|  |
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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: 9 Soi Pho Kaeo 3, Yaek 17, 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   
12 May 2023.

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| **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 2022.

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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| **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 2022.

New and amended Thai Financial Reporting Standards effective for the accounting periods beginning on or after   
1 January 2023 do not have material impact on the Group.

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| **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 2022.

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| **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 three-month period ended 31 March 2023 and 2022 as follows:

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | **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** |
|  | **2023** | **2022** | **2023** | | **2022** | **2023** | **2022** |
|  | **Baht** | **Baht** | **Baht** | | **Baht** | **Baht** | **Baht** |
|  |  |  |  | |  |  |  |
| Segment revenues | 859,238,733 | 877,505,411 | 345,997,842 | | 235,407,938 | 1,205,236,575 | 1,112,913,349 |
| Less Inter-segment revenues | (79,278,846) | (88,264,564) | (70,163,396) | | (40,422,414) | (149,442,242) | (128,686,978) |
|  |  |  |  | |  |  |  |
| **Revenue from external customers** | 779,959,887 | 789,240,847 | 275,834,446 | | 194,985,524 | 1,055,794,333 | 984,226,371 |
|  |  |  |  | |  |  |  |
| **Segment profit or loss** | 297,484,122 | 331,653,034 | 84,016,572 | | 37,880,552 | 381,500,694 | 369,533,586 |
|  |  |  |  | |  |  |  |
| Gain (loss) on exchange rate |  |  |  | |  | (11,333,262) | 12,096,450 |
| Other income |  |  |  | |  | 1,509,621 | 4,234,319 |
| Selling expenses |  |  |  | |  | (63,735,871) | (62,077,917) |
| Administrative expenses |  |  |  | |  | (130,089,574) | (122,280,452) |
| Net impairment losses on financial assets |  |  |  | |  | (464,683) | 1,022,412 |
| Finance costs |  |  |  | |  | (2,337,354) | (2,295,131) |
| Share of profit of joint ventures accounted  for using the equity method |  |  |  | |  | 964,130 | - |
| **Profit before income tax** |  |  |  | |  | 176,013,701 | 200,233,267 |
| Income tax |  |  |  | |  | (28,983,175) | (34,516,067) |
|  |  |  |  | |  |  |  |
| **Profit for the period** |  |  |  | |  | 147,030,526 | 165,717,200 |
|  |  |  |  | |  |  |  |
| **Timing of revenue recognition** |  |  |  | |  |  |  |
| At a point in time | 779,959,887 | 789,240,847 | 274,238,802 | | 191,036,501 | 1,054,198,689 | 980,277,348 |
| Over time | - | - | 1,595,644 | | 3,949,023 | 1,595,644 | 3,949,023 |
|  |  |  |  | |  |  |  |
| **Total revenue** | 779,959,887 | 789,240,847 | 275,834,446 | | 194,985,524 | 1,055,794,333 | 984,226,371 |

During the period, the Group had a main external customer whose sales accounted to be 12% of total revenues from sales and rendering services respectively, which was domestic production and trading revenues. Total revenue from this customer was Baht 130,359,914 (For the three-month period ended 31 March 2022: 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).

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| **6 Fair value** |

The following table presents financial assets and liabilities that are measured at fair value, excluding where its fair value is approximating the carrying amount.

|  | **Consolidated financial information** | | **Separate financial information** | |
| --- | --- | --- | --- | --- |
|  | **Level 2** | | **Level 2** | |
|  | **31 March**  **2023**  **Baht** | **31 December**  **2022**  **Baht** | **31 March**  **2023**  **Baht** | **31 December**  **2022**  **Baht** |
|  |  |  |  |  |
| **Financial liabilities** |  |  |  |  |
| Derivatives - Foreign currency forwards | - | 2,742,313 | - | 2,371,840 |
|  |  |  |  |  |
| **Total financial liabilities** | - | 2,742,313 | - | 2,371,840 |

**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 have been calculated using rates quoted by the Company’s counterparties to terminate the contracts at the end of reporting period.

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| **7 Trade and other receivables** |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated**  **financial information** | | **Separate**  **financial information** | |
|  | **31 March** | **31 December** | **31 March** | **31 December** |
|  | **2023** | **2022** | **2023** | **2022** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| Trade receivables - other companies | 955,241,274 | 971,557,424 | 685,147,629 | 671,065,122 |
| Trade receivables - related parties (Note 19) | 10,925,934 | 2,963,391 | 153,989,975 | 137,370,912 |
| Less Loss allowance | (35,299,355) | (34,997,483) | (32,170,025) | (31,676,145) |
|  |  |  |  |  |
| Total trade receivables | 930,867,853 | 939,523,332 | 806,967,579 | 776,759,889 |
| Advance payments | 34,165,780 | 36,196,580 | 15,689,306 | 17,947,065 |
| Prepayments | 18,899,810 | 12,323,358 | 13,380,893 | 7,025,907 |
| Other receivables from other companies | 7,889,997 | 17,484,552 | 4,226,451 | 4,301,865 |
| Other receivables from related parties (Note 19) | 245,800 | 150,200 | 10,222,014 | 9,833,281 |
| Dividend receivables |  |  |  |  |
| from related parties (Note 19) | - | - | 171,241,149 | - |
| Accrued income | 5,463 | 78 | - | - |
| Less Loss allowance for the period | (7,481,570) | (7,533,870) | (4,170,906) | (4,208,206) |
|  |  |  |  |  |
| **Total trade and other receivables** | 984,593,133 | 998,144,230 | 1,017,556,486 | 811,659,801 |

During three-month period ended 31 March 2023, the Group and the company does not written-off any allowance for uncollectible receivables. (During three-month period ended 31 March 2022, the Group and the Company are written-off to bad debt as uncollectible amounted to Baht 41,330).

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** |
|  | **2023** | **2022** | **2023** | **2022** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| Not yet due | 608,555,411 | 597,803,474 | 482,967,946 | 496,576,339 |
| Up to 3 months | 294,153,386 | 316,407,591 | 300,791,456 | 258,503,870 |
| 3 - 6 months | 9,796,015 | 14,739,385 | 6,764,439 | 13,921,444 |
| 6 - 12 months | 22,211,178 | 12,756,870 | 20,296,253 | 9,946,594 |
| Over 12 months | 31,451,218 | 32,813,495 | 28,317,510 | 29,487,787 |
|  |  |  |  |  |
|  | 966,167,208 | 974,520,815 | 839,137,604 | 808,436,034 |
| Less Loss allowance | (35,299,355) | (34,997,483) | (32,170,025) | (31,676,145) |
|  |  |  |  |  |
| **Total** | 930,867,853 | 939,523,332 | 806,967,579 | 776,759,889 |

|  |
| --- |
| **8 Inventories** |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated**  **financial information** | | **Separate**  **financial information** | |
|  | **31 March** | **31 December** | **31 March** | **31 December** |
|  | **2023** | **2022** | **2023** | **2022** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| Finished goods | 508,092,105 | 486,999,437 | 366,414,474 | 362,898,551 |
| Raw materials | 622,385,771 | 616,007,148 | 311,957,502 | 312,350,113 |
| Packing materials | 65,451,428 | 57,825,768 | 55,251,436 | 48,187,669 |
| Supplies | 22,128,197 | 20,600,245 | 19,709,358 | 17,997,420 |
|  |  |  |  |  |
| Total | 1,218,057,501 | 1,181,432,598 | 753,332,770 | 741,433,753 |
| Less Allowances for decrease in value |  |  |  |  |
| of inventories | (11,005,825) | (14,254,026) | (10,750,967) | (13,060,441) |
| Less Allowances for inventory obsolescence | (62,997,698) | (56,515,522) | (48,553,180) | (42,022,479) |
|  |  |  |  |  |
| Total | 1,144,053,978 | 1,110,663,050 | 694,028,623 | 686,350,833 |
| Goods in transit | 71,706,376 | 105,967,071 | 59,650,777 | 71,375,373 |
|  |  |  |  |  |
| **Total inventories** | 1,215,760,354 | 1,216,630,121 | 753,679,400 | 757,726,206 |

Allowances for decrease in value of inventories and allowances for inventory obsolescence are recognised as cost of sales in profit and loss for three-month period ended 31 March 2023 and 2022 are as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated**  **financial information** | | **Separate**  **financial information** | |
|  | **31 March** | **31 March** | **31 March** | **31 March** |
|  | **2023** | **2022** | **2023** | **2022** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| Write-down inventories to net realisable value | (3,248,201) | 4,814,444 | (2,309,474) | 5,309,381 |
| Realised allowances for inventory obsolescence | 6,482,176 | 14,439,100 | 6,530,701 | 12,778,741 |

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| **9 Biological assets** |

|  |  |  |
| --- | --- | --- |
|  | **Consolidated and**  **Separate financial information** | |
|  |
|  | **31 March**  **2023** | **31 December**  **2022** |
|  | **Baht** | **Baht** |
|  |  |  |
| Cultivating hemps | 3,041,046 | 2,659,327 |
|  |  |  |
| **Total biological assets** | 3,041,046 | 2,659,327 |

The movement in the biological assets are as follows:

|  |  |
| --- | --- |
|  | **Consolidated and**  **Separate financial information** |
|  | **Cultivating hemps** |
|  | **Baht** |
|  |  |
| As at 1 January 2023 | 2,659,327 |
| Cost incurred during the period | 381,719 |
| Profit (loss) on change in fair value of biological assets | - |
|  |  |
| As at 31 March 2023 | 3,041,046 |

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. |

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| **10 Investments in joint ventures and subsidiaries** |

## 10.1 Investment details

As at 31 March 2023 and 31 December 2022, investments in joint ventures and subsidiaries are as follows:

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Entity name** | **Country of incorporation** | **Nature of business** |  | | **Consolidated financial information** | | **Separate**  **financial information** | |
| **% of ownership interest** | | **Investment in**  **equity method** | | **Investment in**  **cost method** | |
| **31 March**  **2023** | **31 December**  **2022** | **31 March**  **2023** | **31 December**  **2022** | **31 March**  **2023** | **31 December**  **2022** |
| **%** | **%** | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |  |  |  |  |
| **Joint ventures** |  |  |  |  |  |  |  |  |
| RBS - TU Food Ingredients  Private Limited | India | Manufacturing and trading | 51.00 | 51.00 | 112,006,204 | 111,042,074 | 111,022,320 | 111,022,320 |
|  |  |  |  |  |  |  |  |  |
| **Total joint ventures** |  |  |  |  | 112,006,204 | 111,042,074 | 111,022,320 | 111,022,320 |
|  |  |  |  |  |  |  |  |  |
| **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 | 99.99 | 99.99 | - | - | 453,570,273 | 389,692,440 |
| 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 | - | - | 8,219,608 | 8,219,608 |
| Maple Innovation Co., Ltd. | Japan | Trading | 60.00 | 60.00 | - | - | 16,958,700 | 16,958,700 |
| RBJ Company Limited | Thailand | Trading | 51.00 | 51.00 | - | - | 5,100,000 | 5,100,000 |
|  |  |  |  |  |  |  |  |  |
| **Total subsidiaries** |  |  |  |  | - | - | 1,189,905,593 | 1,126,027,760 |

## 10.2 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 three-month period ended 31 March 2023 and for the year ended   
31 December 2022 are as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated**  **financial information** | | **separate**  **financial information** | |
|  | **31 March**  **2023**  **Baht** | **31 December**  **2022**  **Baht** | **31 March**  **2023**  **Baht** | **31 December**  **2022**  **Baht** |
|  |  |  |  |  |
| Opening net book value | 111,042,074 | - | 111,022,320 | - |
| Increase in investment | - | 111,022,320 | - | 111,022,320 |
| Share of profit | 964,130 | 19,754 | - | - |
|  |  |  |  |  |
| Closing net book value | 112,006,204 | 111,042,074 | 111,022,320 | 111,022,320 |

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.

Investments in subsidiaries

Movements of investments in subsidiaries for nine-month period ended 31 March 2023 and for the year ended   
31 December 2022 are as follows:

|  |  |  |
| --- | --- | --- |
|  | **Separate**  **financial information** | |
|  | **31 March**  **2023** | **31 December**  **2022** |
|  | **Baht** | **Baht** |
|  |  |  |
| Opening net book value |  |  |
| Increase in investment | 1,126,027,760 | 957,675,054 |
| - PT RBFood Manufaktur Indonesia | 63,877,833 | 175,027,668 |
| Receive investment returns from payments exceeding fund transferred. |  |  |
| - PT RB Food Supply Indonesia. | - | (6,674,962) |
|  |  |  |
| **Closing net book value** | 1,189,905,593 | 1,126,027,760 |

1. PT RBFood Manufaktur Indonesia

On 27 May 2022, 28 June 2022, 18 July 2022, and 2 December 2022 the Company paid for outstanding shares at PT RBFood Manufaktur Indonesia amounting to Baht 29.73 million, 11.99 million, 55.28 million and 78.03 million respectively. It’s principal business operations are production and distribution.

On 10 February 2023, the Company paid for outstanding shares at PT RBFood Manufaktur Indonesia amounting to Baht 63.88 million.

1. PT RB Food Supply Indonesia

On 30 November 2022, the Company get refund of share of PT RB Food Supply Indonesia amounting to Baht 6.67 million due to excess fund transferred.

1. RBJ Company Limited

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

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| --- |
| **11 Investment property** |

|  |  |  |
| --- | --- | --- |
|  | **Consolidated**  **financial information** | **Separate**  **financial information** |
| **For the three-month period ended 31 March 2023** | **Land** | **Land, building and**  **building improvements** |
|  | **Baht** | **Baht** |
|  |  |  |
| Opening net book amount | 67,126,009 | 92,041,130 |
| Depreciation | - | (935,283) |
|  |  |  |
| Closing net book amount | 67,126,009 | 91,105,847 |
|  |  |  |
| 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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| --- |
| **12 Property, plant and equipment and intangible assets** |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated**  **financial information** | | **Separate**  **financial information** | |
| **For the three-month period ended**  **31 March 2023** | **Property,**  **plant, and equipment** | **Intangible assets** | **Property,**  **plant, and equipment** | **Intangible assets** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| Opening net book amount | 1,757,244,856 | 5,566,660 | 1,010,784,967 | 3,763,968 |
| Additions | 111,307,805 | 48,200 | 26,991,718 | 34,900 |
| Disposals/Write-offs | (111,580) | - | (103,354) | - |
| Depreciation and amortisation | (49,916,757) | (191,496) | (34,333,959) | (118,243) |
| Adjustment | 110,005 | - | - | - |
| Currency translation difference | 6,373,311 | - | - | - |
|  |  |  |  |  |
| **Closing net book amount** | 1,825,007,640 | 5,423,364 | 1,003,339,372 | 3,680,625 |

|  |
| --- |
| **13 Right-of-use assets** |

|  |  |  |
| --- | --- | --- |
|  | **Consolidated**  **financial information** | **Separate**  **financial information** |
| **For the three-month period ended 31 March 2023** | **Baht** | **Baht** |
|  |  |  |
| Opening net book amount | 284,001,359 | 212,557,659 |
| Additions | 176,396 | - |
| Amortisation | (6,544,214) | (3,895,601) |
| Currency translation difference | 255,238 | - |
|  |  |  |
| **Closing net book amount** | 277,888,779 | 208,662,058 |

|  |
| --- |
| **14 Trade and other payables** |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated**  **financial information** | | **Separate**  **financial information** | |
|  | **31 March** | **31 December** | **31 March** | **31 December** |
|  | **2023** | **2022** | **2023** | **2022** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| Trade accounts payable - other companies | 287,399,427 | 365,238,758 | 208,473,992 | 268,413,769 |
| Trade accounts payable - related parties (Note 19) | - | - | 37,846,085 | 43,752,801 |
| Other payables - other companies | 102,733,186 | 80,134,755 | 67,028,221 | 71,150,744 |
| Other payables - related parties (Note 19) | 14,512 | 41,133 | 4,329,216 | 4,000,408 |
| Amounts due to director (Note 19) | 523,952 | 3,620,932 | 397,892 | 3,382,478 |
| Accrued expenses | 63,124,452 | 79,288,278 | 41,155,764 | 56,401,763 |
|  |  |  |  |  |
| **Total trade and other payables** | 453,795,529 | 528,323,856 | 359,231,170 | 447,101,963 |

|  |
| --- |
| **15 Employee benefit obligations** |

The movements in the defined benefit obligations for the three-month period ended 31 March 2023 are as follows:

|  |  |  |
| --- | --- | --- |
|  | **Consolidated**  **financial information** | **Separate**  **financial information** |
|  | **Baht** | **Baht** |
|  |  |  |
| At 1 January 2023 | 58,319,279 | 39,529,929 |
| Current service cost | 1,189,342 | 498,789 |
| Interest expense | 265,514 | 155,125 |
| Benefit paid | (786,600) | (756,000) |
|  |  |  |
| At 31 March 2023 | 58,987,535 | 39,427,843 |

|  |
| --- |
| **16 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 2023 of the Group and the Company are 16.47% and 6.84%, respectively, (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).

|  |
| --- |
| **17 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.

|  |
| --- |
| **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** |
|  | **2023** | **2022** | **2023** | **2022** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| Not later than 1 year | 5,159,648 | 2,476,653 | 1,615,696 | 1,611,258 |
| Later than 1 year but not later than 5 years | 298,360 | 294,840 | 156,780 | 187,280 |
|  |  |  |  |  |
| **Total** | 5,458,008 | 2,771,493 | 1,772,476 | 1,798,538 |

|  |
| --- |
| **19 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 |
| JPS Holding Ltd. | Company under common control |
| RBS-TU Food Ingredients Private Limited | Joint ventures |
| 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** | **31 March** | **31 March** | **31 March** | **31 March** |
|  | **2023** | **2022** | **2023** | **2022** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
| Sale of goods to: |  |  |  |  |
| Subsidiaries | - | - | 97,298,524 | 90,868,430 |
| Related Party | 3,472,157 | 2,911,609 | 2,550,007 | 2,698,440 |
| Joint Ventures | 14,205,443 | - | 14,205,443 | - |
|  |  |  |  |  |
|  | 17,677,600 | 2,911,609 | 114,053,974 | 93,566,870 |
|  |  |  |  |  |
| Sale of property, plant and equipment from: |  |  |  |  |
| Subsidiaries | - | - | - | 1,004,793 |
|  |  |  |  |  |
|  | - | - | - | 1,004,793 |
|  |  |  |  |  |
| Property rental income from: |  |  |  |  |
| Subsidiaries | - | - | 2,549,102 | 2,546,159 |
|  |  |  |  |  |
|  | - | - | 2,549,102 | 2,546,159 |
|  |  |  |  |  |
| Service and other income from: |  |  |  |  |
| Subsidiaries | - | - | 8,500,368 | 8,824,091 |
|  |  |  |  |  |
|  | - | - | 8,500,368 | 8,824,091 |
|  |  |  |  |  |
| Interest income from: |  |  |  |  |
| Subsidiaries | - | - | 1,763,754 | 2,095,186 |
|  |  |  |  |  |
|  | - | - | 1,763,754 | 2,095,186 |
|  |  |  |  |  |
| Dividend income from: |  |  |  |  |
| Subsidiaries | - | - | 175,831,149 | 76,999,386 |
|  |  |  |  |  |
|  | - | - | 175,831,149 | 76,999,386 |

2) 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** |
|  | **2023** | **2022** | **2023** | **2022** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| Purchase of goods from: |  |  |  |  |
| Subsidiaries | - | - | 47,610,030 | 36,056,958 |
|  |  |  |  |  |
|  | - | - | 47,610,030 | 36,056,958 |
|  |  |  |  |  |
| Purchase of property, plant  and equipment from: |  |  |  |  |
| Subsidiaries | - | - | - | 351,540 |
|  |  |  |  |  |
|  | - | - | - | 351,540 |
|  |  |  |  |  |
| Land rental expenses to: |  |  |  |  |
| Subsidiaries | - | - | 3,918 | 3,918 |
|  |  |  |  |  |
|  | - | - | 3,918 | 3,918 |
|  |  |  |  |  |
| Service and other expenses to: |  |  |  |  |
| Subsidiaries | - | - | 11,718,662 | 9,909,938 |
| Company under common control |  |  |  |  |
| at shareholders level | 90,400 | 17,400 | - | 8,400 |
|  |  |  |  |  |
|  | 90,400 | 17,400 | 11,718,662 | 9,918,338 |
|  |  |  |  |  |
| Interest expense paid to: |  |  |  |  |
| Shareholders and key management | 2,146,866 | 2,186,342 | 2,100,148 | 2,139,407 |
|  |  |  |  |  |
|  | 2,146,866 | 2,186,342 | 2,100,148 | 2,139,407 |
|  |  |  |  |  |
| Dividend paid to: |  |  |  |  |
| Shareholders and key management | 517 | - | - | - |
|  |  |  |  |  |
|  | 517 | - | - | - |

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** |
|  | **2023** | **2022** | **2023** | **2022** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| Trade receivables and other receivables |  |  |  |  |
| Related parties | 2,632,003 | 2,601,938 | 1,653,007 | 2,163,110 |
| Subsidiaries | - | - | 325,260,400 | 144,529,430 |
| Shareholders and key management | 245,800 | 150,200 | 245,800 | 150,200 |
| Joint ventures | 8,293,931 | 361,453 | 8,293,931 | 361,453 |
|  |  |  |  |  |
| Total receivables from related parties | 11,171,734 | 3,113,591 | 335,453,138 | 147,204,193 |
|  |  |  |  |  |
| Trade payables and other payables |  |  |  |  |
| Subsidiaries | - | - | 42,175,301 | 47,731,876 |
| Shareholders and key management | 523,952 | 3,620,932 | 397,892 | 3,382,478 |
| Company under common control |  |  |  |  |
| at shareholders level | 14,512 | 41,133 | - | 21,333 |
|  |  |  |  |  |
| Total payable from related parties | 538,464 | 3,662,065 | 42,573,193 | 51,135,687 |
|  |  |  |  |  |
| Lease obligations |  |  |  |  |
| Shareholders and key management | 150,175,287 | 152,064,742 | 148,302,118 | 150,238,291 |
|  |  |  |  |  |
| Total lease obligations | 150,175,287 | 152,064,742 | 148,302,118 | 150,238,291 |

4) **L**oans to related parties

|  |  |  |
| --- | --- | --- |
|  | **Separate**  **financial information** | |
|  | **31 March** | **31 December** |
|  | **2023** | **2022** |
|  | **Baht** | **Baht** |
| **Related parties** |  |  |
| Balance - beginning of the period/year | 149,531,103 | 191,232,569 |
| Loans made during the period/year | - | 17,915,000 |
| Loans repaid during the period/year | (6,072,291) | (63,066,424) |
| Currency differences | (2,225,118) | 2,721,992 |
| Reversal of allowance for impairment | 26,964 | 727,966 |
|  |  |  |
| Balance - end of the period/year | 141,260,658 | 149,531,103 |

Loan terms and conditions are as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Separate financial information** | | | | |
|  |  |  | **Amount repaid** |  |
|  | **Amount of** |  | **for the** |  |
|  | **loans as at** |  | **period ended** |  |
|  | **31 March**  **2023** |  | **31 March**  **2023** | **Interest** |
| **Company** | **Baht** | **Term** | **Baht** | **rate** |
|  |  |  |  |  |
| R&B Food Supply Vietnam | 118,924,998 | Unsecured and due in | 5,249,611 | 4.25 - 5.00 |
| Limited Liability Company |  | 2021 and 2026 |  |  |
|  |  |  |  |  |
| PT RBFood Manufaktur | 22,335,660 | Unsecured and due in | 822,680 | 4.50 - 4.75 |
| Indonesia |  | 2022 - 2027 |  |  |
|  |  |  |  |  |
|  | 141,260,658 |  | 6,072,291 |  |

Loans to related parties are normally given on commercial terms and conditions in US Dollar. Related interest income was Baht 1,763,754 (31 March 2022: Baht 2,095,186).

5) 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** | **31 March** | **31 March** | **31 March** | **31 March** |
|  | **2023** | **2022** | **2023** | **2022** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| Short-term employee benefits | 10,361,879 | 10,348,419 | 8,556,835 | 8,584,151 |
| Post-employment benefits | 51,294 | 40,775 | 38,847 | 31,451 |
|  |  |  |  |  |
|  | 10,413,173 | 10,389,194 | 8,595,682 | 8,615,602 |

|  |
| --- |
| **20 Events occurring after the reporting date** |

At the Annual General Meeting of Shareholders no.1/2023 of the Company held on 21 April 2023, the Shareholders approved the dividend payment of the Company's 2022 operating results at Baht 0.10 per share, totaling Baht 200 million. The dividends were distributed to the shareholders on 15 May 2023.