

# Part 1

## Business Operations

## Policy and business overview

The R&B Food Supply Public Company Limited (“the Company” or “RBF”) and its subsidiaries engage in the business of producing and distributing food ingredients, which can be divided into several product groups as follows: (1) Flavor agents and food coloring including flavoring agents used in perfumes and cosmetics (2) Flour and sauces (3) Dehydrated products (4) Frozen food products (5) Plastic packaging and (6) Purchased products for sales, which are food additives such as preservatives, antifungal agents, citric acid, etc., as well as milk powder and sausage casings by purchasing from other manufacturers or imported from abroad to sell to customers who are used in the food industry, beverage industry, pharmaceutical industry and animal feed industry. In addition to the aforementioned businesses, the subsidiaries have also invested in two hotels: The Ibis Styles Chiang Mai and the Novotel Chumphon Beach Resort & Golf.

The company and its subsidiaries mainly manufacture and distribute products to the customers in the industry on the basis of Made-to-order and distribute to the customer groups of industrial entrepreneurs and large retail customers who have made order in the form of OEM (Original Equipment Manufacture), they also produce and distribute products to large retail customers and general retail customers under the company's brand name as "Uncle Barnes", "Best Odour", "Super-find", "Copychan", "Haeyo", "Angelo" and "Aroi Mak Mak". In 2018 - In 2020, the company and its subsidiaries have made-to-order revenues, accounting for 85.89 percent, 87.74 percent, and 87.41 percent of revenue from sales. Revenue from production and distribution in the form of OEM accounted for 7.54 percent, 6.14 percent and 6.09 percent of sales revenue and revenue from production and distribution under the company's brand accounted for 6.57 percent, 6.12 percent and 6.50 percent of revenue from sales respectively.

The company and its subsidiaries have research and development teams which have personnel with knowledge, expertise and long experience in food, odor and taste analysis particularly. This enables the company and its subsidiaries to produce products that are unique and able to meet the needs of all types of customers. This makes the products of the company and its subsidiaries different and diverse. Therefore able to create maximum satisfaction for customers.

At present, the Company and its subsidiaries have 10 factories that manufacture food ingredients and produce plastic packaging, 8 factories of which are located in Thailand and 2 factories in foreign countries as follows:

Factory in Thailand	User	Product type
<b>1 Bangkok province is as follows</b>		
1. Bangkok Located at 3395 Soi Ladprao 101 (Wat Bueng Thonglang) , Klongchan Subdistrict, Bang Kapi District, Bangkok 10240	RBF	Bread crumbs, sandwiches, mini buns, flavor enhancers
<b>Phra Nakhon Si Ayutthaya has 6 locations as follows</b>		
1. No. 130/160-161, Village No. 3, Wang Chula Sub-district, Wang Noi District, Phra Nakhon Si Ayutthaya Province 13170	RBF	Flour
2. No. 134, Village No. 1, Ban Wa Sub-district, Bang Pa-in District, Phra Nakhon Si Ayutthaya 13160	RBF	Plastic packaging
3. No. 136, Village No. 5, Ban Wa Sub-district, Bang Pa-in District, Phra Nakhon Si Ayutthaya 13160	BO	Food coloring
4. No. 136/1, Village No. 5, Ban Wa Sub-district, Bang Pa-in District, Phra Nakhon Si Ayutthaya 13160	TFF	Flavoring agent
5. No. 989, Village No. 1, Ban Len Sub-district, Bang Pa-in District, Phra Nakhon Si Ayutthaya 13160	RBF	Flour Seasoning Sauces and dips
6. No. 135, Village No. 1 Ban Len Sub-district, Bang Pa-in District, Phra Nakhon Si Ayutthaya 13160	TFF	Flavor enhancer
<b>Chiang Mai 1 location is as follows</b>		
8. Chiang Mai Province Located at 258 Village No. 3, Chiang Mai-Phrao Road, Mae Faek Sub-district, San Sai District, Chiang Mai Province 50290	PFC	Drying products And frozen food products

Overseas factory	User	Products
<b>Vietnam: 1 place as follows</b>		
9.B2-4A workshop, ready-made warehouse, B side, Longhu Industrial Estate Khangj Ooc District, Long An City, Vietnam	RBVN	Flour
<b>Indonesia 1 place as follows</b>		
10. Block P-6B Factory Building, Jaba Bekasi Karang Industrial Estate, Bekasi District, Jakarta Indonesia	RBINM	Flour

At present, the company has its 4 subsidiaries in Thailand, Vietnam 1 subsidiary, Indonesia 2 subsidiaries, China 1 subsidiary, Singapore 1 subsidiary, and in the process of setting up one subsidiary in Japan in order to reach more customers in the country and sell more products of the group companies. In addition, the company and its subsidiaries have exported their products to Malaysia, Indonesia, Laos, Cambodia, Vietnam, Myanmar, Middle East and South Asia including UAE, Kuwait, India, Pakistan, Australia, Japan, China, Russia, UK, Germany and USA etc.

In addition to the manufacturing and distribution of ingredients used in the industry as mentioned above, the subsidiaries have also invested in two hotels as the Novotel Chumphon Beach Resort and Golf, through the Thai Flavors and Fragrances Co., Ltd. ("TFF") and the Ibis Styles Chiang Mai through the Premium Foods Co., Ltd. ("PFC"), both hotels as mentioned managed by the Accor Group (ACCOR), since the company and its subsidiaries have outstanding liquidity and see an opportunity to make a profit, therefore invested in a hotel business.

### 1.1 Vision, Mission and Principles of Business Operation

#### Vision

To be the world leader in the scent, taste, appearance and texture innovation of food and beverages.

#### Mission

The RBF is committed to food innovation to produce products and services that satisfy the highest taste, cleanliness and safety for purchasers and consumers along with conducting business with good ethics for business partners Including promoting the development of the company's personnel to have knowledge, expertise and continuous skills development as well as giving importance to sustainable environmental protection and community.

#### Principles of Business Operation

R: Responsibility	To be accountable for partners
B: Benefit for Stakeholder	Operation for the benefit of all parties and hand back profits to society.
F: Flexibility	Able to adapt to changing environments and situations

## 1.2 Major Changes and Developments

Before the establishment of the company, Dr. Somchai Ratanapoompinyo and Mrs. Petchara Ratanapoompinyo (Former last name: Unhachok) had jointly invested with the A Boke Roberts & Company (Holding) Company Limited., a foreigner company which did not have relationship with shareholders, directors and executives of the company, founded the Thai Flavor and Fragrance Company Limited ("TFF") in 1985 to operate the business of selling flavoring agents, selling flavoring agents for perfumes and cosmetics, food coloring and some food additives. Later in the year 1991, Dr. Somchai and Mrs. Petchara 's established the R&B Food Supply Company Limited ("the Company" or "RBF") to operate the business of producing and distributing flavoring agents, cooking flour, bread crumbs, seasoning, food additive, seasoning sauces and dipping sauces and plastic packaging. In 1993, the Best Odour Company Limited ("BO") was established to operate the business of producing and distributing food coloring and some food additives. Then, in year 2002, Dr. Somchai and Mrs. Petchara acquired ordinary shares of the Premium Foods Co., Ltd. ("PFC") from the existing shareholders who have no relationship with the company's shareholders, directors and management to operate the business of manufacturing and distributing dehydrated products and frozen food products as a result in the company and its subsidiaries to become manufacturers of food ingredients covering a wide range of products such as flavoring agents, cooking flours, bread crumbs, seasoning sauces and dipping sauces, food coloring, dehydrated products, frozen food products, food additives, including flavoring agents for perfumes and cosmetics and plastic packaging by producing and selling products according to customer orders (Made to order) mainly, which created variety and met the needs of customers thoroughly, as well as producing products in the form of OEM and standardized products to sell to large retail businesses and general retail stores under the brand : "Uncle Barnes" "Best Odour" "Super-find" "Copychan" "Haeyo" "Angelo" and "Aroi Mak Mak"

The RBF currently have 10 its subsidiaries, consisting of 4 domestic companies: (1) The Thai Flavors and Fragrances Company Limited ("TFF") (2) The Best Odour Company Limited ("BO") and (3) The Premium Foods Company Limited ("PFC") (4) The RBJ Company Limited ("RBJ") and 6 overseas subsidiaries which are (1)The R&B FOOD SUPPLY VIETNAM LIMITED LIABILITY. COMPANY ("RBVN") (2) The PT RBFOOD SUPPLY INDONESIA ("RBINT") (3) The PT RBFOOD MANUFAKTUR INDONESIA ("RBINM") (4) The TAI-MEI-WEI-SHI-PING-YOU-XIAN-GONG-SI ("RBCH") (5)The R&B FOOD SUPPLY (Singapore) PTE.LTD ("RBSG") and (6) The Maple Innovation Company Limited (In the process) to reach customers in such countries and makes it possible to sell more of the company's products.

With more than 34 years of business experience of the company and its subsidiaries as well as the availability of machinery and production processes that meet international standards, together with the company and its subsidiaries have a research and development department, consisting of experienced personnel and expertise in food, smell and taste of food analysis especially as a result, the company and its subsidiaries are able to produce and develop products that have quality until the satisfaction of both domestic and foreign customers. It can be seen that the Company and its subsidiaries have received various certification standards such as

Good Manufacturing Practice (GMP), Hazard Analysis & Critical Control Points (HACCP) Standards.), British Retail Consortium (BRC), Food Safety System Certification (FSSC) 22000 Standards, HALAL Product Standard, and Quality Management System (ISO 9001) Standards. Customers of the company and its subsidiaries as mentioned include entrepreneurs in various industries, large retail business and general retail stores and overseas customers in Asia, Australia, Europe, America, Africa and Middle East countries.

At present, the company and its subsidiaries have all 10 production plants equipped with Modern machines and manufacturing processes that meet international standards, 1 place located at Ladprao 101 Alley, Bangkok Metropolis, 1 place at Phra Nakhon Si Ayutthaya Province which located in the Wang Noi Factory Land Project, 5 places at High-tech Industrial Estates and 1 place at San Sai District, Chiang Mai Province. In addition, the overseas subsidiaries have 1 factory in Long An, Vietnam under the RBVN and 1 factory in Jakarta, Indonesia under the RBINM.

Besides the said business, the company and its subsidiaries also have invested in two hotels, the Ibis Styles Chiang Mai under the investment of the PFC and the Novotel Chumphon Beach Resort & Golf, under the investment of the TFF. Both of the said hotels managed by the ACCOR, a French hotel chain with a global network, due to the company and its subsidiaries have outstanding liquidity and see investment opportunities in assets, therefore they have invested in hotel businesses.

Currently, the company has registered capital of 2,000.00 million baht, paid-up capital of 2,000.00 million baht, divided into ordinary shares equal to 2,000,000,000 shares with par value 1.00 baht per share, there are 10 subsidiaries, namely the TFF, BO, PFC, RBJ, RBVN, RBINT, RBINM, RBCH, RBSG and the Maple Innovation Company Limited (In the process).

The company and its subsidiaries have significant changes and developments as follows:

- Year : ☐ In May, the Thai Flavors and Fragrances Company Limited ("TFF") was established with an initial registered capital of 4.00 million baht, divided into 800,000 ordinary shares with a par value of 5 baht per share to operate the business of flavoring agents for food, selling flavoring agents for perfumes and cosmetics, food coloring and some food additives, by the J.P.S. Holding Company Limited holding 51% of the shares and foreign companies, holding 49% of the shares, with its head office located at No.27/550, Village No.1, Lat Phrao Road, Khlong Chan Sub-district, Bang Kapi District, Bangkok Metropolis where later moved its headquarters to No. 3, Pho Kaew 3 Alley, 17 Sub-alley, Klong Chan Sub-district, Bang Kapi District, Bangkok Metropolis. Later, in April 2003, foreign companies had sold all of the TFF's shares to **Dr. Somchai** as a result, **Dr. Somchai** and **Mrs. Petchara** holding 100% of shares.
- Year : ☐ In November, the R&B Supply Company Limited ("the Company" or "RBF") was registered 1991 by **Dr. Somchai Ratanapoompinyo** and **Mrs. Petchara Ratanapoompinyo** with an initial registered capital

- ☐ of 1.00 million baht, divided into 10,000 ordinary shares with a par value of 100 baht per share to operate the business of manufacturing and selling flavoring agents, cooking flour, bread crumbs, seasoning sauces and dipping sauces and food additives, Its head office and factory is located at No.32/11, Village No.7, Sukhaphiban 1 Road, Lat Phrao Road, Klong Chan Sub-district, Bang Kapi District, Bangkok Metropolis in which later changed its location to No.3395, Lat Phrao 101 Alley, Lat Phrao Road, Khlong Chan Sub-district, Bang Kapi District, Bangkok Metropolis.
- Year : ☐ In December, the Best Odour Company Limited ("BO") was established by Dr. Somchai Rattanaphum-Pinyo. with an initial registered capital of 1.00 million baht, divided into 10,000 ordinary shares with a par value of 100 baht per share to operate the business of manufacturing and distributing food coloring and some food additives under the brand : "Best Odour" with its head office at No.704/7, Pattanakarn Road, Khlong Ton Sub-district, Khlong Toei District, Bangkok Metropolis and the factory is located at No. 32 / 10 , Samakhom Phaet Alley, Sukhaphiban 1 Road, Village No. 7, Khlong Chan Sub-district, Bang Kapi District, Bangkok where later moved its head office to No. 3397, Lat Phrao 101 Alley, Lat Phrao Road, Khlong Chan Sub-district, Bang Kapi District, Bangkok Metropolis.
- Year : ☐ In September, the TFF increased its registered capital from 4.00 million baht to 29.00 million baht by issuing 5,000,000 ordinary shares with a par value of 5 baht per share and offering to the existing shareholders to be used as working capital in business.
- Year : ☐ Dr. Somchai Rattanapoompinyo and Mrs. Petchara Rattanaphumipinyo had acquired ordinary shares of the Premium Foods Co., Ltd. ("PFC") from the existing shareholders. There is no relationship with the company's shareholders, directors and management to manufacture and sell dehydrated products and frozen food products. The head office and production plant were located at No. 258, Village No. 3, Chiang Mai-Phrao Road, Mae Faek Sub-district, San Sai District, Chiang Mai Province.
- Year : ☐ In November, the PFC increased its registered capital from 40.00 million baht to 52.00 million baht by issuing 20,000 ordinary shares with a par value of 100 baht and offering to existing shareholders to be used as working capital in business.
- Year : ☐ In September, the RBF bought a plastic packaging factory from persons who have no relationship with the company's directors, executives and major shareholders.
- Year : ☐ In March, the RBF had received the Good Manufacturing Practice (GMP) standard system certification regarding health and production requirements and the Hazard Analysis & Critical Control Points (HACCP) standard system certification in the production of dried bread crumbs, fresh bread and dice bread from Bureau Veritas Certification (Thailand) Co., Ltd. (Bureau Veritas Certification).

- ☐ In July, the TFF had invested in other businesses, namely the Novotel Chumphon Beach Resort & Golf, managed by the Accor Group (ACCOR) and opened in year 2008.
- ☐ In December, the PFC had received the Good Manufacturing Practice (GMP) standard system certification for Air dry and Spray dry products from the SGS (Thailand) Co., Ltd.
- ☐ In December, the PFC had received the Hazard Analysis & Critical Control Points (HACCP) standard system certification for air dry and spray dry products from the SGS (Thailand). ) Company Limited.

Year : ☐ In July, the RBF had increased its registered capital from 1.00 million baht to 20.00 million baht  
2007 by issuing 190,000 newly issued ordinary shares with a par value of 100 baht and offering to existing shareholders to be used as working capital in business.

Year : ☐ In December, the RBF plastic packaging factory for food, beverage and electronic components  
2008 had opened for commercial operation at the Hi-Tech Industrial Estate in Phra Nakhon Si Ayutthaya Province and having received the certification of quality management system (ISO 9001) for plastic packaging products from the United Registrar of Systems (Thailand) Company Limited (URS).

Year : ☐ In July, the production plant at the Wang Noi Mini Factory Project, under the operation of the  
2009 RBF, it had received the Good Manufacturing Practice (GMP) and the Hazard Analysis & Critical Control Points (HACCP) certification in Production of flour products and seasonings from the Bureau Veritas Certification (Thailand) Co., Ltd. (Bureau Veritas Certification)

- ☐ In August, the RBF production facility in Lat Phrao 101 had received the British Retail Consortium (BRC) certification for the production of breadcrumbs and bakery products (Minibuns and sandwiches) from the Bureau Veritas Certification (Thailand) Co., Ltd. (Bureau Veritas Certification).

- ☐ In September, the RBF had increased its registered capital from 20.00 million baht to 35.00 million baht by issuing 150,000 newly issued ordinary shares with a par value of 100 baht and offering to existing shareholders and new shareholders who are individuals in the [Ratanapoompinyo](#) family to be used as working capital.

- ☐ In September, the RBF had changed the company name to the R&B Food Supply Co., Ltd.



- Year : 2010
- ☐ The PFC had invested in other businesses, namely the Ibis Styles Chiang Mai, managed by the Accor Group (ACCOR), and having opened in 2011.
  - ☐ In June, the RBF had opened a flour production plant at Wang Noi Factory Land Project, No. 130/160 - 161, Village No. 3, Wang Chula Sub-district, Wang Noi District, Phra Nakhon Si Ayutthaya Province.
  - ☐ In August, the production plant at the Wang Noi Mini Factory Project, under the RBF operation, had received standard system certification of the British Retail Consortium (BRC) for the production of flour products and seasonings from the Bureau Veritas Certification (Thailand) Co., Ltd. (Bureau Veritas Certification).
- Year : 2011
- ☐ In June, the production plant at Lat Phrao 101, under the operation of the RBF, is certified for the Good Manufacturing Practice (GMP) and the Hazard Analysis & Critical Control (Hazard Analysis & Critical Control) Points: HACCP) certification in the production of bread crumbs and bakery products (Minibans and sandwiches) from Bureau Veritas Certification (Thailand) Co., Ltd. (Bureau Veritas Certification).
  - ☐ In August, the RBF had expanded its market to Vietnam by establishing a representative office (Representative office) in Ho Chi Minh City, Vietnam as a channel for promoting and marketing the company's products in Thailand (Currently, the operation is closed at the representative office in Vietnam since the company had opened its subsidiary in Vietnam in year 2013)
- Year : 2013
- ☐ In January, the manufacturing plant at Lat Phrao 101, under the operation of RBF, had received the Good Manufacturing Practice (GMP) certification and the Hazard Analysis certification. & Critical Control Points: HACCP) in manufacturing flavoring agents (Liquid type) from Intertek, Group Thailand.
  - ☐ In March: Having registered the R&B FOOD SUPPLY VIETNAM LIMITED LIABILITY COMPANY ("RBVN") in Vietnam with a registered capital of 21,000.00 million Vietnamese Dong or approximately 27.85 million baht for distribution of flavoring agents, bread crumbs, cooking flour, seasoning sauces and dipping sauces, food coloring, dehydrated products, frozen food and food additive products in Vietnam, with the RBF as stakeholder of 100.00%. Its office was in Ho Chi Minh City and currently under construction of the factory and importing machinery to produce and sell breadcrumbs in Long An, Vietnam. It was expected to have revenue from production and distribution within the third quarter of year 2019.
  - ☐ In July, Plastic packaging factory at the Hi-Tech Industrial Estate under operation of the RBF, had received the Good Manufacturing Practice (GMP) certification and the Hazard Analysis & Critical Control Points (HACCP) certification in plastic packaging production from the United Registrar of Systems (Thailand) Company Limited (URS).

- ☐ In September, the TFF had increased its registered capital from 29.00 million baht to 31.00 million baht by issuing 400,000 newly issued ordinary shares with a par value of 5 baht per share and offering to the existing shareholders.
  - ☐ In October, the RBF had expanded its market to Myanmar by establishing a representative office (Representative office) in Yangon Myanmar (Currently, the representative office in Myanmar has been closed since the company is able to market directly from Thailand without needing a representative office) as a channel for promoting and marketing the company's products in Thailand.
- Year : ☐ In June, the PFC had received the British Retail Consortium (BRC) certification for freeze-dried and frozen food products from the SGS (Thailand) Co., Ltd.
- 2014 ☐ In August, the PFC had received the Food Safety System Certification (FSSC) 22000 for the production of Air dry and Spray dry products from the Bureau Veritas Certification (Thailand) Co., Ltd. (Bureau Veritas Certification)
- ☐ In December, the RBF had increased its registered capital from 35.00 million baht to 62.00 million baht by issuing 270,000 ordinary shares with a par value of 100 baht and offering to existing shareholders to spend money for working capital in business.
- Year ☐ In October, the BO had expanded its food coloring production base from Lat Phrao 101 to 2015 factories in the Hi-Tech Industrial Estate, No. 136, Village No. 5, Ban Wa Sub-district, Bang Pa-in District, Phra Nakhon Si Ayutthaya Province.
- Year : ☐ In March: Having registration of the PT RBFOOD SUPPLY INDONESIA ("RBINT") in Indonesia 2016 with a registered capital of 20,000.00 million rupiah or approximately 46.04 million baht, divided into 20,000 ordinary shares with a par value of 1,000,000 rupiah per share or approximately 2,301.80 baht for selling flavoring agents, bread crumbs, cooking flour, seasoning sauces and dipping sauces, food coloring, dehydrated products, frozen food and food additive in Indonesia as well as having an office located at Jakarta in Indonesia, with the RBF holding 60% stake and the PT NADASA MULYA PRATANA, where has no relationship with shareholders, directors and executives of the company, holding 40% of the shares and started commercial income in December year 2016.
- ☐ In March, production plant at the Wang Noi Mini Factory Project under operation of the RBF, the Food Safety System Certification (FSSC) 22000 is certified for the production of flour products and seasonings from the Bureau Veritas Certification (Thailand) Co., Ltd. (Bureau Veritas Certification).
- ☐ In March, the PFC had received the Hazard Analysis & Critical Control Points (HACCP) certification in the production of frozen fried duck and frozen fried chicken from the Department of Livestock Development.

- ☐ In May, food flavoring agents plant under operation of the TFF opened commercial operation. The plant was located at the Hi-tech Industrial Estate No. 136/1, Village No. 5, Ban Wa Sub-district, Bang Pa-in District. Phra Nakhon Si Ayutthaya Province and the production plant at Lat Phrao 101, under operation of the RBF, having received the Food Safety System Certification (FSSC) 22000 for the production of bread crumbs, bakery (Minibuns and sandwiches) products from the Bureau Veritas Certification (Thailand) Co., Ltd. (Bureau Veritas Certification).
- ☐ In December, the manufacturing plant at the Hi-Tech Industrial Estate Under BO's operation, it has been certified for the Good Manufacturing Practice (GMP) and the Hazard Analysis & Critical Control Points (HACCP) certification in food coloring production from the United Registrar of Systems (Thailand) Company Limited (URS).
- ☐ In December, the manufacturing plant at the Hi-Tech Industrial Estate Under operation of the TFF, it has been certified for the hygiene standard and the requirements of production (Good Manufacturing Practice: GMP) and the Hazard Analysis & Critical Control Points (HACCP) certification standards for the production of flavoring agents from the United Registrar of Systems (Thailand) Company Limited (URS).
- ☐ In December, the PFC had purchased a hotel building called: The Ibis Chiang Mai from the River Kwai Botanic Gardens Company Limited to eliminate conflicts of interest.

Year : In May, the RBF had opened a factory producing flour for cooking, breadcrumbs, seasonings, 2017 sauces and dipping sauces at the H-tech Industrial Estate, No. 989, Village No. 1, Ban Lane Sub-district, Bang Pa-in District Phra Nakhon Si Ayutthaya Province.

- ☐ The Extraordinary General Meeting of Shareholders of the TFF, No. 2/2017, the BO No. 6/2017 and the PFC No. 2/2017 on May 28, 2017 had resolved to allow the TFF BO and PFC to pay dividends to shareholders to organize the group structure for preparation for listing on the Stock Exchange of Thailand.
- ☐ The Extraordinary General Meeting of Shareholders No. 3/2017 on 14 June 2017 had the following important resolutions:
  - Having approved the RBF to increase its registered capital from 62.00 million baht to 320.00 million baht by issuing 2,580,000 newly issued ordinary shares with a par value of 100 baht per share in order to structure the company group for preparation for listing in the SET.
  - Having approved the RBF to purchase ordinary shares from ordinary shareholders of the TFF, BO and PFC by paying for the shares by the company's newly issued ordinary shares

to organize the group structure for preparation for listing in the Stock Exchange of Thailand as a result, the RBF has shareholding in the TFF BO and PFC equal to 99.99%, 99.97% and 99.99% of registered capital of the TFF BO and PFC, respectively.

- ☐ At the Extraordinary General Meeting of Shareholders of the TFF No. 3/2017, the BO No. 7/2017 and the PFC No. 3/2017 on 28 June 2017, had resolved to allow the TFF BO and PFC to increase its registered capital to organize the group structure for preparing to bring the RBF to be listed on the SET, details as follows:
  - The TFF increased its registered capital from 31.00 million baht to 183.00 million baht by issuing 30,400,000 ordinary shares with a par value of 5 baht per share, with RBF holding 99.99 percent of shares in the TFF.
  - The BO increased its registered capital from 1.00 million baht to 36.50 million baht by issuing 355,000 ordinary shares with a par value of 100 baht, with the RBF holding 99.97 percent of the shares in BO.
  - The PFC increased its registered capital from 52.00 million baht to 121.00 million baht by issuing 690,000 ordinary shares with a par value of 100 baht, with the RBF holding 99.99% of the PFC's shares.

---

<sup>1</sup> River Kwai Botanic Gardens Company Limited is currently held 100.00% by Mrs. Petchra and his 2 daughters and has ceased to operate hotel business since the beginning of 2017. Botanic Gardens Co., Ltd. has entered into a non-competitive business agreement with the Company. Currently not operating any business

- ☐ At the RBF Extraordinary General Meeting No. 5/2017 on 24 July 2017, it resolved to approve the RBF to increase its registered capital from 320.00 million baht to 638.00 million baht by issuing 3,180,000 ordinary shares with a par value of 100 baht per share and offered for sale to the existing shareholders to use the money to pay for the PFC's newly issued ordinary shares.
- ☐ At the PFC Extraordinary General Meeting No. 4/2017 on 26 July 2017, it resolved that the PFC increased its registered capital from 121.00 million baht to 439.00 million baht by issuing 3,180,000 ordinary shares with a par value of 100 baht per share and offering for sale to existing shareholders to be used as working capital in business.
- ☐ The RBF Board of Directors Meeting No. 2/2017 dated 11 August 2017 had the following important resolutions:
  - Having approved the establishment of the PT RBFOOD MANUFAKTUR INDONESIA ("RBINM") with a registered capital of Rs 20,000.00 million or approximately 46.04 million baht, divided into 20,000 ordinary shares with a par value of 1,000,000 rupiah or approximately 2,301.80 baht to be a manufacturer and distributor of breadcrumbs, with the RBF holding 80% of the shares and MR. HARIJADI SOEDARJO, an Indonesian who had no

relationship with shareholders, directors and executives of the company Holding 20 % stake, office and factory located in Jakarta Indonesia.

- Having approved the establishment of the TAI-MEI-WEI-SHI-PING-YOU-XIAN-GONG-SI company ("RBCH") with registered capital of 3.00 million yuan or about 13.58 million baht to sell flavoring agents, bread crumbs, cooking flour and frozen food in China, with the RBF holding 100% stake, with offices in Guangzhou, State People's Republic of China.
- ☐ In August, production plant at the Hi-Tech Industrial Estate under the operation of the RBF, HALAL was certified to the product standard for flour and seasonings from the Office of the Central Islamic Committee of Thailand.
- ☐ In August, production plant at the Hi-Tech Industrial Estate under the RBF operation, the British Retail Consortium (BRC) was accredited for the production of flour products, seasoning sauces and dipping sauces from the Bureau Veritas Certification (Thailand) Co., Ltd. (Bureau Veritas Certification).
- ☐ In September production plant at the Hi-Tech Industrial Estate under operation of the RBF, it had received the Good Manufacturing Practice (GMP) and the Hazard Analysis & Critical Control Points (HACCP) certification in Production of flour products, seasoning sauces and dipping sauces from the Bureau Veritas Certification (Thailand) Co., Ltd. (Bureau Veritas Certification)
- ☐ In October, the PFC received the HALAL product certification for Syrup, Air dry, Spray dry and Freeze dry products, and Frozen food products from the Office of the Central Islamic Committee of Thailand.
- ☐ In December, the RBF production facility in Lat Phrao 101, had received the HALAL certification for flavoring agents products, bread crumbs, bakery (Mini buns and sandwiches), seasoning sauces and dipping sauces from the Office of the Central Islamic Committee in Bangkok Metropolis.

- Year : 2018
- ☐ In March, the company established the PT RBFOOD MANUFAKTUR INDONESIA ("RBINM") with a registered capital of Rs 20,000.00 million or approximately 46.04 million baht to be a manufacturer and distributor of breadcrumbs. The RBF had held 80% of the shares and MR. HARIJADI SOEDARJO, who did not have any relationship with shareholders, directors and executives of the company, holding 20% stake, office and factory located in Jakarta Indonesia.
  - ☐ In year 2018, the RBF Annual General Meeting of Shareholders on 10 April 2018 had resolved to approve the following important matters:

- Having approved to pay a dividend for the operating results of the year 2017 for 6,380,000 ordinary shares totaling 1,436.20 million baht. The said dividend was paid on 10 April 2018.
- Having approved the RBF to increase its registered capital from 638.00 million baht to 1,480.00 million baht by issuing 8,420,000 ordinary shares with a par value of 100 baht per share and offering to existing shareholders to organize the shareholding structure and to be used as working capital in business.
- ☐ In May: Having company registration of the TAI-MEI-WEI-SHI-PING-YOU-XIAN-GONG-SI company ("RBCH") with registered capital of 3.00 million yuan or about 13.58 million baht to sell flavoring agents and breadcrumbs and cooking flour In the People's Republic of China, RBF holding 100% of the shares as well as having an office in Guangzhou, China. Currently, the registered capital has been paid in full amount completely.
- ☐ At the RBF Extraordinary General Meeting No. 2/2018 on 29 August 2018 resolved to approve important matters as follows:
  - Having approved the conversion from a limited company to a public company.
  - Having approved to change the par value of 100 baht from 14,800,000 shares to 1 baht, resulting in the number of ordinary shares. 1,480,000,000 shares
  - Having increased the registered capital of 520.00 million baht from the registered capital of 1,480.00 million baht to the registered capital of 2,000.00 million baht by issuing 520,000,000 new ordinary shares at the par value of 1 baht per share for the initial public offering (Initial Public Offering).
  - Having approved the listing of the company's ordinary shares as listed securities on the Stock Exchange of Thailand.
- ☐ At the RBF Extraordinary General Meeting No. 2/2018 (After the conversion) on 12 November 2018, had resolved to approve the following important matters:
- ☐ To be acknowledged the purchase of land and buildings from the Daphne Co., Ltd. and the Portland Flavor and Aerometric Co., Ltd. to eliminate any conflicts of interest.

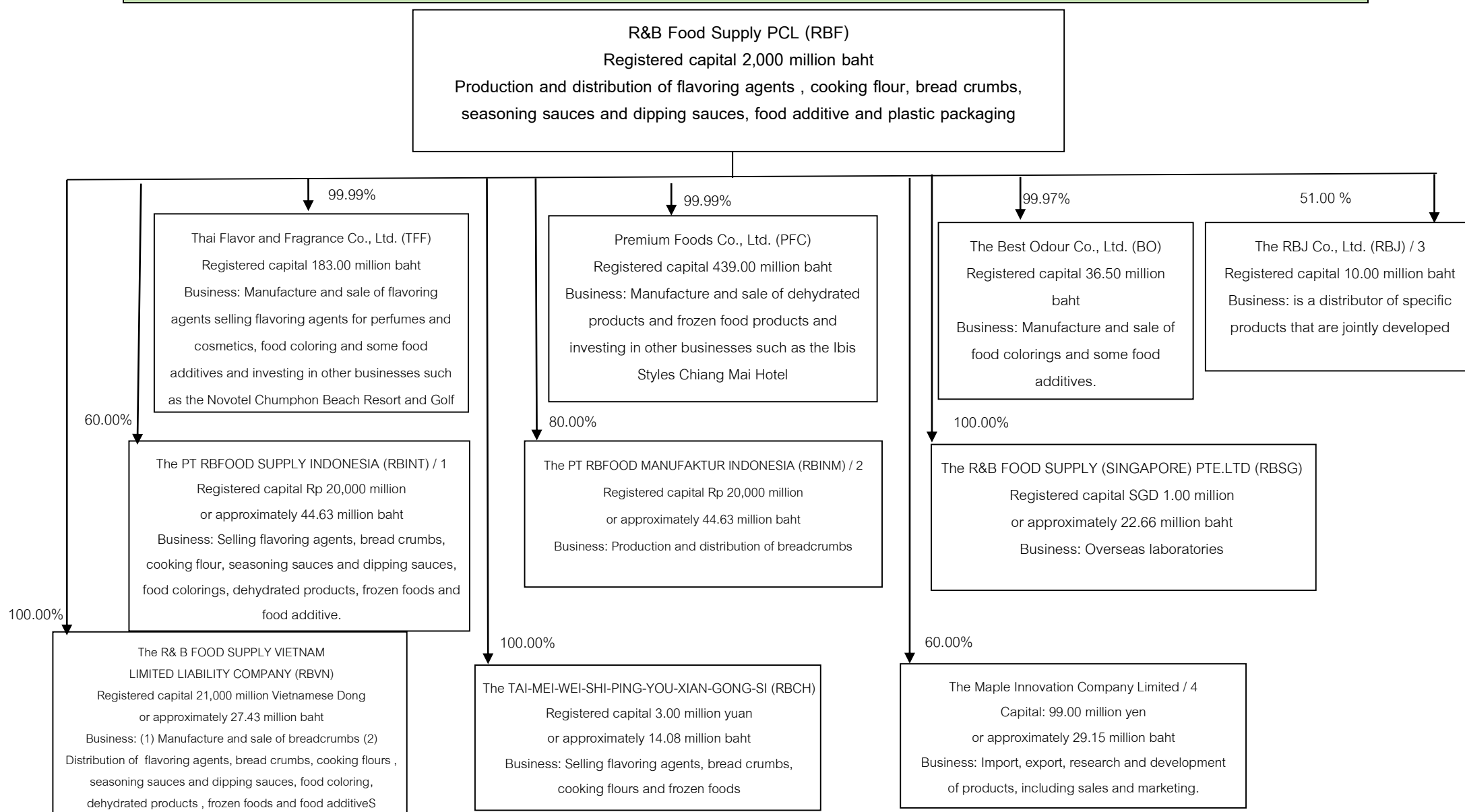
- Year 2019
- ☐ In year 2019, the RBF Annual General Meeting of Shareholders on 8 May 2019 had passed a resolution to pay dividends for the operating results of the year 2018 for ordinary shares in the amount of 1,480,000,000 shares, totaling 250.00 million baht, the said dividend was paid on 30 May 2019.
  - ☐ On 21 October 2019, the company registered an increase in paid capital to 2,000.00 million baht, receiving funds from the initial public offering of 1,665.14 million baht after deducting costs of the offering of securities to be used as capital for investment in the construction of foreign factories, improvement and purchasing machinery, having invested overseas agencies and laboratories, payment for the loan to the major shareholder as well as using for working capital in business.
  - ☐ On 24 October 2019, the company's ordinary shares started trading on the Stock Exchange of Thailand (SET) in the agro-industry and food industry, food and beverage business categories.
- Year 2020
- ☐ The RBF Board of Directors Meeting No. 1/2020 on 21 February 2020 had the following important resolutions:
    - ☐ Having approved to establish the R&B Food Supply (Singapore) Co., Ltd. with registered capital of SGD 1,000,000 (SGD) or approximately 22,650,200 baht, divided into 1,000,000 ordinary shares at par value of SGD 1 per share (SGD) or approximately 22.6502 in which the RBF holds 100% of the shares to be an overseas laboratory where the office was located at Harper Point, Harper Road, Singapore.
    - ☐ Having approved the establishment of the Maple Creation Company Limited with registered capital of 99,000,000 Yen (Yen) or approximately 28,227,375 baht divided into 198,000 ordinary shares with a par value of 500 Yen (Yen) per share or approximately 142.5625 baht by the RBF holding 60% of the shares and the Eiger Company Limited, which had no relationship with shareholders, directors and executives of the company, holding 40% of the shares to be an importer, exporter, research and development of products, including sales and marketing in Japan. The office was located in Nihonbashi, Tokyo, Japan (After the Board of Directors' Meeting No. 6/2020 had approved the change of subsidiary company name from the original Maple Creation Co., Ltd., to be changed as the Maple Innovation Co., Ltd.).
    - ☐ In April, the PT RBFOOD MANUFAKTUR INDONESIA ("RBINM"), under operation of the RBF, completed the construction of a production plant and started operations of the flour and sauce products.
    - ☐ The RBF Board of Directors Meeting No. 6/2020, dated 21 October 2020, had the following important resolutions:
      - ☐ Having approved the establishment of the RBJ Company Limited with registered capital of 10,000,000 baht, divided into 100,000 ordinary shares with a par value of 100 baht per share, with the RBF holding 51% of the shares, the BJ Food Group Co., Ltd., holding 24% of the shares, Miss Wanna Suechuaksakul holding 13% of the shares and Miss Rujee Lawanjanorn

holding 12% of the shares, which has no relationship with shareholders, directors and executives of the company, to jointly develop the licensed products by using experts from the planting process and product research and development and to purchase for sales and as a marketing agent both in the country and abroad whose office was located at No. 9, Pho Kaeo 3 Alley, 17 Sub-alley, Khlong Chan Sub-district, Bang Kapi District, Bangkok Metropolis.

□ In November, the R&B FOOD SUPPLY VIETNAM LIMITED LIABILITY COMPANY (RBVN), under operation of the RBF, had completed the construction of a production plant and started production of flour and sauce products in December 2020.



### 1.3 Company Group Structure



Note: / 1 The remaining 40% of the RBINT's shareholders are the PT NADASA MULYA PRATANA, which have no relationship with shareholders, directors and executives of the company.

/ 2 The remaining 20% of the RBINM's shareholders are MR. HARIJADI SOEDARJO, who has no relationship with shareholders, directors and executives of the company.

Mr. HARIJADI SOEDARJO is a director and a shareholder of the PT NADASA MULYA PRATANA, holding 53.33 percent of MRS.DEWI KUSUMAWATI SOEDARJO (Younger sister of MR.HARIJADI SOEDARJO) holding 40 percent of the PT NADASA MULYA PRATANA and one another person who has shareholding in the PT NADASA MULYA PRATANA 6.67% of the registered capital of the PT NADASA MULYA PRATANA company.

/ 3 The remaining shareholders of the RBJ 49% are the BJ Food Group Company Limited holding 24%, , Miss Wanna Media Chuayakul holds 13% and Miss Rujee Lawanjantorn holds 12%. The rest of the partners do not have any relationship with shareholders, directors and executives of the company

/ 4 The remaining 40% of the Maple Innovation Company Limited's shareholders are the Eiger Company Limited ("EG"), which has no relationship with shareholders, directors and executives of the company.

### Subsidiary Companies

#### 1) Thai Flavor and Fragrance Company Limited ("TFF")

Registration Date	:	3 May 1985
Registered and paid- up capital	:	183,000,000 Baht (Par value 5 baht per share)
Office location	:	No. 3, Pho Kaew 3 Alley, 17 Sub-alley, Khlong Chan Sub-district, Bang Kapi District, Bangkok Metropolis
Factory location	:	No. 136/1 Village No. 5, Ban Wa Sub-district, Bang Pa-in District, Phra Nakhon Si Ayutthaya
Hotel Location	:	No. 110 Village No. 4, Pak Nam Sub- district, Mueang Chumphon District, Chumphon Province
Nature of business	:	Production and distribution of flavoring and flavoring substances Sells flavoring agents for perfumes and cosmetics, food coloring and some food additives and investing in other businesses such as Novotel Chumphon Beach Resort & Golf
Director	:	1) Dr. Somchai Ratanapoompinyo 2) Mrs. Petchara Ratanapoompinyo 3) Miss Daoarun Unhachok 4) Lt. Col. Dr. Janjida Ratanapoompinyo 5) Dr. Sanathorn Ratanapoompinyo
Authorized Director	:	Dr. Somchai Ratanapoompinyo signed together with Miss Daoarun Unhachok and affixed the Company's seal.
Relationship with the company	:	TFF is a subsidiary of RBF, where RBF holds 36,599,976 shares, accounting for 99.99 percent of TFF's registered capital and has joint directors with RBF, namely Dr. Somchai Ratanapoompinyo and Mrs. Petchara Ratanapoompinyo

#### 2) Best Odour Co.,Ltd ("BO")

Registration Date	:	6 December 1993
Registered and paid- up capital	:	36,500,000 Baht (Par value 100 baht per share)
Office location	:	No. 3397, Lat Phrao 101 Alley (Wat Bueng Thonglang) , Khlong Chan Sub-district, Bang Kapi District, Bangkok Metropolis
Factory location	:	No. 136, Village No. 5 Ban Wa Sub-district, Bang Pa-in District, Phra Nakhon Si Ayutthaya
Nature of business	:	Manufacture and sale of food coloring and some food additives
Directors	:	1) Dr. Somchai Ratanapoompinyo 2) Mr. Teerapat Yanatornkul 3) Mrs. Petchara Ratanapoompinyo

Authorized Director	:	Dr. Somchai Ratanapoompinyo signed together with Mr. Teerapat Yanatornkul and affixed the Company's seal.
Relationship with the company	:	BO is a subsidiary of RBF, where RBF holds 364,889 shares, accounting for 99.97 percent of BO's registered capital and has common directors with RBF, namely; Dr. Somchai Ratanapoompinyo and Mr. Teerapat Yanatornkul

### 3) Premium Foods Co., Ltd. ("PFC")

Registration Date	:	26 June 1995
Registered and paid-up capital	:	439,000,000 Baht (Par value 100 baht per share)
Office location	:	No. 258, Village No. 3, Chiang Mai – Phrao Road, Mae Faek Sub-district, San Sai District, Chiang Mai Province
Factory location	:	No. 258, Village No. 3, Chiang Mai – Phrao Road, Mae Faek Sub-district, San Sai District, Chiang Mai Province
Hotel Location	:	No. 7/9, 8/5, Village No. 1, Chang Phueak Sub-district, Mueang Chiang Mai District, Chiang Mai Province
Nature of business	:	Manufacture and sale of dried products and frozen food products And investing in other businesses such as Ibis Styles Chiang Mai Hotel
Directors	:	1) Dr. Somchai Ratanapoompinyo 2) Mrs. Petchara Ratanapoompinyo 3) Mr. Suranart Kittirattanadetch 4) Lt. Col. Dr. Janjida Ratanapoompinyo
Authorized Director	:	Mr. Suranart Kittirattanadetch signed and affixed the company's seal
Relationship with the company	:	PFC is a subsidiary of RBF, where RBF holds 1,209,990 shares, accounting for 99.99% of PFC's registered capital and has common directors with RBF, namely; Dr. Somchai Ratanapoompinyo, Mrs. Petchara Ratanapoompinyo, Mr. Suranart Kittirattanadetch and Lt. Col. Dr. Janjida Ratanapoompinyo

### 4) THE R&B FOOD SUPPLY VIETNAM LIMITED LIABILITY COMPANY ("RBVN")

Registration Date	:	23 March 2013
Registered capital	:	21,000,000,000 VND (or 27.49 Million Baht)
Registered and paid-up capital	:	15,680,380,000 VND (or 22.76 Million Baht)
Office location	:	No. 309 B-311, 6 <sup>th</sup> floor, Annex Building PARKROYAL Saigon, Nguyen Van Troy Road, Tan Binh District, Ho Chi Minh City, Vietnam

Factory location	:	Workshop B 2-4 A Finished warehouse, B side, Longhu Industrial Estate, Khan Gioh District, Long An City, Vietnam
Nature of business	:	(1) Manufacture and sale of breadcrumbs (2) selling flavoring and flavoring substances, bread crumbs, cooking flour Seasoning Sauces and sauces, food coloring, drying products Frozen Food and Food Additive
Authorized Director	:	1) Dr. Somchai Ratanapoompinyo 2) Ms.Thai Son Anh (RBVN Officer)
Relationship with the company	:	RBVN is a subsidiary of RBF, with RBF holding 100% of RBVN registered capital.

Note: - Reference foreign exchange rate as of 30 December 2020, Bank of Thailand: 100 Vietnamese Dong equals 0.1306 baht (selling rate).

#### 5 The PT RBFOOD SUPPLY INDONESIA ("RBINT")

Registration Date	:	6 March 2016
Registered capital	:	20,000,000,000 Rupiah (or 44.63 Million Baht) (Par value of 1,000,000 rupiah per share or approximately 2,231.70 baht.)
Registered and paid-up capital	:	8,108,010,000 Rupiah (or approximately 20.18 Million Baht)
Office location	:	Room 104, Wisma Area Building, Hos Street Korkeominoto 81, Mentang, Central Jakarta, Indonesia 10310
Factory location	:	Selling flavoring and flavoring substances, bread crumbs, flour for cooking Seasoning Sauces and sauces, food coloring, drying products Frozen Food and Food Additive
Directors	:	1) Dr. Somchai Ratanapoompinyo 2) Mr. Harijadi Soedarjo
Authorized Director	:	Dr. Somchai Ratanapoompinyo signed and affixed the company's seal
Relationship with the company	:	RBINT is a subsidiary of RBF, where RBF holds 12,000 shares, accounting for 60 percent of RBINT's registered capital, and has joint directors with RBF: Dr. Somchai Ratanapoompinyo

Note : - MR.HARIJADI SOEDARJO is a director and shareholder of the PT NADASA MULYA PRATANA, holding 53.33% of MRS.DEWI KUSUMAWATI SOEDARJO (Younger sister of MR.HARIJADI SOEDARJO) holds 40% of the PT NADASA MULYA PRATANA and 1 other person, holding shares in the PT NADASA MULYA PRATANA, holding 6.67 percent of the registered capital of the PT NADASA MULYA PRATANA.

- Reference the foreign exchange rate as of 30 December 2020, Bank of Thailand: 1000 rupiah equals to 2.2317 baht (selling rate).

## 6 THE PT RBFOOD MANUFAKTUR INDONESIA ("RBINM")

Registration Date	:	1 March 2018
Registered capital	:	20,000,000,000 Rupiah (or approximately 44.63 Million Baht) (Par value of 1,000,000 Rupiah per share or approximately 2,231.70 Baht)
Registered and paid- up capital	:	16,066,082,783 Rupiah (or approximately 38.48 Million Baht)
Office location	:	Room 104, Wisma Area Building, Hos Street Korkeeminoto 81, Mentang, Central Jakarta, Indonesia 10310
Factory location	:	Block P-6B Factory Building of Jaba Bekasi Karang Industrial Estate, Bekasi District, Jakarta, Indonesia
Nature of business	:	Production and distribution of bread crumbs
Directors	:	1) Dr. Somchai Ratanapoompinyo 2) Mr. Harijadi Soedarjo 3) Lt. Col. Dr. Janjida Ratanapoompinyo 4) Dr. Sanathorn Ratanapoompinyo 5) Mr. Teerapat Yanatornkul
Authorized Director	:	Dr. Somchai Ratanapoompinyo signed and affixed the company's seal
Relationship with the company	:	RBINM is a subsidiary of RBF, where RBF holds 16,000 shares, representing 80 percent of RBINM's registered capital, and has joint directors with RBF, namely; Dr. Somchai Ratanapoompinyo, Lt. Col. Dr. Janjida Ratanapoompinyo, Dr. Sanathorn Ratanapoompinyo and Mr. Teerapat Yanatornkul

Note: - Reference foreign exchange rate as of 30 December 2020, Bank of Thailand: 1,000 rupiah equal to 2.2317 baht (selling rate).

## 7) THE TAI-MEI-WEI-SHI-PING-YOU-XIAN-GONG-SI ("RBCH")

Registration Date	:	31 May 2018
Registered capital	:	3,000,000 Yuan (or approximately 14.08 Million Baht)
Registered and paid- up capital	:	3,000,000 Yuan (or approximately 14.08 Million Baht)
Office location	:	Room 2202, No. 65, Songshan 7 Road, Liwan District, Guangzhou, China
Nature of business	:	Sell flavoring and flavoring substances, bread crumbs, flour for cooking And frozen food
Authorized Director	:	Lt. Col. Dr. Janjida Ratanapoompinyo
Relationship with the company	:	RBCH is a subsidiary of RBF, where RBF holds 100% of RBCH's registered capital and has a common director with RBF, namely Dr. Somchai Ratanapoompinyo

Note : - Reference foreign exchange rate as of December 30, 2020, Bank of Thailand: 1 yuan equals 4.6927 baht (selling rate)

## 8) RBJ COMPANY LIMITED (RBJ)

Registration Date	:	2 November 2020
Registered capital	:	10,000,000 Baht amount 100,000 shares, par value 100 baht
Registered and paid- up capital	:	-
Office location	:	No. 3, Pho Kaew 3 Alley, 17 Sub-alley, Khlong Chan Sub-district, Bang Kapi District, Bangkok Metropolis
Nature of business	:	Is a distributor of specific products that are jointly developed
Directors	:	1) Dr. Somchai Ratanapoompinyo 2) Lt. Col. Dr. Janjida Ratanapoompinyo 3) Mr. Nattanan Phanthuwong
Authorized Director	:	Mr. Nattanan Phanthuwong signed together with Mr. Somchai Ratanapoompinyo or Ms. Janjida Ratanapoompinyo together as two people and affixed the company's seal
Relationship with the company	:	RBJ is a subsidiary of RBF, where RBF holds 51,000 shares, accounting for 51.00 percent of RBJ registered capital, and has a common director with RBF, namely; Dr. Somchai Ratanapoompinyo and Lt. Col. Dr. Janjida Ratanapoompinyo

## 9) THE R&amp;B FOOD SUPPLY (SINGAPORE) PTE. LTD ("RBSG")

Registration Date	:	6 April 2020
Registered capital	:	1,000,000 SGD (SGD) (or approximately THB 22.95 million) (par value of SGD 1 per share or approximately THB 22.95)
Registered and paid- up capital	:	100 Singapore dollars (SGD) (or approximately 2,295.40 baht)
Office location	:	Harper Point, Harper Road, Singapore
Nature of business	:	Laboratories abroad
Directors	:	1. Dr. Somchai Ratanapoompinyo 2. Lt. Col. Dr. Janjida Ratanapoompinyo 3. Ms. Ko Chiew Hong, Yvonne
Authorized Director	:	Dr. Somchai Ratanapoompinyo
Relationship with the company	:	RBSG is a subsidiary of RBF, where RBF holds 100% of RBSG registered capital and has a common director with RBF, namely; Dr. Somchai Ratanapoompinyo and Lt. Col. Dr. Janjida Ratanapoompinyo

Note: - Reference foreign exchange rate as of 30 December 2020, Bank of Thailand: 1 Singapore Dollar equals to 22.9540 baht (selling rate).

## 10) The Maple Innovation Company Limited

Registration Date	:	(In the process of establishing)
Registered capital	:	99,000,000 yen (or approximately 29.15 million baht) (par value of 500 yen per share or approximately 147.24 baht)
Registered and paid- up capital	:	(In the process of establishing)
Office location	:	Nihonbashi, Tokyo Metropolis, Japan
Nature of business	:	Import, export, product research and development, including sales and marketing.
Directors	:	1. Dr. Somchai Ratanapoompinyo 2. Mr. Suranart Kittirattanadetch 3. Lt. Col. Dr. Janjida Ratanapoompinyo 4. Mr. Shiro Takahashi 5. Mr. Yoichiro Takahashi
Authorized Director	:	Mr. Yoichiro Takahashi
Relationship with the company	:	Maple Innovation Company Limited is a subsidiary of RBF, with RBF holding 60% of Maple Innovation Company Limited registered capital and having joint directors with RBF: Dr. Somchai Ratanapoompinyo, Mr. Suranart Kittirattanadetch and Lt. Col. Dr. Janjida Ratanapoompinyo

Note: - Reference exchange rate as of 30 December 2020, Bank of Thailand: 100 yen equals 29.4484 baht (selling rate).

- Mr. Yoichiro Takahashi is a spouse of Lt. Col. Dr. Janjida Ratanapoompinyo (Director).



## 2. Nature of Business

The R&B Food Supply Public Company Limited ("the Company" or "RBF") and its subsidiaries engage in the business of manufacturing and distributing food ingredients (Food Ingredients), divided into several product groups as follows (1) Flavoring agents (Flavour) and food coloring. This includes flavoring agents used in perfumes and cosmetics. (2) Flour and Sauce (3) Dehydrated products (4) Frozen food products (5) Plastic packaging and (6) Purchased for sales products which are food additive such as Preservatives, anti-mold agents, citric acid, etc., including milk powder and sausage casings by purchasing from other manufacturers or imported from abroad, selling to customers who are used in the food industry, beverage industry, pharmaceutical industry and animal feed industry. In the production and distribution of products, the Company and its subsidiaries mainly manufacture and sell Made to Order Products to create diversity and meet the needs of customers thoroughly. In addition, they manufacture and sell products in the form of OEM (Original Equipment Manufacture) under Under the customer's brand and products that are standard formulas under the brand "Uncle Barnes," "Best Odour," "Super-find," "Copy Chan", "Haeyo", "Angelo" and "Aroi Mak Mak" are products of flour, breadcrumbs, flavoring agents and Food coloring , concentrated nectar and frozen food.

The customers of the company and its subsidiaries are both domestic and international entrepreneurs. In the food industry Instant foods, beverages, snacks, pet food, cosmetics, household products such as laundry detergent, soap, shampoo and mouthwash, etc., as well as large retail businesses or general retailers.

In addition to the business as already mentioned the subsidiaries have also invested in two hotels,: The ibis Styles Chiang Mai and the Novotel Chumphon Beach Resort & Golf.

For clarity on the business operations of the RBF's subsidiaries, the type of business and the proportion of shares held by the company is summarized to show the table:

Subsidiary Company	Type of business	Proportion that the company holds shares
Thai Flavor and Fragrance Company Limited ("TFF")	Production and distribution of flavoring agents, distributing of flavoring agents for perfumes and cosmetics, food coloring and some food additives and investing in other businesses such as the Novotel Chumphon Beach Resort & Golf	The RBF holds 36,599,976 shares, accounting for 99.99 percent of the TFF's registered capital.
The Best Odour Company Limited ("BO")	Manufacture and sale of food coloring and some food additives	The RBF holds 364,889 shares, accounting for 99.97 percent of the BO's registered capital.

Subsidiary Company	Type of business	Proportion that the company holds shares
The Premium Foods Co., Ltd. ("PFC")	Manufacture and sale of dehydrated products and frozen food products and investing in other businesses such as the Ibis Styles Chiang Mai Hotel	The RBF holds 1,209,990 shares, accounting for 99.99 percent of the PFC's registered capital.
The R&B FOOD SUPPLY VIETNAM LIMITED LIABILITY COMPANY ("RBVN")	(1) Manufacture and sale of breadcrumbs (2) Distribution of flavoring agents, bread crumbs, cooking flour seasoning sauces and dipping sauces, food coloring, dehydrated products, frozen food products and food additives	The RBF holds 100% of the RBVN registered capital.
The PT RBFOOD SUPPLY INDONESIA ("RBINT")	Selling flavoring agents, bread crumbs, flour for cooking, seasoning sauces and sauces, food coloring, dehydrated products frozen food products and food additives	The RBF holds 12,000 shares, representing 60 percent of the RBINT's registered capital.
The PT RBFOOD MANUFAKTUR INDONESIA ("RBINM")	Production and distribution of bread crumbs	The RBF holds 16,000 shares, representing 80 percent of the RBINM's registered capital.
The TAI-MEI-WEI-SHI-PING-YOU-XIAN-GONG-SI ("RBCH")	Selling flavoring and flavoring agents, bread crumbs, flour for cooking and frozen food products	The RBF holds 100% of the RBCH's registered capital.
The RBJ Company Limited ("RBJ")	Being a distributor of specific products that are jointly developed	The RBF holds 51,000 shares, representing 51.00 percent of the RBJ registered capital.
The R&B FOOD SUPPLY (Singapore) PTE. LTD ("RBSG")	Laboratories abroad	The RBF holds 100% of the RBSG registered capital.
The Maple Innovation Company Limited	Import, export, research and product development including sales and marketing.	The RBF holds 60% of the registered capital of the MapleInnovation Company Limited

The Company and its subsidiaries have a research and development team consisting of knowledgeable personnel, expertise and experience in food long-term analysis of particular food smell and taste this enables the company and its subsidiaries to manufacture products in a specific way that customers need as resulting in the products of the company and its subsidiaries to be unique, different and varied until it is popular with customers both at home and abroad.

At present, the Company and its subsidiaries have 10 factories that manufacture food ingredients and produce plastic packaging, with 8 factories located in Thailand, located at Lat Phrao 101 Alley, Bangkok Metropolis 1 place ,

in Phra Nakhon Si Ayutthaya Province which is located at the Wang Noi Factory Land Project 1 place, 5 places in the High-tech Industrial Estates and 1 place located in San Sai District, Chiang Mai Province and 2 places overseas, with factories in Vietnam located at B2-4A Workshop, ready-made Warehouse, B side, Long Hu Industrial Estate. Khang Ooc District, Long An City, Vietnam and another factor in Indonesia, located at Block P-6B, a factory building of the Jaba Bekasi Karang Industrial Estate, Bekasi District, Jakarta Province, Indonesia. Each factory uses modern machinery and equipment. There are manufacturing processes that meet international standards such as the Good Manufacturing Practice (GMP), the Hazard Analysis & Critical Control Points (HACCP) standards, the British Retail Consortium (BRC), the Food Safety System Certification (FSSC) 22000,

the HALAL product standard and the Quality Management System standard (ISO 9001), the products of the Company and its subsidiaries have gained the trust of customers both at home and abroad.

In operation in 2020, the RBF had set up three new subsidiaries: 1) R&B Food Supply (Singapore) as an overseas laboratory, with the RBF holding 100% of the shares. Its office located at Harper Point, Harper Road, Singapore 2) The Maple Innovation Company Limited where RBF held 60% of the shares and the Eiger Company Limited, which had no relationship with shareholders, directors and executives of the company, holding 40% of the shares, having its office in Nihonbashi, Tokyo, Japan. And 3) The RBJ Co., Ltd., where the RBF held 51 percent, the BJ Food Group Co., Ltd. held 24%, Miss Wanna Media Chuaksakul held 13% of shares, and Miss Ruji Lawan. Chanton held 12% of the shares without any relationship with shareholders, directors and executives of the company. Its head office located at No. 9, Pho Kao 3 Alley, 17 Sub-alley, Khlong Chan Subdistrict, Bang Kapi District, Bangkok Metropolis. In addition, the PT RBFOOD MANUFAKTUR INDONESIA ("RBINM") had completed the construction of a factory and started producing flour and sauce products in April 2020. It had been completed the construction of a production plant in Vietnam and having started production of flour and sauce products in December 2020.

At present, the Company has 10 subsidiaries, consisting of 4 subsidiaries in Thailand, 1 Vietnam company, Indonesia 2 companies, China 1 company, Singapore 1 company and Japan 1 company, the company and its subsidiaries also export their products to Malaysia, Indonesia, Laos, Cambodia, Vietnam, Myanmar, Middle East and South Asia including UAE, Kuwait, India, Pakistan, Australia, Japan, China, Russia, UK, Germany and USA etc.

In addition, the subsidiaries have invested in two hotels: (1) The Novotel Chumphon Beach Resort and Golf, through Thai Flavors and Fragrant Co., Ltd. (TFF) and (2) I Hotel. Biz Styles Chiang Mai by investing through the Premium Foods Limited (PFC) Co., Ltd, both hotels as mentioned managed by the Accor Group (ACCOR) because the company and its subsidiaries have outstanding liquidity and see investment opportunities for hotel businesses.

## 2.1 Revenue Structure

In year 2018, 2019 and 2020, the company and its subsidiaries have the following revenue structures:

Revenue structure by product type	Year 2018		Year 2019		Year 2020	
	Million baht	%	Million baht	%	Million baht	%
<b>Sales revenue</b>	2,632.52	95.74%	2,776.38	96.34%	3,116.38	97.78%
1) Flavoring agents and food coloring	995.54	36.21%	1,038.82	36.05%	1,185.49	37.19%
2) Flour and sauce	948.69	34.50%	1,025.71	35.59%	1,147.36	36.00%
3) Dehydrated products	156.69	5.70%	172.31	5.98%	178.23	5.59%
4) Frozen food products	101.13	3.68%	98.81	3.43%	87.97	2.76%
5) Plastic Packaging Group <sup>/1</sup>	44.48	1.61%	41.16	1.43%	24.30	0.76%
6) Purchased for sales Group <sup>/2</sup>	385.99	14.04%	399.57	13.86%	493.02	15.47%
<b>Revenue from hotel business</b>	105.73	3.85%	88.28	3.06%	55.70	1.75%
<b>Total revenue</b>	<b>2,738.25</b>	<b>99.59%</b>	<b>2,864.66</b>	<b>99.40%</b>	<b>3,172.08</b>	<b>99.52%</b>
Other revenue <sup>/3</sup>	11.34	0.41%	17.18	0.60%	15.19	0.48%
<b>Total revenue</b>	<b>2,749.59</b>	<b>100.00%</b>	<b>2,881.84</b>	<b>100.00%</b>	<b>3,187.27</b>	<b>100.00%</b>

**Note :** /1 The Company and its subsidiaries manufacture and distribute plastic packaging. It is made to order from customers and manufactured in the OEM style for sale to entrepreneurs in the food, beverage industry and electronic parts manufacturers. and having sold to general retailers

/2 Purchased for sales products are milk powder, sausage casings and food additives such as citric acid, preservative (Zodium Benzoate), fungicide (Calcium Propionate), etc.

/3 Other income comprises gain and loss from foreign exchange. Transportation and service income Interest income Commission income and income from selling uniforms to employees.

## 2.2 Characteristics of Products and Services

The Company and its subsidiaries operate business as a manufacturer and distributor of food ingredients, with a wide range of products, including flavoring and flavoring agents (flavor), cooking flour, bread crumbs, seasonings, seasoning sauces and dipping sauces, food coloring, dehydrated products, frozen food, purchased for sales products of food additive products. Such products are used in the food industry, beverage industry, pharmaceutical industry and animal feed industry. In addition, the Company and its subsidiaries also manufacture and distribute flavoring agents that are used as ingredients in perfumes and cosmetics and plastic packaging. The products can be divided according to sales revenue into 6 groups: 1) flavoring agents and food coloring 2) Flour and sauces 3) Dehydrated products 4) Frozen food products 5) Plastic packaging. And 6)

Purchased for sales product. In addition to the aforementioned businesses, the subsidiaries have also invested in two other hotels, namely: The Ibis Styles Chiang Mai Hotel and the Novotel Chumphon Beach Resort & Golf.

## 2.2.1 Revenue from sales

### 2.2.1.1 Product Characteristics

Company products Most of them are intermediate products and having been sold to industrial operators which can be divided into 6 groups of products as follows:

1) **Flavoring agents and food coloring** contains flavoring agents, other flavoring agents and food coloring .It is produced and sold by the RBF, TFF and BO. PFC that will be the only supplier. The results of operations in year 2018, 2019 and 2020 can be separated from distributing of the aforesaid flavoring agents and food coloring of the company and its subsidiaries are as follows:

(Unit: million baht)

Revenue from sales of flavoring agents and food coloring products separately by company	Year 2018	Year 2019	Year 2020
RBF	534.66	583.13	605.47
TFF	259.53	219.51	261.15
BO	7.54	7.90	10.48
PFC	193.81	228.28	308.39
Total revenue from sales of flavored products and food coloring	995.54	1,038.82	1,185.49

1.1) Flavoring agents are materials that add flavor and taste to food to be more appetizing. The group companies are able to produce a wide variety of scents such as fruit, meat various vegetable and herb scents, sweets and other flavors used in the industries of food, bakery, alcoholic and non-alcoholic beverages, snacks, pharmaceuticals, nutritional supplements, as well as animal feed, etc. In addition, the company and its subsidiaries also manufacture and distribute new products such as jelly, various scents under the brand "Korokoro", which will start earning in the end of 4<sup>th</sup> Quarter of year 2019, flavoring agents have been researched and developed by personnel with expertise in food, resulting to be possible to produce various flavoring agents to meet the needs of customers and the market which is a unique formula that has its own identity by the company and its subsidiaries that produce flavoring agents, namely the RBF and TFF. They are made to order from customers and being sold to operators in various industries and exported to foreign countries including Cambodia, Indonesia, People's Republic of China.

The Company and its subsidiaries also produce flavoring agents in small package sizes that are used in the household industry, hotels, restaurants for sales to large retail businesses and general retail stores under the brand "Best Odour", exported to Cambodia, Vietnam and Myanmar. For the size of the package sold to operators is a large size of 5-25 kilograms. For large retail businesses and general retail stores, it will be as small as 30-60 ml.



*Natural flavoring and flavoring agents Best Odour brand*

- 1.2) Other Flavoring Agents. There are flavoring agents for perfumes, cosmetics and home care products such as laundry detergent, soap, shampoo and mouthwash, etc. In 2020, the group of companies began to produce products in this category to replace imported from abroad.



- 1.3) Food Colorings are products to adjust food color to meet the desired purpose, such as to have color that appeals to consumers to add food colors that may change during food processing. and to make food coloring that natural color changes according to season and climate in order to avoid consumers misunderstand about food quality. The food colorings are safe and edible.

In the production of food colorings are produced by the BO, while food colorings are distributed to entrepreneurs in various industries. The distribution is divided by industry as follows. The RBF sells to operators in the seafood industry and poultry industry. The BO is sold to entrepreneurs in the confectionery, bakery and food processing industries. The TFF sells to operators in the beverage industry, confectionery industry by food colorings that are sold to industrial enterprises. They will be colored powders in packaging of 1 kg, 20 kg and 25 kg.

In addition to the food colorings of the Group are sold to operators in the above industries, the company also sells food coloring to large retail businesses and general retail stores under the brand "Best Odour" and exported to Cambodia, Vietnam and Myanmar, food colorings will be sold to large retail businesses and general retail stores, both domestic and foreign that there will be both powder and watercolor types. The powdered food coloring is available in sachets, 1 gram and 2 gram sachets, and can be sold in 500 g and 1 kg cans, while liquid food coloring is available in 30 ml, 60 ml and 450 ml bottles.



*Best Odor food coloring*

- 2) **Flour and Sauce Group** consisting of breadcrumbs, bakery premix products, and seasoning sauces and dipping sauces. These products are manufactured and distributed by the RBF BO PFC and sold overseas through the RBVN and RBINT, which are overseas subsidiaries. In 2018, 2019 and 2020, the Company and its subsidiaries had revenues from sales of starch and sauce products. As follows:

(Unit: million baht)

Revenue from sales of flour and sauces Separate companies	Year 2018	Year 2019	Year 2020
RBF	818.40	843.44	926.12
TFF	1.41	1.19	2.49
BO <sup>/1</sup>	42.30	43.72	50.62
PFC <sup>/2</sup>	0.87	1.19	0.67
RBVN	55.96	70.39	74.73
RBINT	29.75	65.71	83.02
RBINM	-	-	8.77
RB (CH)	-	0.07	0.94
<b>Total revenue from sales of flour and sauces</b>	<b>948.69</b>	<b>1,025.71</b>	<b>1,147.36</b>

Note : / 1 The BO manufactures and sells baking powder (Single acting formula) , which is classified as a premix product in flour and sauces category.

/ 2 The PFC manufactures and sells sweet syrups and sauces, which are classified as flour and sauces, bakery type and types of seasoning sauces and dipping sauces respectively.

- The TFF sells flour and sauces to facilitate the TFF's customers.





*Flour and breadcrumbs Uncle Barnes brand*

2.1) Bread crumbs are produced and distributed by the RBF, which are bread crumbs and made to have a crumb appearance to be used as an ingredient in cooking fried foods, using modern machinery and production equipment. It is developed and designed to be able to produce breadcrumbs in various forms as required by customers, such as Japanese bread crumbs, American breadcrumbs, cracker and dice bread crumbs, etc. Raw materials used to produce bread crumbs will use quality raw materials and through a specially designed manufacturing process to obtain quality bread crumbs and meet the needs of customers.

There are 3 types of breadcrumbs selling: 1) Made to order from entrepreneurs in the food industry. The package size ranges from 10 kg to 15 kg. 2) To be produced and distributed under the brands of the company and subsidiaries such as Uncle Barnes and Copy Chan. The package sizes range from 200 g to 10 kg. And 3) Made to order under customer products (OEM), including large retailers. There are packaging sizes ranging from 200 grams to 10 kilograms. Besides of distributing products to operators in the country, the company also exports to foreign countries such as Vietnam, Indonesia, Malaysia, Nepal, India, Egypt, Russia, Germany, Netherlands, Australia, Bahrain, Bangladesh, China, Cyprus, South Korea, Kuwait, Lithuania, Myanmar, New Zealand, Pakistan, Philippines, Poland, Russia, Saudi Arabia, South America, Singapore, United Arab Emirates. United Kingdom etc.



*Japanese breadcrumbs*



*American breadcrumbs*



*Bread Crumbs Uncle Barnes Brand*



2.2) Bakeries include mini buns and sandwiches in which manufactured and sold by RBF, it is primarily made to order from the customer to distribute to operators in the food industry and various restaurants and exported to Vietnam. They are sold in packs of 1 kg. There is also a range of concentrated nectar products (Syrup) under the "Haeyo" and "Angelo" brands, which are manufactured and distributed by the PFC for large retail businesses, general retail stores and various restaurants. It is sold in 750 ml and 1 liter bottles.



*Syrup with various scents: Angelo brand and Haeyo brand.*

2.3) Premix products, are produced and distributed by the RBF, they are types of flour for frying, such as crispy batter, pre-fried flour, garlic, hot pepper flavor, tempura flour, Japanese karaage flour, etc. , and seasonings to be used as a raw material for cooking in the production and distribution, there are both order-by-order production of the customers who are entrepreneurs in the food industry. To manufacture in the OEM manner, manufacturing according to the standard formula under the brand. These include "Uncle Barnes" for sale to large retailers and general retailers and "super-find" for general retailers. The sizes of packages sold to the operator will be packages of 10 and 25 kg. Packaging parts sold to large retailers and general retailers, available in sizes from 150 grams to 1 kg for premix products also include baking powder. They are produced and sold by the RBF (Double Acting Formula) and the BO (Single Acting Formula), both of which the company and its subsidiaries will produce different baking powder according to the production license to sell baking powder to large retail businesses, general retail stores and various bakery shops under the brand "Best Odour", available in packages ranging from 30 grams to 17 kilograms.. In addition, the premix products have been sold by the company and its subsidiaries within the country and foreign countries such as Indonesia, Bahrain, Bangladesh, China, Cyprus, India, Egypt, Myanmar, Russia, Saudi Arabia. United Arab Emirates etc.



*Tempura flour*



*Karake Flour*



*baking powder*

2.4) Seasoning sauces and dipping sauces as a flavoring sauce for food which is used as a seasoning in food production to get the desired flavor and can be used with ready-made food to enhance food flavor such as BBQ chicken sauce, seasoning sauces or dipping sauces of various flavors, etc., produced by the RBF and the PFC depending on the type and production process of the seasoning sauces and dipping sauces. The production will be made to order from customers who are entrepreneurs in the food industry, restaurants and exported to foreign countries such as Vietnam, Nepal, Egypt, with packages ranging from 30g to 1kg.



- 3) **Dehydrated Products** These products include Air dry products, Spray dry products and Freeze dry products which are manufactured and distributed by the PFC. In year 2018 , year 2019 and year 2020, the company and its subsidiaries have revenue from distribution of the dehydrated products group as follows:

(Unit: Million baht)

Revenue from selling dehydrated products by company	Year 2018	Year 2019	Year 2020
RBF	0.49	0.09	0.21
TFF	0.32	0.03	0.10
PFC	155.88	172.19	177.92
<b>Total revenue from the distribution of drying products</b>	<b>156.69</b>	<b>172.31</b>	<b>178.23</b>

Note : The RBF and TFF sell dehydrated products. as a convenience to customers of the RBF and TFF.

- 3.1) Air dry products are products processing through a process of drying by blowing hot air and removing moisture to a specified level in which they are manufactured and sold by the PFC. The raw materials that the company use to process air dry products are spices, herbs and vegetables, which are mainly purchased from domestic manufacturers and there is a contract to purchase produce and inputs from local farmers by the company will buy only the products that meet the specified standards only. The production will be both made to order from the customer and produced according to the standard formula in the form of small powder or whole parts such as ground pepper, lemongrass, kaffir lime leaf powder, carrot, dried ginger, pepper, dried fennel, etc. The Air dry products are manufactured and distributed by the PFC to operators in various industries in the country such as the food industry, ready-to-eat food, beverage, snack, animal feed and exported to Japan, the United States, Indonesia, Malaysia and Pakistan, available in packages of 10 kg and 20 kg.



- 3.2) As evaporation of the water in the liquid food quickly, therefore, products obtained will be powdery appearance and low moisture content, such as eggs, butterfly pea powder, strawberry powder, fish sauce powder, and green tea powder, etc. In the production of Spray dry products, the company will use a special technology called Encapsulation Technology that is a technology for producing flavor powders that retain odors and prevent chemical reactions that will affect the smell. This product line is produced and sold by the PFC. Most of the raw materials used, the company is purchased from within the country and there is a contract to trade produce and inputs from local farmers which will buy only products that meet the specified standards where the production will be produced according to the customer's order and sold to operators in various industries in the country such as the food industry , ready-to-eat food, beverage, snack, animal feed and exported to Indonesia and Pakistan, they are sold in 10 kg and 20 kg packages



- 3.3) Freeze dry products are products processing by freeze drying and sublimation of the steam crystal and reduce the moisture content of the food. The resulting products are dry foods with high quality, having a good recovery. It can maintain the quality and texture better than other drying methods such as dehydrated chili, dehydrated broccoli, dehydrated carrots, dehydrated eggs, dehydrated chicken, green tea powder, etc. This product line is produced by the PFC using raw materials such as vegetables, fruits, meat, eggs, milk, etc. Most of the companies purchase from the country. There are contracts for trading of products and inputs from local farmers and will only buy products that meet the specified standards in which the production will be made according to customer orders and distributed to operators in various industries in the country such as the food industry, ready-made food, beverage, snack, animal feed and exported to Japan Freeze Dry Products that are available in packages of 10 kg and 20 kg.



- 4) Frozen Food Products: Produced and sold by the PFC in year 2018, year 2019 and year 2020, the revenue from frozen products are as follows:

(Unit: million baht)

Revenue from sales of frozen products by company	Year 2018	Year 2019	Year 2020
RBF	0.02	0.03	0.24
PFC	101.11	98.65	87.52
RB(CH)		0.13	0.21
<b>Total revenue from sales of frozen products</b>	<b>101.13</b>	<b>98.81</b>	<b>87.97</b>

Note: RBF sells frozen products. In order to facilitate RBF customers.

They are frozen products that undergo a rapid freeze process called Individual Quick Frozen (IQF), which use air as an intermediate to freeze the products thus making food of good quality, do not clump together. This product line is produced by the PFC, using raw materials such as fruits, vegetables, meat, etc., which are purchased from within the country and there is a contract to trade products and inputs from local farmers. The company will buy only the products that meet the specified standards. Frozen food products with the IQF process are both ready-to-cook frozen food products such as frozen meats, fruits and vegetables that have been cut into small pieces, etc., and frozen ready-to-eat products (Ready-to-Eat) such as fried spring rolls, Toong Thong ( Thai traditional spring rolls, fried banana, fried rice with chicken basil. Japanese curry rice, tom yum goong (Spicy prawn soup), mango sticky rice, etc. In the production, the PFC will produce them according to customer orders and sell to operators in various industries in the country such as food industry, ready meals and confectionery and exported to Japan, People's Republic of China, Australia, USA and European countries and there are OEM production to export to European countries too. They are sold in packaging sizes according to customer requirements.



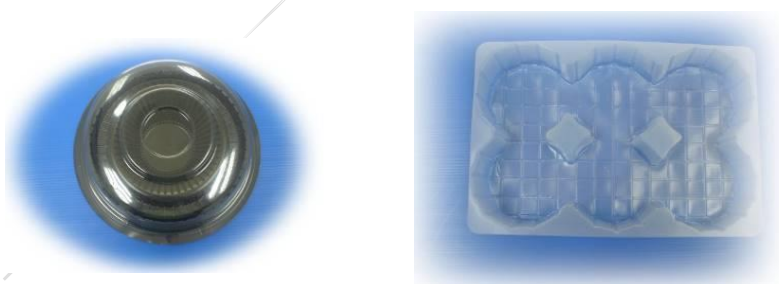
- 5) **Plastic Packaging Group.** Produced and distributed by the RBF in year 2018, year 2019 and year 2020, the revenues from the plastic packaging group are sold as follows:

(Unit: million baht)

Revenue from sales of plastic packaging Separate companies	Year 2018	Year 2019	Year 2020
RBF	44.46	41.16	24.30
PFC	0.02	-	-
<b>Total revenue from the distribution of plastic packaging</b>	<b>44.48</b>	<b>41.16</b>	<b>24.30</b>

Note: PFC sells plastic packaging products as a convenience for the PFC customers.

Plastic packagings are manufactured and sold by the RBF. There are different types of plastic packagings available depending on the raw materials used for production and the different chemical reactions and each type of plastic produced has different properties and is used for different purposes. It is made to order from customers and produced in the OEM style for sales to entrepreneurs in the food, beverage industry, as well as electronic parts manufacturers and sold to general retailers also exported to Cambodia. They are sold in packs of sizes according to the needs of the customers, however, the company and its subsidiaries use very little of the packagings that they manufacture due to the company and its subsidiaries use different types of plastic packaging with those produced by the company for sales. The company and its subsidiaries purchase non-manufactured packaging from local distributors.





6) **Purchased for Sales Products** include milk powder, sausage casings and other food additives such as citric acid, preservative (Zodium Benzoate), fungicide (Calcium Propionate) and softener, etc. by the purchased for sales products are considered as a complementary food ingredient produced and distributed by the company and its subsidiaries, in order to fully meet the needs of customers The distribution will be sold on behalf of the RBF, TFF and BO. In the year 2018, year 2019 and year 2020, the company and its subsidiaries had revenue from distribution of the purchased products for sales as follows:

(Unit: million baht)

Revenue from sales of product groups purchased for sale Separate companies	Year 2018	Year 2019	Year 2020
RBF	292.44	338.79	434.21
TFF	93.47	60.52	58.58
BO	0.06	0.23	0.18
PFC	0.02	0.03	0.05
<b>Total revenue from the sale of product groups purchased for sale</b>	<b>385.99</b>	<b>399.57</b>	<b>493.02</b>

Note: PFC sells a product line to buy and sell to facilitate customers of the PFC who require to buy products in this group for a small value.



- 6.1) Powdered milk is a milk processing product that has undergone sterilization and powdering process which there are many kinds for the type that the company sells is full fat milk powder, skimmed milk powder and whey protein by the TFF is an international importer of such milk powder from Australia, New Zealand and the Czech Republic to be sold to entrepreneurs in the food industry, beverages, feed additives, etc. In addition, the RBF also imports powdered milk to repack ( Repack) and sell to general retailers under the brand name of the company, namely "Uncle Barnes" in 1 kg package
- 6.2) Sausage casing is a product made from natural ingredients such as wheat protein, corn protein, collagen etc. The RBF imports sausage casings from the People's Republic of China, Czech Republic and Sweden. There are many types of sausage casings, such as cellulose collars and collagen collars, etc., for sale to entrepreneurs in the food processing industry from Animals ( Meat processing) such as sausage, fermented pork, mooyor ( White pork sausage), etc. which begin to be exported to foreign countries such as Cambodia, Myanmar, Indonesia .

6.3) Food Additive and others are chemicals used to mix food in order to provide food to meet the required properties by food additive that the company sells such as 1) Citric Acid to give sourness to food in order to prevent discoloration of vegetables and fruits and to regulates the pH, using in the industry of food, medicine, cosmetics, agriculture 2) Preservative (Zodium Benzoate) has properties to inhibit or destroy microorganisms that cause food spoilage and do not change the taste, using in food, beverage and bakery industries. 3) Antifungal (Calcium Propionate) has good properties to inhibit the growth of fungi and bacteria, using in the bakery industry and 4) Softener. It has the property to loosen the fibers in the meat and make the meat softer, using in food industry, TFF is an importer of food additive from the People's Republic of China and India and being sold to operators in various industries. In addition, food additive is also sold by the RBF to large retail businesses and general retail stores under the brand of the company, namely "Best Odour" by repack and being sold in packaging of 500 g and 600 g.

## 2.2.2 Marketing and Competition

### 2.2.2.1 Marketing Strategy

#### ☐ Product Strategy (Product)

The Company and its subsidiaries place great emphasis on the quality of the products produced for sale and the safety of consumers. As most of the products are food-related, the company and its subsidiaries focus on controlling and inspecting the quality of the products at every step. From quality inspection of raw materials in physical, chemical, microbial and sensory areas to prevent the introduction of non-conforming raw materials and products to use in the production process including quality checks during the production process and finished products. To obtain a quality finished product in accordance with food safety standards. Meet customer needs and checking the quality of products before delivery to customers to ensure that the packaging is in good condition the labels are accurate and complete.

The company and its subsidiaries procure and develop quality machines with modern technology systems to support the production of large quantities and still production efficiency. At present, the company and its subsidiaries have received various certification standards for production and product quality control from leading institutes such as the Good Manufacturing Practice Practice (GMP), the Hazard Analysis & Critical Control Points: HACCP, the British Retail Consortium (BRC), the Food Safety System Certification (FSSC) 22000, the HALAL product standard, and the Quality Management System Standard (ISO 9001), as well as products sold to large retailers commercial businesses and general retail stores; having completely requested the FDA number to be legally and having passed consideration for efficiency, quality and safety according to the criteria of the Food and Drug Administration (FDA).



In addition, the company and its subsidiaries have a product research and development department that devises and develops a wide range of new products and covers customer needs. This makes the products of the company and its subsidiaries diverse and unique. It is difficult to imitate products, and the company also pays attention to research and product development. In order to get both the smell and the new taste that is pleasing to consumers, to develop and improve the original product manufacturing processes for better to extend product life along with increasing the production amount and reducing production costs while maintaining the quality of the product. This makes it possible to increase the competitiveness in both domestic and international markets.

☐ Pricing Strategy (Price)

The company and its subsidiaries have a pricing policy that includes marginal or gross profit from production costs or the cost of products purchased for sale, classified by product type by the offering price has to be higher than the minimum gross profit set by the company. The management will approve the selling price along with other factors such as the consideration of added value arising from product research and development because the characteristics and properties of the products are different and unique. This is the result of research and product development of company personnel, order quantity, urgency of delivery and payment terms, etc. If there is a price negotiation the sales department will follow the discount policy stated in the approval authority.

☐ Distribution Channel Strategy (Place)

The company has divided its customers into three main groups, including : 1. The entrepreneurs in the food and beverage industry 2. Restaurant operators, hotel and catering business 3. Wholesale / retail business entrepreneurs. Therefore, the company has different distribution channel strategies as follows.

1. The entrepreneurs in the food and beverage industry. The company will have a sales department to contact the operators to know the needs of customers and develop products to meet customer needs and sells products to customers both domestic and abroad.
2. Restaurant operators, hotel and catering business ( Food Service) . The Company has a sales department to contact the operators to know the needs of customers and develop products to meet customer needs. The company also sells its products through large domestic wholesale operators and overseas importers / distributors.
3. Wholesale / retail business entrepreneurs. The company will have sales department and marketing department to contact local wholesalers / retailers in order to bring their products to be sold in stores or department stores, preparing a promotion to boost sales.

Currently, the company has subsidiaries in Vietnam, Indonesia and China to be the importer of the group's products from Thailand and distribute to customers in those countries for the benefit of the transportation of the company and facilitate customers who do not want to be an importer.

Sales revenue structure classified by distribution channels in 2018, 2019 and 2020 are shown in the following table:

Sales revenue structure Separated by distribution channels	Year 2018		Year 2019		Year 2020	
	Million baht	%	Million baht	%	Million baht	%
Direct sale	2,609.57	99.13%	2,758.12	99.34%	3,089.29	99.13%
Sales through dealers	22.95	0.87%	18.26	0.66%	27.09	0.87%
<b>Total sales revenue</b> <sup>/1</sup>	<b>2,632.52</b>	<b>100.00%</b>	<b>2,776.38</b>	<b>100.00%</b>	<b>3,116.38</b>	<b>100.00%</b>

#### ☐ Marketing and Public Relations Strategy (Promotion)

In normal circumstances The company and its subsidiaries pay great attention to sales promotion and promote products to be known by customers. The main channel for promoting the group's products is regular participation in trade fairs for both domestic and foreign food entrepreneurs in order to promote the company's products to be more known, having created opportunities to meet new clients and maintain relationships with existing customers in which is regarded as doing public relations directly to the customer group .It is also a survey of competitors, market conditions and competition in order to adjust the company's strategy to be more competitive, exhibitions of products that the company has attended such as the food and beverage industry trade such as ANUGA/ Germany, SIAL /France, GULFOOD/ Dubai, FOODEX / Japan, Food Ingredient ASIA in Indonesia and Thailand, THAIFEX Food of Asia, Thailand, etc.

But due to the situation of the coronavirus infection epidemic ("COVID-19"), the company cannot attend the above expo in 2020. However, the company's sales department has followed up and coordinated to take care of customers closely.

#### 2.2.2.2 Characteristics of Customers and Target Customers

Customer groups of the company and subsidiaries can be divided into 3 groups as follows:

1. Entrepreneurs in various industries both in the country and abroad that operate in the food and beverage industry, snack and animal feed (such as the Mars Petcare (Thailand) Company, the Minor Food Group Public Company Limited), etc.). For overseas industrial operators who are customers of the company and its subsidiaries, namely: Malaysia, Indonesia, Laos, Cambodia, Vietnam, Myanmar, the Middle East and South Asia. Both UAE, Kuwait, India, Pakistan, Australia,

Japan, China, Russia, UK, Germany and USA etc. The aforementioned customers will take the products of the company and its subsidiaries to produce and sell to consumers when ordering products of the company and its subsidiaries will order in the form of Made to order mainly. In 2020, the company and its subsidiaries have revenue from sales to the consumer groups in the industry, accounted for 84.64 percent of total sales revenue.

2. Large domestic and international retail business this group of customers will order OEM products under the customer's own brand such as the Siam Makro Public Company Limited, Big C Supercenter Public Company Limited, Ek-Chai Distribution System Company Limited which is the owner of Tesco Lotus department stores, etc., as well as orders products according to standard recipes under the brands of the company and its subsidiaries , namely "Uncle Barnes," "Best Odour," "Super-find," "Copy Chan", "Haeyo", "Angelo" and "Aroi Mak Mak". By year 2020, the company and its subsidiaries generate revenues from large retail customers, accounted for 7.86 percent of total sales revenue.
3. General retailers, such as grocery stores, distributor, dealer etc. where will buy products that are standard formulas under the brands of the Company and its subsidiaries, namely "Uncle Barnes," "Best Odour," "Super-find," "Copy Chan," "Haeyo," "Angelo" and "Aroi Mak Mak". By year 2020, the company and its subsidiaries have revenue from sales to retail customers, accounted for 7.51 percent of total sales revenue.

Sales revenue structure classified by customer groups in year 2018, year 2019 and year 2020 are shown in the following table:

Sales revenue structure  By customer group	Year 2018		Year 2019		Year 2020	
	Million baht	%	Million baht	%	Million baht	%
Business customers in the industry	2,234.47	84.88%	2,423.05	87.60%	2,637.65	84.64%
Large retail customers	217.41	8.26%	173.4	6.25%	244.84	7.86%
General retail customers	180.64	6.86%	170.93	6.16%	233.89	7.51%
<b>Total sales revenue<sup>/1</sup></b>	<b>2,632.52</b>	<b>100.00%</b>	<b>2,776.38</b>	<b>100.00%</b>	<b>3,116.38</b>	<b>100.00%</b>

The company and its subsidiaries aim to expand their markets to more foreign countries. Currently, it has subsidiaries in Vietnam, Indonesia, China, Singapore and Japan (in the process of being established) , and the PT RBFOOD MANUFAKTUR INDONESIA ( "RBINM" ) has completed the construction and started producing flour and sauce products in April 2020. In Vietnam has completed the construction of a production plant and start production of flour and sauce products in December 2020.

Revenue structure from domestic sales and exports in 2018, 2019 and 2020 are shown in the following table:

Sales revenue structure  Domestic and export	Year 2018		Year 2019		Year 2020	
	Million baht	%	Million baht	%	Million baht	%
Domestic	2,253.30	85.59%	2,332.22	84.00%	2,684.57	86.14%
Export	379.22	14.41%	444.16	16.00%	431.81	13.86%
<b>Total sales revenue</b>	<b>2,632.52</b>	<b>100.00%</b>	<b>2,776.38</b>	<b>100.00%</b>	<b>3,116.38</b>	<b>100.00%</b>

### Economic Overview

From the third quarter of year 2020, Thai economic conditions report and year 2020-2021 outlook by Macroeconomic Strategy and Planning Division of 16 November 2020, the third quarter of year 2020 numbers increased from the second quarter of year 2020 (% QoQ SA) 6.5% and the total figure for the first nine months of year 2020, dropped 6.7%, and according to the food and beverage industry analysis. The Government Savings Bank Research Center presented the overall first nine months of year 2020 average food product output at 102.15, shrinkage of -7.02 percent (% yoy), mainly due to the severe drought. There are food product groups that have been positively affected by the COVID-19 epidemic, such as vegetable oil, frozen fish, instant noodles, sausages, etc., and the average non-alcoholic beverage production index for the first nine months of 2020 is at 113.01, shrinkage of -0.33% (% yoy) due to the impact of the COVID-19 epidemic. The major beverage groups that shrank including ready-to-drink tea (-10.90%), drinking water (-5.38%), ready-to-drink coffee (-2.87%) and soft drink (-2.37%).

The report also shows the income of entrepreneurs in the food and beverage industry with revenues of approximately 2.50 trillion baht, profit of approximately 9.93 billion baht from more than 14,185 entrepreneurs by large companies listed on the stock exchange. The top five companies of Thailand (SET) had total revenues in the first nine months of 2020 totaling 187,221.93 million baht, a 2.37 percent increased (%yoy) due to the expansion of demand for food products. Population needs to store food for household consumption to protect yourself from the spread of the COVID-19 virus, it positively affects the ready-made and semi-finished foods, ready-to-eat food, ready to cook food that can be stored for a long time, such as chilled and frozen food, processed chicken, canned seafood, vegetable oil, instant noodles, etc. This has affected the operation in the third quarter of the group to continue to grow as well. The total income in the third quarter was 831.60 million baht, compared with the second quarter at 701.06 million baht, compared to the third quarter of the previous year at 686.07 million baht and the total income for 9 months of 2020 was 2,340.35 million, compared to the nine months of 2019 at 2,098.89 million baht.

While the government expects the Thai economy in year 2020 to decline by 6.0 percent, the value of merchandise exports declined 7.5 percent. Private consumption and total investment declined 0.9 percent and 3.2 percent, respectively, according to the group, with the management still forecasting total revenue growth through the end of year 2020 with a growth forecast of 10 - 12 percent. When compared with total income in year 2019

#### Top 5 entrepreneurs in the food and beverage industry listed on the Stock Exchange of Thailand

Registered Juristic Person Name	Revenue (million baht)			Net Profit (Loss) (Million Baht)		
	9m/62	9m/63	%yoy	9m/62	9m/63	%yoy
1. Thai Union Group Public Company Limited	94,094.04	99,544.07	5.79	3,001.41	4,984.39	66.07
2. Charoen Pokphand Foods Public Company Limited	30,836.58	27,121.20	-12.05	4,812.20	5,869.39	21.97
3. Thai Foods Group Public Company Limited	21,647.18	23,862.57	10.23	1,312.13	2,131.00	62.41
4. Thai Vegetable Oil Public Company Limited	17,877.46	18,417.34	3.02	1,053.47	1,242.16	17.91
5. Thai President Foods Public Company Limited	18,438.58	18,276.75	-0.88	3,804.66	4,028.63	5.89
Total	182,893.82	187,221.93	2.37	13,983.87	18,255.57	30.55

Source: Stock Exchange of Thailand, computed by Government Savings Bank Research Center

#### Industry Outlook for 2021

##### Economic Overview

The government's forecast for the Thai economy in year 2021 will expand in the range of 3.5-4.5 percent, with signs of an improvement in domestic demand. Economic recovery and world trade volumes and from an unusually low expansion base in year 2020, the export value is expected to expand by 4.2 percent, private consumption and total investment will expand 2.4 percent and 6.6 percent, respectively. Depth in the food and beverage industry by the Kasikorn Research Center, expects the value of Thai food and beverage exports in year 2021 is between US \$ 25,150- 26,150 million or expands 1.0-5.0 percent (yoy). The product group that will continue to grow is Livestock Products (Especially chicken products), fruits (fresh / frozen), seasonings, food and herbs and the domestic market is vitamin drinks for example such as drinking water with nutrients (Water Plus), which is caused by the popularity of consumers who want to enhance the immune, having developed from the consumption of functional beverage category and bottled water - mineral water to drinking water with nutrients (Water Plus) with the market value expected to increase in the level of 6,000 - 7 billion baht in year 2021.

From the government's administration, the important economic policies and effects on business are as follows : Driving exports of products benefiting from the COVID-19 outbreak an emphasis on international agreements that could be used as a means of trade protectionism, significant reduction of production costs, hedging against the fluctuation of the baht and proactive marketing promotion through online channels as well as

the economic projections related to business, there are important issues as follows: (1) Private consumption expenditures that it is expected to expand by 2.4 percent, accelerating from year 2020, following the easing of COVID-19 control and prevention measures, continuous recovery and stimulation of the government's economy and the trend of recovery in the base of income from exports. (2) Public consumption spending, expected to expand by 4.7 percent, accelerating from 2020, while private investment is forecast to expand by 4.2 percent, recovering from year 2020, in line with an improvement in exports and the world economy while service exports are also affected by international travel controls. It is expected that income from foreign tourists will be 4.9 trillion baht, compared to 4.6 trillion baht in 2020, or an increase of 7.0 percent. 0.1 percent, compared with a 19.5 percent decline in year 2020.

As the analysis of business trends and Thai industry in year 2021-2023 by Krungsri Research Center related to the future industrial production chain the operators try to reduce the complexity and distance of the production sites by distributing production bases to countries closer to production sites such as in the same region It is shorter, more diversified and more regionalized, and over the next five years (2025), the key industries of Thailand will become more involved in the global value chain and will remain the downstream industries that have the capability to compete in higher competition include the food industry which is food and beverage industry, computers and electronics

The above report reflects the still promising and promising view of the food and beverage industry. There is an opportunity to expand the business in the current situation. Management with new concepts, perspectives and practices (New Normal) will achieve the vision for the future to achieve the goals for the organization's potential, stability and sustainability.

However, the company and its subsidiaries estimate the production capacity and utilization rate. The calculation assumptions are different according to the type of product by the flavor and flavoring agents, flour and sauce and plastic packaging group, calculated from the number of tons / kg produced compared to the maximum number of tons / kg that can be produced per year. Dehydrated products and frozen food products, have calculated from the number of tons / kg produced, compared to the maximum number of tons / kg that can be produced per year. The company and its subsidiaries estimate the production capacity and utilization rate. The calculation assumptions are different according to the type of product by the flavoring agents, flour and sauce and plastic packaging group, calculated from the number of tons / kg produced compared to the maximum number of tons/ kg that can be produced per year. Dehydrated products and frozen food products, calculated from actual production hours, compared to the maximum production hours.

In year 2018, year 2019 and year 2020, the company and its subsidiaries can estimate the utilization rate for each product group as follows:

Product type	Estimated capacity utilization rate in 2018	Estimated capacity utilization rate in 2019	Estimated capacity utilization rate in 2020
1) Flavoring agents and color additives	79.2%	82.3%	94.96%
2) Flour and Sauce	83.67%	83.67%	86.41%
3) Dehydrated products	76.2%	73.60%	73.71%
4) Frozen food products	79.7%	74.01%	97.48%
5) Plastic Packaging Group	66.78%	56.68%	30.57%

The company and its subsidiaries share revenues from production and distribution according to the customer's purchase order. Details are in the table:

Revenue structure based on customer order characteristics	Year 2018		Year 2019		Year 2020	
	Million baht	%	Million baht	%	Million baht	%
Made to order	2,261.10	85.89%	2,435.97	87.74%	2,724.10	87.41%
OEM	198.38	7.54%	170.57	6.14%	189.79	6.09%
Company brand	173.04	6.57%	169.84	6.12%	202.49	6.50%
<u>Total sales revenue</u> <sup>(2)</sup>	2,632.52	100.00%	2,776.38	100.00%	3,116.38	100.00%

### 2.2.6 Environmental Impact

Apart from giving importance to producing quality products that meet standards and are safe for consumers, the company and its subsidiaries also realize the importance of protecting the environment as well with measures to eliminate garbage and waste to help reduce the impact on the environment and create good hygiene in operations.

For the production plants of the company and its subsidiaries, disposal of waste and waste materials will be collected and hired a third party who is a licensed contractor and being certified for disposal environmental management standards only.

In the part that is wastewater from the production process, product design and development of cleaning utensils and toilets will allow waste water to pass through a waste trap, flowing into the sewage pipes together at the wastewater treatment pond and going through wastewater treatment processes for production plants in Lat Phrao and in Chiang Mai. In the past, a specialist in wastewater treatment systems was hired to provide advice on the control and supervision of wastewater treatment systems as well as analyze the quality of wastewater. There is a standardized laboratory and having been certified by relevant government agencies to increase the efficiency of the wastewater treatment system for manufacturing plants located in high-tech industrial estates and mini-factory projects will be under control of the environmental impact of the industrial estate.

### 2.2.7 Work not yet delivered

- None -

## 2.3 Investing in other Businesses is Hotel Businesses.

In addition to the production and distribution of ingredients used in the food industry as mentioned above. The company's subsidiaries have also invested in two hotels in the hotel businesses, the Ibis Styles Chiang Mai Hotel in Chiang Mai Province and the Novotel Chumphon Beach Resort & Golf in Chumphon Province, both hotels mentioned will be investments by the PFC and the TFF respectively. (ACCOR), a hotel chain from France, with over 5,100 hotels in more than 110 countries worldwide under 39 hotel brands covering all target groups, boutique hotels are popular now. The reason for investing in the hotel businesses is due to the recent years tourism in Thailand has been very successful, with more and more tourists coming to Thailand, along with the PFC and the TFF, both having outstanding liquidity and seeing investment opportunities according to the reasons mentioned the details of each hotel are summarized as follows:



1) The Ibis Styles Chiang Mai Hotel

The Ibis Styles Chiang Mai Hotel is one of the hotel brands of the Accor Group (ACCOR) opened in year 2011 under the operation of the PFC. The Ibis Styles Chiang Mai is located at 7/9, 8/5. Village No. 1 Chang Phueak Sub-district, Mueang Chiang Mai District, Chiang Mai Province 50300 on an area of over 2 rai, which is considered an affordable and modern hotel, located at Phu Kham Intersection, not far from Chiang Mai International Airport close to Chiang Mai University and Chiang Mai attractions such as the Chiang Mai National Museum, Chiang Mai Zoo, Chiang Mai City Arts & Cultural Center, Wat Phra That Doi Suthep and Nimmanhaemin Road, the Ibis Styles Chiang Mai consists of 3 buildings, 6 floors, 7 floors and 8 floors, with total 208 rooms, 3 restaurants, 4 banquet rooms and also other facilities. It includes car parking, swimming pool, internet access and free wi-fi service in and around the hotel. It is suitable for business and leisure travel. Occupancy rate in year 2018-2020 was 65.68%, 54.54% and 27.86 %, respectively.



## 2) The Novotel Chumphon Beach Resort and Golf

The Novotel Chumphon Beach Resort & Golf is one of the hotel brands of the Accor Group (ACCOR), opened in year 2008 under the operation of the TFF. The Novotel Chumphon Beach Resort and Golf is decorated as contemporary style, located at No. 110, Village No. 4, Paradonpab Beach, Pak Nam Sub-district, Muang District, Chumphon Province 86180 on an area of over 130 rai on Paradonpab Beach which is one of the tourist attractions in Chumphon Province and close to other tourist attractions such as Krom Luang Chumphon Shrine Khet Udomsak and the Mu Ko Chumphon National Park, the Novotel Chumphon Beach Resort & Golf Hotel, comprises 86 rooms, 2 restaurants, 5 banquet halls and also other facilities include parking, 2 outdoor pools, golf course. 9 holes fitness center, full service spa, kids club, diving activities and boat excursions. This hotel is ideal for business, travel and vacation with family or friends. Occupancy rate in year 2018 - 2020 is 43.76%, 41.10% and 38.53 %, respectively.



### 3. Risk Factors

The company realizes and attaches importance to risk management in order to manage risks that may affect business operations. The company has monitored, analyzed, reviewed and assessed significant risks affecting the company by establishing a preventive and risk management approach to ensure that the company has adequate risk management as well as having reduced the chance of impact on business operations or reduced related effects with the company's main risk factors include the following factors.

#### 3.1 Risk from Dependence on Product Research and Development Personnel and keeping the Production Formula Confidential

The company aims to promote culture in the field of research and product development to create new products to market and build the ability to compete with competitors, therefore, the company has invested in human resources, research and product development, and hiring specialized personnel, outside training, learning from experts within its organization.

The company realizes the risk of reliance on product research and development personnel. Therefore, personnel of product research and development are motivated by focusing on salaries and welfare that are suitable for their skills and expertise as a result, the personnel turnover rate is low. The company has a system for keeping data of the production formula that can only be accessed by the relevant staff. In addition, the company has also entered into a confidentiality agreement with product research and development personnel in order to prevent the disclosure of the production formula both while being a company personnel and having continued effect for a period of 5 years after the termination of the employment of the company.

#### 3.2 The Risk of Investing Overseas.

The company has plans to invest abroad. Therefore, there are risks from various factors that can be changed, such as politics, law, environment and economic conditions of the country that invested in. However, the company has a policy to invest carefully by conducting market surveys and building a customer base in the countries of interest before making an investment decision. The company also provides expert hired to review the validity of the Internal Audit, Legal Due Diligence Processing and income tax ( Tax Audited ) consecutively.

#### 3.3 Risk from Procurement of Raw Materials to meet the Required Quantity and Quality

The company uses a variety of raw materials with different risk factors as follows:

Natural raw materials such as wheat flour, vegetables, sugar, etc. are subject to change in quantity and quality according to factors that cannot be controlled, such as climate, natural disasters. The company has risk management through planning, determining raw material inventory , recruiting raw material suppliers and contracting to control the quantity and price.

Raw materials obtained through synthesis where having been made through a technical process may be a risk of some raw materials caused by a small number of suppliers. Some of the raw materials that have changed in accordance with the market mechanism and the price of oil, legal risks with changing terms and having allowed quantities in which apart from raw material management and inventory management. The company also has a product research and development department to study raw materials that can be substituted. Including improving quality and reducing production costs.

#### **3.4 Risk from Information Technology System being attacked or infected**

The company uses accounting software, production formula database program in which if an accident occurs, disaster or cyber threats and virus infection will cause the database system to stop working , negatively impact on businesses that have to be shut down or critical data is corrupted and irreversible. The company has provided a backup system in the secondary operating system ( Disaster Recovery Site - DR Site ) to help prevent business damage and prevent the loss of important data and there also provides a constant audit of the operation of the DR Site system .

#### **3.5 The Risk of not counting Payments for Goods and Services from the Debtor**

The company sells its products to both domestic and international customers in which to conduct business, the company provides trade credit to customers to attract customers to buy the company's products that the credit of a trade is based on factors such as customer trust, reputation, registered capital, past trading history, historical financial statements which various information may or may not be obtained especially domestic customers, overseas customers. This causes the risk of not receiving payment for goods and services from the debtor. Therefore, the company needs to have tools to manage and prevent possible loss such as credit approval policy, subscription to the Ministry of Commerce's business database to find financial information of companies, trade credited Insurance.

#### **3.6 The Risk from Fluctuation of Exchange Rate**

The company purchases raw materials from abroad and sends its products to foreign sales in large numbers. The payment or acceptance of payments for goods and services is mostly made in US dollars, Euro currency and Pound Sterling currency. The company has been exposed to foreign exchange risk. In order words, as exports, if Thai Baht currency becomes an appreciation, it will result in lower income. In imports, if Baht depreciates, it will result in higher raw material costs.

At present, the company has a standard to reduce the impact of exchange rate fluctuation by having an account for trading with foreign currency in the same currency ( Natural Hedge ) , having a policy to manage foreign exchange risk by entering into foreign currency with contracts in advance ( Forward Contract ) not less than 90 percent of its value of transactions that have not yet been protected against risk. In the event that Natural Hedge cannot be managed as specified.

### 3.7 The Risk of Non-Compliance with Transfer Price Laws

The company invests in subsidiaries and there is a business of trading products between the company and its subsidiaries both at home and abroad, are subject to the risk of non-compliance with the law. Re: Establishing criteria, methods and conditions for improving income and expenditures of the company or juristic partnership that having relationship ( Transfer Pricing ) and related laws in foreign countries The company has therefore hired an external agency with expertise in conducting research and research , analysis of transfer price and preparation of annual report to ensure accurate transfer pricing and legal compliance.

### 3.8 The Risk of receiving Payment from the Customer in Cash

The company sells its products to retail customers in the form of retail which retail customers who buy products with the retail department will pay for the products in cash. The company has set a measure for customers to pay by transferring money through the Bank's Application system and proceeding to transfer to the company's bank account to reduce the risk of payment from customers in cash and to reduce the incidence of fraud due to the fact that the retail staff does not send money to the company.

### 3.9 Risk from relying on Key Customers

The company sells its products to a small number of main customers including products that are not satisfied with the quality of the customer. However, the company will maintain product quality standards and meet customer needs, as well as customer base expansion to large retail businesses and general retail to reduce the risk of relying on the main customer groups.

### 3.10 The Company's Operating Risks affecting People in the Community

The company has factories located in the community area where the area of production and storage of that product, it is necessary to release water and odors into the environment which may cause the surrounding communities to be affected. The company has installed a wastewater treatment system and an odor treatment system to reduce the impact that may occur and having assigned responsible personnel to inspect and maintain water and odor treatment systems for their ability to work with maximum efficiency.

### 3.11 Risk from Non-Compliance with Laws related to Industrial Plants

The main business of the company is factories producing food and various kinds of food raw materials and there are 7 factories in Thailand which have various laws involved in factory operations such as the Factory Act , the Environmental Act , the Industrial Waste Act and other which has rules that must be performed in accordance with the law and may result in the company being suspended or revoked of its licenses if it does not perform properly. The company has set up a department to take care of and inspect every factory to have legal practice.

#### 4. Assets used in operations

##### 4.1 The Main Characteristics of the Fixed Properties used in the Business.

As at 31 December 2020. The company and its subsidiaries had properties used in operations equal to 2,129.18 million baht (Property, plant and equipment =1,377.78 million baht and Property rights= 751.40 million baht), with the details of the property that the company and its subsidiaries used in their business operations as follows:

##### 1. The R & B Food Supply Public Company Limited (RBF)

Property Category	Property Characteristics	Ownership	Obligation	Net Value as of 31 Dec 2020 (Million baht)	Property Usage
1. Lands	Lands	RBF	None	120.04	Parking lots / office buildings / factories / warehouses / inholdings / office buildings / factories buildings / warehouses / factory buildings / warehouses



Property Category	Property Characteristics	Ownership	Obligation	Net Value as of 31 Dec 2020 (Million baht)	Property Usage
	Lands	Long term lease (More details in clause 5.3.1)	The land title deed number 254047 is separated from the title deed number 878 , Wang Thonglang Sub-district, Bang Kapi District, which is subject to partial servitude regarding the walkway, motorway, drainage, water supply, electricity, telephone and other utilities all kinds of adjacent land	112.46	Factory buildings / warehouses / customer reception rooms / factory buildings / warehouses / offices
	Lands	Rental agreement (more details in clause 5.3.1)	N.A.		Parking lots for staff
2. Buildings	Office buildings / factories / warehouses	RBF	None	138.87	Used in operations
	Office buildings / factories / warehouses	RBF	According to the land lease agreement	150.84	Used in operations
	Office buildings / factories / warehouses	Rental agreement (more details in clause 5.3.1)	None	31.09	Offices and factories

Property Category	Property Characteristics	Ownership	Obligation	Net Value as of 31 Dec 2020 (Million baht)	Property Usage
3. Building improvements	Building improvements used as offices, factories, warehouses	RBF	None	163.42	Office buildings / factories / warehouses
4. Machinery and equipment	Machinery and equipment used in operations	RBF	None	293.74	Used in operations
	Machinery and equipment used in operations	Operating leases	Lease liabilities	1.11	Used in operations
5. Furnishings, fixtures and factory office equipment	Furnishings and office supplies	RBF	None	26.18	Used in operations
6. Vehicles	Business vehicles	RBF	None	29.15	Used in operations
	Business vehicles	Operating leases jobs	Lease liabilities	1.31	Used in operations
7. Construction in progress <sup>/1</sup>	Properties during installation and construction	RBF	None	77.01	Used in operations
			<b>Total</b>	<b>1,145.22</b>	

Remark : <sup>/1</sup> Work in progress included machinery and equipment for the production of bread crumbs and a plastic packaging machine while waiting for installation

N.A. meant renting properties from third parties that the company was unable to determine the obligation of such leased properties



## 2. THAI FLAVOUR AND FRAGRANCE CO., LTD. (TFF)

Property Category	Property	Ownership	Obligation	Net value as of 31 Dec 2019 (Million baht)	Property Usage
1.Lands	Lands	TFF	None	36.01	Factory Buildings / Golf Courses of the Novotel Chumphon Hotel
	Lands	Long term lease (More details in clause 5.3.1)	None	39.81	Location of the Novotel Chumphon Hotel
2. Buildings	Office buildings / factories / warehouses / hotel buildings	TFF	None	23 . 96	Used in operations
	Hotel buildings	TFF	Land lease agreement	71.94	Used in operations
	Hotel buildings	Rental agreement (more details in clause 5.3.1)	None	0.52	Restaurants in the Novotel Chumphon Hotel
3. Building improvements	Building improvements used as offices, factories and hotels	TFF	None	11.03	Office buildings / factories / warehouses / hotel buildings
4.Machinery and equipment	Machinery and equipment used in operations	TFF	None	21.55	Used in operations

Property Category	Property	Ownership	Obligation	Net value as of 31 Dec 2019 (Million baht)	Property Usage
	Machinery and equipment used in operations	Operating lease	Lease liabilities	0.12	Used in operations
5. Furniture, fixtures and office equipment, factories, hotels	Furnishings and office supplies	TFF	None	15.37	Used in operations
6. Vehicles	Business vehicles	TFF	None	2.26	Used in operations
7. Construction in progress	Prepare an Environmental Impact Assessment (EIA) report.	TFF	None	2.01	Used in operations
Total				224.57	

### 3 The PREMIUM FOODS CO., LTD. (PFC)

Property Category	Property	Ownership	Obligation	Net value as of 31 Dec 2019 (Million baht)	Property Usage
1. Lands	Lands	PFC	None	45.42	Office buildings / factories / warehouses / agricultural experimental plots / factories buildings / warehouses
	Lands	Long term lease (More details in clause 5.3.1)	Land Act No. 46,458 , area of 03-29.5 acres, pledged as collateral for long-term loan of the PFC with a financial institution equal to 90.20 million baht (More details in clause 2.2.8, other important information under subject: Loan agreement )	85.53	location of The Ibis Style Chiang Mai Hotel
2. Buildings	Office buildings / factories / warehouses / hotel buildings	PFC	None	96.24	Used in operation
	Hotel buildings	PFC	Land lease agreement	235.18	Used in the operations of the Ibis Syle Chiang Mai

Property Category	Property	Ownership	Obligation	Net value as of 31 Dec 2019 (Million baht)	Property Usage
	Hotel buildings	Rental agreement (More details in clause 5.3.1)	N.A..	0.80	To keep tools and equipment for the kitchen department and the mechanic department of the Ibis Chiang Mai Hotel/ accounting department, personnel department and the staff's restaurant of the Ibis Chiang Mai hotel / musicians equipment store and restaurant equipment of the Ibis Chiang Mai hotel / tool storage, maid service and kitchen department of the Ibis Chiang Mai hotel
3. Building improvements	Building improvements used as offices, factories and hotels	PFC	None	30.43	Office buildings/ factories / warehouses / hotel buildings
4. Machinery and equipment	Machinery and equipment used in operations	PFC	None	112.84	Used in operations

Property Category	Property	Ownership	Obligation	Net value as of 31 Dec 2019 (Million baht)	Property Usage
	Machinery and equipment used in operations	Operating lease	Lease liabilities	0.58	Used in operations
5. Furniture, fixtures and office equipment, factories, hotels	Furnishings and office supplies	PFC	None	2.01	Used in operations
6. Vehicles	Business vehicles	PFC	None	0.25	Used in operations
	Business vehicles	Operating leases	Lease liabilities	0.6 5	Used in operations
7. Work in progress <sup>/3</sup>	Assets during installation and construction	PFC	None	0.24	Used in operations
Total				610.18	

**Remark :** <sup>/3</sup> Construction workers were buildings of the Ibis Styles Chiang Mai Hotel to improve them. Its location placed at Chang Phueak Sub-district, Muang District, Chiang Mai Province.

N.A. meaned renting properties from third parties that the company was unable to determine the obligation of such leased properties.

## 4. The Best Odour Co.,Ltd (BO)

Property Category	Property	Ownership	Obligation	Net value as of 31 Dec 2019 (Million baht)	Property Usage
1. Buildings	Office buildings / factories / warehouses	BO	None	21.60	Used in operations
	Office buildings / factories / warehouses	Rental agreement (More details in clause 5.3.1)	None	1.82	Factories, offices, warehouses, and maintenance buildings
	Staff room	Operating lease	N.A.		Staff room
2. Buildings	Building improvements used as offices and factories	BO	None	3.84	Office buildings / factories / warehouses
3. Machinery and equipment	Machinery and equipment used in operations	BO	None	16.59	Used in operations
4.Furnitures, fixtures and equipment offices,factories	Furnishings and office supplies	BO	None	0.37	Used in operations
5.Vehicles	Vehicles used in businesses	BO	None	0.00	Used in operations
6. Construction in progress	Properties during installation and construction	BO	None	0.08	Used in operations
			<b>Total</b>	<b>44.30</b>	

Remark : N.A. Referred to renting properties from third parties that the company was unable to determine the obligation of such leased properties.

## 5.The R&amp;B FOOD SUPPLY VIETNAM LIMITED LIABILITY COMPANY (RBVN)

Property Category	Property	Ownership	Obligation	Net value as of 31 Dec 2019 (Million baht)	Property Usage
1. Buildings and renovation buildings.	Office building improvements	RBVN	None	39.80	Used in operations
	Office building improvements and warehouses	Rental agreement (more details in clause 5.3.1)	N.A.	11.12	Sales Offices / Sales Offices and Factories
2. Machinery and equipment	Operating equipment	RBVN	None	-	Used in operations
3. Construction in progress <sup>/4</sup> .	Properties during installation and construction	RBVN	None	3.60	Used in operations
			<b>Total</b>	<b>54.52</b>	

Remark : <sup>/4</sup> Work in progress included construction of factory buildings to expand production of flour and sauces.

N.A. meaned renting property from third parties that the company was unable to determine the obligation of such leased properties.

## 6. The PT RBFOOD SUPPLY INDONESIA (RBINT)

Property Category	Property	Ownership	Obligation	Net worth at 31 Dec 2019 (Million baht)	Property Usage
1. Buildings and building improvements.	Building improvements	RBINT	None	-	Used in operations
	Building improvements	Rental agreement (More details in clause 5.3.1)	N.A.	-	Sales offices
2. Machinery and equipment	Operating equipment.	RBINT	None	0.05	Used in operations
3. Furniture, fixtures and equipment of offices, factories.	Furnishings and office supplies	RBINT	None	0.09	Used in operations
4. Vehicles	Business vehicles	RBINT	None	0.02	Used in operations
			Total	0.16	

Remark : N.A. meant to rent a properties from a third party that the company was unable to determine the obligation of such leased properties.



## 7. The PT RBFOOD MANUFAKTUR INDONESIA (RBINM)

Property Category	Property	Ownership	Obligation	Net worth at 31 Dec 2019 (Million baht)	Property Usage
1. Buildings and building improvements.	Office buildings / factories / warehouses	RBINM	None	20.57	Used in operations
	Office buildings / factories / warehouses	Rental agreement (More details in clause 5.3.1)	N.A.	5.43	Sales offices, warehouses and manufacturing plants
2. Machinery and equipment	Operating equipment.	RBINM	None	22.45	Used in operations
3. Furnitures, fixtures and equipment of offices, factories.	Furnishings and office supplies	RBINM	None	0.51	Used in operations
4. Vehicles	Business vehicles	Hire purchase contract	Liabilities under lease agreement	0.57	Used in operations
			Total	49.53	

Remark : N.A.meaned to rent a property from a third parties that the company was unable to determine the obligation of such leased properties.

## 8. The TAI-MEI-WEI-SHI-PING-YOU-XIAN-GONG-SI (RBCH)

Property Category	Property	Ownership	Obligation	Net worth at 31 Dec 2019 (Million baht)	Property Usage
1. Buildings	Room 2202, No. 65, Jos Xinbei Alley, Dajin Road, Liwan District, Guangzhou, China	Rental agreement (More details in clause 5.3.1)	N.A.	0.50	Sales offices
2. Furniture, fixtures and office equipment factory.	Furnishings and office supplies	RBCH	None	0.20	Used in operations
			<b>Total</b>	<b>0.70</b>	

Remark : N.A. meaned to rent a property from a third parties that the company was unable to determine the obligation of such leased properties.

#### 4.2 Investments in its Subsidiaries and related companies

Investment policy in its subsidiaries and related companies by investing in businesses that are related , having similar actions that will benefit and support the company's business operations to strengthen stability and the performance of the company. Besides, the company will consider the investment proportion, expected profit the risk that may arise and financial status of the company before investing in projects by such investment approval must be obtained from the Board of Directors 'meeting and / or the shareholders' meeting in accordance with the specified approval authority. In addition, to supervise the operations of its subsidiaries and associated companies, the company must send representative(s) of the company who has/have qualifications, experience and are free of conflicts with the business of its subsidiaries and associated companies in which it is suitable for the business that the company has invested in acting as a director in its subsidiaries and affiliated companies of that company, in order to control and supervise the business the operations of its subsidiaries and associates to be acted as one unit of the company. The company therefore requires the company's representative(s) to manage the business of its subsidiaries and associated companies in accordance with the rules and regulations stipulated in the regulations and laws relating to the business operation of subsidiaries and / or that associated company.

As at 31 December 2020 , three companies worth of investments in its subsidiaries under the cost method, net of the allowance for impairment of investment equal to 758.11 million baht, representing a percentage of 17.43 of the total assets according to the company's separate financial statements, the details are as follows:

Subsidiaries	Registered Capital	Paid-up Capital	Proportion Investment (%)	Book value under the net cost method of allowance for impairment of investment (Million baht)
1. The THAI FLAVOUR AND FRAGRANCE CO., LTD. (TFF)	183.00 million baht	183.00 million baht	99.99%	187.97
2. The Best Odour Co.,Ltd (BO)	36.50 million baht	36.50 million baht	99.97%	36.58
3. The PREMIUM FOODS CO., LTD. (PFC)	439.00 million baht	439.00 million baht	99.99%	444.17
4. The R&B FOOD SUPPLY VIETNAM LIMITED LIABILITY COMPANY (RBVN)	21,000 Million Vietnamese Dong (Or approximately 27.43 million baht)	15,680 Million Vietnamese Dong (Or approximately 22.76 million baht)	100.00%	22.76

Subsidiaries	Registered Capital	Paid-up Capital	Proportion Investment (%)	Book value under the net cost method of allowance for impairment of investment (Million baht)
5. The PT RBFOOD SUPPLY INDONESIA (RBINT)	20,000 Million rupiah (or approximately 44.63 million baht)	8,108 Million rupiah (Or approximately 20.18 million baht)	60.00%	14.89
6. The PT RBFOOD MANUFAKTUR INDONESIA (RBINM)	20,000 Million rupiah (or approximately 44.63 million baht)	17,066 Million rupiah (Or approximately 38.48 million baht)	80.00%	38.37
7. The GUANG-ZHOU-TAI-MEI-WEI-SHI-PING-YOU-XIAN-GONG-SI (RBCH)	3.00 Million yuan (or approximately 14.08 million baht)	3.00 Million yuan (Or approximately 14.08 million baht)	100.00%	13.37
<b>Total investment value</b>				<b>758.11</b>

## 5. Legal Disputes

As of 31 December 2020, the company does not have any legal disputes that may materially affect its business operations as well as there are no legal disputes that may adversely affect the assets of the company that is more than 5% of the shareholders' equity.

## 6. General and Other Important Information

### 6.1 General Information of the Issuing Company

Thai name	:	The R&B Food Supply Public Company Limited
English name	:	The R&B Food Supply Public Company Limited
Company Registration No.	:	0107561000374
Securities Initial	:	RBF
Nature of business	:	The company and its subsidiaries operate the business of manufacturing and distributing food ingredients in various groups as follows: (1) Flavor and food coloring. These include flavoring agents used in perfumes and cosmetics (2) Flour and sauces (3) Dehydrated products (4) Frozen food products (5) Plastic packagings and (6) Purchased for sale products, which are food additives such as preservatives, anti- mold, citric acid, etc. , including milk powder and sausage casings. In addition to the aforementioned businesses The subsidiaries have also invested in two hotels, namely: The ibis Styles Chiang Mai Hotel and the Novotel Chumphon Beach Resort & Golf.
Head office location	:	3395 Lat Phrao 101 Alley (Wat Bueng Thonglang) , Lat Phrao Road, Khlong Chan Sub- district, Bang Kapi District, Bangkok Metropolis 10240

Factory location :

factory	The location
Factory 1	No. 3395, Lat Phrao 101 Alley (Wat Bueng Thonglang), Lat Phrao Road, Khlong Chan Sub-district, Bang Kapi District, Bangkok Metropolis 10240
Factory 2	130/160 – 161, Village No. 3, Wang Chula Sub-district, Wang Noi District, Phra Nakhon Si Ayutthaya Province 13170
Factory 3	134, Village No. 1, Ban Wa Sub-district, Bang Pa-in District, Phra Nakhon Si Ayutthaya Province 13160
Factory 4	136, Village No. 5, Ban Wa Sub-district, Bang Pa-in District, Phra Nakhon Si Ayutthaya Province 13160
Factory 5	136/1, Village No. 5, Ban Wa Sub-district, Bang Pa-in District, Phra Nakhon Si Ayutthaya Province 13160

Factory 6	989, Village No. 1, Ban Len Sub-district, Bang Pa-in District, Phra Nakhon Si Ayutthaya Province 13160
Factory 7	135, Village No. 1, Ban Wa Sub-district, Bang Pa-in District, Phra Nakhon Si Ayutthaya Province 13160
Factory 8	258 Village No. 3, Chiang Mai-Phrao Road, Mae Faek Sub-district, San Sai District, Chiang Mai Province 50290
Factory 9	B2-4A workshop, ready-made warehouse, B side, Longhu Industrial Estate Khan Gioh District, Long An, Vietnam
Factory No.10	Block P-6B Factory Building, Jaba Bekasi Karang Industrial Estate, Bekasi District, Jakarta Indonesia

Tel	:	(66) 02 – 946 6812 – 21
Fax	:	(66) 02 – 183 5705
Website (URL)	:	<a href="https://www.rbsupply.co.th/">https://www.rbsupply.co.th/</a>
Capital	:	2,000,000,000 Baht (Two billion Baht)
Issued and Paid Capital	:	2,000,000,000 Baht (Two billion Baht)
Par value per share	:	1 Baht ( One Baht) 2,000,000,000 Baht ( Two Billion Baht only)

## 6.2 Information of Other References

6.2.1 Securities Registrar	<p>Thailand Securities Depository Company Limited</p> <p>The Stock Exchange of Thailand Building, 1<sup>st</sup> floor, Building B</p> <p>No. 93 Ratchadaphisek Road, Din Daeng Sub-district, Din Daeng District, Bangkok Metropolis 10400</p> <p>Tel : (66) 02 – 009 9000</p> <p>Fax : (66) 02 – 009 9991</p> <p>TSD Call Center : (66) 02 – 009 9999</p>
6.2.2 Auditor	<p>PricewaterhouseCoopers ABAS Company Limited</p> <p>Certified Public Accountant No. 4298</p> <p>15<sup>th</sup> floor Bangkok City Tower Building 179/74-80 Sathon Tai Road, Bangkok Metropolis 10120</p> <p>Tel (66) 02 – 344 1000</p> <p>Fax (66) 02 – 286 5050</p>

6.2.3 Internal Auditors

IVL Auditing Company Limited

No. 35, Wachiratham Sathit 36 Alley, Sukhumvit 101/1 Road,  
Bang Chak Sub- district, Phra Khanong District, Bangkok  
Metropolis 10260

Tel (66) 02 - 746 4861 - 3

Fax (66) 02 - 746 4569

6.2.4 Financial Advisor

The Asset Pro Management Company Limited no. 999/9 The  
Offices at Central World 10<sup>th</sup> floor

Room 1011-1012, Rama 1 Road, Pathum Wan Sub-district,  
Pathum Wan District, Bangkok Metropolis 10330

Tel (66) 02 – 264 5678

Fax (66) 02 – 264 5679