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| **1 General information** |

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

Head office: 77 Soi Pho Kaeo 3, Klongchan, Bangkapi Bangkok 10240

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

These consolidated and separate financial statements were authorised for issue by the Board of Directors on 21 February 2022.

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| **2 Significant events during the current year** |

Since January 2021, the Group ceases applying the temporary exemption guidance to relieve the impact from COVID-19 (temporary measures to relieve the impact from COIVD-19) announced by The Federation of Accounting Professions (TFAC) which were effective for reporting periods ending between 1 January 2020 and 31 December 2020. The impact of the ceasing the temporary exemption guidance in the 1st quarter of 2021, the Group accessed on the impairment of assets for cash-generating units of the hotel businesses : Novotel Chumphon Beach Resort & Golf and Ibis Styles Chiang Mai Hotel and set up impairment loss over property, plant and equipment and right-of-use assets of hotel business based on the asset appraisal report from an independence appraiser with amounting to Baht 1.24 million and Baht 61.02 million, respectively which has been disclosed in Note 18 and 19, which totaling Baht 62.26 million. Related impairment loss was charged in the consolidated statement of comprehensive income.

In the 2nd quarter of 2021, the Group dispose of the two hotel businesses on 1 June 2021 and 31 May 2021. The disposal of the hotel assets was made with the companies under common control and received all payment from the buyers. The Group engaged external independent valuers to determine a reasonable selling price. According, the Group recognised gain from sale discontinued operations amounting to Baht 15.08 million.

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| **3 Basis of preparation** |

The consolidated and separate financial statements have been prepared in accordance with Thai Financial Reporting Standards (“TFRS”) and the financial reporting requirements issued under the Securities and Exchange Act.

The consolidated and separate financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with TFRS requires management to use certain critical accounting estimates and to exercise its judgement in applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas that are more likely to be materially adjusted due to changes in estimates and assumptions are disclosed in Note 8.

An English version of the consolidated and separate financial statements have been prepared from the statutory financial statements that are in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language statutory financial statements shall prevail.

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| **4 New and amended financial reporting standards** |

For the new and amended financial reporting standards that are effective for the accounting period beginning or after   
1 January 2021 and 1 January 2022, the management had assessed that they do not have significant impact to the Group.

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| 5 Accounting policies |

**5.1** **Principles of consolidation accounting**

a) Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date on which control is transferred to the Group until the date that control ceases.

In the separate financial statements, investments in subsidiaries are accounted for using cost method.

b) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A difference between the amount of the adjustment to non-controlling interests to reflect their relative interest in the subsidiary and any consideration paid or received is recognised within equity.

c) Intercompany transactions on consolidation

Intra-group transactions, balances and unrealised gains and losses on transactions are eliminated unless the transaction provides evidence of an impairment of the asset transferred.

**5.2 Business combination under common control**

The Group accounts for business combination under common control by measuring acquired assets and liabilities of the acquiree at their carrying values presented in the highest level of the consolidation. The Group retrospectively adjusted the business combination under common control transactions as if the combination had occurred on the later of the beginning of the preceding comparative period and the date the acquiree has become under common control.

Consideration of business combination under common control are the aggregated amount of fair value of assets transferred, liabilities incurred and equity instruments issued by the acquirer at the date of which the exchange in control occurs.

The difference between consideration under business combination under common control and the acquirer’s interests in the carrying value of the acquiree is presented as “surplus arising from business combination under common control” in equity and is derecognised when the investment is disposed of by transferred to retained earnings.

**5.3 Foreign currency translation**

a) Functional and presentation currency

The financial statements are presented in Thai Baht, which is the Group’s and the Company’s functional and presentation currency.

b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss.

Any exchange component of gains and losses on a non-monetary item that recognised in profit or loss, or other comprehensive income is recognised following the recognition of a gain or loss on the non-monetary item.

c) Group companies

The operational results and financial position of the Group’s entities (none of which has the currency of a hyper-inflationary economy) that have a different functional currency from the Group’s presentation currency are translated into the presentation currency as follows.

- Assets and liabilities are translated at the closing rate at the date of respective statement of financial position;

- Income and expenses for each statement of profit or loss and statement of comprehensive income are translated at average exchange rates; and

- All resulting exchange differences are recognised in other comprehensive income.

**5.4 Cash and cash equivalents**

In the statements of cash flows, cash and cash equivalents includes cash on hand, deposits held at call, short-term highly liquid investments with maturities of three months or less from acquisition date and bank overdrafts.

In the statements of financial position, bank overdrafts are shown in current liabilities.

**5.5 Trade accounts receivable**

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within 60 days and therefore are all classified as current.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, they are recognised at fair value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost.

The impairment of trade receivables are disclosed in Note 5.8(d).

**5.6 Inventories**

Inventories are stated at the lower of cost and net realisable value.

Cost of inventories is determined by the moving average method. Cost of raw materials comprise all purchase cost and costs directly attributable to the acquisition of the inventory less all attributable discounts. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and directly attributable costs in bringing the inventories to their present location and condition.

**5.7 Biological assets**

Biological assets are measured at fair value less costs to sell. Fair value is determined based on the present value of expected net cash flows from the biological assets, the expected net cash flows are estimated market price of the biological asset less costs to sell which are the incremental cost directly attributable to the disposal of a biological asset.

Gains or losses arising from changes in the fair value less costs to sell are recognised in the income statement.

Biological assets comprising cultivating hemps are presented as Current assets in the statement of financial position until the point of harvest. Harvested hemp produces are transferred to cost of inventory at fair value less costs to sell when harvested.

**5.8 Financial asset**

a) Classification

The Group classified its financial assets instruments depends on the Group’s business model for managing the asset and the cash flow characteristics of the asset.

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

b) Recognition and derecognition

Regular way purchases, acquires and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

c) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, transaction costs that are directly attributable to the acquisition of the financial asset.

d) Impairment

For trade receivables, the Group applies the simplified approach, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

To measure the expected credit losses, trade receivables has been grouped based on shared credit risk characteristics and the days past due. The expected credit loss rates are based on payment profiles, historical credit losses as well as forward-looking information and factors that may affect the ability of the customers to settle the outstanding balances.

For other financial assets carried at amortised cost, the Group applies TFRS 9 general approach in measuring the impairment of those financial assets. Under the general approach, the 12-month or the lifetime expected credit loss is applied depending on whether there has been a significant increase in credit risk since the initial recognition.

The significant increase in credit risk (from initial recognition) assessment is performed every end of reporting period by comparing i) expected risk of default as of the reporting date and ii) estimated risk of default on the date of initial recognition.

The Group assesses expected credit loss by taking into consideration forward-looking information and past experiences. The expected credit loss is a probability-weighted estimate of credit losses (probability-weighted present value of estimated cash shortfall). The cash shortfall is the difference between all contractual cash flows that are due to the Group and all cash flows expected to receive, discounted at the original effective interest rate.

When measuring expected credit losses, the Group reflects the following:

* probability-weighted estimated uncollectible amounts
* time value of money; and
* supportable and reasonable information as of the reporting date about past experience, current conditions and forecasts of future situations.

Impairment (and reversal of impairment) losses are recognised in profit or loss as a separate line item.

The Group chose to apply the temporary measures to relieve the impact from COVID-19 announced by TFAC for the reporting periods ended between 1 January 2020 and 31 December 2020 by excluding forward-looking information in assessing the expected credit loss under the simplified approach of trade receivables, other receivables and lease receivables. The Group applied historical credit loss adjusted with the management’s judgement in estimating the expected credit loss as disclosed in note 6.1.2 c).

**5.9 Investment property**

Investment properties, principally land, factory, office buildings, building improvement and right-of-use assets, are held for long-term rental yields or for capital appreciation and are not occupied by the Group.

Investment property is measured initially at cost, including directly attributable costs and borrowing costs (if any).

Subsequent expenditure is capitalised to the asset’s carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Subsequently, they are carried at cost less accumulated depreciation and impairment.

Land is not depreciated. Depreciation on other investment properties is calculated using the straight-line method to allocate their costs to their residual values over their estimated useful lives, as follows:

Building improvements 10 years or 15 years

Factory, office buildings 20 years - 40 years

**5.10 Property, plant and equipment**

Property, plant and equipment are stated at historical cost less accumulated depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset’s carrying amount, only when it is probable that future economic benefits associated with the item will flow to the Group. The carrying amount of the replaced part is derecognised.

All other repairs and maintenance are charged to profit or loss when incurred.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Land improvements 5 years or 20 years

Building improvements 5 years - 20 years

Factories, office and hotel buildings 20 years - 55 years

Machineries and equipment 2 years - 10 years

Office equipment and furniture 5 years or 10 years

Vehicles 5 years

The assets’ residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains or losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in other gains or losses.

**5.11 Intangible assets**

*Acquired computer software*

Acquired computer software is measured at cost. These costs are amortised over their estimated useful lives not over than 3 years.

Cost associated with maintaining computer software are recognised as an expense as incurred.

**5.12 Impairment of assets**

Assets that have an indefinite useful life are tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired. Assets that are subject to amortisation are reviewed for impairment whenever there is an indication of impairment. An impairment loss is recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount. The recoverable amount is the higher of an asset’s fair value less costs of disposal and value in use.

Where the reasons for previously recognised impairments no longer exist, the impairment losses on the assets concerned other than goodwill is reversed.

The Group chose to apply the temporary measures to relieve the impact from COVID-19 announced by TFAC for the reporting periods ended between 1 January 2020 and 31 December 2020 by excluding information related to COVID-19 as an indication of the impairment of assets.

As at 1 January 2021, the Group ceases applying the temporary exemption guidance to relieve the impact from COVID-19 (temporary measures to relieve the impact from COIVD-19) announced by The Federation of Accounting Professions (TFAC) which were effective for reporting periods ending between 1 January 2020 and 31 December 2020. The impact of the ceasing the guidance which has the material impact has been disclosed in Note 2.

**5.13 Leases**

Leases - where the Group is the lessee

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

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the group is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

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

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

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

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

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

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

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

During the reporting period ended 2020, the Group received discounts in the lease payments from lessors due to the COVID-19 outbreak. The Group elected not to account for all discounts in the lease payments under the lease modification in accordance with TFRS 16. Instead, the Group has chosen to apply the temporary measures to relieve the impact from COVID-19 announced by TFAC for the reporting periods ended between 1 January 2020 and 31 December 2020 by reducing lease liabilities in the proportion of the reduction to the lease payments throughout the period that the Group has received the reduction. The Group also reversed depreciation charges on the right-of-use assets and interest expenses on the lease liabilities recognised in the same proportion of Baht 1,129,023 and Baht 2,015,417, respectively. The differences between the reduction of the lease liabilities and the reversal of the expenses of Baht 1,433,216 are recognised in administrative expense instead of remeasuring lease liabilities and adjusting the corresponding right-of-use assets from the lease modification.

**Leases - where the Group is the lessor**

Rental income under operating leases (net of any incentives given to lessees) is recognised on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the statement of financial position based on their nature.

The investment properties are leased to tenants under operating leases with rentals payable monthly.

**5.14 Financial liabilities**

1. Classification

Financial instruments issued by the Group are classified as either financial liabilities or equity securities by considering contractual obligations.

* Where the Group has an unconditional contractual obligation to deliver cash or another financial asset to another entity, it is considered a financial liability unless there is a predetermined or possible settlement for a fixed amount of cash in exchange of a fixed number of the Group’s own equity instruments.
* Where the Group has no contractual obligation or has an unconditional right to avoid delivering cash or another financial asset in settlement of the obligation, it is considered an equity instrument.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

b) Measurement

Financial liabilities are initially recognised at fair value and are subsequently measured at amortised cost.

c) Derecognition and modification

Financial liabilities are derecognised when the obligation specified in the contract is discharged, cancelled, or expired.

Where the terms of a financial liability are renegotiated/modified, the Group assesses whether the renegotiation / modification results in the derecognition of that financial liability. Where the modification results in an extinguishment, the new financial liability is recognised based on fair value of its obligation. The remaining carrying amount of financial liability is derecognised. The difference as well as proceed paid is recognised as other gains/(losses) in profit or loss.

Where the modification does not result in the derecognition of the financial liability, the carrying amount of the financial liability is recalculated as the present value of the renegotiated / modified contractual cash flows discounted at its original effective interest rate. The difference is recognised in other gains/(losses) in profit or loss.

**5.15 Borrowing costs**

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets (assets that take 12 months to get ready for its intended use or sale) are added to the cost of those assets less investment income earned from those specific borrowings. The capitalisation of borrowing costs is ceased when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

Other borrowing costs are expensed in the period in which they are incurred.

**5.16 Current and deferred income taxes**

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current tax

The current income tax is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax

Deferred income tax is recognised on temporary differences arising from differences between the tax base of assets and liabilities and their carrying amounts in the financial statements. However, deferred income tax is not recognised for temporary differences arise from:

* initial recognition of an asset or liability in a transaction other than a business combination that affects neither accounting nor taxable profit or loss is not recognised
* investments in subsidiaries, associates and joint arrangements where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax is measured using tax rates of the period in which temporary difference is expected to be reversed, based on tax rates and laws that have been enacted or substantially enacted by the end of the reporting period.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

## 5.17 Employee benefits

5.17.1) Short-term employee benefits

Liabilities for short-term employee benefits such as wages, salaries, paid annual leave and paid sick leave, profit-sharing and bonuses, and medical care that are expected to be settled wholly within 12 months after the end of the period are recognised in respect of employees’ service up to the end of the reporting period. They are measured at the amount expected to be paid.

5.17.2) Defined contribution plan

The Group pays contributions to a separate fund on a contractual. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due.

5.17.3) Defined benefit plans

Amount of retirement benefits is defined by the agreed benefits the employees will receive after the completion of employment. It usually depends on factors such as age, years of service and an employee’s latest compensation at retirement.

The defined benefit obligation is calculated by an independent actuary using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yield of government bonds that matches the terms and currency of the expected cash outflows.

Remeasurement gains and losses are recognised directly to other comprehensive income in the period in which they arise. They are included in retained earnings in the statements of changes in equity.

Past-service costs are recognised immediately in profit or loss

**5.18 Provisions**

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation. The increase in the provision due to passage of time is recognised as interest expense.

**5.19 Share capital**

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options (net of tax) are shown as a deduction in equity.

**5.20 Revenue** **and expense recognition**

Revenue include all revenues from ordinary business activities. All ancillary income in connection with the delivery of goods and rendering of services in the course of the Group’s ordinary activities is also presented as revenue.

Revenue are recorded net of value added tax. They are recognised in accordance with the provision of goods or services, provided that collectibility of the consideration is probable.

The Group’s policy is to sell its products to the end customer with a right of return within 1 month separated by type of customer. Therefore, a refund liability and a right to returned goods are recognised for the products expected to be returned. Accumulated experience is used to estimate such returns at the time of sale at a portfolio level by applying expected value method. The Group recognised an estimated goods return deducting from revenue and cost of goods sold, respectively.

The validity of this assumption and the estimated amount of returns are reassessed at each reporting date.

Multiple element arrangements involving delivery or provision of multiple products or services are separated into distinct performance obligations. Total transaction price of the bundled contract is allocated to each performance obligation based on their relative standalone selling prices or estimated standalone selling prices. Each performance obligation is recognised as revenue on fulfillment of the obligation to the customer.

*Services*

The Group recognised service contracts with a continuous service provision as revenue on a straight-line basis over the contract term, regardless of the payment pattern.

*Payments to customers*

Payments to customers or on behalf of customers to other parties, including credited or subsequent discounts, are recognised as a reduction in revenue unless the payment constitutes consideration of a distinct goods or service from the customer.

*Hotel*

Revenue from hotel ownership comprises amounts earned in respect of rental of rooms, food and beverage sales, and other ancillary services. Revenue is recognised over the period when rooms are occupied or services are performed. Revenue from the sale of food and beverages and goods is recognised at the point of sale when the food and beverages and goods are delivered to customers. Payment is due immediately when the hotel guest occupies the room and receives the services and goods.

*Financing components*

The Group does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

Interest income and interest expense are recognised using the effective interest method.

Revenue arising from royalties is recognised on an accrual basis in accordance with the substance of the relevant agreements. Dividend income is recognised when the right to receive payment is established.

Expense is recognised on an accrual basis.

**5.21 Dividend distribution**

Dividend distributed to the Company’s shareholders is recognised as a liability when interim dividends are approved by the Board of Directors, and when the annual dividends are approved by the shareholders.

**5.22 Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The Chief Operating Decision-Maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as Chief Financial Officer that makes strategic decisions.

**5.23 Discontinued operation**

A discontinued operation is a component of the Group that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the consolidated statement of comprehensive income.

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| **6 Financial risk management** |

**6.1 Financial risk factors**

The Group exposes to a variety of financial risk: market risk (including foreign exchange risk and interest rate risk), credit risk and liquidity risk. The Group’s overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group’s financial performance. The board of directors provides written principles for overall risk management which is carried out by a central treasury department (the Group treasury), including identification, evaluation and hedge of financial risks in close co-operation with operating units.

Financial risk management is carried out by the Group Treasury Committee. The Group’s policy includes areas such as foreign exchange risk, interest rate risk, credit risk and liquidity risk. The framework parameters are approved by the Board of Directors and uses as the key communication and control tools for Treasury team for all entities in the Group.

### 6.1.1 Market risk

a) Foreign exchange risk

The Group has the subsidiaries in foreign countries and operates internationally and is exposed to foreign exchange risk arising from various currency exposures. The Group’s primary functional currency is Baht, while overseas sales, purchases and borrowings transactions are primarily denominated in US dollar. The Group uses forward contracts to hedge their exposure to foreign currency risk in connection with measurement currency. The Group uses forward contracts to hedge their exposure to foreign currency risk in connection with measurement currency.

*Exposure*

The Group’s exposure to foreign currency risk at the end of the reporting period, expressed in Baht are as follows:

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| --- | --- | --- | --- | --- |
|  | **Consolidated financial statements** | | **Separate financial statements** | |
|  | **31 December 2021** | **31 December 2020** | **31 December 2021** | **31 December 2020** |
|  | **US Dollar Baht** | **US Dollar Baht** | **US Dollar Baht** | **US Dollar Baht** |
|  |  |  |  |  |
| Cash and cash equivalents | 146,759,476 | 59,409,322 | 99,600,780 | 39,564,141 |
| Trade and other receivables - net | 39,903,744 | 31,417,659 | 69,764,910 | 132,352,417 |
| Short-term loan to related party | - | - | 6,649,380 | 5,978,000 |
| Long-term loans to related parties | - | - | 145,010,335 | 40,167,133 |
|  |  |  |  |  |
| Trade and other payables | 119,638,335 | 84,541,668 | 113,407,111 | 78,854,707 |

*Sensitivity*

As shown in the table above, the Group is primarily exposed to changes in Baht and US Dollar exchange rates. The sensitivity of profit or loss to changes in the exchange rates arises mainly from financial assets and financial liabilities denominated in US Dollar.

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| --- | --- | --- | --- | --- |
|  | **Consolidated financial statements** | | **Separate financial statements** | |
|  | **Impact to net profit** | | **Impact to net profit** | |
|  | **2021**  **Baht** | **2020**  **Baht** | **2021**  **Baht** | **2020**  **Baht** |
|  |  |  |  |  |
| Baht to US Dollar exchange rate  - increase 10% | 7,229,595 | 1,461,585 | 22,149,903 | 14,383,229 |
| Baht to US Dollar exchange rate  - decrease 10% | (7,229,595) | (1,461,585) | (22,149,903) | (14,383,229) |

b) Cash flow and fair value interest rate risk

The Group’s income and operating cash flows are substantially independent of changes in market interest rates. The Group is exposed to interest rate risk relates primarily to its deposits at financial institutions, short-term and long-term loans to related parties and long-term borrowings from related parties. Most of the Group’s financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rates. The Group assesses that the interest rate risk is insignificant as the interests from financial assets and financial liabilities are not significantly different. However, the Group will use interest rate swap to management the risk when necessary.

The Group and the Company does not apply hedge accounting.

### 6.1.2 Credit risk

Credit risk arises from cash and cash equivalents, contractual cash flows of debt investments carried at amortised cost, including outstanding receivables and short-term and long-term loans to related parties.

a) Risk management

Credit risk is managed on a group basis. For banks and financial institutions, only independently rated parties are accepted.

If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience in collectability and other factors. Individual risk limits are set based on tjps assessments in accordance with limits set by the board. The compliance with credit limits by customers is regularly monitored by line management.

Sales to retail customers are required to be settled in cash to mitigate credit risk. There are no significant concentrations of credit risk, whether through exposure to individual customers or specific industry sectors.

b) Security

For some trade receivables the Group may obtain security related to the trade by using letters of credit which can be called upon from financial institution if the counterparty is in default under the terms of the agreement.

c) Impairment of financial assets

The Group and the Company have financial assets that are subject to the expected credit loss model:

* Cash and cash equivalents
* Trade and other receivables
* Investment in debt instruments measured at amortised cost
* Loan to related parties

While cash and cash equivalents and investment in debt instruments measured at amortised cost are also subject to the impairment requirements of TFRS 9, the identified impairment loss was immaterial.

*Trade receivables and other receivables*

The Group applies the TFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due.

The expected loss rates are based on the payment profiles of sales over a period of 12 months before   
31 December 2021 and the corresponding historical credit losses experienced within this period.   
The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified the GDP, the unemployment rate, and consumer price index of the countries in which it sells its goods and services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

On that basis, the loss allowance was determined as follows for trade receivables:

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| --- | --- | --- | --- | --- | --- | --- |
|  | **Consolidated financial statements** | | | | | |
|  | **Not yet due**  **Baht** | **Up to 3**  **months**  **Baht** | **3 - 6**  **months**  **Baht** | **6 - 12**  **months Baht** | **More than**  **12 months**  **Baht** | **Total**  **Baht** |
|  |  |  |  |  |  |  |
| **31 December 2021** |  |  |  |  |  |  |
| Gross carrying amount |  |  |  |  |  |  |
| - trade receivables | 515,321,411 | 256,510,180 | 4,359,508 | 1,726,199 | 36,973,650 | 814,890,948 |
| - other receivables from  other companies | 6,075,886 | 37,798 | 13,525 | 58,393 | 8,276,548 | 14,462,150 |
|  |  |  |  |  |  |  |
| Loss allowance | (96,224) | (147,567) | (11,542) | (106,340) | (45,424,652) | (45,786,325) |
|  |  |  |  |  |  |  |
| **A31 December 2020** |  |  |  |  |  |  |
| Gross carrying amount |  |  |  |  |  |  |
| - trade receivables | 479,758,511 | 282,378,644 | 10,633,715 | 14,378,816 | 29,045,571 | 816,195,257 |
| - other receivables from  other companies | 7,115,433 | - | - | - | 4,526,613 | 11,642,046 |
|  |  |  |  |  |  |  |
| Loss allowance | (3,897,964) | (395,808) | (242,190) | (1,184,740) | (33,617,926) | (39,338,628) |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | **Separate financial statements** | | | | | |
|  | **Not yet due**  **Baht** | **Up to 3**  **months**  **Baht** | **3 - 6**  **months**  **Baht** | **6 - 12**  **months**  **Baht** | **More than**  **12 months**  **Baht** | **Total**  **Baht** |
|  |  |  |  |  |  |  |
| **31 December 2021** |  |  |  |  |  |  |
| Gross carrying amount |  |  |  |  |  |  |
| - trade receivables | 426,426,986 | 214,540,275 | 439,721 | 776,418 | 33,370,348 | 675,553,748 |
| - other receivables  from other companies | 35,100 | 23,981 | - | 40,360 | 4,916,882 | 5,016,323 |
|  |  |  |  |  |  |  |
| Loss allowance | (96,224) | (147,567) | (11,542) | (106,340) | (38,501,135) | (38,862,808) |
|  |  |  |  |  |  |  |
| **31 December 2020** |  |  |  |  |  |  |
| Gross carrying amount |  |  |  |  |  |  |
| - trade receivables | 383,985,794 | 251,975,065 | 26,191,876 | 45,536,274 | 25,204,351 | 732,893,360 |
| - other receivables  from other companies | 2,983,813 | - | - | - | 1,933,069 | 4,916,882 |
|  |  |  |  |  |  |  |
| Loss allowance | (3,110,525) | (395,808) | (242,190) | (1,184,740) | (26,879,273) | (31,812,536) |

The loss allowances for trade receivables and other receivables as at 31 December reconcile to the opening loss allowances as follows:

|  |  |  |
| --- | --- | --- |
|  | **Consolidated**  **financial statements** | |
|  | **Trade receivables**  **and other receivables** | |
|  | **2021** | **2020** |
|  | **Baht** | **Baht** |
|  |  |  |
| **Opening loss allowance as at 1 January** | (39,338,628) | (21,047,961) |
| Increase in loss allowance recognised in profit or loss during the year | (6,457,484) | (18,306,207) |
| Receivable written off during the year as uncollectible | - | - |
| Unused amount reversed | - | - |
| Currency differences | 9,787 | 15,540 |
|  |  |  |
| **Closing loss allowance at 31 December** | (45,786,325) | (39,338,628) |

|  |  |  |
| --- | --- | --- |
|  | **Separate financial statements** | |
|  | **Trade receivables**  **and other receivables** | |
|  | **2021** | **2020** |
|  | **Baht** | **Baht** |
|  |  |  |
| **Opening loss allowance as at 1 January** | (31,812,536) | (16,068,984) |
| Increase in loss allowance recognised in profit or loss during the year | (7,050,272) | (15,743,552) |
| Unused amount reversed | - | - |
|  |  |  |
| **Closing loss allowance at 31 December** | (38,862,808) | (31,812,536) |

The Group and the Company write-off trade receivables when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the group, and a failure to make contractual payments.

Impairment losses on trade receivables and contract assets are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

*Loans to related parties*

Loans to related parties measured at amotised cost are considered to have low credit risk, and the loss allowance recognised during the year was therefore limited to 12 months expected losses. Lifetime expected credit losses is recognised for the loans that the credit risk is significant increased.

Reconcilation of loss allowance for financial asset mearured at amortised cost as at 31 December as follows;

|  |  |  |
| --- | --- | --- |
|  | **Separate financial statements** | |
|  | **Loans to related parties** | |
|  | **2021** | **2020** |
|  | **Baht** | **Baht** |
|  |  |  |
| **Opening loss allowance as at 1 January** | (2,134,574) | - |
| Increase in loss allowance recognised in profit or loss during the year | - | (2,134,574) |
| Unused amount reversed | 774,048 | - |
|  |  |  |
| **Closing loss allowance at 31 December** | (1,360,526) | (2,134,574) |

6.1.3 Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. At the end of the reporting period the Group and the Company held cash and deposits at call of Baht 774,464,411 and Baht 357,869,139, respectively (2020: Baht 613,654,534 and Baht 415,523,283, respectively) that are expected to readily generate cash inflows for managing liquidity risk. Due to the dynamic nature of the underlying businesses, the Group Treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors i) rolling forecasts of the Group’s liquidity reserve (comprising the undrawn borrowing facilities below); and ii) cash and cash equivalents on the basis of expected cash flows. In addition, the Group’s liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary, monitoring balance sheet liquidity ratios and maintaining financing plans.

a) Financing arrangements

The Group has access to the following undrawn credit facilities as at 31 December as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated**  **financial statements** | | **Separate**  **financial statements** | |
|  | **2021** | **2020** | **2021** | **2020** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
| **Floating rate** |  |  |  |  |
| Expiring within one year |  |  |  |  |
| - Bank overdraft | 971,006,871 | 966,307,015 | 544,400,000 | 537,926,705 |
| Expiring beyond one year |  |  |  |  |
| - Bank loans | - | - | - | - |
|  |  |  |  |  |
|  | 971,006,871 | 966,307,015 | 544,400,000 | 537,926,705 |

b) Maturity of financial liabilities

The tables below analyse the maturity of financial liabilities grouping based on their contractual maturities. The amounts disclosed are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **Consolidated financial statements** | | | | |
| **Maturity of financial liabilities** | **Within**  **1 year**  **Baht** | **1 - 5 years**  **Baht** | **Over**  **5 years**  **Baht** | **Total**  **Baht** | **Book**  **value**  **Baht** |
| **As at 31 December 2021** |  |  |  |  |  |
| Trade payables and other payables | 487,454,713 | - | - | 487,454,713 | 487,454,713 |
| Lease liabilities | 20,880,844 | 63,536,673 | 179,520,515 | 263,938,032 | 167,605,488 |
|  |  |  |  |  |  |
| **Total financial liabilities** | 508,335,557 | 63,536,673 | 179,520,515 | 751,392,745 | 655,060,201 |
|  |  |  |  |  |  |
| **As at 31 December 2020** |  |  |  |  |  |
| Trade payables and other payables | 365,997,505 | - | - | 365,997,505 | 365,997,505 |
| Lease liabilities | 25,399,740 | 83,796,173 | 482,952,427 | 592,148,340 | 307,009,384 |
|  |  |  |  |  |  |
| **Total financial liabilities** | 391,397,245 | 83,796,173 | 482,952,427 | 958,145,845 | 673,006,889 |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **Separate financial statements** | | | | |
| **Maturity of financial liabilities** | **Within**  **1 year**  **Baht** | **1 - 5 years**  **Baht** | **Over**  **5 years**  **Baht** | **Total**  **Baht** | **Book**  **value**  **Baht** |
| **As at 31 December 2021** |  |  |  |  |  |
| Trade payables and other payables | 430,841,285 | - | - | 430,841,285 | 430,841,285 |
| Lease liabilities | 13,469,966 | 57,268,039 | 176,533,872 | 247,271,877 | 153,630,275 |
|  |  |  |  |  |  |
| **Total financial liabilities** | 444,311,251 | 57,268,039 | 176,533,872 | 678,113,162 | 584,471,560 |
|  |  |  |  |  |  |
| **As at 31 December 2020** |  |  |  |  |  |
| Trade payables and other payables | 297,744,435 | - | - | 297,744,435 | 297,744,435 |
| Lease liabilities | 12,400,958 | 49,336,385 | 195,900,602 | 257,637,945 | 155,400,621 |
|  |  |  |  |  |  |
| **Total financial liabilities** | 310,145,393 | 49,336,385 | 195,900,602 | 555,382,380 | 453,145,056 |

|  |
| --- |
| **7 Fair value** |

The following financial assets and liabilities are measured at amortised cost which its fair value is approximating the carrying amount.

|  |  |
| --- | --- |
| **Consolidated financial statements** | **Separate financial statements** |
|  |  |
| **Financial assets**   * Cash and cash equivalents * Trade and other receivables - net * Other current assets * Financial assets (fixed deposit) measured at   amortised cost   * Other non-current assets | **Financial assets**   * Cash and cash equivalents * Trade and other receivables - net * Other current assets * Financial assets (fixed deposit) measured at   amortised cost   * Loans to related parties - net * Other non-current assets |
| **Financial liabilities**   * Trade and other payables * Other current liabilities * Lease liabilities | **Financial liabilities**   * Trade and other payables * Other current liabilities * Lease liabilities |

The following table presents non-financial assets that mearued and disclosed at fair value:

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| a | **Consolidated financial statements** | | | | | | | |
|  | **Level 1** | | **Level 2** | | **Level 3** | | **Total fair value** | |
|  | **31 December 2021** | **31 December 2020** | **31 December 2021** | **31 December 2020** | **31 December 2021** | **31 December 2020** | **31 December 2021** | **31 December 2020** |
| **Assets** |  |  |  |  |  |  |  |  |
| Biological assets | - | - | - | - | 2,601,397 | - | 2,601,397 | - |
| Investment properties | - | - | - | - | 126,800,000 | 126,800,000 | 126,800,000 | 126,800,000 |
|  |  |  |  |  |  |  |  |  |
| **Total non-financial assets measured and disclosed at fair value** | **-** | **-** | **-** | **-** | **129,401,397** | **126,800,000** | **129,401,397** | **126,800,000** |

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | **Separate financial statements** | | | | | | | |
|  | **Level 1** | | **Level 2** | | **Level 3** | | **Total fair value** | |
|  | **31 December 2021** | **31 December 2020** | **31 December 2021** | **31 December 2020** | **31 December 2021** | **31 December 2020** | **31 December 2021** | **31 December 2020** |
| **Assets** |  |  |  |  |  |  |  |  |
| Biological assets | - | - | - | - | 2,601,397 | - | 2,601,397 | - |
| Investment properties | - | - | - | - | 129,717,550 | 129,717,550 | 129,717,550 | 129,717,550 |
|  |  |  |  |  |  |  |  |  |
| **Total non-financial assets measured and disclosed at fair value** | **-** | **-** | **-** | **-** | **132,318,947** | **129,717,550** | **132,318,947** | **129,717,550** |

Fair values are categorised into hierarchy based on inputs used as follows:

Level 1: The fair value of financial instruments is based on the current bid price / closing price by reference to the Stock Exchange of Thailand / the Thai Bond Dealing Centre.

Level 2: The fair value of financial instruments is determined using significant observable inputs and, as little as possible, entity-specific estimates.

Level 3: The fair value of financial instruments is not based on observable market data.

The fair value of financial assets and liabilities are according to the accounting policies disclosed in Note 5.8 and Note 5.14.

The fair value of biological assets is disclosed in Note 15.

Investment properties

The investment properties were valued at fair value for disclose in financial statements. Management engaged independent professionally qualified valuers who hold a recognised relevant professional qualification and have recent experience in the locations and segments of the investment properties valued.

The valuer applied income approach and market comparison approach which classified as fair value level 3 of fair value hierarchy as detail in Note 17.

There were no transfers between levels 1 and 2 during the year.

The Group’s policy is to recognise transfers into and transfers out of fair value hierarchy levels as of the date of the event or change in circumstances that caused the transfer.

Group’s valuation processes

The Group’s Finance Department performs the valuations of financial assets required for financial reporting purposes, including level 3 fair values. This team reports directly to the chief financial officer (CFO). Discussions of valuation processes and results are held between the CFO and the valuation team at least once every quarter, in line with the Group’s quarterly reporting dates.

|  |
| --- |
| **8 Critical accounting estimates and judgements** |

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

1. **Allowance for diminution in value of inventories**

The Group has made allowance, where necessary, for diminution in value of inventories by estimating the net realisable value which was calculated from selling price in the ordinary course of business, less the cost of completion and selling expenses. Furthermore, the calculation of the net realisable value estimation is based on historical experience, management’s knowledge of the industry and future market trend and the allowance for obsolescence and diminution in value of inventories are determined through a combination of analysis of inventories aging.

1. **Allowances for inventory obsolescence**

Allowance is made, where necessary, for obsolete, slow-moving and defective inventories. The assessment for the allowances for obsolete and slow-moving inventories required a degree of estimation from judgement. Management has applied their assessment on their experience and historical data. Each category of inventory with no movement longer than the ordinary course of business was subject to allowances. The level of the allowances was assessed by taking into account the historical and recent sales experience, the aging of inventories and other factors that affected obsolete and slow-moving inventories.

1. **Useful life of plants, equipment and intangible assets**

In determining depreciation of plant and equipment, the management is required to make estimates of the useful lives and residual values of the Group’s plant and equipment and to review estimate useful lives and residual values when there are any changes from the estimates made during the prior year, derecognition of the dilapidated asset or cease of usage from disposal or disused.

1. **Retirement benefits**

The present value of the retirement benefit obligations depends on a number of assumptions. Key assumptions used and impacts from possible changes in key assumptions are disclosed in Note 23.

1. **Deferred tax assets**

Deferred tax assets are recognised in respect of temporary differences only to the extent that it is probable that taxable profit will be available against which these differences can be utilised. Significant management judgments are required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimated future taxable profits.

1. **Impairment of investments in subsidiaries**

The Group tests whether investments in subsidiaries and cash generating unit have suffered any impairment when there is any indication of impairment. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of management's estimation.

1. **Determination of lease terms**

Critical judgement in determining the lease term, the Group considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

For leases of properties, the most relevant factors are historical lease durations, the costs and conditions of leased assets.

Most extension options on offices and vehicles leases have not been included in the lease liability, because the Group considers i) the underlying asset condition and/or ii) insignificant cost to replace the leased assets.

The lease term is reassessed if an option is actually exercised (or not exercised) or the Group becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstance affecting this assessment occur, and that it is within the control of the Group.

1. **Determination of discount rate applied to leases**

The Group determines the incremental borrowing rate as follows:

* Where possible, use recent third-party financing received by the individual lessee as a starting point, adjusting to reflect changes in its financing conditions.
* Make adjustments specific to the lease, e.g. term, country, currency and security.

1. **Impairment of financial assets**

The loss allowances for financial assets are based on assumptions about default risk and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs used in the impairment calculation, based on the Group’s past history and existing market conditions, as well as forward-looking estimates at the end of each reporting period.

1. **Fair value assessment level 3**

The Group assessed the fair value by engaging experts for valuation fair value of such assets. In case of no market price in observable market, the Group will assess fair value by applying assumptions which the management believed that reasonable and reliable reflect market price. Management will re-assess assumption and related input factors of valuation assumption at the end of each reporting period.

|  |
| --- |
| **9 Segment information** |

The Group’s Chief Operating Decision Makers identifies reportable segments of its business to examine the Group’s performance separting sources of revenue, domestic and overseas, which operates production and trading business and hotel business as follows:

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | **Consolidated financial statements** | | | | | | | | | |
|  | **Domestic revenues** | | **Overseas revenues** | | | |  | | | |
|  | **Production and trading** | | | **Production and trading** | | | | **Total** | | |
|  | **2021** | **2020** | | | **2021** | **2020** | | | **2021** | **2020** |
|  | **Baht** | **Baht** | | | **Baht** | **Baht** | | | **Baht** | **Baht** |
|  |  |  | | |  |  | | |  |  |
| Segment revenues | 3,093,486,093 | 2,974,655,827 | | | 736,621,544 | 556,066,182 | | | 3,830,107,637 | 3,530,722,009 |
| Less Inter-segment revenues | (301,016,036) | (290,083,974) | | | (145,109,916) | (124,259,809) | | | (446,125,952) | (414,343,783) |
|  |  |  | | |  |  | | |  |  |
| **Revenue from external customers** | 2,792,470,057 | 2,684,571,853 | | | 591,511,628 | 431,806,373 | | | 3,383,981,685 | 3,116,378,226 |
|  |  |  | | |  |  | | |  |  |
| **Segment profit or loss** | 1,136,898,965 | 1,224,212,001 | | | 121,287,104 | 82,874,598 | | | 1,258,186,069 | 1,307,086,599 |
|  |  |  | | |  |  | | |  |  |
| (Loss) gain on exchange rate |  |  | | |  |  | | | 10,490,245 | 10,306,230 |
| Other income |  |  | | |  |  | | | 7,078,586 | 4,439,122 |
| Selling expenses |  |  | | |  |  | | | (218,426,954) | (187,151,341) |
| Administrative expenses |  |  | | |  |  | | | (444,307,172) | (412,635,047) |
| Net impairment losses on financial assets |  |  | | |  |  | | | (6,457,484) | (19,719,903) |
| Finance costs |  |  | | |  |  | | | (8,861,475) | (7,913,956) |
|  |  |  | | |  |  | | |  |  |
| **Profit before income tax** |  |  | | |  |  | | | 597,701,815 | 694,411,704 |
| Income tax expense |  |  | | |  |  | | | (115,793,289) | (128,688,348) |
|  |  |  | | |  |  | | |  |  |
| **Profit for the year from continuing operations** |  |  | | |  |  | | | 481,908,526 | 565,723,356 |
| Loss from discontinued operations |  |  | | |  |  | | | (59,116,792) | (48,416,804) |
|  |  |  | | |  |  | | |  |  |
| **Net profit for the year** |  |  | | |  |  | | | 422,791,734 | 517,306,552 |
|  |  |  | | |  |  | | |  |  |
| **Timing of revenue recognition** |  |  | | |  |  | | |  |  |
| At a point in time | 2,792,470,057 | 2,684,571,853 | | | 583,492,325 | 427,153,581 | | | 3,375,962,382 | 3,111,725,434 |
| Over time | - | - | | | 8,019,303 | 4,652,792 | | | 8,019,303 | 4,652,792 |
|  |  |  | | |  |  | | |  |  |
| **Total revenue** | 2,792,470,057 | 2,684,571,853 | | | 591,511,628 | 431,806,373 | | | 3,383,981,685 | 3,116,378,226 |

During 2021, the Group has two customers whose sales accounted to be 14% and 7% of total revenue from sales and rendering services, which was domestic production and trading revenues. Total revenues from this customer during the year were Baht 680,286,202 (2020: the Group has two customers whose sales accounted to be 13% and 11% of total revenue from sales and rendering services, which was domestic production and trading revenues. Total revenues from this customer during the year were Baht 796,812,848).

|  |
| --- |
| **10 Discontinued operation** |

*Financial performance and cash flow information*

At the Annual General Meeting of Shareholders no.1/2021 of the Company held on 23 April 2021, approved to dispose the two hotel businesses: Novotel Chumphon Beach Resort & Golf and Ibis Styles Chiang Mai Hotel which were the businesses under Thai Flavour and Fragrance Co., Ltd. and Premium Foods Co., Ltd. respectively, (“Subsidiaries”) to the Companies under common control. The Group classified the disposal transactions of the two hotel businesses as Non-current Assets Held for Sale and stopped depreciate assets since 23 April 2021.

Under the hotel sale agreements which included long term land leaseholds which the Group transferred these leaseholds right to the buyers. The impact of terminated rental contract and disposal showed in Note 19.

The employees of these two hotels were terminated their employment contracts and the Group has obligation to pay the compensations according to Labour Protection Act which already paid on 28 June 2021 with total of Baht 2,185,738 and recorded in consolidated statement of comprehensive income. In addition, there were employees who prefer to transfer to the buyers’ companies and the Group will responsible for employee benefit obligation of these employees for their past service provided for the Group with amounting to Baht 4,787,475 showed in Note 23 and classified as Other payable - related parties in Q2’2021. During Q3’2021, it was paid by offsetting Other payable-related parties with Other account receivable-related parties.

The Group engaged external independent valuers approved by the Securities and Exchange Commission to appraise selling price with amounting of Baht 272,000,000 and gained after allowance for impairment of assets with amounting to Baht 15,081,669.

The financial performance and cash flow information from discontinued operations presented for year ended 31 December 2021 and 2020 are as follows:

|  |  |  |
| --- | --- | --- |
|  | **Consolidated**  **Financial statements** | |
|  | **31 December 2021** | **31 December 2020** |
|  |  |  |
| Revenue | 7,069,065 | 55,697,723 |
| Expenses | (32,359,633) | (117,762,383) |
| Impairment of assets (Note2) | (62,259,918) | - |
|  |  |  |
| Loss before income tax | (87,550,486) | (62,064,660) |
| Income tax | 16,368,359 | 13,647,356 |
|  |  |  |
| Loss after income tax - before loss on disposal of discontinued operations | (71,182,127) | (48,416,804) |
| Gain on disposal of discontinued operations | 15,081,669 | - |
| Income tax from gain on disposal of discontinued operations | (3,016,334) | - |
|  |  |  |
| **Loss after income tax - Discontinued operations** | (59,116,792) | (48,416,804) |
|  |  |  |
|  |  |  |
| Operating cash flows | (16,173,339) | (35,655,494) |
| Investing cash flows | 260,791,909 | (2,356,397) |
| Financing cash flows | 692,280 | 1,005,689 |
|  |  |  |
| **Net cash flows** | 245,310,850 | (37,006,202) |

|  |
| --- |
| **11 Cash and cash equivalents** |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated**  **financial statements** | | **Separate**  **financial statements** | |
|  | **2021** | **2020** | **2021** | **2020** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| Cash on hand | 845,574 | 892,902 | 300,000 | 330,000 |
| Deposits at banks | 773,618,837 | 612,761,632 | 357,569,139 | 415,193,283 |
|  |  |  |  |  |
| Total | 774,464,411 | 613,654,534 | 357,869,139 | 415,523,283 |

The effective interest rates on deposits at banks of the Group and the Company are 0.05% - 0.375% per annum (2020: 0.05% - 0.375% per annum).

|  |
| --- |
| **12 Trade and other receivables** |

12.1 Trade and other receivables

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated**  **financial statements** | | **Separate**  **financial statements** | |
|  | **2021** | **2020** | **2021** | **2020** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| Trade receivables - other companies | 813,890,413 | 815,552,695 | 588,907,825 | 579,226,370 |
| Trade receivables - related parties (Note 32) | 1,000,535 | - | 86,645,923 | 153,666,990 |
| Trade receivables - hotel business | - | 642,562 | - | - |
| Less Loss allowance | (37,509,778) | (31,062,081) | (33,945,926) | (26,895,654) |
|  |  |  |  |  |
| Total trade receivables | 777,381,170 | 785,133,176 | 641,607,822 | 705,997,706 |
| Advance payments | 56,951,108 | 32,817,414 | 42,728,831 | 26,701,779 |
| Prepayments | 9,572,314 | 18,427,768 | 6,922,236 | 5,756,411 |
| Other receivables from other companies | 14,462,150 | 11,642,046 | 5,016,323 | 4,916,882 |
| Other receivables from related parties (Note 32) | 214,861 | 36,100 | 9,300,709 | 13,269,994 |
| Accrued income | 19,256 | 1,880,088 | 19,178 | 1,803,003 |
| Less Loss allowance | (8,276,547) | (8,276,547) | (4,916,882) | (4,916,882) |
|  |  |  |  |  |
| Total trade and other receivables | 850,324,312 | 841,660,045 | 700,678,217 | 753,528,893 |

During 2021, total amounts of receivables written-off as uncollectible of the Group and the Company amounted to Baht 220,392 and Baht 53,422, respectively (2020: Baht 184,666 and Baht 82,966, respectively).

Outstanding trade accounts receivable from third parties and related parties as of 31 December can be analysed as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated**  **financial statements** | | **Separate**  **financial statements** | |
|  | **2021** | **2020** | **2021** | **2020** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| Not yet due | 515,321,411 | 479,758,511 | 426,426,986 | 383,985,794 |
| Up to 3 months | 256,510,180 | 282,378,644 | 214,540,275 | 251,975,065 |
| 3 - 6 months | 4,359,508 | 10,633,715 | 439,721 | 26,191,876 |
| 6 - 12 months | 1,726,199 | 14,378,816 | 776,418 | 45,536,274 |
| Over 12 months | 36,973,650 | 29,045,571 | 33,370,348 | 25,204,351 |
|  |  |  |  |  |
|  | 814,890,948 | 816,195,257 | 675,553,748 | 732,893,360 |
| Less Loss allowances | (37,509,778) | (31,062,081) | (33,945,926) | (26,895,654) |
|  |  |  |  |  |
|  | 777,381,170 | 785,133,176 | 641,607,822 | 705,997,706 |

12.2 Fair values of trade receivables

Due to the short-term nature of the current receivables, their carrying amount is considered to be the same as their fair value.

12.3 Impairments of trade receivables

Information about the impairment of trade receivables and the Group’s exposure to credit risk, foreign currency risk and interest rate risk is disclosed in Note 6.1.2 c).

|  |
| --- |
| **13 Financial assets and financial liabilities** |

**a) Classification of the Group’s financial assets and financial liabilities under TFRS 9**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated financial statements** | | **Seperate financial statements** | |
|  | **2021** | **2020** | **2021** | **2020** |
|  | **Amortised cost** | **Amortised cost** | **Amortised cost** | **Amortised cost** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
| **Financial assets** |  |  |  |  |
|  |  |  |  |  |
| **Current assets** |  |  |  |  |
| Cash and cash equivalents | 774,464,411 | 613,654,534 | 357,869,139 | 415,523,283 |
| Trade and other receivables | 896,110,637 | 880,998,673 | 739,541,025 | 785,341,429 |
| Less: Loss allowance | (45,786,325) | (39,338,628) | (38,862,808) | (31,812,536) |
|  |  |  |  |  |
| Total trade and other receivables - net | 850,324,312 | 841,660,045 | 700,678,217 | 753,528,893 |
| Short-term loan to related party | - | - | 6,649,380 | 5,978,000 |
| Current portion of long-term loan to |  |  |  |  |
| related parties | - | - | 37,357,863 | 88,354,446 |
| Less: Loss allowance | - | - | (308,897) | (544,474) |
| Total short-term and long-term loan  to related party | - | - | 43,698,346 | 93,787,972 |
| Financial assets (fixed deposit) |  |  |  |  |
| measured at amortised cost | 401,063,714 | 400,103,341 | 400,000,000 | 400,000,000 |
|  |  |  |  |  |
| **Non-current assets** |  |  |  |  |
| Deposit at bank pledged as collateral | 1,859,700 | 3,159,700 | - | - |
| Long-term loan to related parties | - | - | 148,585,852 | 273,593,487 |
| Less: Loss allowance | - | - | (1,051,629) | (1,590,100) |
|  |  |  |  |  |
| Total long-term loan to related parties | - | - | 147,534,223 | 272,003,387 |
|  |  |  |  |  |
| **Financial liabilities** |  |  |  |  |
|  |  |  |  |  |
| **Current liabilities** |  |  |  |  |
| Trade and other payables | 487,454,713 | 365,997,505 | 430,841,285 | 297,744,435 |
| Lease liabilities | 11,776,066 | 10,888,551 | 4,905,386 | 3,722,655 |
|  |  |  |  |  |
| **Non-current liabilities** |  |  |  |  |
| Lease liabilities | 155,829,422 | 296,120,833 | 148,724,889 | 151,677,966 |

Financial assets (fixed deposits) measured at amortised cost are fixed deposits with financial institutions of the Group and the Company are due over three months to twelve months have the effective interest rates at 0.25% - 0.375% per annum and 0.10% - 0.15% per annum, respectively (31 December 2020: Fixed deposits with financial institutions of the Group and the Company are due over three months to twelve months have the effective interest rates at 0.30% - 0.70% per annum and 0.65% - 0.70% per annum, respectively).

1. **Amounts recognised in profit or loss**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated financial statements** | | **Seperate financial**  **statements** | |
|  | **31 December** | **31 December** | **31 December** | **31 December** |
|  | **2021** | **2020** | **2021** | **2020** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| Expected credit losses | 6,457,484 | 19,719,903 | 6,329,645 | 17,197,929 |

1. **Expected credit losses for the year**

Information about the impairment of financial assets at amortised cost and the Group’s exposure to credit risk is disclosed in Note 6.1.2 c).

|  |
| --- |
| **14 Inventories** |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated**  **financial statements** | | **Separate**  **financial statements** | |
|  | **2021** | **2020** | **2021** | **2020** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| Finished goods | 373,621,415 | 361,229,977 | 261,104,325 | 239,170,253 |
| Raw materials | 463,054,406 | 312,382,652 | 214,522,212 | 133,965,248 |
| Packing materials | 56,720,094 | 54,388,202 | 45,858,322 | 42,862,282 |
| Supplies | 18,712,875 | 15,997,569 | 16,453,615 | 13,722,912 |
|  |  |  |  |  |
| Total | 912,108,790 | 743,998,400 | 537,938,474 | 429,720,695 |
| Less Allowances for decrease in value |  |  |  |  |
| of inventories | (10,329,043) | (4,243,616) | (8,763,264) | (3,105,608) |
| Less Allowances for inventory obsolescence | (28,385,213) | (27,131,436) | (17,206,463) | (18,826,788) |
|  |  |  |  |  |
|  | 873,394,534 | 712,623,348 | 511,968,747 | 407,788,299 |
| Goods in transit | 116,062,513 | 41,708,891 | 109,176,623 | 41,435,745 |
|  |  |  |  |  |
| Total inventories - trading business, net | 989,457,047 | 754,332,239 | 621,145,370 | 449,224,044 |
|  |  |  |  |  |
| Food and beverages | - | 851,230 | - | - |
| Supplies | - | 1,803,053 | - | - |
|  |  |  |  |  |
| Total inventories - hotel business, net | - | 2,654,283 | - | - |
|  |  |  |  |  |
| Total inventories - net | 989,457,047 | 756,986,522 | 621,145,370 | 449,224,044 |

During the year ended 31 December 2021 and 2020, amounts recognised as cost of sales in profit or loss are as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated**  **financial statements** | | **Separate**  **financial statements** | |
|  | **2021** | **2020** | **2021** | **2020** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| Cost of sales and cost of services | 1,682,286,451 | 1,445,376,997 | 1,386,173,996 | 1,180,636,107 |
| Write-down inventories to net |  |  |  |  |
| realisable value | 6,085,427 | 876,266 | 5,657,656 | 301,844 |
| (Reversal) of allowances for inventory |  |  |  |  |
| obsolescence | 1,253,777 | (5,134,198) | (1,620,325) | 2,830,672 |

During 2020, the Group reversed of a previous allowance for obsolescence of Baht 323,128 as the Group has destroyed and written-down those inventories at original cost and the Group recognised loss on inventories destruction amounting to Baht 84,643

|  |
| --- |
| **15 Biological assets** |

|  |  |
| --- | --- |
|  | **Consolidated and** |
|  | **Separate financial statements** |
|  | **2021** |
|  | **Baht** |
|  |  |
| Cultivating hemps | 2,601,397 |
|  |  |
| Total biological assets | 2,601,397 |

The movement in the biological assets are as follows:

|  |  |
| --- | --- |
|  | **Consolidated and Separate financial statements** |
|  | **Cultivating hemps** |
|  | **Baht** |
|  |  |
| As at 1 January 2021 | - |
| Cost incurred during the year | 2,601,397 |
| Decrease due to harvest | - |
| Loss on change in fair value |  |
| of biological assets | - |
|  |  |
| As at 31 December 2021 | 2,601,397 |

Biological assets are measured at fair value less costs to sell, determined on the following basis:

* The fair value of cultivating hemps is determined by using quantity of quantity of expected harvested hemp, cost of hemp seeds, and cost of hemp growing.

The Group performs the valuations of biological assets required for financial reporting purposes. The valuation processes have been prepared at least once every quarter, in line with the Group’s quarterly reporting dates.

Management estimates the fair value of cultivating hemps. The fair value measurement of the Group’s biological assets are categorized within Level 3 of the fair value hierarchy. The main inputs of the valuation are unobservable comprising expected harvested hemp, cost of hemp seeds, and cost of hemp growing.

Relationship of unobservable inputs to fair value are as follows:

|  |  |  |
| --- | --- | --- |
| **Description** | **Unobservable inputs** | **Relationship of unobservable inputs to fair value** |
|  |  |  |
| Cultivating hemps | * Quantity of expected harvested hemp * Cost of hemp seeds * Cost of hemp growing | An increase in quantity of expected harvested hemp, cost of hemp seeds, and cost of hemp growing would increase the fair value. |

|  |
| --- |
| **16 Investments in subsidiaries** |

As at 31 December 2021, the subsidiaries included in consolidated financial statement. The subsidiaries have only ordinary shares in which the Group directly holds those shares. The proportion of ownership interests held by the Group is equal to voting rights in subsidiaries held by the Group.

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  | **Proportion of**  **ordinary shares**  **held by the Group** | | **Proportion of**  **ordinary shares held**  **by non-controlling**  **interests** | | **Amount of investments**  **in subsidiaries** | |
|  | **Country of** |  | **31 December** | **31 December** | **31 December** | **31 December** | **31 December** | **31 December** |
|  | **Incorporation** | **Nature of** | **2021** | **2020** | **2021** | **2020** | **2021** | **2020** |
| **Company** | **or registration** | **business** | **(%)** | **(%)** | **(%)** | **(%)** | **Baht** | **Baht** |
|  |  |  |  |  |  |  |  |  |
| R&B Food Supply Vietnam | Vietnam | Manufacturing |  |  |  |  |  |  |
| Limited Liability Company |  | and trading | 100.00 | 100.00 | - | - | 22,762,000 | 22,762,000 |
| PT RBFood Supply Indonesia | Indonesia | Trading | 60.00 | 60.00 | 40.00 | 40.00 | 14,894,570 | 14,894,570 |
| PT RBFood Manufaktur Indonesia | Indonesia | Manufacturing |  |  |  |  |  |  |
|  |  | and trading | 100.00 | 100.00 | - | - | 214,664,772 | 38,368,932 |
| Thai Flavour and Fragrance Co., Ltd. | Thailand | Manufacturing |  |  |  |  |  |  |
|  |  | and trading | 99.99 | 99.99 | 0.01 | 0.01 | 187,970,392 | 187,970,392 |
| Premium Foods Co., Ltd. | Thailand | Manufacturing |  |  |  |  |  |  |
|  |  | and trading | 99.99 | 99.99 | 0.01 | 0.01 | 444,174,099 | 444,174,099 |
| Best Odour Co., Ltd. | Thailand | Manufacturing |  |  |  |  |  |  |
|  |  | and trading | 99.97 | 99.97 | 0.03 | 0.03 | 36,576,718 | 36,576,718 |
| Guanghzhou Thai Delicious Food |  |  |  |  |  |  |  |  |
| Co., Ltd. | China | Trading | 100.00 | 100.00 | - | - | 13,366,913 | 13,366,913 |
| R&B Food Supply (Singapore) Pte Ltd. | Singapore | Laboratory | 100.00 | - | - | - | 1,206,890 | - |
| RBJ Company Limited | Thailand | Trading | 51.00 | - | 49.00 | - | 5,100,000 | - |
| Maple Innovation Co., Ltd. | Japan | Import, export,  research and  development | 60.00 | - | 40.00 | - | 16,958,700 | - |
|  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  | 957,675,054 | 758,113,624 |

The movement of investments in subsidiaries for the years ended 31 December 2021 and 2020 are as follows:

|  |  |  |
| --- | --- | --- |
|  | **Separate financial statements** | |
|  | **2021** | **2020** |
|  | **Baht** | **Baht** |
|  |  |  |
| Opening book amount | 758,113,624 | 756,023,624 |
| Adjustment on adoption of TFRS 9 on 1 January 2020 | - | 13,740,367 |
| Increase in investment in subsidiary by adjusted |  |  |
| fair value of loans to related parties | - | 4,673,477 |
| Effect of changes in interest rates on loan agreements (Note 32) | - | (18,413,844) |
| Additions in investment in subsidiaries |  |  |
| - PT RBFood Manufaktur Indonesia | 176,295,840 | 2,090,000 |
| - R&B Food Supply (Singapore) Pte Ltd. | 1,206,890 | - |
| - RBJ Company Limited | 5,100,000 | - |
| - Maple Innovation Co., Ltd.. | 16,958,700 | - |
|  |  |  |
| Closing book amount | 957,675,054 | 758,113,624 |

1. R&B Food Supply (Singapore) Pte Ltd.

On 6 April 2020, R&B Food Supply (Singapore) Pte Ltd. was incorporated in Singapore with registered capital ordinary shares of 100 shares at par value of 1 Singapore Dollar, totalling Singapore Dollar 100. The Company owns 100% shareholding interests. R&B Food Supply (Singapore) Pte Ltd. called up for the first share payment of Baht 1.21 million and already paid on 20 January 2021. Its principal business operation is to operate laboratory for developing products.

1. RBJ Company Limited

On 2 November 2020, RBJ Company Limited was incorporated in Thailand with registered capital ordinary shares of 100,000 shares at par value of Baht 100, totalling Baht 10 million. The Company owns 51% shareholding interests. RBJ Company Limited called up for the fully share payment in the portion of ownership of Baht 5.10 million and already paid on 22 March 2021. Its principal business operation is to trade, research and develop products.

1. Maple Innovation Co., Ltd.

On 19 November 2020, Maple Innovation Co., Ltd. was incorporated in Japan with registered capital ordinary shares of 198,000 shares at par value of Yen 500, totalling Yen 99 million. The Company owns 60% shareholding interests. Maple Innovation Company Limited called up payment in the portion of ownership totalling of Baht 16.96 million and already fully paid on 2 March 2021. Its principal business operation is to import, export and research and develop products.

1. PT RBFood Manufaktur Indonesia

On 18 June 2021, 18 August 2021,16 September 2021, and 21 December 2021 the Company paid for outstanding shares at PT RBFood Manufaktur Indonesia amounting to Baht 29.39 million, 40.48 million, 15.50 million and 90.93 million respectively. It’s principal business operations are production and distribution.

Summarised of financial information of the subsidiaries that have material non-controlling interests

The summary financial information of each subsidiary that non-controlling interests are significant to the Group are summarised below. The amounts disclosed for each subsidiary is shown by the amount before the inter-company elimination.

**Summarised statement of financial position**

|  |  |
| --- | --- |
|  | **Unaudited** |
|  | **As at 31 December 2021** |
|  | **Maple Innovation Co., Ltd.** |
|  | **Baht** |
|  |  |
| Current assets | 21,156,774 |
| Current liabilities | (474,196) |
|  |  |
| Total net current assets | 20,682,578 |
|  |  |
| Non-current assets | 1,226,206 |
| Non-current liabilities | - |
|  |  |
| Total net non-current assets | 1,226,206 |
|  |  |
| Net assets | 21,908,784 |
|  |  |
| Non-controlling interests | 8,763,513 |

**Summarised statement of comprehensive income**

|  |  |
| --- | --- |
|  | **Unaudited** |
|  | **For the year ended**  **31 December 2021** |
|  | **Maple Innovation Co., Ltd.** |
|  | **Baht** |
|  |  |
| Revenues | - |
| Loss for the year | (6,903,188) |
| Other comprehensive income | - |
|  |  |
| Loss attributable to non-controlling interests | (2,761,275) |

**Summarised statement of cash flow**

|  |  |
| --- | --- |
|  | **Unaudited** |
|  | **For the year ended**  **31 December 2021** |
|  | **Maple Innovation Co., Ltd.** |
|  | **Baht** |
|  |  |
| Net cash flow generated from operating activities | (7,596,044) |
| Net cash used in from investing activities | (63,650 |
| Net cash flow generated from financing activities | 28,811,972 |
|  |  |
| Net increase (decrease) in cash and cash equivalents | 21,152,278 |

|  |
| --- |
| **17 Investment properties** |

|  |  |
| --- | --- |
|  | **Consolidated financial statements** |
|  | **Land** |
|  | **Baht** |
|  |  |
| **As at 1 January 2020** |  |
| Cost | 67,126,009 |
|  |  |
| Net book amount | 67,126,009 |
|  |  |
| **For the year ended 31 December 2020** |  |
| Opening net book amount | 67,126,009 |
| Transferred in | - |
|  |  |
| Closing net book amount | 67,126,009 |
|  |  |
| **As at 31 December 2020** |  |
| Cost | 67,126,009 |
|  |  |
| Net book amount | 67,126,009 |
|  |  |
| **As a 31 December 2021** |  |
| Cost | 67,126,009 |
|  |  |
| Net book amount | 67,126,009 |
|  |  |
| Fair value as at 31 December 2020 | 126,800,000 |
| Fair value as at 31 December 2021 | 126,800,000 |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Separate financial statements** | | | |
|  |  | Factory, |  |  |
|  | **Land** | office and building | Building improvements | **Total** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| **As at 1 January 2020** |  |  |  |  |
| Cost | 32,565,208 | 93,261,960 | 8,370,018 | 134,197,186 |
| Less Accumulated depreciation | - | (26,821,349) | (3,032,015) | (29,853,364) |
|  |  |  |  |  |
| Net book amount | 32,565,208 | 66,440,611 | 5,338,003 | 104,343,822 |
|  |  |  |  |  |
| **For the year ended 31 December 2020** |  |  |  |  |
| Opening net book amount | 32,565,208 | 66,440,611 | 5,338,003 | 104,343,822 |
| Depreciation | - | (3,544,271) | (697,515) | (4,241,786) |
|  |  |  |  |  |
| Closing net book amount | 32,565,208 | 62,896,340 | 4,640,488 | 100,102,036 |
|  |  |  |  |  |
| **As at 31 December 2020** |  |  |  |  |
| Cost | 32,565,208 | 93,261,960 | 8,370,018 | 134,197,186 |
| Less Accumulated depreciation | - | (30,365,620) | (3,729,530) | (34,095,150) |
|  |  |  |  |  |
| Net book amount | 32,565,208 | 62,896,340 | 4,640,488 | 100,102,036 |
|  |  |  |  |  |
| **For the year ended 31 December 2021** |  |  |  |  |
| Opening net book amount | 32,565,208 | 62,896,340 | 4,640,488 | 100,102,036 |
| Depreciation | - | (3,571,718) | (696,095) | (4,267,813) |
|  |  |  |  |  |
| Closing net book amount | 32,565,208 | 59,324,622 | 3,944,393 | 95,834,223 |
|  |  |  |  |  |
| **As at 31 December 2021** |  |  |  |  |
| Cost | 32,565,208 | 93,261,960 | 8,370,018 | 134,197,186 |
| Less Accumulated depreciation | - | (33,937,338) | (4,425,625) | (38,362,963) |
|  |  |  |  |  |
| Net book amount | 32,565,208 | 59,324,622 | 3,944,393 | 95,834,223 |
|  |  |  |  |  |
| Fair value - Land |  |  |  | 63,400,000 |
| Fair value - Building and building improvement |  |  |  | 66,317,550 |
|  |  |  |  |  |
| Fair value as at 31 December 2020 |  |  |  | 129,717,550 |
|  |  |  |  |  |
| Fair value - Land |  |  |  | 63,400,000 |
| Fair value - Building and building improvement |  |  |  | 66,317,550 |
|  |  |  |  |  |
| Fair value as at 31 December 2021 |  |  |  | 129,717,550 |

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

Amounts recognised in profit and loss that are related to investment property are as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated**  **financial statements** | | **Separate**  **financial statements** | |
|  | **2021** | **2020** | **2021** | **2020** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| Rental income | - | - | 10,184,630 | 10,045,681 |
| Direct operating expense arise from investment property |  |  |  |  |
| that generated rental income | - | - | 4,267,813 | 4,241,786 |
| Direct operating expense arise from investment property |  |  |  |  |
| that did not generated rental income | 554,400 | 463,680 | 277,200 | 231,840 |

|  |
| --- |
| **18 Property, plant and equipment** |

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | Consolidated financial statements | | | | | | | | |
|  |  |  | Factory, |  | Machineries | Office |  |  |  |
|  |  | Land | offices and hotel | Building | and | equipment |  | Construction |  |
|  | Land | improvements | buildings | improvements | equipment | and furniture | Vehicles | in-progress | Total |
|  | Baht | Baht | Baht | Baht | Baht | Baht | Baht | Baht | Baht |
|  |  |  |  |  |  |  |  |  |  |
| As 1 January 2020 |  |  |  |  |  |  |  |  |  |
| Cost | 199,325,831 | 2,447,033 | 375,062,769 | 328,448,335 | 766,414,135 | 185,474,647 | 140,370,836 | 127,529,692 | 2,125,073,278 |
| Less Accumulated depreciation | - | (174,029) | (117,551,129) | (135,527,800) | (512,680,193) | (131,848,513) | (122,680,744) | - | (1,020,462,408) |
| Less Accumulated impairment | - | - | - | (292) | (786,961) | (309,242) | - | - | (1,096,495) |
|  |  |  |  |  |  |  |  |  |  |
| Net book amount | 199,325,831 | 2,273,004 | 257,511,640 | 192,920,243 | 252,946,981 | 53,316,892 | 17,690,092 | 127,529,692 | 1,103,514,375 |
|  |  |  |  |  |  |  |  |  |  |
| For the year ended |  |  |  |  |  |  |  |  |  |
| 31 December 2020 |  |  |  |  |  |  |  |  |  |
| Opening net book amount | 199,325,831 | 2,273,004 | 257,511,640 | 192,920,243 | 252,946,981 | 53,316,892 | 17,690,092 | 127,529,692 | 1,103,514,375 |
| Additions | - | - | 8,153,229 | 8,532,754 | 85,938,229 | 7,323,712 | 19,112,140 | 286,019,675 | 415,079,739 |
| Disposals/ Write-offs | - | - | - | - | (882,142) | (93,505) | (14,911) | - | (990,558) |
| Transfer in (out) | - | - | 97,792,743 | 24,028,043 | 204,033,608 | 751,320 | 4,008,647 | (330,614,361) | - |
| Depreciation charge | - | (123,186) | (22,043,380) | (16,776,420) | (74,433,908) | (16,580,991) | (9,111,099) | - | (139,068,984) |
| Currency differences | - | - | (388,573) | - | (374,911) | 12,471 | (352) | - | (751,365) |
|  |  |  |  |  |  |  |  |  |  |
| Closing net book amount | 199,325,831 | 2,149,818 | 341,025,659 | 208,704,620 | 467,227,857 | 44,729,899 | 31,684,517 | 82,935,006 | 1,377,783,207 |
|  |  |  |  |  |  |  |  |  |  |
| As 31 December 2020 |  |  |  |  |  |  |  |  |  |
| Cost | 199,325,831 | 2,447,033 | 480,620,168 | 361,009,132 | 1,055,128,919 | 193,468,645 | 163,476,360 | 82,935,006 | 2,538,411,094 |
| Less Accumulated depreciation | - | (297,215) | (139,594,509) | (152,304,220) | (587,114,101) | (148,429,504) | (131,791,843) | - | (1,159,531,392) |
| Less Accumulated impairment | - | - | - | (292) | (786,961) | (309,242) | - | - | (1,096,495) |
|  |  |  |  |  |  |  |  |  |  |
| Net book amount | 199,325,831 | 2,149,818 | 341,025,659 | 208,704,620 | 467,227,857 | 44,729,899 | 31,684,517 | 82,935,006 | 1,377,783,207 |

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | Consolidated financial statements | | | | | | | | |
|  |  |  | Factory, |  | Machineries | Office |  |  |  |
|  |  | Land | offices and hotel | Building | and | equipment |  | Construction |  |
|  | Land | improvements | buildings | improvements | equipment | and furniture | Vehicles | in-progress | Total |
|  | Baht | Baht | Baht | Baht | Baht | Baht | Baht | Baht | Baht |
|  |  |  |  |  |  |  |  |  |  |
| As 1 January 2021 |  |  |  |  |  |  |  |  |  |
| Cost | 199,325,831 | 2,447,033 | 480,620,168 | 361,009,132 | 1,055,128,919 | 193,468,645 | 163,476,360 | 82,935,006 | 2,538,411,094 |
| Less Accumulated depreciation | - | (297,215) | (139,594,509) | (152,304,220) | (587,114,101) | (148,429,504) | (131,791,843) | - | (1,159,531,392) |
| Less Accumulated impairment | - | - | - | (292) | (786,961) | (309,242) | - | - | (1,096,495) |
|  |  |  |  |  |  |  |  |  |  |
| Net book amount | 199,325,831 | 2,149,818 | 341,025,659 | 208,704,620 | 467,227,857 | 44,729,899 | 31,684,517 | 82,935,006 | 1,377,783,207 |
|  |  |  |  |  |  |  |  |  |  |
| For the year ended |  |  |  |  |  |  |  |  |  |
| 31 December 2021 |  |  |  |  |  |  |  |  |  |
| Opening net book amount | 199,325,831 | 2,149,818 | 341,025,659 | 208,704,620 | 467,227,857 | 44,729,899 | 31,684,517 | 82,935,006 | 1,377,783,207 |
| Additions | 131,618,829 | 1,056,568 | 2,487,370 | 9,169,049 | 28,413,481 | 8,036,217 | 19,027,724 | 157,958,884 | 357,768,122 |
| Disposals/ Write-offs | - | - | - | (1,048,940) | (6,391,852) | (1,923,497) | (13) | (841,843) | (10,206,145) |
| Transfer in (out) | - | 1,074,000 | (22,383,903) | 23,704,914 | 119,150,841 | 6,569,092 | - | (128,114,944) | - |
| Depreciation charge | - | (266,076) | (23,511,737) | (18,634,727) | (109,312,136) | (15,793,085) | (12,886,465) | - | (180,404,226) |
| Impairment charge | - | - | - | - | (1,001,453) | (234,732) | - | - | (1,236,185) |
| Adjustment | - | - | (5,688,890) | - | - | - | - | - | (5,688,890) |
| Currency differences | - | - | 7,022,032 | (15,449) | 1,882,784 | (1,823) | (4,466) | 627,922 | 9,511,000 |
|  |  |  |  |  |  |  |  |  |  |
| Closing net book amount | 330,944,660 | 4,014,310 | 298,950,531 | 221,879,467 | 499,969,522 | 41,382,071 | 37,821,297 | 112,565,025 | 1,547,526,883 |
|  |  |  |  |  |  |  |  |  |  |
| As 31 December 2021 |  |  |  |  |  |  |  |  |  |
| Cost | 330,944,660 | 4,577,601 | 462,056,777 | 370,634,283 | 1,146,193,998 | 128,952,678 | 179,824,121 | 112,565,025 | 2,735,749,143 |
| Less Accumulated depreciation | - | (563,291) | (163,106,246) | (148,754,816) | (646,224,476) | (87,570,607) | (142,002,824) | - | (1,188,222,260) |
| Less Accumulated impairment | - | - | - | - | - | - | - | - | - |
|  |  |  |  |  |  |  |  |  |  |
| Net book amount | 330,944,660 | 4,014,310 | 298,950,531 | 221,879,467 | 499,969,522 | 41,382,071 | 37,821,297 | 112,565,025 | 1,547,526,883 |

As of 31 December 2021 and 2020, the Group did not pledge any part of its land, factory or hotel building as collateral for borrowing facilities from financial institutions.

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | Separate financial statements | | | | | | | | |
|  |  |  | Factory |  | Machineries | Office |  |  |  |
|  |  | Land | and office | Building | and | equipment |  | Construction |  |
|  | Land | improvements | buildings | improvements | equipment | and furniture | Vehicles | in-progress | Total |
|  | Baht | Baht | Baht | Baht | Baht | Baht | Baht | Baht | Baht |
|  |  |  |  |  |  |  |  |  |  |
| As 1 January 2020 |  |  |  |  |  |  |  |  |  |
| Cost | 118,389,735 | 1,894,113 | 155,667,378 | 246,973,483 | 431,635,981 | 65,575,729 | 85,355,687 | 60,550,945 | 1,166,043,051 |
| Less Accumulated depreciation | - | (145,548) | (56,912,387) | (103,185,009) | (274,449,356) | (35,791,647) | (70,474,516) | - | (540,958,463) |
|  |  |  |  |  |  |  |  |  |  |
| Net book amount | 118,389,735 | 1,748,565 | 98,754,991 | 143,788,474 | 157,186,625 | 29,784,082 | 14,881,171 | 60,550,945 | 625,084,588 |
|  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |
| For the year ended 31 December 2020 |  |  |  |  |  |  |  |  |  |
| Opening net book amount | 118,389,735 | 1,748,565 | 98,754,991 | 143,788,474 | 157,186,625 | 29,784,082 | 14,881,171 | 60,550,945 | 625,084,588 |
| Additions | - | - | - | 3,279,820 | 57,444,987 | 4,474,164 | 18,162,140 | 219,988,137 | 303,349,248 |
| Disposals/ Write-offs | - | - | - | - | (1,175,798) | (22,008) | (2) | - | (1,197,808) |
| Transfer in (out) | - | - | 48,098,542 | 23,947,043 | 126,609,876 | 869,340 | 4,008,647 | (203,533,448) | - |
| Depreciation charge | - | (94,705) | (7,986,940) | (12,240,165) | (46,045,829) | (8,925,361) | (7,901,885) | - | (83,194,885) |
|  |  |  |  |  |  |  |  |  |  |
| Closing net book amount | 118,389,735 | 1,653,860 | 138,866,593 | 158,775,172 | 294,019,861 | 26,180,217 | 29,150,071 | 77,005,634 | 844,041,143 |
|  |  |  |  |  |  |  |  |  |  |
| As 31 December 2020 |  |  |  |  |  |  |  |  |  |
| Cost | 118,389,735 | 1,894,113 | 203,765,920 | 274,200,346 | 613,958,619 | 70,754,594 | 106,639,675 | 77,005,634 | 1,466,608,636 |
| Less Accumulated depreciation | - | (240,253) | (64,899,327) | (115,425,174) | (319,938,758) | (44,574,377) | (77,489,604) | - | (622,567,493) |
|  |  |  |  |  |  |  |  |  |  |
| Net book amount | 118,389,735 | 1,653,860 | 138,866,593 | 158,775,172 | 294,019,861 | 26,180,217 | 29,150,071 | 77,005,634 | 844,041,143 |

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | Separate financial statements | | | | | | | | |
|  |  |  | Factory |  | Machineries | Office |  |  |  |
|  |  | Land | and office | Building | and | equipment |  | Construction |  |
|  | Land | improvements | buildings | improvements | equipment | and furniture | Vehicles | in-progress | Total |
|  | Baht | Baht | Baht | Baht | Baht | Baht | Baht | Baht | Baht |
|  |  |  |  |  |  |  |  |  |  |
| As 1 January 2021 |  |  |  |  |  |  |  |  |  |
| Cost | 118,389,735 | 1,894,113 | 203,765,920 | 274,200,346 | 613,958,619 | 70,754,594 | 106,639,675 | 77,005,634 | 1,466,608,636 |
| Less Accumulated depreciation | - | (240,253) | (64,899,327) | (115,425,174) | (319,938,758) | (44,574,377) | (77,489,604) | - | (622,567,493) |
|  |  |  |  |  |  |  |  |  |  |
| Net book amount | 118,389,735 | 1,653,860 | 138,866,593 | 158,775,172 | 294,019,861 | 26,180,217 | 29,150,071 | 77,005,634 | 844,041,143 |
|  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |
| For the year ended 31 December 2021 |  |  |  |  |  |  |  |  |  |
| Opening net book amount | 118,389,735 | 1,653,860 | 138,866,593 | 158,775,172 | 294,019,861 | 26,180,217 | 29,150,071 | 77,005,634 | 844,041,143 |
| Additions | - | - | - | 6,747,736 | 22,429,968 | 5,595,818 | 17,544,826 | 129,326,598 | 181,644,946 |
| Disposals/ Write-offs | - | - | - | - | (715,980) | (135) | (5) | - | (716,120) |
| Transfer in (out) | - | 1,074,000 | - | 21,901,094 | 80,881,184 | 27,400 | - | (103,883,678) | - |
| Depreciation charge | - | (96,912) | (10,188,187) | (14,075,631) | (75,464,866) | (9,277,647) | (11,667,606) | - | (120,770,849) |
|  |  |  |  |  |  |  |  |  |  |
| Closing net book amount | 118,389,735 | 2,630,948 | 128,678,406 | 173,348,371 | 321,150,167 | 22,525,653 | 35,027,286 | 102,448,554 | 904,199,120 |
|  |  |  |  |  |  |  |  |  |  |
| As 31 December 2021 |  |  |  |  |  |  |  |  |  |
| Cost | 118,389,735 | 2,968,113 | 203,765,920 | 302,849,176 | 715,397,555 | 75,757,564 | 123,016,808 | 102,448,554 | 1,644,593,425 |
| Less Accumulated depreciation | - | (337,165) | (75,087,514) | (129,500,805) | (394,247,388) | (53,231,911) | (87,989,522) | - | (740,394,305) |
|  |  |  |  |  |  |  |  |  |  |
| Net book amount | 118,389,735 | 2,630,948 | 128,678,406 | 173,348,371 | 321,150,167 | 22,525,653 | 35,027,286 | 102,448,554 | 904,199,120 |

At 31 December 2021 and 2020, the Company did not pledged any part of its land or factory as collateral for borrowing facilities from financial institutions.

Details of depreciation recognised in the statement of comprehensive income are as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated**  **financial statements** | | **Separate**  **financial statements** | |
|  | **2021** | **2020** | **2021** | **2020** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| Cost of sales and rendering services | 121,171,181 | 87,958,083 | 86,530,998 | 58,855,761 |
| Cost of hotel operations | 1,605,365 | 9,028,577 | - | - |
| Selling expenses and |  |  |  |  |
| administrative expenses | 57,627,680 | 42,082,324 | 34,239,851 | 24,339,124 |
|  |  |  |  |  |
| Total | 180,404,226 | 139,068,984 | 120,770,849 | 83,194,885 |

|  |
| --- |
| **19 Right-of-use assets** |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated financial statements** | | | |
|  | **Buildings** | **machinery** | **Vehicles** | **Total** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| Balance as at 1 January 2020 | 768,428,801 | 1,015,242 | 3,731,147 | 773,175,190 |
| Additions | 24,880,110 | 1,021,453 | 1,444,824 | 27,346,387 |
| Lease termination | - | (121,334) | - | (121,334) |
| Lease modifications and reassessments | - | - | (77,016) | (77,016) |
| Depreciation | (45,901,428) | (449,057) | (2,576,499) | (48,926,984) |
|  |  |  |  |  |
| Balance as at 31 December 2020 | 747,407,483 | 1,466,304 | 2,522,456 | 751,396,243 |
|  |  |  |  |  |
| Balance as at 1 January 2021 | 747,407,483 | 1,466,304 | 2,522,456 | 751,396,243 |
| Additions | 2,916,819 | 258,001 | 2,016,054 | 5,190,874 |
| Lease termination | (126,861,152) | - | - | (126,861,152) |
| Impairment | (61,023,733) | - | - | (61,023,733) |
| Lease modifications and reassessments | (241,967,729) | - | - | (241,967,729) |
| Depreciation | (29,966,012) | (800,761) | (1,532,274) | (32,299,047) |
| Currency differences | 499,486 | - | - | 499,486 |
|  |  |  |  |  |
| Balance as at 31 December 2021 | 291,005,162 | 923,544 | 3,006,236 | 294,934,942 |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Separate financial statements** | | | |
|  | **Buildings** | **machinery** | **Vehicles** | **Total** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| Balance as at 1 January 2020 | 244,781,455 | 537,282 | 2,672,545 | 247,991,282 |
| Additions | - | 1,021,453 | 830,719 | 1,852,172 |
| Lease termination | - | (121,334) | - | (121,334) |
| Lease modifications and reassessments | - | - | (77,016) | (77,016) |
| Depreciation | (13,277,419) | (325,210) | (2,119,775) | (15,722,404) |
|  |  |  |  |  |
| Balance as at 31 December 2020 | 231,504,036 | 1,112,191 | 1,306,473 | 233,922,700 |
|  |  |  |  |  |
| Balance as at 1 January 2021 | 231,504,036 | 1,112,191 | 1,306,473 | 233,922,700 |
| Additions | 1,671,115 | 258,000 | 611,054 | 2,540,169 |
| Lease termination | - | - | - | - |
| Lease modifications and reassessments | - | - | - | - |
| Depreciation | (13,438,993) | (453,217) | (1,028,825) | (14,921,035) |
|  |  |  |  |  |
| Balance as at 31 December 2021 | 219,736,158 | 916,974 | 888,702 | 221,541,834 |

The expense relating to leases that not included in the measurement of lease liabilities and right-of-use and cash outflows for leases is as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated**  **financial statements** | | **Separate**  **financial statements** | |
|  | **2021** | **2020** | **2021** | **2020** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| Expense relating to leases of low-value assets | 1,573,286 | 4,449,909 | 1,493,217 | 1,543,752 |
| Total cash outflow for leases | 11,441,504 | 10,436,520 | 4,310,517 | 4,421,719 |

In Q2’2021, the Group disposed of the two hotel businesses which the Group transferred these leaseholds right to the buyers. The impact of terminated rental contract and disposal effect the Group decrease the carrying amount of the right-of-use asset to reflect the termination of the lease amounting to Baht 126.86 million and lease liabilities amounting to Baht 132.57 million, respectively. The lessee shall recognise in profit or loss any gain or loss relating to the termination of the lease which presented in gain from sale discontinued operations in the consolidated statement of comprehensive income.

|  |
| --- |
| **20 Deferred income taxes** |

The analysis of deferred tax assets and deferred tax liabilities are as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated**  **financial statements** | | **Separate**  **financial statements** | |
|  | **2021** | **2020** | **2021** | **2020** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| Deferred tax assets: | 34,814,332 | 36,039,808 | 22,689,764 | 19,566,970 |
| Deferred tax liabilities: | (2,077,396) | (1,664,664) | (1,906,329) | (1,654,690) |
|  |  |  |  |  |
| **Deferred tax asset (net)** | 32,736,936 | 34,375,144 | 20,783,435 | 17,912,280 |

The movement in deferred tax assets and liabilities during the year is as follows:

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | **Consolidated financial statements** | | | | | | | | | | |
|  |  |  |  |  | **Different** | **Different** |  |  |  |  |  |
|  |  |  |  | **Allowances for** | **depreciation** | **rental expenses** |  |  |  |  |  |
|  | **Impairment** | **Post** | **Allowance** | **decrease in** | **charges between** | **between** |  |  |  |  |  |
|  | **on financial** | **retirement** | **for inventory** | **value of** | **tax and** | **tax and** | **Finance** |  |  |  |  |
|  | **asset** | **benefits** | **obsolescence** | **inventory** | **accounting** | **accounting** | **lease** | **Provision** | **Tax losses** | **Impairment** | **Total** |
|  | **Baht** | **Baht** | **Baht** | **Baht** | **Baht** | **Baht** | **Baht** | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |  |  |  |  |  |  |  |
| **Deferred income tax assets** |  |  |  |  |  |  |  |  |  |  |  |
| At 1 January 2020 | 4,209,592 | 10,876,754 | 6,569,104 | 673,470 | 9,675,741 | - | 237,028 | 57,389 | - | 2,312,998 | 34,612,076 |
| Charged (credited) to profit or loss | 3,335,849 | 891,306 | (1,142,817) | 175,253 | (3,566,837) | 100,039 | 1,091,369 | (7,099) | - | - | 877,063 |
| Charged (credited) to other |  |  |  |  |  |  |  |  |  |  |  |
| comprehensive income | - | 561,798 | - | - | - | - | - | - | - | - | 561,798 |
| Currency differences | - | - | - | - | (11,129) | - | - | - | - | - | (11,129) |
|  |  |  |  |  |  |  |  |  |  |  |  |
| At 31 December 2020 | 7,545,441 | 12,329,858 | 5,426,287 | 848,723 | 6,097,775 | 100,039 | 1,328,397 | 50,290 | - | 2,312,998 | 36,039,808 |
|  |  |  |  |  |  |  |  |  |  |  |  |
| At 1 January 2021 | 7,545,441 | 12,329,858 | 5,426,287 | 848,723 | 6,097,775 | 100,039 | 1,328,397 | 50,290 | - | 2,312,998 | 36,039,808 |
| Charged (credited) to profit or loss | 1,261,669 | (196,503) | 250,756 | 1,217,087 | (2,100,323) | - | 42,121 | 63 | 599,958 | (2,312,998) | (1,238,170) |
| Currency difference | - | - | - | - | - | 12,694 | - | - | - | - | 12,694 |
|  |  |  |  |  |  |  |  |  |  |  |  |
| At 31 December 2021 | 8,807,110 | 12,133,355 | 5,677,043 | 2,065,810 | 3,997,452 | 112,733 | 1,370,518 | 50,353 | 599,958 | - | 34,814,332 |
|  |  |  |  |  |  |  |  |  |  |  |  |
| **Deferred income tax liabilities** |  |  |  |  |  |  |  |  |  |  |  |
| At 1 January 2020 | - | - | - | - | (1,501,833) | - | - | - | - | - | (1,501,833) |
| Charged (credited) to profit or loss | - | - | - | - | (162,831) | - | - | - | - | - | (162,831) |
|  |  |  |  |  |  |  |  |  |  |  |  |
| At 31 December 2020 | - | - | - | - | (1,664,664) | - | - | - | - | - | (1,664,664) |
|  |  |  |  |  |  |  |  |  |  |  |  |
| At 1 January 2021 | - | - | - | - | (1,664,664) | - | - | - | - |  | (1,664,664) |
| Charged (credited) to profit or loss | - | - | - | - | (412,732) | - | - | - | - |  | (412,732) |
|  |  |  |  |  |  |  |  |  |  |  |  |
| At 31 December 2021 | - | - | - | - | (2,077,396) | - | - | - | - |  | (2,077,396) |
|  |  |  |  |  |  |  |  |  |  |  |  |
| **Deferred tax, net** |  |  |  |  |  |  |  |  |  |  |  |
| **as at 1 January 2021** | 7,545,441 | 12,329,858 | 5,426,287 | 848,723 | 4,433,111 | 100,039 | 1,328,397 | 50,290 | - | 2,312,998 | 34,375,144 |
|  |  |  |  |  |  |  |  |  |  |  |  |
| **Deferred tax, net** |  |  |  |  |  |  |  |  |  |  |  |
| **as at 31 December 2021** | 8,807,110 | 12,133,355 | 5,677,043 | 2,065,810 | 1,920,056 | 112,733 | 1,370,518 | 50,353 | 599,958 | - | 32,736,936 |

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | **Separate financial statements** | | | | | | | |
|  |  |  |  |  | **Different** |  |  |  |
|  |  |  |  | **Allowances for** | **depreciation** |  |  |  |
|  | **Impairment** | **Post** | **Allowance** | **decrease in** | **charges between** |  |  |  |
|  | **on financial** | **retirement** | **for inventory** | **value of** | **tax and** | **Finance** |  |  |
|  | **asset** | **benefits** | **obsolescence** | **inventory** | **accounting** | **lease** | **Provission** | **Total** |
|  | **Baht** | **Baht** | **Baht** | **Baht** | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |  |  |  |  |
| **Deferred income tax assets** |  |  |  |  |  |  |  |  |
| At 1 January 2020 | 3,615,316 | 7,010,887 | 3,199,223 | 560,753 | - | 210,384 | 18,356 | 14,614,919 |
| Charged (credited) to profit or loss | 3,174,106 | 523,710 | 566,134 | 60,369 | - | 549,677 | 20,667 | 4,894,663 |
| Charged (credited) to other comprehensive income | - | 57,388 | - | - | - | - | - | 57,388 |
|  |  |  |  |  |  |  |  |  |
| At 31 December 2020 | 6,789,422 | 7,591,985 | 3,765,357 | 621,122 | - | 760,061 | 39,023 | 19,566,970 |
|  |  |  |  |  |  |  |  |  |
| At 1 January 2021 | 6,789,422 | 7,591,985 | 3,765,357 | 621,122 | - | 760,061 | 39,023 | 19,566,970 |
| Charged (credited) to profit or loss | 1,255,245 | 516,883 | (324,065) | 1,131,531 | - | 531,872 | 11,328 | 3,122,794 |
| Charged (credited) to other comprehensive income | - | - | - | - |  | - | - | - |
|  |  |  |  |  |  |  |  |  |
| At 31 December 2021 | 8,044,667 | 8,108,868 | 3,441,292 | 1,752,653 | - | 1,291,933 | 50,351 | 22,689,764 |
|  |  |  |  |  |  |  |  |  |
| **Deferred income tax liabilities** |  |  |  |  |  |  |  |  |
| At 1 January 2020 | - | - | - | - | (1,501,834) | - | - | (1,501,834) |
| Charged (credited) to profit or loss | - | - | - | - | (152,856) | - | - | (152,856) |
|  |  |  |  |  |  |  |  |  |
| At 31 December 2020 | - | - | - | - | (1,654,690) | - | - | (1,654,690) |
|  |  |  |  |  |  |  |  |  |
| At 1 January 2021 | - | - | - | - | (1,654,690) | - | - | (1,654,690) |
| Charged (credited) to profit or loss | - | - | - | - | (251,639) | - | - | (251,639) |
|  |  |  |  |  |  |  |  |  |
| At 31 December 2021 | - | - | - | - | (1,906,329) | - | - | (1,906,329) |
|  |  |  |  |  |  |  |  |  |
| **Deferred tax, net as at 1 January 2021** | 6,789,422 | 7,591,985 | 3,765,357 | 621,122 | (1,654,690) | 760,061 | 39,023 | 17,912,280 |
|  |  |  |  |  |  |  |  |  |
| **Deferred tax, net as at 31 December 2021** | 8,044,667 | 8,108,868 | 3,441,292 | 1,752,653 | (1,906,329) | 1,291,933 | 50,351 | 20,783,435 |

Deferred income tax assets are recognised for tax loss carried forwards only to the extent that realisation of the related tax benefit through the future taxable profits is probable.

|  |
| --- |
| **21 Borrowings** |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated**  **financial statements** | | **Separate**  **financial statements** | |
|  | **2021** | **2020** | **2021** | **2020** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| **Current** |  |  |  |  |
| Current portion of lease liabilities | 11,776,066 | 10,888,551 | 4,905,386 | 3,722,655 |
|  |  |  |  |  |
| Total current borrowings | 11,776,066 | 10,888,551 | 4,905,386 | 3,722,655 |
|  |  |  |  |  |
| **Non-current** |  |  |  |  |
| Lease liabilities | 155,829,422 | 296,120,833 | 148,724,889 | 151,677,966 |
|  |  |  |  |  |
| Total non-current borrowings | 155,829,422 | 296,120,833 | 148,724,889 | 151,677,966 |
|  |  |  |  |  |
| **Total borrowings** | 167,605,488 | 307,009,384 | 153,630,275 | 155,400,621 |

Building lease agreement with shareholders offered renewal lease agreement 10 year per time but not exceed 3 times at market rate as of renewal contracts date.

|  |
| --- |
| **22 Trade and other payables** |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated**  **financial statements** | | **Separate**  **financial statements** | |
|  | **2021** | **2020** | **2021** | **2020** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| Trade accounts payable - other companies | 358,503,399 | 240,014,386 | 294,853,835 | 187,968,587 |
| Trade accounts payable |  |  |  |  |
| - related parties (Note 32) | - | - | 34,071,435 | 20,245,127 |
| Other payables - other companies | 62,799,400 | 50,657,096 | 53,118,503 | 39,055,157 |
| Other payables - related parties (Note 32) | 27,199 | - | 3,587,071 | 4,550,090 |
| Amounts due to director (Note 32) | 457,903 | 47,248 | 190,000 | 19,000 |
| Accrued expenses | 65,666,812 | 74,242,340 | 45,020,441 | 45,906,474 |
| Room booking deposits | - | 1,036,435 | - | - |
|  |  |  |  |  |
| Total trade and other payables | 487,454,713 | 365,997,505 | 430,841,285 | 297,744,435 |

|  |
| --- |
| **23 Employee benefit obligations** |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated**  **financial statements** | | **Separate**  **financial statements** | |
|  | **2021** | **2020** | **2021** | **2020** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| Statement of financial position: |  |  |  |  |
| Retirement benefits | 60,941,951 | 61,825,186 | 40,544,344 | 37,959,927 |
|  |  |  |  |  |
| Liability in the statement of financial position | 60,941,951 | 61,825,186 | 40,544,344 | 37,959,927 |
|  |  |  |  |  |
| Profit or loss charge included |  |  |  |  |
| in operating profit for: |  |  |  |  |
| Retirement benefits | 4,983,256 | 4,756,264 | 2,584,417 | 2,618,551 |
|  |  |  |  |  |
|  | 4,983,256 | 4,756,264 | 2,584,417 | 2,618,551 |
|  |  |  |  |  |
| Remeasurement for: |  |  |  |  |
| Retirement benefits | - | 2,808,990 | - | 286,940 |
|  |  |  |  |  |
|  | - | 2,808,990 | - | 286,940 |

Retirement benefits

The plans are final salary retirement plans. The level of benefits provided depends on members’ length of service and their salary in the final years leading up to retirement.

The movement in the defined benefit obligation over the year is as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated**  **financial statements** | | **Separate**  **financial statements** | |
|  | **2021** | **2020** | **2021** | **2020** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| At 1 January | 61,825,186 | 54,383,772 | 37,959,927 | 35,054,436 |
| Current service cost | 4,396,440 | 3,785,140 | 2,252,789 | 2,024,918 |
| Interest expense | 586,816 | 971,124 | 331,628 | 593,633 |
| Transfer out (Note 10) | (4,787,475) | - | - | - |
| Remeasurements: |  |  |  |  |
| Loss (Gain) from change in |  |  |  |  |
| demographic assumption | - | 2,442,165 | - | (580,666) |
| Loss from change in financial assumption | - | 2,754,769 | - | 2,495,411 |
| Experience gain | - | (2,387,944) | - | (1,627,805) |
| Benefit payment | (1,079,016) | (123,840) | - | - |
|  |  |  |  |  |
| At 31 December | 60,941,951 | 61,825,186 | 40,544,344 | 37,959,927 |

Total charge of the Group and the Company are Baht 4,983,256 and Baht 2,584,417, respectively (2020: Baht 4,756,264 and Baht 2,618,551, respectively) which are included in ‘cost of goods sold and rendering services, selling expenses and administrative expenses’ in financial statements.

The significant actuarial assumptions used were as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated**  **financial statements** | | **Separate**  **financial statements** | |
|  | **2021** | **2020** | **2021** | **2020** |
|  |  |  |  |  |
| Discount rate (%) | 1.60 - 1.81 | 1.60 - 1.81 | 1.77 | 1.77 |
| Inflation rate (%) | 2.75 | 2.75 | 2.75 | 2.75 |
| Salary growth rate (%) | 4.00 - 6.00 | 4.00 - 6.00 | 5.00 | 5.00 |
| Turnover rate (%) | 2.87 - 34.38 | 2.87 - 34.38 | 5.73 - 34.38 | 5.73 - 34.38 |
| Retirement age (year) | 60 and 65 | 60 and 65 | 65 | 65 |

Sensitivity analysis for each significant assumption used is as follows:

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | **Consolidate financial statement** | | | | | |
|  |  | | **Impact on defined benefit obligation** | | | |
|  | **Change in assumption** | | **Increase in assumption** | | **Decrease in assumption** | | |
|  | **2021** | **2020** | **2021** | **2020** | **2021** | **2020** | |
|  |  |  |  |  |  |  | |
| Discount rate | 1% | 1% | Decrease by 8.66% | Decrease by 8.66% | Increase  by 10.70% | Increase  by 10.70% | |
| Salary growth rate | 1% | 1% | Increase  by 9.98% | Increase  by 9.98% | Decrease by 8.29% | Decrease by 8.29% | |
| Turnover rate | 20% | 20% | Decrease by 9.12% | Decrease by 9.12% | Increase  by 11.89% | Increase  by 11.89% | |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | **Separate financial statement** | | | | | | |
|  |  | | **Impact on defined benefit obligation** | | | | |
|  | **Change in assumption** | | **Increase in assumption** | | **Decrease in assumption** | |
|  | **2021** | **2020** | **2021** | **2020** | **2021** | **2020** |
|  |  |  |  |  |  |  |
| Discount rate | 1% | 1% | Decrease by 7.85% | Decrease by 7.85% | Increase  by 9.77% | Increase  by 9.77% |
| Salary growth rate | 1% | 1% | Increase  by 9.14% | Increase  by 9.14% | Decrease by 7.54% | Decrease by 7.54% |
| Turnover rate | 20% | 20% | Decrease by 8.62% | Decrease by 8.62% | Increase  by 11.45% | Increase  by 11.45% |

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method has been applied as when calculating the retirement benefits recognised in the statement of financial position.

The methods and types of assumptions used in preparing the sensitivity analysis did not significantly change compared to the previous period.

Through its defined benefit retirement benefit plans, the Group is exposed to a number of risks, the most significant of which are detailed below:

**Changes in bond yields**

A decrease in government bond yields will increase plan liabilities, although this will be partially offset by an increase in the value of the plans’ bond holdings.

The weighted average duration of the defined benefit obligation of the Group and the Company are 36.33 years and 33.96 years, respectively (2020: 36.33 years and 33.96 years).

Expected maturity analysis of undiscounted retirement and post-employment medical benefits are as follows:

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **Consolidated financial statements** | | | | |
|  | **Less than**  **a year** | **Between**  **1 - 2 years** | **Between**  **2 - 5 years** | **Over**  **5 years** | **Total** |
|  | **Baht** | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |  |
| At 31 December 2021 |  |  |  |  |  |
| Retirement benefits | 1,444,311 | 1,130,696 | 4,633,341 | 156,353,590 | 163,561,938 |
|  |  |  |  |  |  |
| Total | 1,444,311 | 1,130,696 | 4,633,341 | 156,353,590 | 163,561,938 |
|  |  |  |  |  |  |
| At 31 December 2020 |  |  |  |  |  |
| Retirement benefits | 786,190 | 1,257,315 | 1,638,757 | 182,905,980 | 186,588,242 |
|  |  |  |  |  |  |
| Total | 786,190 | 1,257,315 | 1,638,757 | 182,905,980 | 186,588,242 |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **Separate financial statements** | | | | |
|  | **Less than**  **a year** | **Between**  **1 - 2 years** | **Between**  **2 - 5 years** | **Over**  **5 years** | **Total** |
|  | **Baht** | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |  |
| At 31 December 2021 |  |  |  |  |  |
| Retirement benefits | 918,632 | 330,717 | 1,390,550 | 85,174,813 | 87,814,712 |
|  |  |  |  |  |  |
| Total | 918,632 | 330,717 | 1,390,550 | 85,174,813 | 87,814,712 |
|  |  |  |  |  |  |
| At 31 December 2020 |  |  |  |  |  |
| Retirement benefits | 267,112 | 1,062,878 | 854,261 | 112,355,827 | 114,540,078 |
|  |  |  |  |  |  |
| Total | 267,112 | 1,062,878 | 854,261 | 112,355,827 | 114,540,078 |

|  |
| --- |
| **24 Share capital and share premium** |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Number of** | **Ordinary** | **Share** |  |
|  | **Shares** | **Shares** | **Premium** | **Total** |
|  | **Shares** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| At 31 December 2020 | 2,000,000,000 | 2,000,000,000 | 1,248,938,736 | 3,248,938,736 |
|  |  |  |  |  |
| At 31 December 2021 | 2,000,000,000 | 2,000,000,000 | 1,248,938,736 | 3,248,938,736 |

**Premium arising from business combination under common control**

The difference of acquisitions from entities under common control, which is higher of the carrying amount of the acquired net assets than the consideration transferred is recognized as premium from business combinations under common control in shareholder’s equity. The discount will be included in the consolidated financial statements until control ceases of the subsidiaries acquired.

|  |
| --- |
| **25 Legal reserve** |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated**  **financial statements** | | **Separate**  **financial statements** | |
|  | **2021** | **2020** | **2021** | **2020** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| At 1 January | 130,650,000 | 110,350,000 | 130,650,000 | 110,350,000 |
| Appropriation during the year | 16,100,000 | 20,300,000 | 16,100,000 | 20,300,000 |
|  |  |  |  |  |
| At 31 December | 146,750,000 | 130,650,000 | 146,750,000 | 130,650,000 |

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

|  |
| --- |
| **26 Dividends** |

At the Annual General Meeting of Shareholders no.1/2021 of the Company held on 23 April 2021, the Shareholders approved the dividend payment of the Company's 2020 operating results at Baht 0.15 per share, totalling Baht 300 million. The dividends were distributed to the shareholders on 19 May 2021.

At the Board of Directors Meeting no.2/2020 of the Company held on 3 April 2020, the meeting approved the payment of interim dividend from net profit for year ended 31 December 2019 at Baht 0.15 per share, totalling Baht 300 million. The interim dividend was already distributed to the shareholders on 30 April 2020.

|  |
| --- |
| **27 Other income** |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated**  **financial statements** | | **Separate**  **financial statements** | |
|  | **2021** | **2020** | **2021** | **2020** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| Rental income | 1,812,834 | - | 10,184,630 | 10,045,681 |
| Interest income | 3,125,356 | 3,961,735 | 11,481,004 | 17,977,129 |
| Other income | 2,140,396 | 477,387 | 34,737,354 | 37,244,475 |
|  |  |  |  |  |
| Total | 7,078,586 | 4,439,122 | 56,402,988 | 65,267,285 |

|  |
| --- |
| **28 Finance costs** |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated**  **financial statements** | | **Separate**  **financial statements** | |
|  | **2021** | **2020** | **2021** | **2020** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| Interest and finance charges paid for lease  liabilities | 8,635,614 | 7,073,037 | 8,848,222 | 8,790,794 |
| Borrowings from financial institutions | - | 757,261 | - | - |
| Borrowings from related parties | 225,861 | 83,658 | - | - |
|  |  |  |  |  |
| Total finance costs | 8,861,475 | 7,913,956 | 8,848,222 | 8,790,794 |

|  |
| --- |
| **29 Expense by nature** |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated**  **financial statements** | | **Separate**  **financial statements** | |
|  | **2021** | **2020** | **2021** | **2020** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| Change in finished goods and work-in-process | 12,391,438 | (19,562,777) | 21,934,072 | (8,875,641) |
| Raw material and supplies used | 1,669,895,013 | 1,464,939,774 | 1,364,239,924 | 1,189,511,748 |
| Services charge from hotel operations | 641,538 | - | - | - |
| Staff costs | 495,874,015 | 442,417,826 | 337,454,851 | 317,314,565 |
| Employee benefit (Note 23) | 4,983,256 | 4,316,017 | 2,584,417 | 2,618,551 |
| Selling, advertising and publicity | 18,432,223 | 16,640,774 | 15,289,633 | 12,043,901 |
| Depreciation - net of the reduction of the lease |  |  |  |  |
| payments (Note 5.13, 17, 18, 19) | 205,382,690 | 157,060,412 | 139,959,697 | 103,159,075 |
| Amortisation | 1,523,361 | 8,600,817 | 738,244 | 5,712,732 |
| Transportation costs | 77,657,062 | 67,855,874 | 61,136,590 | 57,855,360 |
| Water and electricity expenses | 76,352,308 | 71,222,862 | 48,267,784 | 48,426,867 |
| Consultation and professional fees | 59,263,160 | 48,796,942 | 36,537,986 | 30,285,179 |
| Repair and maintenance expenses | 36,987,661 | 26,282,501 | 27,199,073 | 19,114,083 |
| Rental expense | 5,772,987 | 4,085,109 | 1,566,541 | 1,543,752 |
| Traveling expenses | 10,855,813 | 10,129,929 | 8,162,767 | 7,605,308 |
| Insurance expenses | 12,278,966 | 9,320,852 | 7,704,783 | 5,995,341 |
| Gas | 8,564,451 | 8,050,976 | 6,764,233 | 6,799,139 |
| Other expense | 91,673,800 | 88,920,127 | 69,827,368 | 63,355,755 |
|  |  |  |  |  |
| Total | 2,788,529,742 | 2,409,078,015 | 2,149,367,963 | 1,862,465,715 |

|  |
| --- |
| **30 Income tax** |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated**  **financial statements** | | **Separate**  **financial statements** | |
|  | **2021** | **2020** | **2021** | **2020** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| Current tax: |  |  |  |  |
| Current tax on profits for the year | 117,243,615 | 129,693,059 | 71,136,767 | 90,533,810 |
| Adjustments in respect of prior year | - | (269,835) | - | (269,835) |
|  |  |  |  |  |
| Total current tax | 117,243,615 | 129,423,224 | 71,136,767 | 90,263,975 |
|  |  |  |  |  |
| Deferred income tax: |  |  |  |  |
| (Increase) decrease in deferred tax | (1,450,326) | (734,876) | (2,871,155) | (4,741,807) |
|  |  |  |  |  |
| Total deferred income tax | (1,450,326) | (734,876) | (2,871,155) | (4,741,807) |
|  |  |  |  |  |
| Income tax expenses | 115,793,289 | 128,688,348 | 68,265,612 | 85,522,168 |

The tax on the Group’s profit before tax differs from the theoretical amount that would arise using the basic tax rate of the home country of the Company as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated**  **financial statements** | | **Separate**  **financial statements** | |
|  | **2021** | **2020** | **2021** | **2020** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| Profit before tax | 597,701,815 | 694,411,704 | 388,604,751 | 491,378,145 |
|  |  |  |  |  |
| Tax calculated at a tax rate of 20%  (2020: 20%) | 121,398,413 | 140,117,265 | 77,720,950 | 98,275,629 |
| Tax effect of: |  |  |  |  |
| Income not subject to tax | - | - | - | - |
| Expenses not deductible for tax purposes | 5,322,415 | 2,587,563 | 809,218 | 884,865 |
| Additional expense deductible  for tax purposes | (16,475,924) | (18,556,022) | (10,264,556) | (13,368,491) |
| Tax losses for which no deferred |  |  |  |  |
| income tax asset was recognised | 5,548,385 | 4,809,377 | - | - |
| Adjustment in respect of prior year | - | (269,835) | - | (269,835) |
|  |  |  |  |  |
| Tax charge | 115,793,289 | 128,688,348 | 68,265,612 | 85,522,168 |

The weighted average applicable tax rate of the Group and the Company used is 19.37% and 17.57%, respectively. (2020: 18.53% and 17.40%, respectively).

Further information about deferred income tax is presented in Note 20.

|  |
| --- |
| **31 Basic earnings per share** |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated**  **financial statements** | | **Separate**  **financial statements** | |
|  | **2021** | **2020** | **2021** | **2020** |
| **Basic earnings per share** |  |  |  |  |
| Profit from continuing operations attributable to  the ordinary sharesholders of the Company |  |  |  |  |
| (Baht) | 479,212,250 | 567,433,190 | 320,339,139 | 405,855,977 |
| Loss from discontinued operation (Baht) | (59,116,792) | (48,416,804) | - | - |
|  |  |  |  |  |
| Total | 420,095,458 | 519,016,386 | 320,339,139 | 405,855,977 |
|  |  |  |  |  |
| **Weighted average number of ordinary**  **shares used as the denominator in**  **calculating basic earnings per share (share)** | 2,000,000,000 | 2,000,000,000 | 2,000,000,000 | 2,000,000,000 |
|  |  |  |  |  |
| **Basic earnings per share (Baht per share)** |  |  |  |  |
| From continuing operations | 0.24 | 0.28 | 0.16 | 0.20 |
| From discontinued operation | (0.03) | (0.02) | - | - |
|  |  |  |  |  |
|  | 0.21 | 0.26 | 0.16 | 0.20 |

|  |
| --- |
| **32 Related party transactions** |

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

In considering each possible related-party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

The Company is controlled by Ratanapoompinyo's family. Major shareholders include Mr. Somchai Ratanapoompinyo, Mrs.Petchara Ratanapoompinyo, Janjida Ratanapoompinyo, M.D., and Sanathorn Ratanapoompinyo, M.D., together hold 61.62% of the Company's total ordinary shares. (2020: 71.62%)

|  |  |
| --- | --- |
| **Related parties** | **Relationship** |
|  |  |
| R&B Food Supply Vietnam Limited Liability Company | Subsidiary |
| PT RBFood Supply Indonesia | Subsidiary |
| Thai Flavour and Fragrance Co., Ltd. | Subsidiary |
| Premium Food Co., Ltd. | Subsidiary |
| Best Odour Co., Ltd. | Subsidiary |
| PT RBFood Manufaktur Indonesia | Subsidiary |
| Guangzhou Thai Delicious Food Co., Ltd. | Subsidiary |
| R&B Food Supply (Singapore) Pte Ltd. | Subsidiary |
| RBJ Company Limited | Subsidiary |
| Maple Innovation Co., Ltd. | Subsidiary |
| JPS Holding Ltd. | Company under common control |
| River Kwai Botanic Garden Ltd. | Company under common control |
| Petch Perm Sinn Co., Ltd. | Related party |
| Thai Union Group Public Company Limited | Related party |

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

|  |  |
| --- | --- |
|  | **Terms and basis** |
|  |  |
| Revenues from sales of goods | Cost plus margin according to type of products |
| Revenues from sales of property, | Cost plus margin |
| plant and equipment |  |
| Rental income | Contract price value by independent appraiser and is in line with market |
| Service and other income | Cost plus margin |
| Other income - Commissions | Price is agreed in contract which is based on percentage of sales |
| Interest income | Price is agreed in contract |
| Purchases of goods | Cost plus margin according to type of products |
| Purchases of property, plant and equipment | Contract price value by independent appraiser and is in line with market |
| Finance lease obligations | Contract price value by independent appraiser and is in line with market |
| Land and factory building rental expenses | Contract price value by independent appraiser and is in line with market |
| Services expenses | Price is agreed in contract |
| Commissions | Price is agreed in contract which is based on percentage of sales |
| Other expenses | Price is agreed in contract |
| Interest expense | Price is agreed in contract |
| Disposal of hotel business | Contract price value by independent appraiser and is in line with market |

The following transactions were carried out with related parties:

**a) Sales of goods and services**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated**  **financial statements** | | **Separate**  **financial statements** | |
|  | **2021** | **2020** | **2021** | **2020** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
| Revenues from sales of goods |  |  |  |  |
| Subsidiaries | - | - | 278,616,322 | 321,363,921 |
| Companies under common control  at shareholders level | 215,100 | - | 215,100 | - |
| Related party | 3,282,433 | - | 3,229,357 | - |
|  |  |  |  |  |
|  | 3,497,533 | - | 282,060,779 | 321,363,921 |
|  |  |  |  |  |
| Revenues from sales of property, |  |  |  |  |
| plant and equipment |  |  |  |  |
| Subsidiaries | - | - | 778,968 | 334,255 |
|  |  |  |  |  |
|  | - | - | 778,968 | 334,255 |
|  |  |  |  |  |
| Gain from sale discontinued operations: |  |  |  |  |
| Company under common control |  |  |  |  |
| at shareholders level | 15,081,669 | - | - | - |
|  |  |  |  |  |
|  | 15,081,669 | - | - | - |
|  |  |  |  |  |
| Rental income |  |  |  |  |
| Subsidiaries | - | - | 10,184,630 | 10,045,681 |
|  |  |  |  |  |
|  | - | - | 10,184,630 | 10,045,681 |
|  |  |  |  |  |
| Service and other income |  |  |  |  |
| Subsidiaries | - | - | 33,177,065 | 35,497,340 |
|  |  |  |  |  |
|  | - | - | 33,177,065 | 35,497,340 |
|  |  |  |  |  |
| Interest income |  |  |  |  |
| Subsidiaries | - | - | 9,622,243 | 14,579,461 |
|  |  |  |  |  |
|  | - | - | 9,622,243 | 14,579,461 |

**b) Purchase of goods**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated**  **financial statements** | | **Separate**  **financial statements** | |
|  | **2021** | **2020** | **2021** | **2020** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
| Purchases of goods |  |  |  |  |
| Subsidiaries | - | - | 122,214,122 | 75,182,920 |
| Related parties | 58,000 | - | - | - |
|  |  |  |  |  |
|  | 58,000 | - | 122,214,122 | 75,182,920 |
| Purchases of property, plant |  |  |  |  |
| and equipment |  |  |  |  |
| Subsidiaries | - | - | 628,176 | 5,540,121 |
| Related parties | - | 1,428,066 | - | 1,428,066 |
|  |  |  |  |  |
|  | - | 1,428,066 | 628,176 | 6,968,187 |
|  |  |  |  |  |
| Land and factory building rental expenses |  |  |  |  |
| Subsidiaries | - | - | 7,836 | - |
|  |  |  |  |  |
|  | - | - | 7,836 | - |
|  |  |  |  |  |
| Service and other expenses |  |  |  |  |
| Subsidiaries | - | - | 37,941,304 | 34,354,377 |
| Shareholders and key management | 151,170 | 119,092 | 151,170 | - |
|  |  |  |  |  |
|  | 151,170 | 119,092 | 38,092,474 | 34,354,377 |
|  |  |  |  |  |
| Interest expense |  |  |  |  |
| Shareholders and key management | 10,443,215 | 12,726,509 | 8,604,233 | 8,685,808 |
|  |  |  |  |  |
|  | 10,443,215 | 12,726,509 | 8,604,233 | 8,685,808 |
|  |  |  |  |  |
| Dividend paid |  |  |  |  |
| Shareholders and key management | 216,755,400 | 214,856,985 | 216,755,400 | 214,856,985 |
|  |  |  |  |  |
|  | 216,755,400 | 214,856,985 | 216,755,400 | 214,856,985 |

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

The outstanding balances at the end of the period ended in relation to transactions with related parties are as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated**  **financial statements** | | **Separate**  **financial statements** | |
|  | **2021** | **2020** | **2021** | **2020** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| Trade receivables and other |  |  |  |  |
| receivables |  |  |  |  |
| Related parties | 1,000,535 | - | 795,331 | - |
| Subsidiaries | - | - | 94,936,440 | 166,900,884 |
| Shareholders and key management | 214,861 | - | 214,861 | - |
| Companies under common control  at shareholders level | - | 36,100 | - | 36,100 |
|  |  |  |  |  |
| Total receivables from related parties, net | 1,215,396 | 36,100 | 95,946,632 | 166,936,984 |
|  |  |  |  |  |
| Prepayments |  |  |  |  |
| Subsidiaries | - | - | 7,836 | - |
|  |  |  |  |  |
| Total prepayment | - | - | 7,836 | - |
|  |  |  |  |  |
|  |  |  |  |  |
| Trade payables and other payables |  |  |  |  |
| Subsidiaries | - | - | 37,631,307 | 24,795,217 |
| Shareholders and key management | 457,903 | 47,248 | 190,000 | 19,000 |
| Companies under common control  at shareholders level | 27,199 | - | 27,199 | - |
| Total payable from related parties, net | 485,102 | 47,248 | 37,848,506 | 24,814,217 |
| Finance lease obligations |  |  |  |  |
| Shareholders and key management | 152,267,828 | 286,293,727 | 150,432,879 | 152,859,295 |
|  |  |  |  |  |
| Total finance lease obligations | 152,267,828 | 286,293,727 | 150,432,879 | 152,859,295 |

**d) Borrowings from related parties**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated**  **financial statements** | | **Separate**  **financial statements** | |
|  | **2021** | **2020** | **2021** | **2020** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
| **Companies under common control**  **at shareholders level:** |  |  |  |  |
| Beginning balance | - | - | - | - |
| Borrowings received during the year | - |  | - | - |
| Borrowings repaid during the year | - | - | - | - |
|  |  |  |  |  |
| Ending balance | - | - | - | - |
|  |  |  |  |  |
| **Shareholders:** |  |  |  |  |
| Beginning balance | - | 50,000,000 | - | - |
| Borrowings received during the year |  |  |  |  |
| Borrowings repaid during the year | - | (50,000,000) | - | - |
|  |  |  |  |  |
| Ending balance | - | - | - | - |
|  |  |  |  |  |
| **Total borrowings from related parties** | - | - | - | - |

Borrowings from shareholder were provided interest rate at 1.97% per annum with unsecured, and there was specified repayment date within 5 year. However, the Group has already paid the remaining balance fully in 2020.

**e) Loans to related parties**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated**  **financial statements** | | **Separate**  **financial statements** | |
|  | **2021** | **2020** | **2021** | **2020** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
| **Short-term loan to related party** |  |  |  |  |
| Subsidiaries | - | - | 6,649,380 | 5,978,000 |
| Less Loss allowance | - | - | (43,353) | (34,504) |
|  |  |  |  |  |
| Total | - | - | 6,606,027 | 5,943,496 |
|  |  |  |  |  |
| **Long-term loans to related parties** |  |  |  |  |
| Subsidiaries | - | - | 185,943,715 | 361,947,933 |
| Less Loss allowance | - | - | (1,317,173) | (2,100,070) |
|  |  |  |  |  |
| Total | - | - | 184,626,542 | 359,847,863 |

The movements of loans to related parties can be analysed are as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated**  **financial statements** | | **Separate**  **financial statements** | |
|  |  |  |  |  |
|  | **2021** | **2020** | **2021** | **2020** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
| **Related parties** |  |  |  |  |
| Beginning balance | - | - | 365,791,359 | 285,498,875 |
| Adjustment on adoption of TFRS 9 |  |  |  |  |
| on 1 January 2020 | - | - | - | (15,747,961) |
| Loans made during the year | - | - | 118,850,000 | 165,499,923 |
| Loans repaid during the year | - | - | (301,069,575) | (87,044,200) |
| Currency differences | - | - | 6,886,736 | (702,141) |
| Effect of changes in interest rates on loan |  |  |  |  |
| agreements | - | - | - | 18,413,844 |
| Allowance for impairment | - | - | (774,049) | (126,981) |
|  |  |  |  |  |
| Ending balance | - | - | 191,232,569 | 365,791,359 |

Loan terms and conditions are as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Separate financial statements** | | | | |
|  | **Amount of** |  | **Amount repaid** |  |
|  | **loans as at** |  | **for the year** |  |
|  | **2021** |  | **ended 2021** |  |
| **Company** | **Baht** | **Term** | **Baht** | **Interest rate** |
|  |  |  |  |  |
| Premium Foods Co., Ltd. | - | Unsecured and due in 2025 | 178,765,000 | 3.85 - 4.24 |
|  |  |  |  |  |
| Thai Flavour and Fragrance |  |  |  |  |
| Co., Ltd. | 29,880,719 | Unsecured and due in 2025 | 108,316,800 | 3.85 - 4.24 |
|  |  |  |  |  |
| Best Odour Co., Ltd. | 2,184,045 | Unsecured and due in 2022 | 2,400,000 | 3.85 |
|  |  |  |  |  |
| R&B Food Supply Vietnam |  |  |  |  |
| Limited Liability Company | 131,594,194 | Unsecured and due in 2026 | 3,790,273 | 4.25 - 5.00 |
|  |  |  |  |  |
| PT RBFood Manufaktur |  |  |  |  |
| Indonesia | 27,573,611 | Unsecured and due in 2027 | 7,797,502 | 4.50 - 4.75 |
|  |  |  |  |  |
|  | 191,232,569 |  | 301,069,575 |  |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Separate financial statements** | | | | |
|  |  |  | **Amount repaid** |  |
|  | **Amount of** |  | **for the** |  |
|  | **loans as at** |  | **period ended** |  |
|  | **2020** |  | **2020** |  |
| **Company** | **Baht** | **Term** | **Baht** | **Interest rate** |
|  |  |  |  |  |
| Premium Foods Co., Ltd. | 177,733,193 | Unsecured and due in 2025 | 40,560,000 | 3.85 - 4.24 |
|  |  |  |  |  |
| Thai Flavour and Fragrance |  |  |  |  |
| Co., Ltd. | 137,616,883 | Unsecured and due in 2025 | 44,084,200 | 3.85 - 4.24 |
|  |  |  |  |  |
| Best Odour Co., Ltd. | 4,573,449 | Unsecured and due in 2022 | 2,400,000 | 3.85 |
|  |  |  |  |  |
| R&B Food Supply Vietnam |  |  |  |  |
| Limited Liability Company | 16,476,539 | Unsecured and due in 2026 | - | 4.25 - 4.75 |
|  |  |  |  |  |
| PT RBFood Manufaktur |  |  |  |  |
| Indonesia | 29,391,295 | Unsecured and due in 2027 | - | 4.50 - 4.75 |
|  |  |  |  |  |
|  | 365,791,359 |  | 87,044,200 |  |

Loans to related parties are normally given on commercial terms and conditions. Related interest income in 2020 was Baht 9,622,243 (2020: Baht 14,579,461).

**f) Key management compensation**

The compensation paid or payable to key management for employee services are as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated**  **financial statements** | | **Separate**  **financial statements** | |
|  | **2021** | **2020** | **2021** | **2020** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| Short-term employee benefits | 40,165,507 | 35,083,276 | 33,713,977 | 29,064,845 |
| Post-employee benefits | 158,272 | 201,526 | 122,008 | 154,088 |
|  |  |  |  |  |
|  | 40,323,779 | 35,284,802 | 33,835,985 | 29,218,933 |

|  |
| --- |
| **33 Commitments** |

**Lease and service commitments**

From 1 January 2020, the Group and the Company has recognised right-of-use assets for these leases, except for   
short-term and low-value leases as permitted by Financial reporting standards relating to leases standard (TFRS 16).

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

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

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated**  **financial statements** | | **Separate**  **financial statements** | |
|  | **2021** | **2020** | **2021** | **2020** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| Not later than 1 year | 3,294,398 | 3,255,815 | 1,952,131 | 1,800,447 |
| Later than 1 year but not later than 5 years | 239,060 | 224,640 | 128,180 | 171,200 |
|  |  |  |  |  |
| Total | 3,533,458 | 3,480,455 | 2,080,311 | 1,971,647 |

|  |
| --- |
| **34 Bank guarantees** |

As at 31 December, the Group and the Company have the following guarantees in respect of bank arising in the ordinary course of business as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated**  **financial statements** | | **Separate**  **financial statements** | |
|  | **2021** | **2020** | **2021** | **2020** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| Bank guarantees | 3,156,700 | 4,456,700 | 1,197,000 | 1,197,000 |
| Import Letter of Credit | - | 11,537,064 | - | 6,509,867 |
| Export bill under L/C - Collection | 460,247 | - | 460,247 | - |
| Import bill for collection (B/C) | 1,718,865 | 5,571,644 | - | 3,383,162 |

|  |
| --- |
| **35 Events after the reporting period** |

**Investment plan**

Board of Directors Meeting No.1/2023 on 28 January 2022 had approved establishment of the new subsidiary to support business expansion to India. Registered capital is 100,000,000 Indian rupees (equivalent to Baht 47,280,000), equity share of 10 Indian rupees each (equivalent to Baht 4.7 per share). The Company holds 51% of the registered capital.

**Dividend payment**

On 21 February 2022, the Company’s Board of Directors (“The Board”) Meeting agreed to propose to the Annual General Meeting of Shareholders to approve the dividend payment of the Company's 2021 operating results at Baht 0.15 per share, totalling Baht 300 million. The dividend payment, scheduled on 19 May 2022, is subject to the approval of the Shareholders at the Annual General Meeting to be held on 19 April 2022.