|  |
| --- |
| **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   
11 November 2022.

|  |
| --- |
| **2 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.

|  |
| --- |
| **3 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 except accounting policy for consolidated financial information related to derivatives assets which was disclosed in Note 6 and joint ventures which was disclosed in Note 11.

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.

|  |
| --- |
| **4 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.

|  |
| --- |
| **5 Segment and revenue information** |

The Chief Financial Officer identifies reportable segments of its business to examine the Group’s performance by the location of revenues which is revenues from domestic and oversea. Segment and revenue information for the nine-month period ended 30 September 2022 and 2021 as follows:

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | **Consolidated financial information** | | | | | | | |
|  | **Domestic revenues** | | **Overseas revenues** | | | **Total** | | |
|  | **30 September** | **30 September** | | **30 September** | **30 September** | | **30 September** | **30 September** |
|  | **2022** | **2021** | | **2022** | **2021** | | **2022** | **2021** |
|  | **Baht** | **Baht** | | **Baht** | **Baht** | | **Baht** | **Baht** |
|  |  |  | |  |  | |  |  |
| Segment revenues | 2,592,181,854 | 2,291,469,213 | | 746,058,493 | 504,263,649 | | 3,338,240,347 | 2,795,732,862 |
| Less Inter-segment revenues | (243,574,065) | (232,265,450) | | (138,445,550) | (107,732,104) | | (382,019,615) | (339,997,554) |
|  |  |  | |  |  | |  |  |
| **Revenue from external customers** | 2,348,607,789 | 2,059,203,763 | | 607,612,943 | 396,531,545 | | 2,956,220,732 | 2,455,735,308 |
|  |  |  | |  |  | |  |  |
| **Segment profit or loss** | 904,392,582 | 886,701,985 | | 118,772,329 | 76,183,602 | | 1,023,164,911 | 962,885,587 |
|  |  |  | |  |  | |  |  |
| Gain on exchange rate |  |  | |  |  | | 33,019,423 | 1,441,883 |
| Other income |  |  | |  |  | | 5,855,461 | 4,893,359 |
| Selling expenses |  |  | |  |  | | (194,602,576) | (156,885,667) |
| Administrative expenses |  |  | |  |  | | (374,935,934) | (327,199,543) |
| Reversal of (loss from) net impairment losses on financial assets |  |  | |  |  | | 3,719,623 | (9,372,393) |
| Finance costs |  |  | |  |  | | (6,676,079) | (6,055,554) |
|  |  |  | |  |  | |  |  |
| **Profit before income tax** |  |  | |  |  | | 489,544,829 | 469,707,672 |
| Income tax expense |  |  | |  |  | | (94,030,753) | (92,700,499) |
|  |  |  | |  |  | |  |  |
| **Profit for the period from continuing operations** |  |  | |  |  | | 395,514,076 | 377,077,173 |
| Loss from discontinued operations |  |  | |  |  | | - | (57,898,810) |
|  |  |  | |  |  | |  |  |
| **Net profit for the period** |  |  | |  |  | | 395,514,076 | 319,108,363 |
|  |  |  | |  |  | |  |  |
| **Timing of revenue recognition** |  |  | |  |  | |  |  |
| At a point in time | 2,348,607,789 | 2,059,203,763 | | 597,304,017 | 391,331,377 | | 2,945,911,806 | 2,450,535,140 |
| Over time | - | - | | 10,308,926 | 5,200,168 | | 10,308,926 | 5,200,168 |
|  |  |  | |  |  | |  |  |
| **Total revenue** | 2,348,607,789 | 2,059,203,763 | | 607,612,943 | 396,531,545 | | 2,956,220,732 | 2,455,735,308 |

During the period, the Group had a main external customer whose sales accounted to be 8% of total revenues from sales and rendering services, which was domestic production and trading revenues. Total revenue from this customer was Baht 227,410,809 (For the nine-month period ended 30 September 2021: the Group had a main external customers whose sales accounted to be 14% of total revenues from sales and rendering services, which was domestic production and trading revenues. Total revenue from this customer was Baht 350,097,633).

|  |
| --- |
| **6 Derivatives assets** |

During the period, the Group has entered 10 foreign currency forwards to reduce fluctuation arising from movements in US Dollar exchange rates. However, the Group has not applied the hedge accounting, therefore, the Group shall recognise changes in fair value   
in gain (loss) on exchange rate in the consolidated and separate statement of comprehensive income.

|  | **Consolidated financial information** | | **Separate financial information** | |
| --- | --- | --- | --- | --- |
|  | **Level 2** | | **Level 2** | |
|  | **30 September**  **2022**  **Baht** | **31 December**  **2021**  **Baht** | **30 September**  **2022**  **Baht** | **31 December**  **2021**  **Baht** |
|  |  |  |  |  |
| **Financial assets** |  |  |  |  |
| **Financial assets at fair value through**  **profit or loss (FVPL)** |  |  |  |  |
| Derivatives - Foreign currency forwards | 8,962,895 | - | 7,493,566 | - |
|  |  |  |  |  |
| **Total financial assets** | **8,962,895** | **-** | **7,493,566** | **-** |

**Valuation techniques used to measure fair value level 2**

Derivative contracts are not traded in the active market, but traded over the counter. Fair value of the forward contracts are determined from the present value of future cash flows based on the forward exchange rates at the financial reporting date.

|  |
| --- |
| **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 million and gained after allowance for impairment of assets with amounting to Baht 15.08 million.

The financial performance and cash flow information presented for the nine-month period ended 30 September 2021 are as follows:

|  |  |
| --- | --- |
|  | **Consolidated financial information** |
|  | **30 September**  **2021**  **Baht** |
|  |  |
| Revenue | 7,069,065 |
| Expenses | (32,554,468) |
| Impairment of assets | (62,259,918) |
|  |  |
| Loss before income tax | (87,745,321) |
| Income tax | 17,781,176 |
|  |  |
| Loss after income tax - before loss on disposal of discontinued operations | (69,964,145) |
| 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** | **(57,898,810)** |
|  |  |
|  |  |
| Operating cash flows | (13,910,046) |
| Investing cash flows | 260,446,570 |
| Financing cash flows | 692,280 |
|  |  |
| **Net cash flows** | **247,228,804** |

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 independent appraiser which totalling Baht 62.26 million.

|  |
| --- |
| **8 Trade and other receivables** |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated**  **financial information** | | **Separate**  **financial information** | |
|  | **30 September** | **31 December** | **30 September** | **31 December** |
|  | **2022** | **2021** | **2022** | **2021** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| Trade receivables - other companies | 930,712,454 | 813,890,413 | 641,914,982 | 588,907,825 |
| Trade receivables - related parties (Note 20) | 7,268,896 | 1,000,535 | 93,915,956 | 86,645,923 |
| Less Loss allowance | (34,242,310) | (37,509,778) | (30,678,513) | (33,945,926) |
|  |  |  |  |  |
| Total trade receivables | 903,739,040 | 777,381,170 | 705,152,425 | 641,607,822 |
| Advance payments | 52,856,259 | 56,951,108 | 20,778,289 | 42,728,831 |
| Prepayments | 10,375,049 | 9,572,314 | 6,148,614 | 6,922,236 |
| Other receivables from other companies | 19,706,720 | 14,462,150 | 5,154,799 | 5,016,323 |
| Other receivables from related parties (Note 20) | 139,680 | 214,861 | 8,744,218 | 9,300,709 |
| Accrued income | 11,426 | 19,256 | - | 19,178 |
| Less Loss allowance for the period | (7,583,370) | (8,276,547) | (4,242,706) | (4,916,882) |
|  |  |  |  |  |
| **Total trade and other receivables** | **979,244,804** | **850,324,312** | **741,735,639** | **700,678,217** |

During nine-month period ended 30 September 2022, the Group and the Company recorded the written-off bad debt and reversed loss allowance that previously recognised as uncollectible amounted to Baht 222,381 and Baht 208,187, respectively. (During the nine-month period ended 30 September 2021, the Group and the Company recorded the written-off bad debt and reversed loss allowance that previously recognised as uncollectible amounted to Baht 67,382 and Baht 8,952, respectively.

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

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated**  **financial information** | | **Separate**  **financial information** | |
|  | **30 September** | **31 December** | **30 September** | **31 December** |
|  | **2022** | **2021** | **2022** | **2021** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| Not yet due | 560,274,067 | 515,321,411 | 432,745,185 | 426,426,986 |
| Up to 3 months | 324,777,069 | 256,510,180 | 254,731,902 | 214,540,275 |
| 3 - 6 months | 16,745,616 | 4,359,508 | 16,985,091 | 439,721 |
| 6 - 12 months | 1,715,438 | 1,726,199 | 407,128 | 776,418 |
| Over 12 months | 34,469,160 | 36,973,650 | 30,961,632 | 33,370,348 |
|  |  |  |  |  |
|  | 937,981,350 | 814,890,948 | 735,830,938 | 675,553,748 |
| Less Loss allowance | (34,242,310) | (37,509,778) | (30,678,513) | (33,945,926) |
|  |  |  |  |  |
| **Total** | **903,739,040** | **777,381,170** | **705,152,425** | **641,607,822** |

|  |
| --- |
| **9 Inventories** |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated**  **financial information** | | **Separate**  **financial information** | |
|  | **30 September** | **31 December** | **30 September** | **31 December** |
|  | **2022** | **2021** | **2022** | **2021** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| Finished goods | 522,969,810 | 373,621,415 | 373,819,426 | 261,104,325 |
| Raw materials | 637,238,537 | 463,054,406 | 331,798,433 | 214,522,212 |
| Packing materials | 68,928,152 | 56,720,094 | 56,476,471 | 45,858,322 |
| Supplies | 22,030,505 | 18,712,875 | 19,104,324 | 16,453,615 |
|  |  |  |  |  |
| Total | 1,251,167,004 | 912,108,790 | 781,198,654 | 537,938,474 |
| Less Allowances for decrease in value |  |  |  |  |
| of inventories | (19,774,717) | (10,329,043) | (18,698,702) | (8,763,264) |
| Less Allowances for inventory obsolescence | (53,773,903) | (28,385,213) | (38,926,601) | (17,206,463) |
|  |  |  |  |  |
| Total | 1,177,618,384 | 873,394,534 | 723,573,351 | 511,968,747 |
| Goods in transit | 60,285,954 | 116,062,513 | 39,494,358 | 109,176,623 |
|  |  |  |  |  |
| **Total inventories** | **1,237,904,338** | **989,457,047** | **763,067,709** | **621,145,370** |

Amounts recognised as cost of sales in profit and loss for nine-month period ended 30 September 2022 and 2021 are as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated**  **financial information** | | **Separate**  **financial information** | |
|  | **30 September** | **30 September** | **30 September** | **30 September** |
|  | **2022** | **2021** | **2022** | **2021** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| Amounts recognised as cost of sales |  |  |  |  |
| Write-down inventories to net realisable value | 9,445,674 | 789,633 | 9,935,438 | (298,325) |
| Realised allowances for inventory obsolescence | 25,388,690 | 6,040,814 | 21,720,138 | 1,670,321 |

|  |
| --- |
| **10 Biological assets** |

|  |  |  |
| --- | --- | --- |
|  | **Consolidated and** | **Consolidated and** |
|  | **Separate financial statements** | **Separate financial**  **statements** |
|  | **30 September**  **2022** | **31 December**  **2021** |
|  | **Baht** | **Baht** |
|  |  |  |
| Cultivating hemps | 1,795,045 | 2,601,397 |
|  |  |  |
| **Total biological assets** | **1,795,045** | **2,601,397** |

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 period | 3,165,752 |
| Decrease due to harvest produces | (3,972,104) |
| Profit (loss) on change in fair value of biological assets | - |
|  |  |
| As at 30 September 2022 | 1,795,045 |

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 expected hemp flower in accordance with the quality criteria being identified by the Company per hemp plant, 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 categorised within Level 3 of the fair value hierarchy. The main inputs of the valuation are unobservable comprising quantity of expected hemp flower in accordance with the quality criteria being identified by the Company per hemp plant, 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 hemp flower in accordance with the quality criteria being identified by the Company per hemp plant * Cost of hemp seeds * Cost of hemp growing | The expected increase or decrease in the number of hemp flower per hemp plant is inversely affected to the increase or decrease in fair value.  Cost of hemp seeds and cost of hemp growing are proportionally affected to the increase or decrease in fair value. |

|  |
| --- |
| **11 Investments in joint ventures and subsidiaries** |

## 11.1 Investment details

As at 30 September 2022 and 31 December 2021, investments in joint ventures and subsidiaries are as follows:

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Entity name** | **Country of incorporation** | **Nature of business** | **% of ownership interest** | | **Consolidated financial information** | | **Separate**  **financial information** | |
| **30 September**  **2022** | **31 December**  **2021** | **30 September**  **2022** | **31 December**  **2021** | **30 September**  **2022** | **31 December**  **2021** |
| **%** | **%** | **Baht** | **Baht** | **Baht** | **Baht** |
| **Joint ventures** |  |  |  |  |  |  |  |  |
| RBS - TU Food Ingredients  Private Limited | India | Manufacturing and trading | 51.00 | - | 18,217,200 | - | 18,217,200 | - |
|  |  |  |  |  |  |  |  |  |
| **Total joint ventures** |  |  |  |  | **18,217,200** | **-** | **18,217,200** | **-** |
|  |  |  |  |  |  |  |  |  |
| **Subsidiaries** |  |  |  |  |  |  |  |  |
| R&B Food Supply Vietnam Limited  Liability Company | Vietnam | Manufacturing and trading | 100.00 | 100.00 | - | - | 22,762,000 | 22,762,000 |
| PT RBFood Manufaktur Indonesia | Indonesia | Manufacturing and trading | 99.00 | 99.00 | - | - | 311,659,098 | 214,664,772 |
| GuangZhou Thai Delicious Food  Co., Ltd. | Republic of China | Trading | 100.00 | 100.00 | - | - | 13,366,913 | 13,366,913 |
| R&B Food Supply (Singapore)  Pte Ltd. | Singapore | Research and development | 100.00 | 100.00 | - | - | 1,206,890 | 1,206,890 |
| Thai Flavour and Fragrance Co., Ltd. | Thailand | Manufacturing and trading | 99.99 | 99.99 | - | - | 187,970,392 | 187,970,392 |
| Premium Foods Co., Ltd. | Thailand | Manufacturing and trading | 99.99 | 99.99 | - | - | 444,174,099 | 444,174,099 |
| Best Odour Co., Ltd. | Thailand | Manufacturing and trading | 99.97 | 99.97 | - | - | 36,576,718 | 36,576,718 |
| PT RBFood Supply Indonesia | Indonesia | Trading | 60.00 | 60.00 | - | - | 14,894,570 | 14,894,570 |
|  |  |  |  |  |  |  |  |  |
| RBJ Company Limited | Thailand | Trading | 51.00 | 51.00 | - | - | 5,100,000 | 5,100,000 |
|  |  |  |  |  |  |  |  |  |
| Maple Innovation Co., Ltd. | Japan | Trading | 60.00 | 60.00 | - | - | 16,958,700 | 16,958,700 |
|  |  |  |  |  |  |  |  |  |
| **Total subsidiaries** |  |  |  |  | **-** | **-** | **1,054,669,380** | **957,675,054** |

## 11.2 Movement of investments

Investment in joint venture

A joint venture is a joint arrangement whereby the Group has rights to the net assets of the arrangement. Investments in joint ventures are accounted for using the equity method.

Movements of investments in joint ventures for nine-month period ended 30 September 2022 and for the year ended 31 December 2021 are as follows:

|  |  |  |
| --- | --- | --- |
|  | **Consolidated and separate**  **financial information** | |
|  | **30 September**  **2022**  **Baht** | **31 December**  **2021**  **Baht** |
|  |  |  |
| Opening net book value | - | - |
| Increase in investment | 18,217,200 | - |
|  |  |  |
| **Closing net book value** | **18,217,200** | **-** |

RBS-TU Food Ingredients Private Limited

On 26 April 2022, the Company and the partners, Thai Union Group Public Company Limited and Srinivasa Crystine Private Limited have established RBS-TU Food Ingredients Private Limited in India with registered capital ordinary shares of 10,000,000 shares at par value of Rupees 10, totalling Rupees 100,000,000. RBS-TU Food Ingredients Private Limited called up for the first share payment of Baht 18.22 million and the Company already paid on 2 June 2022. Its principal business operation is to manufacture and trading food ingredients.

The joint venture agreement in relation to RBS-TU Food Ingredients Private Limited require unanimous consent from all parties for all relevant activities. All parties have direct rights to the assets of the joint arrangement. the Group then recognises this investment as an investment in joint venture.

For the period from 26 April 2022 to 30 September 2022, the joint venture has not yet started the main operation. the Group and the Company considered the financial related transactions to be immaterial to the consolidated and separate financial information and not accounted for the change in value of the investment from using equity method during this period.

Investments in subsidiaries

Movements of investments in subsidiaries for nine-month period ended 30 September 2022 and for the year ended   
31 December 2021 are as follows:

|  |  |  |
| --- | --- | --- |
|  | **Separate**  **financial information** | |
|  | **30 September**  **2022** | **31 December**  **2021** |
|  | **Baht** | **Baht** |
|  |  |  |
| Opening net book value | 957,675,054 | 758,113,624 |
| Increase in investment |  |  |
| - PT RBFood Manufaktur Indonesia | 96,994,326 | 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 net book value** | **1,054,669,380** | **957,675,054** |

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.

On 27 May 2022, 28 June 2022 and 18 July 2022, the Company paid for outstanding shares at PT RBFood Manufaktur Indonesia amounting to Baht 29.73 million, 11.99 million and 55.28 million, respectively.

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

On 20 January 2021, R&B Food Supply (Singapore) Pte Ltd. called up for the first share payment of Baht 1.21 million and the Company already made the payment.

1. RBJ Company Limited

On 22 March 2021, RBJ Company Limited the company called up for the fully share payment in the portion of ownership totalling of Baht 5.10 million and the Company already made the payment. On 24 March 2022, non-controlling interest made the payment in the portion of ownership totalling of Baht 4.90 million.

1. Maple Innovation Co., Ltd.

On 2 March 2021, Maple Innovation Co., Ltd. called up for the fully share payment in the portion of ownership totalling of Baht 16.96 million and the Company already made the payment. On 12 March 2021, non-controlling interest made the payment in the portion of ownership totalling of Baht 11.31 million.

|  |
| --- |
| **12 Investment property** |

|  |  |  |
| --- | --- | --- |
|  | **Consolidated**  **financial information** | **Separate**  **financial information** |
| **For the nine-month period ended 30 September 2022** | **Land** | **Land, building and**  **building improvements** |
|  | **Baht** | **Baht** |
|  |  |  |
| Opening net book amount | 67,126,009 | 95,834,223 |
| Depreciation | - | (2,837,026) |
|  |  |  |
| Closing net book amount | 67,126,009 | 92,997,197 |
|  |  |  |
| 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.

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

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated**  **financial information** | | **Separate**  **financial information** | |
| **For the nine-month period ended**  **30 September 2022** | **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 | 274,263,562 | 799,905 | 190,457,388 | 606,400 |
| Disposals/Write-offs | (282,992) | - | (1,232,501) | - |
| Depreciation and amortisation | (141,644,228) | (644,905) | (95,840,591) | (387,061) |
| Currency translation difference | 13,842,960 | - | - | - |
|  |  |  |  |  |
| **Closing net book amount** | **1,693,706,185** | **5,685,381** | **997,583,416** | **3,831,782** |

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

|  |  |  |
| --- | --- | --- |
|  | **Consolidated**  **financial information** | **Separate**  **financial information** |
| **For the nine-month period ended 30 September 2022** | **Baht** | **Baht** |
|  |  |  |
| Opening net book amount | 294,934,942 | 221,541,834 |
| Additions | 13,697,315 | 6,299,290 |
| Lease termination | (2,631,720) | - |
| Amortisation | (19,673,265) | (11,354,786) |
| Currency translation difference | (88,411) | - |
|  |  |  |
| **Closing net book amount** | **286,238,861** | **216,486,338** |

The Group terminated building lease contracts and reduce the carrying amount of the right-of-use asset and lease liabilities amounting to Baht 2.63 million and Baht 2.86 million, respectively to reflect the lease termination. 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** | |
|  | **30 September** | **31 December** | **30 September** | **31 December** |
|  | **2022** | **2021** | **2022** | **2021** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| Trade accounts payable - other companies | 306,794,677 | 358,503,399 | 208,294,114 | 294,853,835 |
| Trade accounts payable - related parties (Note 20) | - | - | 31,480,390 | 34,071,435 |
| Other payables - other companies | 63,030,353 | 62,799,400 | 56,391,846 | 53,118,503 |
| Other payables - related parties (Note 20) | 2,400 | 27,199 | 4,039,900 | 3,587,071 |
| Amounts due to director (Note 20) | 229,172 | 457,903 | 72,858 | 190,000 |
| Accrued expenses | 80,080,240 | 65,666,812 | 56,309,322 | 45,020,441 |
|  |  |  |  |  |
| **Total trade and other payables** | **450,136,842** | **487,454,713** | **356,588,430** | **430,841,285** |

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

The movements in the defined benefit obligations for the nine-month period ended 30 September 2022are as follows:

|  |  |  |
| --- | --- | --- |
|  | **Consolidated**  **financial information** | **Separate**  **financial information** |
|  | **Baht** | **Baht** |
|  |  |  |
| At 1 January 2022 | 60,941,951 | 40,544,344 |
| Current service cost | 3,270,740 | 1,625,173 |
| Interest expense | 450,305 | 269,366 |
| Benefit paid | (1,146,736) | (700,000) |
|  |  |  |
| At 30 September 2022 | 63,516,260 | 41,738,883 |

|  |
| --- |
| **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 30 September 2022 of the Group and the Company are 19.21% and 13.79%, respectively, (The estimated average annual tax rate used for the year to 30 September 2021 of the Group and the Company are 19.74% and 16.97%, respectively).

|  |
| --- |
| **18 Dividend** |

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, totaling Baht 300 million. The dividends were distributed to the shareholders on 11 May 2022.

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.

|  |
| --- |
| **19 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** | |
|  | **30 September** | **31 December** | **30 September** | **31 December** |
|  | **2022** | **2021** | **2022** | **2021** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| Not later than 1 year | 5,508,580 | 3,294,398 | 3,337,523 | 1,952,131 |
| Later than 1 year but not later than 5 years | 286,360 | 239,060 | 161,820 | 128,180 |
|  |  |  |  |  |
| **Total** | **5,794,940** | **3,533,458** | **3,499,343** | **2,080,311** |

|  |
| --- |
| **20 Related party transactions** |

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 Manufaktur Indonesia | Subsidiary |
| Guangzhou Thai Delicious Food Co., Ltd. | Subsidiary |
| R&B Food Supply (Singapore) Pte Ltd. | Subsidiary |
| Thai Flavour and Fragrance Co., Ltd. | Subsidiary |
| Premium Foods Co., Ltd. | Subsidiary |
| Best Odour Co., Ltd. | Subsidiary |
| PT RBFood Supply Indonesia | Subsidiary |
| RBJ Company Limited | Subsidiary |
| Maple Innovation Co., Ltd. | Subsidiary |
| RBS-TU Food Ingredients Private Limited | Joint ventures |
| JPS Holding Ltd. | Company under common control |
| River Kwai Botanic Garden Ltd. | Company under common control |
| Thai Union Group Public Company Limited | Related party |
| Thai Union Seafood Company Limited | Related party |
| Pakfood Public Company Limited | Related party |
| Okeanos food Company Limited | 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 |
| Dividend payment | Contract price value by Annual General Meeting of Shareholders |

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** | **30 September** | **30 September** | **30 September** | **30 September** |
|  | **2022** | **2021** | **2022** | **2021** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| Sale of goods to: |  |  |  |  |
| Subsidiaries | - |  | 83,716,614 | 73,780,035 |
| Company under common control |  |  |  |  |
| at shareholders level | - | 152,700 | - | 152,700 |
| Related parties | 8,347,503 | - | 7,787,175 | - |
|  |  |  |  |  |
|  | 8,347,503 | 152,700 | 91,503,789 | 73,932,735 |
|  |  |  |  |  |
| Sale of property, plant and  equipment from: |  |  |  |  |
| Subsidiaries | - | - | - | 189,751 |
|  |  |  |  |  |
|  | - | - | - | 189,751 |
|  |  |  |  |  |
| Property rental income from: |  |  |  |  |
| Subsidiaries | - | - | 2,546,158 | 2,546,158 |
|  |  |  |  |  |
|  | - | - | 2,546,158 | 2,546,158 |
|  |  |  |  |  |
| Service and other income from: |  |  |  |  |
| Subsidiaries | - | - | 8,469,243 | 8,700,978 |
|  |  |  |  |  |
|  | - | - | 8,469,243 | 8,700,978 |
|  |  |  |  |  |
| Interest income from: |  |  |  |  |
| Subsidiaries | - | - | 1,857,411 | 1,385,637 |
|  |  |  |  |  |
|  | - | - | 1,857,411 | 1,385,637 |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated**  **financial information** | | **Separate**  **financial information** | |
| **For the nine-month period ended** | **30 September** | **30 September** | **30 September** | **30 September** |
|  | **2022** | **2021** | **2022** | **2021** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
| Sale of goods to: |  |  |  |  |
| Subsidiaries | - | - | 266,450,681 | 209,531,059 |
| Company under common control |  |  |  |  |
| at shareholders level | - | 152,700 | - | 152,700 |
| Related parties | 13,909,920 | - | 12,968,404 | - |
|  |  |  |  |  |
|  | 13,909,920 | 152,700 | 279,419,085 | 209,683,759 |
|  |  |  |  |  |
| Sale of property, plant and equipment from: |  |  |  |  |
| Subsidiaries | - | - | 1,004,793 | 189,751 |
|  |  |  |  |  |
|  | - | - | 1,004,793 | 189,751 |
|  |  |  |  |  |
| Property rental income from: |  |  |  |  |
| Subsidiaries | - | - | 7,638,476 | 7,638,472 |
|  |  |  |  |  |
|  | - | - | 7,638,476 | 7,638,472 |
|  |  |  |  |  |
| Service and other income from: |  |  |  |  |
| Subsidiaries | - | - | 25,587,526 | 25,387,150 |
|  |  |  |  |  |
|  | - | - | 25,587,526 | 25,387,150 |
|  |  |  |  |  |
| Interest income from: |  |  |  |  |
| Subsidiaries | - | - | 6,028,741 | 7,929,354 |
|  |  |  |  |  |
|  | - | - | 6,028,741 | 7,929,354 |
|  |  |  |  |  |
| Dividend income from: |  |  |  |  |
| Subsidiaries | - | - | 78,274,386 | - |
|  |  |  |  |  |
|  | - | - | 78,274,386 | - |
|  |  |  |  |  |
| Gain from sale discontinued operations: |  |  |  |  |
| Company under common control |  |  |  |  |
| at shareholders level | - | 15,081,669 | - | - |
|  |  |  |  |  |
|  | - | 15,081,669 | - | - |

2) Purchases of goods and services

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated**  **financial information** | | **Separate**  **financial information** | |
| **For the three-month period ended** | **30 September** | **30 September** | **30 September** | **30 September** |
|  | **2022** | **2021** | **2022** | **2021** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| Purchase of goods from: |  |  |  |  |
| Subsidiaries | - | - | 32,284,720 | 30,567,765 |
|  |  |  |  |  |
|  | - | - | 32,284,720 | 30,567,765 |
|  |  |  |  |  |
| Purchases of property, plant |  |  |  |  |
| and equipment from: |  |  |  |  |
| Subsidiaries | - | - | 47,277 | - |
|  |  |  |  |  |
|  | - | - | 47,277 | - |
|  |  |  |  |  |
| Land rental expenses to: |  |  |  |  |
| Subsidiaries | - | - | 3,918 | 3,918 |
|  |  |  |  |  |
|  | - | - | 3,918 | 3,918 |
|  |  |  |  |  |
| Service and other expenses to: |  |  |  |  |
| Subsidiaries | - | - | 10,243,415 | 9,080,489 |
| Shareholders and key management | 12,400 | 22,500 | 7,600 | 22,500 |
|  |  |  |  |  |
|  | 12,400 | 22,500 | 10,251,015 | 9,102,989 |
|  |  |  |  |  |
| Interest expense paid to: |  |  |  |  |
| Shareholders and key management | 2,168,853 | 2,196,380 | 2,121,918 | 2,149,247 |
|  |  |  |  |  |
|  | 2,168,853 | 2,196,380 | 2,121,918 | 2,149,247 |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated**  **financial information** | | **Separate**  **financial information** | |
| **For the nine-month period ended** | **30 September** | **30 September** | **30 September** | **30 September** |
|  | **2022** | **2021** | **2022** | **2021** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
| Purchase of goods from: |  |  |  |  |
| Subsidiaries | - | - | 97,446,541 | 86,543,092 |
|  |  |  |  |  |
|  | - | - | 97,446,541 | 86,543,092 |
|  |  |  |  |  |
| Purchases of property, plant |  |  |  |  |
| and equipment from: |  |  |  |  |
| Subsidiaries | - | - | 398,817 | 524,505 |
|  |  |  |  |  |
|  | - | - | 398,817 | 524,505 |
|  |  |  |  |  |
| Land rental expenses to: |  |  |  |  |
| Subsidiaries | - | - | 11,754 | 3,918 |
|  |  |  |  |  |
|  | - | - | 11,754 | 3,918 |
|  |  |  |  |  |
| Service and other expenses to: |  |  |  |  |
| Subsidiaries | - | - | 30,736,081 | 28,475,524 |
| Shareholders and key management | - | 151,170 | - | 151,170 |
| Company under common control |  |  |  |  |
| at shareholders level | 62,000 | - | 21,200 | - |
|  |  |  |  |  |
|  | 62,000 | 151,170 | 30,757,281 | 28,626,694 |
|  |  |  |  |  |
| Interest expense paid to: |  |  |  |  |
| Shareholders and key management | 6,532,840 | 8,257,080 | 6,392,034 | 6,465,032 |
|  |  |  |  |  |
|  | 6,532,840 | 8,257,080 | 6,392,034 | 6,465,032 |
|  |  |  |  |  |
| Dividend paid to: |  |  |  |  |
| Shareholders and key management | 185,899,650 | 216,755,400 | 185,899,650 | 216,755,400 |
|  |  |  |  |  |
|  | 185,899,650 | 216,755,400 | 185,899,650 | 216,755,400 |

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

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated**  **financial information** | | **Separate**  **financial information** | |
|  | **30 September** | **31 December** | **30 September** | **31 December** |
|  | **2022** | **2021** | **2022** | **2021** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| Trade receivables and other receivables |  |  |  |  |
| Related parties | 7,268,896 | 1,000,535 | 6,702,524 | 795,331 |
| Subsidiaries | - | - | 95,817,970 | 94,936,440 |
| Shareholders and key management | 139,680 | 214,861 | 139,680 | 214,861 |
|  |  |  |  |  |
| Total receivables from related parties | 7,408,576 | 1,215,396 | 102,660,174 | 95,946,632 |
|  |  |  |  |  |
| Prepayment |  |  |  |  |
| Subsidiaries | - | - | - | 7,836 |
|  |  |  |  |  |
| Total prepayment | - | - | - | 7,836 |
|  |  |  |  |  |
| Trade payables and other payables |  |  |  |  |
| Subsidiaries | - | - | 35,520,290 | 37,631,307 |
| Shareholders and key management | 229,172 | 457,903 | 72,858 | 190,000 |
| Company under common control |  |  |  |  |
| at shareholders level | 2,400 | 27,199 | - | 27,199 |
|  |  |  |  |  |
| Total payable from related parties | 231,572 | 485,102 | 35,593,148 | 37,848,506 |
|  |  |  |  |  |
| Lease obligations |  |  |  |  |
| Shareholders and key management | 153,616,318 | 152,267,828 | 151,640,564 | 150,432,879 |
|  |  |  |  |  |
| Total lease obligations | 153,616,318 | 152,267,828 | 151,640,564 | 150,432,879 |

1. Loans to related parties

|  |  |  |
| --- | --- | --- |
|  | **Separate**  **financial information** | |
|  | **30 September** | **31 December** |
|  | **2022** | **2021** |
|  | **Baht** | **Baht** |
| **Related parties** |  |  |
| Balance - beginning of the period/year | 191,232,569 | 365,791,359 |
| Loans made during the period/year | - | 118,850,000 |
| Loans repaid during the period/year | (56,197,989) | (301,069,575) |
| Currency differences | 17,037,279 | 6,886,736 |
| Reversal of allowance for impairment | 777,019 | 774,049 |
|  |  |  |
| Balance - end of the period/year | 152,848,878 | 191,232,569 |

Loan terms and conditions are as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Separate financial information** | | | | |
|  |  |  | **Amount repaid** |  |
|  | **Amount of** |  | **for the** |  |
|  | **loans as at** |  | **period ended** |  |
|  | **30 September**  **2022** |  | **30 September**  **2022** |  |
| **Company** | **Baht** | **Term** | **Baht** | **Interest rate** |
|  |  |  |  |  |
| Thai Flavour and Fragrance |  | Unsecured and due in |  |  |
| Co., Ltd. | - | 2025 | 30,099,000 | 4.00 |
|  |  |  |  |  |
| Best Odour Co., Ltd. | 398,223 | Unsecured and due in 2022 | 1,800,000 | 3.85 |
|  |  |  |  |  |
| R&B Food Supply Vietnam |  | Unsecured and due in |  |  |
| Limited Liability Company | 124,808,544 | 2026 | 21,186,727 | 4.25 - 5.00 |
|  |  |  |  |  |
| PT RBFood Manufaktur |  | Unsecured and due in |  |  |
| Indonesia | 27,642,111 | 2027 | 3,112,262 | 4.50 - 4.75 |
|  |  |  |  |  |
|  | 152,848,878 |  | 56,197,989 |  |

Loans to related parties are normally given on commercial terms and conditions. Related interest income was   
Baht 6,028,741 (30 September 2021: Baht 7,929,354).

1. Key management compensation

Key management compensation of the Group and the Company are as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated**  **financial information** | | **Separate**  **financial information** | |
| **For the three-month period ended** | **30 September** | **30 September** | **30 September** | **30 September** |
|  | **2022** | **2021** | **2022** | **2021** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| Short-term employee benefits | 9,189,535 | 9,690,706 | 7,483,937 | 8,090,928 |
| Post-employment benefits | 40,775 | 39,568 | 31,451 | 30,502 |
|  |  |  |  |  |
|  | 9,230,310 | 9,730,274 | 7,515,388 | 8,121,430 |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated**  **financial information** | | **Separate**  **financial information** | |
| **For the nine-month period ended** | **30 September** | **30 September** | **30 September** | **30 September** |
|  | **2022** | **2021** | **2022** | **2021** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| Short-term employee benefits | 29,491,405 | 28,058,996 | 24,298,640 | 23,283,656 |
| Post-employment benefits | 122,324 | 118,704 | 94,353 | 91,506 |
|  |  |  |  |  |
|  | 29,613,729 | 28,177,700 | 24,392,993 | 23,375,162 |