 Previously reported Baht	TAS 32 and TFRS 9 Reclassifications and adjustments Baht	TFRS 16 Reclassifications and adjustments Baht	As at 1 January 2020 Restated Baht
<b>Assets</b>				
<b>Current assets</b>				
Short-term investments	6,088,762	(6,088,762)	-	-
Financial assets measured at amortised cost	-	6,088,762	-	6,088,762
Trade and other receivables	726,918,668	(1,096,112)	-	725,822,556
<b>Non-current assets</b>				
Property, plant and equipment	1,622,609,273	-	(34,991,295)	1,587,617,978
Right-of-use assets	-	-	289,071,587	289,071,587
Deferred income tax	32,870,268	219,222	-	33,089,490
<b>Liabilities and equity</b>				
<b>Current liabilities</b>				
Trade and other payables	311,767,892	-	(4,782,825)	306,985,067
Current portion of lease liabilities	71,554	-	5,454,976	5,526,530
<b>Non-current liabilities</b>				
Lease liabilities	35,081,539	-	253,408,141	288,489,680
<b>Equity</b>				
Retained earnings				
Appropriated	423,929,843	(876,890)	-	423,052,953

**R&B Food Supply Public Company Limited**  
**Condensed Notes to Interim Financial Information (Unaudited)**  
**For the interim period ended 31 March 2020**

	Separate financial information			As at 1 January 2020 Restated Baht
	As at 31 December 2019 Previously reported Baht	TAS 32 and TFRS 9 Reclassifications and adjustments Baht	TFRS 16 Reclassifications and adjustments Baht	
<b>Assets</b>				
<b>Current assets</b>				
Trade and other receivables	634,200,304	(1,096,112)	-	633,104,192
Current portion of long-term loans to related parties	58,308,000	(4,476,665)	-	53,831,335
<b>Non-current assets</b>				
Investments in subsidiaries	756,023,624	13,740,367	-	769,763,991
Long-term loans to related parties	227,190,875	(11,271,296)	-	215,919,579
Property, plant and equipment	750,811,246	-	(32,842,898)	717,968,348
Right-of-use assets	-	-	155,107,522	155,107,522
Deferred income tax	12,492,344	620,741	-	13,113,085
<b>Liabilities and equity</b>				
<b>Current liabilities</b>				
Trade and other payables	256,321,887	-	(3,068,498)	253,253,389
Current portion of lease liabilities	-	-	4,477,227	4,477,227
<b>Non-current liabilities</b>				
Lease liabilities	32,835,396	-	120,855,895	153,691,291
<b>Equity</b>				
Retained earnings Appropriated	351,871,554	(2,482,965)	-	349,388,589

**The adoption of the new financial reporting standards and changes in accounting policies**

The adoption of the new financial reporting standards on financial instruments mainly affects the Group's accounting treatment as follows;

**Financial reporting standards relating to financial instruments (TFRS 9)**

The Group has adopted the new financial reporting standards relating to financial instruments from 1 January 2020 by applying the modified retrospective approach.

**Classification of financial assets**

Reclassification of fixed deposits with financial institutions from short-term investments to financial assets measured at amortised cost.

**Classification of loans to related parties**

On adoption of TFRS 9, resulting in the Company has recognised loans to related parties at fair value as at 1 January 2020. The difference between the carrying amount and fair value of loans to related parties is recognised as an increment of investments in subsidiaries of Baht 13,740,367.

**Impairment**

The new requirements on the impairment losses will lead to expected credit losses having to be considered and recognised at the initial recognition and subsequent period. As of 1 January 2020, the Company were recognised an increase in impairment losses of Baht 1,096,112 due to application of the simplified approach for trade receivables and an increase in impairment losses of Baht 2,007,594 due to application of the general approach for loans to related parties. The transition adjustments have been recognised as an adjustment to the opening balance of retained earnings.

**Financial reporting standards relating to leases standard (TFRS 16)**

On adoption of TFRS 16, the Group recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of TAS 17 Leases. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of 1 January 2020. The Group applied weighted average lessee's incremental borrowing rate to the lease liabilities on 1 January 2020 was 3.75% - 4.75%.

**R&B Food Supply Public Company Limited**  
**Condensed Notes to Interim Financial Information (Unaudited)**  
**For the interim period ended 31 March 2020**

For leases previously classified as finance leases the Group recognised the carrying amount of the lease asset and lease liability immediately before transition as the carrying amount of the right of use asset and the lease liability at the date of initial application. The measurement principles of TFRS 16 are only applied after that date.

	<b>Consolidated financial information Baht</b>	<b>Separate financial information Baht</b>
Operating lease commitments disclosed as at 31 December 2019	327,751,983	196,593,968
(Less): Discounted using the lessee's incremental borrowing rate of at the date of initial application	(250,085,524)	(64,950,748)
Add: finance lease liabilities recognised as at 31 December 2019	35,153,093	32,835,396
(Less): low-value leases recognised on a straight-line basis as expense	(406,150)	(179,190)
(Less): contracts reassessed as service agreements	(11,688,625)	(6,130,908)
Add: adjustments as a result of a different treatment of extension and termination options	193,279,630	-
Add: current difference	11,803	-
<b>Lease liability recognised as at 1 January 2020</b>	<b>294,016,210</b>	<b>158,168,518</b>
Current lease liabilities	5,526,530	4,477,227
Non-current lease liabilities	288,489,680	153,691,291

The associated right-of-use assets for property leases were measured on a retrospective basis as if the new rules had always been applied. Other right-of use assets were measured at the amount equal to the lease liability, adjusted by the amount of accrued lease payments relating to that lease recognised in the statement of financial position as at 31 December 2019. There were no onerous lease contracts that would have required an adjustment to the right-of-use assets at the date of initial application.

The recognised right-of-use assets relate to the following types of assets:

	<b>Consolidated financial information</b>		<b>Separate financial information</b>	
	<b>31 March 2020 Baht</b>	<b>1 January 2020 Baht</b>	<b>31 March 2020 Baht</b>	<b>1 January 2020 Baht</b>
Properties	298,598,379	284,325,197	149,819,453	151,897,695
Equipment	932,219	1,015,243	481,953	537,282
Motor vehicles	3,035,195	3,731,147	2,079,039	2,672,545
<b>Total right-of-use assets</b>	<b>302,565,793</b>	<b>289,071,587</b>	<b>152,380,445</b>	<b>155,107,522</b>

In applying TFRS 16 for the first time, the Group has used the following practical expedients permitted by the standard:

- the use of a single discount rate to a portfolio of leases with reasonably similar characteristics
- reliance on previous assessments on whether leases are onerous
- the accounting for operating leases with a remaining lease term of less than 12 months as at 1 January 2020 as short-term leases
- the exclusion of initial direct costs for the measurement of the right-of-use asset at the date of initial application
- the use of hindsight in determining the lease term where the contract contains options to extend or terminate the lease, and
- elect not to reassess whether a contract is, or contains a lease as defined under TFRS 16 at the date of initial application but relied on its assessment made applying TAS 17 and TFRIC 4 Determining whether an Arrangement contains a Lease.

**Changes in accounting policies from adoption of the financial reporting standards related to financial instruments and leases**

**Investments and other financial assets**

**Classification and measurements**

From 1 January 2020, the Group classified its financial assets instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset.

The Group reclassified fixed deposits with financial institutions to financial assets which measured at amortised cost due to the Group held for collection of contractual cash flows that represent solely payments of principal and interest (SPPI). Interest income is included in other income using the effective interest method. Impairment losses are presented as separate line item.

### Impairment

From 1 January 2020, the Group has assessed expected credit loss on a forward-looking basis for its financial assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk, except trade receivables, other receivables and lease receivables which the Group applies the simplified approach in determining its expected credit loss.

For the reporting periods ending between 1 January 2020 and 31 December 2020, the Group has chosen to apply the temporary measures to relieve the impact from COVID-19 announced by TFAC by excluding forward-looking information in assessing the expected credit loss under the simplified approach of trade receivables, other receivables and lease receivables. As at 31 March 2020, the expected credit loss of Baht 28,119,704 and Baht 24,754,356, respectively was assessed based on historical credit loss together with the management's judgement in estimating the expected credit loss.

### Right-of-use assets and lease liabilities

The Group leases various land, offices, warehouses, equipment and cars. Lease contracts are typically made for fixed periods of 1 to 20 years and may have extension options. Before 2020 financial year, leases of property, plant and equipment were classified as either finance or operating leases. Payments made under operating leases (net of any incentives received from the lessor) were charged to profit or loss on a straight-line basis over the period of the lease.

From 1 January 2020, leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate
- amounts expected to be payable by the lessee under residual value guarantees
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise office equipment.

## 6 Estimates

The preparation of interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this interim financial information, the significant judgements made by management in applying the group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2019.

**R&B Food Supply Public Company Limited**  
**Condensed Notes to Interim Financial Information (Unaudited)**  
**For the interim period ended 31 March 2020**

**7 Segment and revenue information**

The Chief Financial Officer identifies reportable segments of its business to examine the Group's performance by dividend follow the location of revenues as follows the revenues from domestic and overseas which include production and trading business and hotel business.

	Consolidated financial information							
	Domestic revenues				Overseas revenues		Total	
	Production and trading		Hotel Business		Production and trading			
	31 March 2020 Baht	31 March 2019 Baht	31 March 2020 Baht	31 March 2019 Baht	31 March 2020 Baht	31 March 2019 Baht	31 March 2020 Baht	31 March 2019 Baht
<b>For the three-month period ended</b>								
Segment revenues	743,158,298	635,485,460	18,703,918	27,704,525	146,033,815	129,443,614	907,896,031	792,633,599
<u>Less</u> Inter-segment revenues	(66,095,983)	(50,182,121)	(16,800)	-	(34,096,024)	(25,092,471)	(100,208,807)	(75,274,592)
<b>Revenue from external customers</b>	677,062,315	585,303,339	18,687,118	27,704,525	111,937,791	104,351,143	807,687,224	717,359,007
<b>Segment profit or loss</b>	331,315,498	244,490,286	(4,890,541)	(2,045,181)	22,166,151	24,344,351	348,591,108	266,789,456
Other income							9,334,397	2,526,415
Selling expenses							(49,700,969)	(48,611,595)
Administrative expenses							(109,927,752)	(104,313,729)
Net impairment losses on financial assets							(7,071,743)	-
Finance costs							(4,595,438)	(6,924,997)
<b>Profit before income tax</b>							186,629,603	109,465,550
Income tax							(39,653,107)	(22,156,633)
<b>Net profit for the period</b>							146,976,496	87,308,917
<b>Timing of revenue recognition</b>								
At a point in time	677,062,315	585,303,339	5,719,241	8,563,373	110,438,523	103,770,769	793,220,079	697,637,481
Over time	-	-	12,967,877	19,141,152	1,499,268	580,374	14,467,145	19,721,526
<b>Total revenue</b>	677,062,315	585,303,339	18,687,118	27,704,525	111,937,791	104,351,143	807,687,224	717,359,007

During the period, the Group has a main external customer whose sales accounted to be 19% of total revenues from sales and rendering services respectively, which was domestic production and trading revenues. Total revenue from this customer was Baht 151,478,375 (For the three-month period ended 31 March 2019: A main customer whose sales accounted to be 16% of the Group's total revenue from sales and rendering services or Baht 109,088,278).



## 8 Fair value

The Group and the Company had no outstanding balance of financial instruments carried at the fair value as at 31 March 2020 and 31 December 2019.

## 9 Financial assets measured at amortised cost

As of 31 March 2020 and 31 December 2019, information relating to financial assets measured at amortised cost is as follows:

	Consolidated financial information			
	As of 31 March 2020		As of 31 December 2019	
	Cost Baht	Fair value Baht	Cost Baht	Fair value Baht
<b>Fixed deposits with financial institutions</b>				
Short-term investments	-	-	6,088,762	6,088,762
Financial assets measured at amortised cost	6,088,762	6,088,762	-	-
<b>Total</b>	<b>6,088,762</b>	<b>6,088,762</b>	<b>6,088,762</b>	<b>6,088,762</b>

Fixed deposits with financial institutions due over three months to twelve months have the effective interest rates at 0.75% - 1.00% per annum (31 December 2019: 1.00% - 1.30% per annum).

## 10 Trade and other receivables

	Consolidated financial information		Separate financial information	
	31 March 2020	31 December 2019	31 March 2020	31 December 2019
	Baht	Baht	Baht	Baht
Trade receivables - other companies	734,068,167	693,072,800	513,055,439	490,029,769
Trade receivables from related parties (Note 24)	-	-	141,495,613	114,128,028
Trade receivables - hotel business	1,092,785	1,748,186	-	-
<u>Less Allowance for doubtful accounts (Note 5)</u>	<u>(19,744,572)</u>	<u>(15,446,554)</u>	<u>(17,341,780)</u>	<u>(13,039,803)</u>
Trade receivables - net	715,416,380	679,374,432	637,209,272	591,117,994
Advance payments	35,637,823	18,979,770	29,899,906	14,322,402
Prepayments	13,020,888	9,432,500	6,151,485	5,049,363
Other receivables from other companies	23,926,045	12,367,651	5,015,467	1,933,069
Other receivables from related parties (Note 24)	-	-	13,541,101	12,468,462
Accrued income	173,302	11,269,610	117,998	11,242,083
<u>Less Allowance for doubtful accounts (Note 5)</u>	<u>(8,375,132)</u>	<u>(4,505,295)</u>	<u>(5,015,467)</u>	<u>(1,933,069)</u>
<b>Total trade and other receivables - net</b>	<b>779,799,306</b>	<b>726,918,668</b>	<b>686,919,762</b>	<b>634,200,304</b>

**R&B Food Supply Public Company Limited**  
**Condensed Notes to Interim Financial Information (Unaudited)**  
**For the interim period ended 31 March 2020**

During three-month period ended 31 March 2020, the Group and the Company have no receivables written-off. (During three-month period ended 31 March 2019, the Group and the Company have a total amounts of receivables written-off amounted to Baht 20,897).

Outstanding trade accounts receivable from third parties and related parties can be analysed as follows:

	Consolidated financial information		Separate financial information	
	31 March 2020 Baht	31 December 2019 Baht	31 March 2020 Baht	31 December 2019 Baht
Not yet due	491,235,233	468,042,044	388,714,874	366,119,020
Up to 3 months	204,390,184	179,886,856	200,502,213	179,929,043
3 - 6 months	7,316,887	20,100,898	28,709,416	36,141,634
6 - 12 months	15,951,998	11,344,634	23,976,339	8,928,297
Over 12 months	16,266,650	15,446,554	12,648,210	13,039,803
	735,160,952	694,820,986	654,551,052	604,157,797
<u>Less</u> Allowance for doubtful accounts	(19,744,572)	(15,446,554)	(17,341,780)	(13,039,803)
Total	715,416,380	679,374,432	637,209,272	591,117,994

## 11 Inventories

	Consolidated financial information		Separate financial information	
	31 March 2020 Baht	31 December 2019 Baht	31 March 2020 Baht	31 December 2019 Baht
Finished goods	389,912,243	380,792,754	239,564,841	248,045,894
Raw materials	243,916,520	236,457,242	110,010,683	102,172,695
Packing materials	51,810,672	43,340,733	41,877,783	32,869,302
Supplies	12,741,766	11,513,110	10,811,601	9,839,274
Total	698,381,201	672,103,839	402,264,908	392,927,165
<u>Less</u> Allowances for decrease in value of inventories	(3,380,701)	(3,367,350)	(2,996,177)	(2,803,764)
<u>Less</u> Allowances for inventory obsolescence	(35,584,422)	(32,588,762)	(16,153,973)	(15,996,116)
Total	659,416,078	636,147,727	383,114,758	374,127,285
Goods in transit	65,980,659	43,400,046	50,415,685	38,076,181
Total inventories - trading business - net	725,396,737	679,547,773	433,530,443	412,203,466
Food and beverages	944,025	1,081,920	-	-
Supplies	1,928,369	1,883,320	-	-
Total inventories - hotel business - net	2,872,394	2,965,240	-	-
Total inventories - net	728,269,131	682,513,013	433,530,443	412,203,466

During three-month period ended 31 March 2020, the Group and the Company recognised their allowance for diminution in value of inventories to net realisable value amounting to Baht 13,351 and Baht 192,413 respectively. (During three-month period ended 31 March 2019: reversed the allowance for diminution in value of inventories amounting to Baht 228,377 and Baht 1,152,382 respectively) in the consolidated and separate statements of comprehensive income.

During three-month period ended 31 March 2020, the Group and the Company recognised their allowance for obsolete inventories amounting to Baht 2,995,660 and Baht 157,857 respectively (During three-month period ended 31 March 2019: recognised the allowance for obsolete inventories amounting to Baht 1,784,317 and Baht 1,303,213 respectively) in the consolidated and separate statements of comprehensive income.

**R&B Food Supply Public Company Limited**  
**Condensed Notes to Interim Financial Information (Unaudited)**  
**For the interim period ended 31 March 2020**

**12 Investments in subsidiaries**

	Separate financial information	
	31 March 2020 Baht	31 December 2019 Baht
Opening net book value	756,023,624	756,023,624
Adjustment on adoption of TFRS 9 on 1 January 2020 (Note 5)	13,740,367	-
Increase in investment in a subsidiary by converting loans to related parties to investment	4,673,477	-
Closing net book value	774,437,468	756,023,624

The investments of the Company and its subsidiaries as at the statements of financial position date are as follows:

Company	Country of incorporation or registration	Nature of business	Proportion of ordinary shares held by the Group		Proportion of ordinary shares held by non-controlling interests		Amount of investments in subsidiaries	
			31 March 2020 (%)	31 December 2019 (%)	31 March 2020 (%)	31 December 2019 (%)	31 March 2020 Baht	31 December 2019 Baht
R&B Food Supply Vietnam Limited Liability Company	Vietnam	Manufacturing and trading	100.00	100.00	-	-	23,191,147	22,762,000
PT RBFood Supply Indonesia	Indonesia	Trading	60.00	60.00	40.00	40.00	14,894,570	14,894,570
PT RBFood Manufaktur Indonesia	Indonesia	Manufacturing and trading	80.00	80.00	20.00	20.00	37,793,700	36,278,932
Thai Flavour and Fragrance Co., Ltd.	Thailand	Manufacturing and trading	99.99	99.99	0.01	0.01	198,078,706	187,970,392
Premium Foods Co., Ltd.	Thailand	Manufacturing and trading	99.99	99.99	0.01	0.01	450,314,592	444,174,099
Best Odour Co., Ltd.	Thailand	Manufacturing and trading	99.97	99.97	0.03	0.03	36,797,840	36,576,718
Guangzhou Thai Delicious Food Co., Ltd.	China	Trading	100.00	100.00	-	-	13,366,913	13,366,913
							774,437,468	756,023,624

As of 1 March 2020, the Company had established R&B Food Supply (Singapore) with registered capital amounting to Singapore Dollar 1,000,000 and 100% of total registered share are held by the Company. The Company unpaid for these shares.

The Group has initially adopted the financial reporting standards related to financial instruments (TFRS 9), resulting in recognition of loans to related parties at fair value as at 1 January 2020. The difference between the carrying amount and fair value of loans to related parties is recognised as an increment of investments in subsidiaries in accordance with the amount of loans in each entity.

**13 Investment property**

For the three-month period ended 31 March 2020	Consolidated financial information	Separate financial information
	Land Baht	Land, building and building improvements Baht
Opening net book amount	67,126,009	104,343,822
Depreciation	-	(1,054,899)
Closing net book amount	67,126,009	103,288,923
Fair value	126,800,000	129,717,550

The fair value of investment properties of the Group and the Company consist of land, building and building improvements. Land is assessed using market comparison approach. In addition, building and building improvements are assessed using income approach. The main input used by the Company pertains to the discount rate for investment property is estimated based on discounted cash flow projections, which reflects rental income at market rate. Net cash outflows that could be expected in respect of the property and discount rate is estimated based on a yield rate, considering capital structure and cost of fund of the company that are, in the opinion of the management, considered appropriate, including the appropriate risk premium and reflects current market assessments of the time value of money and risk adjusted which mainly are at the rates of 12% per annum.

#### 14 Property, plant and equipment and intangible assets

The movement of property, plant and equipment and intangible assets for the three-month period ended 31 March 2020 is as follows:

For the three-month period ended 31 March 2020	Consolidated financial information		Separate financial information	
	Property, plant, and equipment Baht	Intangible assets Baht	Property, plant, and equipment Baht	Intangible assets Baht
Opening net book amount	1,622,609,273	11,313,675	750,811,246	6,098,277
Adjustment on adoption of TFRS 16 on 1 January 2020 (Note 5)	(34,991,295)	-	(32,842,898)	-
Additions	54,332,734	191,701	34,870,908	79,700
Disposals/Write-offs	(25,094)	-	(1)	-
Depreciation and amortisation	(39,254,814)	(3,484,271)	(20,420,658)	(2,364,315)
Currency translation difference	(431,009)	-	-	-
Closing net book amount	1,602,239,795	8,021,105	732,418,597	3,813,662

At 31 March 2020, the Group and the Company pledged its partial land and buildings as collateral against borrowings from financial institutions (Note 17).

#### 15 Right-of-use assets

The movement of right-of-use assets for the three-month period ended 31 March 2020 is as follows:

	Consolidated financial information		Separate financial information	
	Baht		Baht	
Opening net book amount	-	-	-	-
Adjustment on adoption of TFRS 16 on 1 January 2020 (Note 5)	289,071,587	-	155,107,522	-
Additions	18,979,000	-	-	-
Amortisation	(5,484,794)	-	(2,727,077)	-
Closing net book amount	302,565,793	-	152,380,445	-

#### 16 Trade and other payables

	Consolidated financial information		Separate financial information	
	31 March 2020 Baht	31 December 2019 Baht	31 March 2020 Baht	31 December 2019 Baht
Trade accounts payable - other companies	226,962,635	193,138,658	178,958,806	160,939,903
Trade accounts payable - related parties (Note 24)	-	-	16,444,061	14,614,070
Other payables - other companies	45,215,578	41,723,396	28,770,394	26,885,565
Other payables - related parties (Note 24)	563,766	5,000	7,338,855	3,700,950
Amounts due to director (Note 24)	313,292	5,473,274	94,116	3,305,649
Accrued expenses	55,881,070	69,470,961	36,469,573	46,875,750
Room booking deposits	1,099,749	1,956,603	-	-
Total trade and other payables	330,036,090	311,767,892	268,075,805	256,321,887

## 17 Borrowings

	Consolidated financial information		Separate financial information	
	31 March 2020 Baht	31 December 2019 Baht	31 March 2020 Baht	31 December 2019 Baht
<b>Current</b>				
Current portion of long-term borrowings				
- Borrowings from financial institutions	10,865,268	13,763,292	-	-
- Borrowing from related party (Note 24)	-	12,492,000	-	-
Total current borrowings	10,865,268	26,255,292	-	-
<b>Non-current</b>				
Borrowings from financial institutions	32,378,058	40,326,020	-	-
Borrowing from related party (Note 24)	-	37,508,000	-	-
Total non-current borrowings	32,378,058	77,834,020	-	-
<b>Total borrowings</b>	<b>43,243,326</b>	<b>104,089,312</b>	<b>-</b>	<b>-</b>

Borrowings of the Group from financial institutions of Baht 43,243,326 (2019: Borrowings of the Group from financial institutions of Baht 54,089,312) are secured over a part of the land and buildings of the Group (Note 14) and are guaranteed by the management.

Movements in borrowings from financial institutions is analysed as follows:

	Consolidate financial information	Separate financial information
	Baht	Baht
<b>For the three-month period ended 31 March 2020</b>		
Opening book amount	54,089,312	-
Borrowings received during the period	-	-
Repayments made during the period	(10,845,986)	-
Closing book amount	43,243,326	-

The Group and the Company have the following undrawn committed borrowing facilities:

	Consolidated financial information		Separate financial information	
	31 March 2020 Baht	31 December 2019 Baht	31 March 2020 Baht	31 December 2019 Baht
Floating rates				
- expiring within one year	576,972,848	812,490,155	139,650,000	418,262,761
- expiring beyond one year	900,000	900,000	-	-
Total borrowings	577,872,848	813,390,155	139,650,000	418,262,761

The borrowing facilities of the Group and the Company which will expire within one year are subject to regularly review before maturity date.

## 18 Lease liabilities

The maturity analysis of lease liabilities are aged as follows:

	<b>Consolidated financial information</b>	<b>Separate financial information</b>
	<b>Baht</b>	<b>Baht</b>
Not later than 1 year	10,639,925	4,167,848
Later than 1 year but not later than 5 years	25,542,274	13,974,211
Later than 5 years	275,346,943	139,861,972
<b>Total</b>	<b>311,529,142</b>	<b>158,004,031</b>

## 19 Employee benefit obligations

The movement in the defined benefit obligations for the three-month period ended 31 March 2020 is as follows:

	<b>Consolidated financial information</b>	<b>Separate financial information</b>
	<b>Baht</b>	<b>Baht</b>
<b>For the three-month period ended 31 March 2020</b>		
At 1 January 2020	54,383,772	35,054,436
Current service cost	902,312	506,230
Interest expense	242,782	148,408
Benefit paid	(94,320)	-
<b>At 31 March 2020</b>	<b>55,434,546</b>	<b>35,709,074</b>

## 20 Income taxes

Income tax expense for three-month periods ended 31 March 2020 and 31 March 2019 are as follows:

	<b>Consolidated financial information</b>		<b>Separate financial information</b>	
	<b>31 March 2020 Baht</b>	<b>31 March 2019 Baht</b>	<b>31 March 2020 Baht</b>	<b>31 March 2019 Baht</b>
Current income tax	40,217,700	23,022,823	32,888,043	18,549,001
Deferred income tax	(564,593)	(866,190)	(1,496,495)	(354,463)
<b>Total</b>	<b>39,653,107</b>	<b>22,156,633</b>	<b>31,391,548</b>	<b>18,194,538</b>

The interim income tax expense is accrued based on management's estimate using the tax rate that would be applicable to expected total annual earnings. The estimated average annual tax rate of the Group and the Company used is 21.25% and 19.93%, respectively. (The estimated tax rate of the Group and the Company for the prior interim period was 20.24% and 20.16%, respectively).

## 21 Legal reserve

	Consolidated financial information		Separate financial information	
	31 March	31 December	31 March	31 December
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
<b>For the three-month period ended/ for the year ended</b>				
Beginning balance	110,350,000	77,000,000	110,350,000	77,000,000
Appropriation during the period/year	-	33,350,000	-	33,350,000
Ending balance	110,350,000	110,350,000	110,350,000	110,350,000

Under the Public Limited Company Act., B.E. 2535, the Company is required to set aside as a legal reserve at least 5 percent of its net profit after accumulated deficit brought forward (if any) until the reserve is not less than 10 percent of the registered capital. The legal reserve is non-distributable.

## 22 Earnings per share

Earnings per share is calculated by dividing the profit for the period attributable to shareholders of the parent by the weighted average number of ordinary shares in issue during the period.

	Consolidated financial information		Separate financial information	
	31 March	31 March	31 March	31 March
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Profit attributable to equity holders of parent (Baht)	147,341,058	87,701,743	126,136,762	72,074,036
Weighted average number of paid-up ordinary shares in issue (Shares)	2,000,000,000	1,480,000,000	2,000,000,000	1,480,000,000
Basic earnings per share (Baht)	0.07	0.06	0.06	0.05

## 23 Commitments

### Lease and service commitments

The Group and the Company have lease commitments which are short-term and low-value leases in respect of office equipment rental and service commitments which are security services in the ordinary course of business were made with third parties.

The future aggregate minimum payments under non-cancellable commitments are as follows:

	Consolidated financial information		Separate financial information	
	31 March	31 December	31 March	31 December
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Not later than 1 year	10,384,399	28,659,609	6,143,483	16,129,967
Later than 1 year but not later than 5 years	291,120	55,443,018	197,360	33,046,960
Later than 5 years	-	243,649,356	-	147,417,041
Total	10,675,519	327,751,983	6,340,843	196,593,968

From 1 January 2020, the Group and the Company has recognised right-of-use assets for these leases, except for short-term and low-value leases (Note 5).

## 24 Related party transactions

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the Company, including holding companies, subsidiaries and fellow subsidiaries are related parties of the Company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the enterprise, key management personnel, including directors and officers of the Company 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.

The Company is controlled by Ratanapoompinyo's family. Major shareholders includes Mr.Somchai Ratanapoompinyo, Mrs.Petchara Ratanapoompinyo, Janjida Ratanapoompinyo, M.D., Sanathorn Ratanapoompinyo, M.D., and JPS Holding Co., Ltd., together hold 73.88% of the Company's total ordinary shares.

Relationship of the Company and related parties is as follows:

Related parties	Relationship
R&B Food Supply Vietnam Limited Liability Company	Subsidiary
PT RBFood Supply Indonesia	Subsidiary
Thai Flavour and Fragrance Co., Ltd.	Subsidiary
Premium Food Co., Ltd.	Subsidiary
Best Odour Co., Ltd.	Subsidiary
PT RBFood Manufaktur Indonesia	Subsidiary
Guangzhou Thai Delicious Food Co., Ltd.	Subsidiary
JPS Holding Co., Ltd.	Company under common control at shareholders level
Port Plus Co., Ltd.	Company under common control at shareholders level
Global Triumph Co., Ltd.	Company under common control at shareholders level
Translucence Co., Ltd.	Company under common control at shareholders level
Daphne Co., Ltd	Company under common control at shareholders level
Botanic delight Co., Ltd.	Related party
Petch Perm Sinn Co., Ltd.	Related party

During the period, the Group and the Company have entered into a number of transactions with its subsidiaries and related companies. The terms of such transactions are negotiated between the parties in the ordinary course of business and according to normal trade conditions.

	Terms and basis
Sales of goods	Cost plus margin according to type of products
Rental income	Contract price value by independent appraiser and is in line with market
Service income	Cost plus margin
Other income - Commissions	Contractual price which is based on percentage of sales
Interest income	Contractual price
Purchase of goods	Cost plus margin according to type of products
Purchases of property, plant and equipment	Contract price value by independent appraiser and is in line with market
Lease obligations	Contract price value by independent appraiser and is in line with market
Rental expenses	Contract price value by independent appraiser and is in line with market
Services expenses	Contractual price
Commission expense	Contractual price which is based on percentage of sales
Other expenses	Contractual price
Interest expense	Contractual price



**R&B Food Supply Public Company Limited**  
**Condensed Notes to Interim Financial Information (Unaudited)**  
**For the interim period ended 31 March 2020**

The following material transactions were carried out with related parties:

a) Sales of goods and service

For the three-month period ended	Consolidated financial information		Separate financial information	
	31 March 2020 Baht	31 March 2019 Baht	31 March 2020 Baht	31 March 2019 Baht
Sale of goods to: Subsidiaries	-	-	81,367,146	63,357,020
	-	-	81,367,146	63,357,020
Sale of property, plant and equipment from: Subsidiaries	-	-	-	20,768,744
	-	-	-	20,768,744
Property rental income from: Subsidiaries	-	-	2,511,420	3,513,453
	-	-	2,511,420	3,513,453
Service and other income from: Subsidiaries	-	-	8,599,649	6,602,755
	-	-	8,599,649	6,602,755
Interest income from: Subsidiaries	-	-	2,772,259	1,248,350
	-	-	2,772,259	1,248,350

b) Purchases of goods and services

For the three-month period ended	Consolidated financial information		Separate financial information	
	31 March 2020 Baht	31 March 2019 Baht	31 March 2020 Baht	31 March 2019 Baht
Purchase of goods from: Subsidiaries	-	-	17,600,511	9,846,907
Company under common control at shareholders level	-	7,528,151	-	7,528,151
	-	7,528,151	17,600,511	17,375,058
Purchases of property, plant and equipment from: Related parties	1,428,066	12,070,513	1,428,066	12,070,513
	1,428,066	12,070,513	1,428,066	12,070,513
Land rental expenses to: Shareholders and key management	-	4,014,820	-	2,776,975
	-	4,014,820	-	2,776,975
Service and other expenses to: Subsidiaries	-	-	8,590,135	3,449,926
Related parties	108,244	57,710	-	57,710
	108,244	57,710	8,590,135	3,507,636
Interest expense to: Company under common control at shareholders level	-	346,432	-	-
Shareholders and key management	3,754,218	3,305,412	2,178,628	3,015,871
	3,754,218	3,651,844	2,178,628	3,015,871

**R&B Food Supply Public Company Limited**  
**Condensed Notes to Interim Financial Information (Unaudited)**  
**For the interim period ended 31 March 2020**

c) **Outstanding balances arising from sales/purchases of goods and services**

	Consolidated financial information		Separate financial information	
	31 March 2020 Baht	31 December 2019 Baht	31 March 2020 Baht	31 December 2019 Baht
Trade receivables and other receivables				
Subsidiaries	-	-	155,036,714	126,596,490
Total receivables from related parties - net	-	-	155,036,714	126,596,490
Trade payables and other payables				
Subsidiaries	-	-	23,219,150	18,310,020
Related party	563,766	5,000	563,766	5,000
Shareholders and key management	313,292	5,473,274	94,116	3,305,649
Total payable from related parties - net	877,058	5,478,274	23,877,032	21,620,669
Lease obligations				
Shareholders and key management	289,103,717	34,846,421	155,048,374	32,835,396
Total lease obligations	289,103,717	34,846,421	155,048,374	32,835,396

d) **Borrowings from related parties**

	Consolidated financial information		Separate financial information	
	31 March 2020 Baht	31 December 2019 Baht	31 March 2020 Baht	31 December 2019 Baht
<b>Company under common control at shareholders level:</b>				
Beginning balance	-	74,000,000	-	-
Borrowings repaid during the period/year	-	(74,000,000)	-	-
Ending balance	-	-	-	-
<b>Shareholders and key management:</b>				
Beginning balance	50,000,000	498,780,000	-	448,780,000
Borrowings repaid during the period/year	(50,000,000)	(448,780,000)	-	(448,780,000)
Ending balance	-	50,000,000	-	-
<b>Total borrowings from related parties</b>	-	50,000,000	-	-

Borrowings from related parties and shareholders were provided interest rate at 1.97% per annum with unsecured.

**R&B Food Supply Public Company Limited**  
**Condensed Notes to Interim Financial Information (Unaudited)**  
**For the interim period ended 31 March 2020**

e) **Loans to related parties**

	Consolidated financial information		Separate financial information	
	31 March 2020 Baht	31 December 2019 Baht	31 March 2020 Baht	31 December 2019 Baht
<b>Related parties</b>				
Beginning balance	-	-	285,498,875	156,916,667
Adjustment on adoption of TFRS 9 on 1 January 2020 (Note 5)	-	-	(15,747,961)	-
Loans made during the period/year	-	-	68,633,523	262,928,900
Loans repaid during the period/year	-	-	(15,674,443)	(133,150,667)
Currency differences	-	-	2,295,188	(1,196,025)
Allowance for impairment	-	-	(389,516)	-
Ending balance	-	-	324,615,666	285,498,875

Loan terms and conditions are as follows:

Company	Amount of loans as at 31 March 2020 Baht	Term	Amount repaid for the period ended 31 March 2020	
			Baht	Interest rate
Premium Foods Co., Ltd.	131,682,681	Unsecured and due in 2024	7,526,117	3.68 - 4.16
Thai Flavour and Fragrance Co., Ltd.	153,684,582	Unsecured and due in 2025	7,568,371	3.68 - 4.07
Best Odour Co., Ltd.	6,153,329	Unsecured and due in 2022	579,955	3.98
R&B Food Supply Vietnam Limited Liability Company	11,032,654	Unsecured and due in 2026	-	5.08
PT RBFood Manufaktur Indonesia	22,062,420	Unsecured and due in 2027	-	4.75 - 5.46
	324,615,666		15,674,443	

Loans to related parties are normally given on commercial terms and conditions. Related interest income was Baht 2,772,259 (31 March 2019: Baht 1,248,350).

f) **Key management compensation**

Key management compensation of the Group for the three-month periods ended 31 March 2020 and 31 March 2019 are as follows:

For the three-month period ended	Consolidated financial information		Separate financial information	
	31 March 2020 Baht	31 March 2019 Baht	31 March 2020 Baht	31 March 2019 Baht
Short-term employee benefits	8,847,589	7,678,246	7,279,922	6,314,333
Post-employment benefits	56,037	309,457	44,178	246,394
	8,903,626	7,987,703	7,324,100	6,560,727

## 25 Events after the reporting period

At the Board of Directors Meeting no.2/2020 of the Company held on 3 April 2020, the meeting approved to postpone the Annual General Shareholders Meeting of the Company on 22 April 2020 and cancelled the annual dividend of 2019 due to the outbreak of Coronavirus Disease 2019. However, the meeting approved the payment of interim dividend from net profit for year ended 31 December 2019 at Baht 0.15 per share, totalling Baht 300 million. The interim dividend were already distributed to the shareholders on 30 April 2020.

### **Novotel Chumphon Beach Resort & Golf**

On 9 April 2020, according to the announcement of Chumphon governor regarding the closure of risky venues to prevent the outbreak of Coronavirus Disease 2019 (No. 6), risky venues must be closed including all hotels under Hotel Act and accommodations providing same kind of services except hotels which government use for quarantine purpose. The announcement is effective from 10 April 2020 to 30 April 2020.

Due to this situation, there are negative impacts to the Company brought upon by the COVID-19 outbreak in the short term. The management decided to temporarily close Novotel Chumphon Beach Resort & Golf from 10 April 2020 to 31 May 2020.

### **Ibis Styles Chiang Mai**

Due to the outbreak of COVID-2019, ibis Styles Chiang Mai announce laid off 16 employees, equal to 16% of their staffs on 10 April 2020. This cause the Company has a contingent liability amount of Baht 1,068,851. However, the Company already paid severance pay to those employees on 28 April 2020.

In addition, almost all hotel bookings during April 2020 were cancelled, the management have decided to temporarily close the hotel during 23 April to 22 May 2020.

The Group is now paying close attention to the development of the COVID-19 situation, evaluating its impact on the operation while strategizing for effective solutions.