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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 address of the Company’s registered office is as follows:

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

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

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

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

This interim consolidated and separate financial information were authorised for issue by the Board of Directors on   
6 May 2022.

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

**Investment plan**

Board of Directors Meeting No.1/2022 on 28 January 2022 had approved establishment of a new company to support business expansion to India. Registered capital is 100,000,000 Indian rupees (equivalent to Baht 41,210,000), equity share of 10 Indian rupees each (equivalent to Baht 4.12 per share). The Company holds 51% of the registered capital.

As at 31 March 2022, The said company is in the process of establishment which is expected to be completed in the 2nd quarter of 2022.

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| **3 Basis of preparation** |

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

The interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2021.

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

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| **4 Accounting policies** |

The accounting policies used in the preparation of the interim financial information are consistent with those used in the annual financial statements for the year ended 31 December 2021.

New and amended Thai Financial Reporting Standards effective for the accounting periods beginning on or after   
1 January 2022 do not have significant impact on the Group.

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| **5 Estimates** |

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

In preparing this interim financial information, the significant judgements made by management in applying the group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2021.

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| **6 Segment and revenue information** |

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

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | **Consolidated financial information** | | | | | | |
|  | **Domestic revenues** | | | **Overseas revenues** | |  | |
|  | **Production and trading** | | | **Production and trading** | | **Total** | |
| **For the three-month period ended** | **31 March** | **31 March** | **31 March** | | **31 March** | **31 March** | **31 March** |
|  | **2022** | **2021** | **2022** | | **2021** | **2022** | **2021** |
|  | **Baht** | **Baht** | **Baht** | | **Baht** | **Baht** | **Baht** |
|  |  |  |  | |  |  |  |
| Segment revenues | 877,505,411 | 795,119,122 | 235,407,938 | | 155,854,342 | 1,112,913,349 | 950,973,464 |
| Less Inter-segment revenues | (88,264,564) | (73,614,391) | (40,422,414) | | (32,413,391) | (128,686,978) | (106,027,782) |
|  |  |  |  | |  |  |  |
| **Revenue from external customers** | 789,240,847 | 721,504,731 | 194,985,524 | | 123,440,951 | 984,226,371 | 844,945,682 |
|  |  |  |  | |  |  |  |
| **Segment profit or loss** | 331,653,034 | 319,567,006 | 37,880,552 | | 25,212,872 | 369,533,586 | 344,779,878 |
|  |  |  |  | |  |  |  |
| Gain (loss) on exchange rate |  |  |  | |  | 12,096,450 | (2,203,805) |
| Other income |  |  |  | |  | 4,234,319 | 1,398,284 |
| Selling expenses |  |  |  | |  | (62,077,917) | (54,906,508) |
| Administrative expenses |  |  |  | |  | (122,280,452) | (111,161,575) |
| Net impairment losses on financial assets |  |  |  | |  | 1,022,412 | (2,267,015) |
| Finance costs |  |  |  | |  | (2,295,131) | (1,734,200) |
|  |  |  |  | |  |  |  |
| **Profit before income tax** |  |  |  | |  | 200,233,267 | 173,905,059 |
| Income tax |  |  |  | |  | (34,516,067) | (35,178,896) |
|  |  |  |  | |  |  |  |
| **Profit for the period from continuing operations** |  |  |  | |  | 165,717,200 | 138,726,163 |
| Profit (loss) from discontinued operations |  |  |  | |  | - | (62,588,049) |
|  |  |  |  | |  |  |  |
| **Profit for the period** |  |  |  | |  | 165,717,200 | 76,138,114 |
|  |  |  |  | |  |  |  |
| **Timing of revenue recognition** |  |  |  | |  |  |  |
| At a point in time | 789,240,847 | 721,504,731 | 191,036,501 | | 121,775,507 | 980,277,348 | 843,280,238 |
| Over time | - | - | 3,949,023 | | 1,665,444 | 3,949,023 | 1,665,444 |
|  |  |  |  | |  |  |  |
| **Total revenue** | 789,240,847 | 721,504,731 | 194,985,524 | | 123,440,951 | 984,226,371 | 844,945,682 |

During the period, the Group had a main external customer whose sales accounted to be 13% of total revenues from sales and rendering services respectively, which was domestic production and trading revenues. Total revenue from this customer was Baht 123,277,623 (For the three-month period ended 31 March 2021: the Group had two main external customers whose sales accounted to be 15% of total revenues from sales and rendering services respectively, which was domestic production and trading revenues. Total revenue from this customer was Baht 128,170,986).

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| **7 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.

In the 2nd quarter of 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.

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. During the 3rd quarter of 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 three-month ended   
31 March 2022 and 31 March 2021 as follows:

|  |  |  |
| --- | --- | --- |
|  | **Consolidated**  **financial information** | |
|  | **31 March 2022** | **31 March 2021** |
|  |  |  |
| Revenue | - | 3,438,119 |
| Expenses | - | (20,030,181) |
| Impairment of assets | - | (62,259,918) |
|  |  |  |
| Loss before income tax | - | (78,851,980) |
| Income tax | - | 16,263,931 |
|  |  |  |
| Loss after income tax - before loss on disposal of discontinued operations | - | (62,588,049) |
| Gain on disposal of discontinued operations | - | - |
| Income tax from gain on disposal of discontinued operations | - | - |
|  |  |  |
| **Loss after income tax - Discontinued operations** | - | (62,588,049) |
|  |  |  |
|  |  |  |
| Operating cash flows | - | (13,963,838) |
| Investing cash flows | - | (629,205) |
| Financing cash flows | - | 576,577 |
|  |  |  |
| **Net cash flows** | - | (14,016,466) |

Impairment of assets amount came from the 1st quarter of 2021, the Group accessed on the impairment of assets for   
cash-generating units of the hotel businesses 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 which totaling Baht 62.26 million.

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| **8 Trade and other receivables** |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated**  **financial information** | | **Separate**  **financial information** | |
|  | **31 March** | **31 December** | **31 March** | **31 December** |
|  | **2022** | **2021** | **2022** | **2021** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| Trade receivables - other companies | 873,044,965 | 813,890,413 | 619,004,500 | 588,907,825 |
| Trade receivables - related parties (Note 19) | 2,306,905 | 1,000,535 | 103,992,886 | 86,645,923 |
| Less Loss allowance | (36,308,642) | (37,509,778) | (32,927,097) | (33,945,926) |
|  |  |  |  |  |
| Total trade receivables | 839,043,228 | 777,381,170 | 690,070,289 | 641,607,822 |
| Advance payments | 51,801,271 | 56,951,108 | 37,410,714 | 42,728,831 |
| Prepayments | 15,739,167 | 9,572,314 | 7,171,711 | 6,922,236 |
| Other receivables from other companies | 16,151,754 | 14,462,150 | 5,619,595 | 5,016,323 |
| Other receivables from related parties (Note 19) | 214,861 | 214,861 | 8,264,402 | 9,300,709 |
| Accrued income | 78,081 | 19,256 | 73,973 | 19,178 |
| Dividend receivable (Note 19) | - | - | 76,999,386 | - |
| Less Loss allowance | (8,276,547) | (8,276,547) | (4,916,882) | (4,916,882) |
|  |  |  |  |  |
| Total trade and other receivables | 914,751,815 | 850,324,312 | 820,693,188 | 700,678,217 |

During three-month period ended 31 March 2022, total amounts of previous loss allowance for trade and other receivables of the Group and the Company are written-off to bad debt as uncollectible amounted to Baht 41,330 (During three-month period ended 31 March 2021, the Group and the Company has no receivables written-off).

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

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated**  **financial information** | | **Separate**  **financial information** | |
|  | **31 March** | **31 December** | **31 March** | **31 December** |
|  | **2022** | **2021** | **2022** | **2021** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| Not yet due | 582,786,570 | 515,321,411 | 476,658,994 | 426,426,986 |
| Up to 3 months | 253,634,275 | 256,510,180 | 213,121,047 | 214,540,275 |
| 3 - 6 months | 2,609,499 | 4,359,508 | 552,183 | 439,721 |
| 6 - 12 months | 468,332 | 1,726,199 | 208,706 | 776,418 |
| Over 12 months | 35,853,194 | 36,973,650 | 32,456,456 | 33,370,348 |
|  |  |  |  |  |
|  | 875,351,870 | 814,890,948 | 722,997,386 | 675,553,748 |
| Less Loss allowance | (36,308,642) | (37,509,778) | (32,927,097) | (33,945,926) |
|  |  |  |  |  |
| Total | 839,043,228 | 777,381,170 | 690,070,289 | 641,607,822 |

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| **9 Inventories** |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated**  **financial information** | | **Separate**  **financial information** | |
|  | **31 March** | **31 December** | **31 March** | **31 December** |
|  | **2022** | **2021** | **2022** | **2021** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| Finished goods | 482,715,840 | 373,621,415 | 338,332,577 | 261,104,325 |
| Raw materials | 550,158,277 | 463,054,406 | 287,811,846 | 214,522,212 |
| Packing materials | 57,176,483 | 56,720,094 | 45,862,118 | 45,858,322 |
| Supplies | 20,453,376 | 18,712,875 | 17,937,395 | 16,453,615 |
|  |  |  |  |  |
| Total | 1,110,503,976 | 912,108,790 | 689,943,936 | 537,938,474 |
| Less Allowances for decrease in value |  |  |  |  |
| of inventories | (15,143,487) | (10,329,043) | (14,072,645) | (8,763,264) |
| Less Allowances for inventory obsolescence | (42,824,313) | (28,385,213) | (29,985,204) | (17,206,463) |
|  |  |  |  |  |
| Total | 1,052,536,176 | 873,394,534 | 645,886,087 | 511,968,747 |
| Goods in transit | 65,503,826 | 116,062,513 | 55,615,193 | 109,176,623 |
|  |  |  |  |  |
| Total inventories - trading business | 1,118,040,002 | 989,457,047 | 701,501,280 | 621,145,370 |

During three-month period ended 31 March 2022, the Group and the Company recognised the allowance for diminution in value of inventories amounting to Baht 4,814,444 and Baht 5,309,381 respectively. (During three-month period ended   
31 March 2021: the Group and the Company recognised the allowance for diminution in value of inventories amounting to Baht 2,154,299 and Baht 703,789 respectively) in the consolidated and separate statements of comprehensive income.

During three-month period ended 31 March 2022, the Group and the Company recognised their allowance for obsolete inventories amounting to Baht 14,439,100 Baht 12,778,741 respectively (During three-month period ended 31 March 2021: the Group reversed the allowance for obsolete inventories amounting to Baht 8,058,111 and the Company recognised the allowance for obsolete inventories amounting to Baht 4,487,166 respectively) in the consolidated and separate statements of comprehensive income.

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| **10 Biological assets** |

|  |  |
| --- | --- |
|  | **Consolidated and** |
|  | **Separate financial statements** |
|  | **2022** |
|  | **Baht** |
|  |  |
| Cultivating hemps | 2,903,484 |
|  |  |
| Total biological assets | 2,903,484 |

The movement in the biological assets are as follows:

|  |  |
| --- | --- |
|  | **Consolidated and Separate financial statements** |
|  | **Cultivating hemps** |
|  | **Baht** |
|  |  |
| As at 1 January 2022 | 2,601,397 |
| Cost incurred during the year | 1,201,248 |
| Decrease due to harvest | (899,161) |
| Profit (loss) on change in fair value of biological assets | - |
|  |  |
| As at 31 March 2022 | 2,903,484 |

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, the fair value would increase. |

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| **11 Investments in subsidiaries** |

|  |  |  |
| --- | --- | --- |
|  | **Separate financial information** | |
|  | **31 March** | **31 December** |
|  | **2022** | **2021** |
|  | **Baht** | **Baht** |
|  |  |  |
| Opening net book value | 957,675,054 | 758,113,624 |
| Additions in investment in subsidiaries |  |  |
| - PT RBFood Manufaktur Indonesia | - | 176,295,840 |
| - 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 | 957,675,054 |

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

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  | **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 March** | **31 December** | **31 March** | **31 December** | **31 March** | **31 December** |
|  | **Incorporation** | **Nature of** | **2022** | **2021** | **2022** | **2021** | **2022** | **2021** |
| **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 | 214,664,772 |
| 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 | Trading | 100.00 | 100.00 | - | - | 1,206,890 | 1,206,890 |
| RBJ Company Limited | Thailand | Trading | 51.00 | 51.00 | 49.00 | 49.00 | 5,100,000 | 5,100,000 |
| Maple Innovation Co., Ltd. | Japan | Trading | 60.00 | 60.00 | 40.00 | 40.00 | 16,958,700 | 16,958,700 |
|  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  | 957,675,054 | 957,675,054 |

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 100 Baht, 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. Moreover, On 24 March 2022, non-controlling interest paid for outstanding shares at RBJ Company Limited amounting to Baht 4.9 million.

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 and 16 September 2021 the Company paid for outstanding shares at PT RBFood Manufaktur Indonesia amounting to Baht 29.39 million, 40.48 million and 15.50 million respectively.

|  |
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| **12 Investment property** |

|  |  |  |
| --- | --- | --- |
|  | **Consolidated**  **financial information** | **Separate**  **financial information** |
| **For the three-month period ended 31 March 2022** | **Land** | **Land, building**  **and building improvements** |
|  | **Baht** | **Baht** |
|  |  |  |
| Opening net book amount | 67,126,009 | 95,834,223 |
| Depreciation | - | (935,283) |
|  |  |  |
| Closing net book amount | 67,126,009 | 94,898,940 |
|  |  |  |
| Fair value | 126,800,000 | 129,717,550 |

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

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| **13 Property, plant and equipment and intangible assets** |

The movements of property, plant and equipment and intangible assets for the three-month period ended 31 March 2022 are as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated**  **financial information** | | **Separate**  **financial information** | |
|  | **Property,**  **plant, and equipment** | **Intangible assets** | **Property,**  **plant, and equipment** | **Intangible assets** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| Opening net book amount | 1,547,526,883 | 5,530,381 | 904,199,120 | 3,612,443 |
| Additions | 62,217,968 | 245,600 | 55,691,951 | 158,600 |
| Disposals/Write-offs | (257,972) | - | (1,214,659) | - |
| Depreciation and amortisation | (44,885,823) | (226,376) | (30,355,301) | (140,965) |
| Currency translation difference | (2,057,012) | - | - | - |
|  |  |  |  |  |
| Closing net book amount | 1,562,544,044 | 5,549,605 | 928,321,111 | 3,630,078 |

|  |
| --- |
| **14 Right-of-use assets** |

The movements of right-of-use assets for the three-month period ended 31 March 2022 are as follows:

|  |  |  |
| --- | --- | --- |
|  | **Consolidated**  **financial information** | **Separate**  **financial information** |
|  | **Baht** | **Baht** |
|  |  |  |
| Opening net book amount | 294,934,942 | 221,541,834 |
| Additions | 1,046,266 | 869,869 |
| Lease termination | (2,696,471) | - |
| Amortisation | (6,433,707) | (3,658,347) |
| Currency translation difference | (18,506) | - |
|  |  |  |
| Closing net book amount | 286,832,524 | 218,753,356 |

In the 1st quarter of 2022, the Group terminated rental contracts which resulted in decreasing the carrying amount of the right-of-use asset to reflect the termination of the lease amounting to Baht 2.69 million and lease liabilities amounting to Baht 2.85 million, respectively. The lessee shall recognise in profit or loss any gain or loss relating to the termination of the lease in the consolidated statement of comprehensive income.

|  |
| --- |
| **15 Trade and other payables** |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated**  **financial information** | | **Separate**  **financial information** | |
|  | **31 March** | **31 December** | **31 March** | **31 December** |
|  | **2022** | **2021** | **2022** | **2021** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| Trade accounts payable - other companies | 402,268,396 | 358,503,399 | 319,703,243 | 294,853,835 |
| Trade accounts payable - related parties (Note 19) | - | - | 32,257,103 | 34,071,435 |
| Other payables - other companies | 64,812,528 | 62,799,400 | 56,265,581 | 53,118,503 |
| Other payables - related parties (Note 19) | - | 27,199 | 4,863,858 | 3,587,071 |
| Amounts due to director (Note 19) | 116,442 | 457,903 | 55,703 | 190,000 |
| Accrued expenses | 62,732,018 | 65,666,812 | 42,889,046 | 45,020,441 |
|  |  |  |  |  |
| Total trade and other payables | 529,929,384 | 487,454,713 | 456,034,534 | 430,841,285 |

|  |
| --- |
| **16 Employee benefit obligations** |

The movements in the defined benefit obligations for the three-month period ended 31 March 2022are as follows:

|  |  |  |
| --- | --- | --- |
|  | **Consolidated**  **financial information** | **Separate**  **financial information** |
| **For the three-month period ended 31 March 2022** | **Baht** | **Baht** |
|  |  |  |
| At 1 January 2022 | 60,941,951 | 40,544,344 |
| Current service cost | 1,202,287 | 541,724 |
| Interest expense | 150,101 | 89,789 |
| Benefit paid | (446,736) | - |
|  |  |  |
| At 31 March 2022 | 61,847,603 | 41,175,857 |

|  |
| --- |
| **17 Income taxes** |

Income tax expense is recognised based on management’s estimate of the weighted average effective annual income tax rate expected for the full financial year. The estimated average annual tax rate used for the year to 31 March 2022 of the Group and the Company are 17.24% and 10.28%, respectively, (The estimated average annual tax rate used for the year to 31 March 2021 of the Group and the Company are 20.23% and 17.84%, respectively).

|  |
| --- |
| **18 Commitments** |

**Contingent liabilities**

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

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

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated**  **financial information** | | **Separate**  **financial information** | |
|  | **31 March** | **31 December** | **31 March** | **31 December** |
|  | **2022** | **2021** | **2022** | **2021** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| Not later than 1 year | 9,151,558 | 3,294,398 | 5,242,173 | 1,952,131 |
| Later than 1 year but not later than 5 years | 322,060 | 239,060 | 163,560 | 128,180 |
|  |  |  |  |  |
| Total | 9,473,618 | 3,533,458 | 5,405,733 | 2,080,311 |

|  |
| --- |
| **19 Related party transactions** |

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

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

The Company is controlled by Ratanapoompinyo's family. Major shareholders includes Mr. Somchai Ratanapoompinyo, Mrs.Petchara Ratanapoompinyo, Janjida Ratanapoompinyo, M.D., Sanathorn Ratanapoompinyo, M.D., together hold 61.62% of the Company's total ordinary shares.

Relationship of the Company and related parties is as follows:

|  |  |
| --- | --- |
| **Related parties** | **Relationship** |
|  |  |
| R&B Food Supply Vietnam Limited Liability Company | Subsidiary |
| PT RBFood Supply Indonesia | Subsidiary |
| Thai Flavour and Fragrance Co., Ltd. | Subsidiary |
| Premium Food Co., Ltd. | Subsidiary |
| Best Odour Co., Ltd. | Subsidiary |
| PT RBFood Manufaktur Indonesia | Subsidiary |
| Guangzhou Thai Delicious Food Co., Ltd. | Subsidiary |
| 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 |
| Thai Union Group Public Company Limited  Pakfood Public Company Limited  Okeanos food Company Limited | Related party  Related party  Related party |

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

|  |  |
| --- | --- |
|  | **Terms and basis** |
|  |  |
| Sales of goods | Cost plus margin according to type of products |
| Rental income | Contract price value by independent appraiser which close to market price |
| Service income | Cost plus margin |
| Other income - Commissions | Contractual price which is based on percentage of sales |
| Interest income | Contractual price |
| Dividend income | Contract price value by Annual General Meeting of Shareholders |
| Gain from sale discontinued operations | Contract price value by independent appraiser which close to market price |
| Purchase of goods | Cost plus margin according to type of products |
| Purchases of property, plant and  equipment | Contract price value by independent appraiser which close to market price |
| Lease obligations | Contract price value by independent appraiser which close to market price |
| Rental expenses | Contract price value by independent appraiser which close to market price |
| Services expenses | Contractual price |
| Commission expense | Contractual price which is based on percentage of sales |
| Other expenses | Contractual price |
| Interest expense | Contractual price |

The following material transactions were carried out with related parties**:**

1. Sales of goods and service

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated**  **financial information** | | **Separate**  **financial information** | |
| **For the three-month period ended** | **31 March** | **31 March** | **31 March** | **31 March** |
|  | **2022** | **2021** | **2022** | **2021** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
| Sale of goods to: |  |  |  |  |
| Subsidiaries | - | - | 90,868,430 | 78,686,210 |
| Related Party | 2,911,609 | - | 2,698,440 | - |
|  |  |  |  |  |
|  | 2,911,609 | - | 93,566,870 | 78,686,210 |
|  |  |  |  |  |
| Sale of property, plant and equipment from: |  |  |  |  |
| Subsidiaries | - | - | 1,004,793 | - |
|  |  |  |  |  |
|  | - | - | 1,004,793 | - |
|  |  |  |  |  |
| Property rental income from: |  |  |  |  |
| Subsidiaries | - | - | 2,546,159 | 2,511,420 |
|  |  |  |  |  |
|  | - | - | 2,546,159 | 2,511,420 |
|  |  |  |  |  |
| Service and other income from: |  |  |  |  |
| Subsidiaries | - | - | 8,824,091 | 8,638,298 |
|  |  |  |  |  |
|  | - | - | 8,824,091 | 8,638,298 |
|  |  |  |  |  |
| Interest income from: |  |  |  |  |
| Subsidiaries | - | - | 2,095,186 | 3,647,067 |
|  |  |  |  |  |
|  | - | - | 2,095,186 | 3,647,067 |
|  |  |  |  |  |
| Dividend income from: |  |  |  |  |
| Subsidiaries | - | - | 76,999,386 | - |
|  |  |  |  |  |
|  | - | - | 76,999,386 | - |

1. Purchases of goods and services

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated**  **financial information** | | **Separate**  **financial information** | |
| **For the three-month period ended** | **31 March** | **31 March** | **31 March** | **31 March** |
|  | **2022** | **2021** | **2022** | **2021** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| Purchase of goods from: |  |  |  |  |
| Subsidiaries | - | - | 36,056,958 | 24,107,170 |
|  |  |  |  |  |
|  | - | - | 36,056,958 | 24,107,170 |
|  |  |  |  |  |
| Purchase of property, plant  and equipment from: |  |  |  |  |
| Subsidiaries | - | - | 351,540 | - |
|  |  |  |  |  |
|  | - | - | 351,540 | - |
|  |  |  |  |  |
| Land rental expenses to: |  |  |  |  |
| Subsidiaries | - | - | 3,918 | - |
|  |  |  |  |  |
|  | - | - | 3,918 | - |
|  |  |  |  |  |
| Service and other expenses to: |  |  |  |  |
| Subsidiaries | - | - | 9,909,938 | 9,995,903 |
| Company under common control |  |  |  |  |
| at shareholders level | 17,400 | - | 8,400 | - |
|  |  |  |  |  |
|  | 17,400 | - | 9,918,338 | 9,995,903 |
|  |  |  |  |  |
| Interest expense paid to: |  |  |  |  |
| Shareholders and key management | 2,186,342 | 2,959,016 | 2,139,407 | 2,156,361 |
|  |  |  |  |  |
|  | 2,186,342 | 2,959,016 | 2,139,407 | 2,156,361 |

1. Outstanding balances arising from sales/purchases of goods and services

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated**  **financial information** | | **Separate**  **financial information** | |
|  | **31 March** | **31 December** | **31 March** | **31 December** |
|  | **2022** | **2021** | **2022** | **2021** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| Trade receivables and other receivables |  |  |  |  |
| Related parties | 2,306,904 | 1,000,535 | 2,094,864 | 795,331 |
| Subsidiaries | - | - | 186,946,950 | 94,936,440 |
| Shareholders and key management | 214,861 | 214,861 | 214,860 | 214,861 |
|  |  |  |  |  |
| Total receivables from related parties | 2,521,765 | 1,215,396 | 189,256,674 | 95,946,632 |
|  |  |  |  |  |
| Prepayment |  |  |  |  |
| Subsidiaries | - | - | 3,918 | 7,836 |
|  |  |  |  |  |
|  | - | - | 3,918 | 7,836 |
|  |  |  |  |  |
| Trade payables and other payables |  |  |  |  |
| Subsidiaries | - | - | 37,120,961 | 37,631,307 |
| Shareholders and key management | 116,442 | 457,903 | 55,703 | 190,000 |
| Company under common control |  |  |  |  |
| at shareholders level | - | 27,199 | - | 27,199 |
|  |  |  |  |  |
| Total payable from related parties | 116,442 | 485,102 | 37,176,664 | 37,848,506 |
|  |  |  |  |  |
| Lease obligations |  |  |  |  |
| Shareholders and key management | 153,305,879 | 152,267,828 | 151,423,996 | 150,432,879 |
|  |  |  |  |  |
| Total lease obligations | 153,305,879 | 152,267,828 | 151,423,996 | 150,432,879 |

1. Borrowings from related parties

|  |  |  |
| --- | --- | --- |
|  | **Consolidated**  **financial information** | |
|  | **31 March** | **31 December** | |
|  | **2022** | **2021** | |
|  | **Baht** | **Baht** | |
|  |  |  | |
| **Shareholders:** |  |  | |
| Beginning balance | - | 50,000,000 | |
| Borrowings repaid during the period/year | - | (50,000,000) | |
|  |  |  | |
| Ending balance | - | - | |

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

1. Loans to related parties

|  |  |  |
| --- | --- | --- |
|  | **Separate**  **financial information** | |
|  | **31 March** | **31 December** |
|  | **2022** | **2021** |
|  | **Baht** | **Baht** |
|  |  |  |
| **Related parties** |  |  |
| Beginning balance | 191,232,569 | 365,791,359 |
| Loans made during the period/year | - | 118,850,000 |
| Loans repaid during the period/year | (16,167,231) | (301,069,575) |
| Currency differences | (1,344,935) | 6,886,736 |
| Reversal of allowance for impairment | 117,246 | 774,049 |
|  |  |  |
| Ending balance | 173,837,649 | 191,232,569 |

Loan terms and conditions are as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Separate financial information** | | | | |
|  |  |  | **Amount repaid** |  |
|  | **Amount of** |  | **for the** |  |
|  | **loans as at** |  | **period ended** |  |
|  | **31 March**  **2022** |  | **31 March**  **2022** | **Interest** |
| **Company** | **Baht** | **Term** | **Baht** | **rate** |
|  |  |  |  |  |
| Thai Flavour and Fragrance | 27,438,559 | Unsecured and due in | 2,460,000 | 4.00 |
| Co., Ltd. |  | 2023 and 2025 |  |  |
|  |  |  |  |  |
| Best Odour Co., Ltd. | 1,588,397 | Unsecured and due in 2022 | 600,000 | 3.85 |
|  |  |  |  |  |
| R&B Food Supply Vietnam | 118,531,908 | Unsecured and due in | 11,967,120 | 4.25 - 5.00 |
| Limited Liability Company |  | 2021 and 2026 |  |  |
|  |  |  |  |  |
| PT RBFood Manufaktur | 26,278,785 | Unsecured and due in | 1,140,111 | 4.50 - 4.75 |
| Indonesia |  | 2022 - 2027 |  |  |
|  |  |  |  |  |
|  | 173,837,649 |  | 16,167,231 |  |

Loans to related parties are normally given on commercial terms and conditions. Related interest income was Baht 2,095,186 (31 March 2021: Baht 3,647,067).

1. Key management compensation

Key management compensation of the Group for the three-month periods ended 31 March 2022 and 2021 are as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated**  **financial information** | | **Separate**  **financial information** | |
| **For the three-month period ended** | **31 March** | **31 March** | **31 March** | **31 March** |
|  | **2022** | **2021** | **2022** | **2021** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| Short-term employee benefits | 10,348,419 | 9,258,110 | 8,584,151 | 7,673,076 |
| Post-employment benefits | 40,775 | 39,568 | 31,451 | 30,502 |
|  |  |  |  |  |
|  | 10,389,194 | 9,297,678 | 8,615,602 | 7,703,578 |

|  |
| --- |
| **20 Events after the reporting period** |

At the Annual General Meeting of Shareholders no.1/2022 of the Company held on 19 April 2022, the Shareholders approved the dividend payment of the Company's 2021 operating results at Baht 0.15 per share, totalling Baht 300 million. The dividends were distributed to the shareholders on 11 May 2022.

The Group and two other investors, Thai Union Group Public Company Limited (“TU”) and Srinivasa Cystine Private Limited (“SCPL”), have completed the establishment of the new company named RBS - TU Food Ingredients Private Limited on April 26, 2022.