

S. Khonkaen Foods Public Company Limited
and its subsidiaries
Review report and interim financial information
For the three-month period ended 31 March 2021

Independent Auditor's Report on Review of Interim Financial Information

To the Shareholders of S. Khonkaen Foods Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of S. Khonkaen Foods Public Company Limited and its subsidiaries as at 31 March 2021, the related consolidated statements of income, comprehensive income, changes in shareholders' equity and cash flows for the three-month period then ended, as well as the condensed notes to the interim consolidated financial statements. I have also reviewed the separate financial information of S. Khonkaen Foods Public Company Limited for the same period (collectively "interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34 *Interim Financial Reporting*. My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of review

I conducted my review in accordance with Thai Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34 *Interim Financial Reporting*.

Pimjai Manitkajohnkit

Certified Public Accountant (Thailand) No. 4521

EY Office Limited

Bangkok: 13 May 2021

S. Khonkaen Foods Public Company Limited and its subsidiaries

Statement of financial position

As at 31 March 2021

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	31 March 2021	31 December 2020	31 March 2021	31 December 2020
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Current assets					
Cash and cash equivalents		168,134	160,841	76,726	59,526
Trade and other receivables	3, 4	384,014	417,413	312,888	326,285
Short-term loans to subsidiaries	3	-	-	80,000	80,000
Inventories	5	224,360	217,334	123,174	120,872
Current biological assets	10	76,997	67,821	-	-
Other current assets		24,491	21,837	14,194	10,729
Total current assets		877,996	885,246	606,982	597,412
Non-current assets					
Restricted bank deposits		1,505	1,505	-	-
Long-term loans to subsidiary	3	-	-	83,000	83,000
Investments in subsidiaries	6	-	-	456,616	456,616
Investment properties	7	625,325	637,186	361,153	371,242
Property, plant and equipment	8	1,010,764	984,567	485,785	461,831
Right-of-use assets	9	112,896	116,014	94,404	96,843
Non-current biological assets	10	10,378	9,440	-	-
Intangible assets	11	11,277	10,864	8,085	7,569
Deferred tax assets		328	328	-	-
Other non-current assets		9,198	9,370	6,954	6,895
Total non-current assets		1,781,671	1,769,274	1,495,997	1,483,996
Total assets		2,659,667	2,654,520	2,102,979	2,081,408

The accompanying notes to interim financial statements are an integral part of the financial statements.

S. Khonkaen Foods Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 March 2021

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		31 March 2021	31 December 2020	31 March 2021	31 December 2020
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity					
Current liabilities					
Bank overdrafts and short-term loans					
from financial institutions	12	460,000	421,007	410,000	361,007
Trade and other payables	3, 13	274,526	326,209	196,547	224,670
Current portion of lease liabilities	14	11,244	11,258	9,370	9,219
Current portion of long-term loans	15	126,929	112,983	73,188	64,121
Income tax payable		16,319	12,068	-	18
Other current liabilities		21,734	25,260	15,918	18,711
Total current liabilities		910,752	908,785	705,023	677,746
Non-current liabilities					
Lease liabilities, net of current portion	14	99,257	100,532	83,418	84,509
Long-term loans, net of current portion	15	344,005	377,672	211,048	231,196
Deferred tax liabilities		30,604	29,311	19,709	20,640
Provisions for long-term employee benefits		93,130	90,826	66,337	64,654
Other non-current liabilities		1,817	1,736	1,134	1,184
Total non-current liabilities		568,813	600,077	381,646	402,183
Total liabilities		1,479,565	1,508,862	1,086,669	1,079,929

The accompanying notes to interim financial statements are an integral part of the financial statements.

S. Khonkaen Foods Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 March 2021

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2021	31 December 2020	31 March 2021	31 December 2020
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Shareholders' equity				
Share capital				
Registered				
323,400,000 ordinary shares of Baht 1 each	323,400	323,400	323,400	323,400
Issued and paid-up				
323,400,000 ordinary shares of Baht 1 each	323,400	323,400	323,400	323,400
Share premium	50,281	50,281	50,281	50,281
Share premium on treasury stock	37,552	37,552	-	-
Retained earnings				
Appropriated - statutory reserve	32,340	32,340	32,340	32,340
Unappropriated	558,685	524,265	478,245	463,414
Other components of shareholders' equity	176,292	176,271	132,044	132,044
Equity attributable to owners of the Company	1,178,550	1,144,109	1,016,310	1,001,479
Non-controlling interests of the subsidiaries	1,552	1,549	-	-
Total shareholders' equity	1,180,102	1,145,658	1,016,310	1,001,479
Total liabilities and shareholders' equity	2,659,667	2,654,520	2,102,979	2,081,408
	-	-	-	-

The accompanying notes to interim financial statements are an integral part of the financial statements.

Director

Director

(Unaudited but reviewed)

S. Khonkaen Foods Public Company Limited and its subsidiaries**Income statement****For the three-month period ended 31 March 2021**

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2021	2020	2021	2020
Revenues					
Sales		655,235	718,942	357,528	422,533
Revenue from rental and service		2,730	2,059	2,730	2,059
Dividend income		-	-	15,575	
Other income		7,663	5,407	4,433	6,642
Gain on changes in fair value less cost to sale of biological assets	10	8,533	-	-	-
Total revenues		674,161	726,408	380,266	431,234
Expenses					
Cost of sales		489,462	524,077	265,855	303,076
Cost of rental and service		6,363	3,967	6,363	3,967
Selling and distribution expenses		52,855	70,990	34,172	50,857
Administrative expenses		77,970	72,146	54,424	52,056
Loss on changes in fair value less cost to sale of biological assets		-	5,719	-	-
Total expenses		626,650	676,899	360,814	409,956
Operating profit		47,511	49,509	19,452	21,278
Finance cost		(7,682)	(9,229)	(5,552)	(6,579)
Profit before tax expense		39,829	40,280	13,900	14,699
Tax income (expense)	16	(5,301)	(6,748)	931	(2,963)
Profit for the period		34,528	33,532	14,831	11,736
Profit attributable to:					
Equity holders of the Company		34,420	33,406	14,831	11,736
Non-controlling interests of the subsidiaries		108	126		
		34,528	33,532		
(Unit: Baht)					
Earnings per share	17				
Basic earnings per share					
Profit attributable to equity holders of the Company		0.11	0.10	0.05	0.04

The accompanying notes to interim financial statements are an integral part of the financial statements.

(Unaudited but reviewed)

S. Khonkaen Foods Public Company Limited and its subsidiaries

Statement of comprehensive income

For the three-month period ended 31 March 2021

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Profit for the period	34,528	33,532	14,831	11,736
Other comprehensive income:				
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>				
Exchange differences on translation of financial statements in foreign currency	21	229	-	-
Other comprehensive income for the period	21	229	-	-
Total comprehensive income for the period	34,549	33,761	14,831	11,736
Total comprehensive income attributable to:				
Equity holders of the Company	34,441	33,635	14,831	11,736
Non-controlling interests of the subsidiaries	108	126		
	34,549	33,761		

The accompanying notes to interim financial statements are an integral part of the financial statements.

(Unaudited but reviewed)

S. Khonkaen Foods Public Company Limited and its subsidiaries**Cash flow statement****For the three-month period ended 31 March 2021**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Cash flows from operating activities				
Profit before tax	39,829	40,280	13,900	14,699
Adjustments to reconcile profit before tax expenses to net cash provided by (paid from) operating activities				
Depreciation	27,551	26,891	13,208	13,326
Depreciation of biological assets	1,380	1,385	-	-
Amortisation of intangible assets	787	835	684	728
Amortisation of deferred rental expense (reversal)	-	1,013	-	(1,125)
Allowance for expected credit losses of trade and other receivables (reversal)	(652)	864	(496)	803
Reduction of inventories to net realisable value (reversal)	(47)	546	61	582
Reversal of allowance for doubtful account of loan to unrelated company	(5,000)	-	(5,000)	-
Loss on impairment of equipment	4,978	-	4,978	-
Gain on sales of investment property	(1,138)	-	-	-
Gain on sales of equipment	(20)	-	(58)	-
Write-off building and equipment	-	1,160	-	1,160
Gain on sale of stud swine	(2,639)	(816)	-	-
Transfer of long-term employee benefit	-	-	240	-
Long-term employee benefit expenses	2,472	2,557	1,611	1,708
Unrealised gain on exchanges	(304)	(191)	(304)	(418)
Loss (gain) on changes in fair value less cost to sale of biological assets	(8,533)	5,719	-	-
Loss (gain) on changes in fair value of interest rate exchanges	(591)	418	(591)	418
Interest income	(41)	(41)	(1,191)	(880)
Dividend income from subsidiary	-	-	15,575	-
Finance cost	7,682	9,229	5,552	6,579
Profit from operating activities before changes in operating assets and liabilities	65,714	89,849	48,169	37,580
Operating assets (increase) decrease				
Trade and other receivables	39,355	20,485	4,314	21,818
Inventories	(6,979)	43,553	(2,363)	42,541
Biological assets	(3,532)	(4,641)	-	-
Other current assets	(2,063)	(5,858)	(2,874)	(5,313)
Other non-current assets	172	(303)	(59)	65
Operating liabilities increase (decrease)				
Trade and other payables	(70,471)	(13,811)	(41,397)	(12,158)
Other current liabilities	(3,526)	(1,802)	(2,793)	(136)
Other non-current liabilities	81	(2,148)	(50)	37
Cash paid for long-term employee benefit	(168)	-	(168)	-
Cash flows from operating activities	18,583	125,324	2,779	84,434
Cash paid for corporate income tax	(19)	(136)	(18)	(135)
Net cash flows from operating activities	18,564	125,188	2,761	84,299

The accompanying notes to interim financial statements are an integral part of the financial statements.

(Unaudited but reviewed)

S. Khonkaen Foods Public Company Limited and its subsidiaries**Cash flow statement (continued)****For the three-month period ended 31 March 2021**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Cash flows from investing activities				
Decrease in loans to subsidiaries	-	-	-	3,707
Acquisition of investment properties	(1,582)	-	(1,582)	-
Acquisition of building and equipment	(23,025)	(26,818)	(12,753)	(18,775)
Acquisition of stud swine and raising cost	-	(66)	-	-
Acquisition of computer software	(1,200)	(384)	(1,200)	-
Proceeds from sales of investment properties	2,910	-	-	-
Proceeds from sales of equipment	121	5	85	2
Proceeds from sales of stud swine	3,210	1,300	-	-
Cash received from interest income	41	41	499	357
Net cash flows used in investing activities	(19,525)	(25,922)	(14,951)	(14,709)
Cash flows from financing activities				
Increase (decrease) in bank overdrafts and short-term loans				
from financial institutions	38,993	(125,646)	48,993	(106,901)
Cash paid for long-term loans	(19,721)	(24,020)	(11,081)	(10,193)
Cash paid under lease agreements	(3,398)	(2,616)	(3,049)	(2,190)
Cash paid for interest expenses	(7,641)	(9,206)	(5,473)	(6,536)
Net cash flows from (used in) financing activities	8,233	(161,488)	29,390	(125,820)
Net increase (decrease) in cash and cash equivalents	7,272	(62,222)	17,200	(56,230)
Translation adjustments	21	229	-	-
Cash and cash equivalents at beginning of period	160,841	152,251	59,526	108,747
Cash and cash equivalents at end of period	168,134	90,258	76,726	52,517
	-	-	-	-
Supplemental cash flow information				
Non-cash item transaction				
Payable from acquisition of equipment	18,904	7,271	13,195	2,267
Lease liabilities	(2,109)	119,330	(2,109)	104,090
Dividend receivable	-	-	15,575	-
Dividend payable	105	-	-	-
Transfer investment properties to property, plant and equipment	10,714	-	10,714	-
Transfer right of use assets to property, plant and equipment	1,095	-	1,095	-

The accompanying notes to interim financial statements are an integral part of the financial statements.

(Unaudited but reviewed)

S. Khonkaen Foods Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the three-month period ended 31 March 2021

(Unit: Thousand Baht)

Consolidated financial statements

	Equity attributable to the owners of the Company													
	Other components of equity holders													
	Other comprehensive income													
	Exchange differences									Total other	Total equity	Equity attributable	Total	
	Issued and paid up share capital	Share premium	Share premium on treasury stock	Retained earnings		on translation of financial statements	Surplus on revaluation of assets	Surplus on of subsidiary's assets	Surplus on changes in proportion in interest of subsidiary	components of shareholders'	attributable to shareholders of the Company	to non-controlling interests of the subsidiaries		shareholders'
				Statutory reserve	Unappropriated	in foreign currency	revaluation of assets	of subsidiary's assets	interest of subsidiary	equity	the Company	the subsidiaries		equity
Balance as at 1 January 2020	323,400	50,281	37,552	32,340	479,014	(212)	119,352	41,755	502	161,397	1,083,984	1,579	1,085,563	
Profit for the period	-	-	-	-	33,406	-	-	-	-	-	33,406	126	33,532	
Other comprehensive income for the period	-	-	-	-	-	229	-	-	-	229	229	-	229	
Total comprehensive income for the period	-	-	-	-	33,406	229	-	-	-	229	33,635	126	33,761	
Balance as at 31 March 2020	323,400	50,281	37,552	32,340	512,420	17	119,352	41,755	502	161,626	1,117,619	1,705	1,119,324	
Balance as at 1 January 2021	323,400	50,281	37,552	32,340	524,265	254	132,044	43,471	502	176,271	1,144,109	1,549	1,145,658	
Profit for the period	-	-	-	-	34,420	-	-	-	-	-	34,420	108	34,528	
Other comprehensive income for the period	-	-	-	-	-	21	-	-	-	21	21	-	21	
Total comprehensive income for the period	-	-	-	-	34,420	21	-	-	-	21	34,441	108	34,549	
Dividends paid	-	-	-	-	-	-	-	-	-	-	-	(105)	(105)	
Balance as at 31 March 2021	323,400	50,281	37,552	32,340	558,685	275	132,044	43,471	502	176,292	1,178,550	1,552	1,180,102	
	-	-	-	-	-	-	-	-	-	-	-	-	-	
	-	-	-	-	-	-	-	-	-	-	-	-	-	

The accompanying notes to interim financial statements are an integral part of the financial statements.

(Unaudited but reviewed)

S. Khonkaen Foods Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the three-month period ended 31 March 2021

(Unit: Thousand Baht)

	Separate financial statements					Total shareholders' equity
	Issued and paid up share capital	Share premium	Retained earnings		Other components of equity holders	
					Other comprehensive income	
					Surplus on revaluation of assets	
	share capital	Share premium	Statutory reserve	Unappropriated		
Balance as at 1 January 2020	323,400	50,281	32,340	273,693	119,352	799,066
Profit for the period	-	-	-	11,736	-	11,736
Total comprehensive income for the period	-	-	-	11,736	-	11,736
Balance as at 31 March 2020	323,400	50,281	32,340	285,429	119,352	810,802
Balance as at 1 January 2021	323,400	50,281	32,340	463,414	132,044	1,001,479
Profit for the period	-	-	-	14,831	-	14,831
Total comprehensive income for the period	-	-	-	14,831	-	14,831
Balance as at 31 March 2021	323,400	50,281	32,340	478,245	132,044	1,016,310
	-	-	-	-	-	-
	-	-	-	-	-	-

The accompanying notes to interim financial statements are an integral part of the financial statements.

S. Khonkaen Foods Public Company Limited and its subsidiaries

Notes to interim financial statements

For the three-month period ended 31 March 2021

1. General information

1.1 The Company's general information

S. Khonkaen Foods Public Company Limited ("the Company") is a public company limited incorporated and domiciled in Thailand. The Company is principally engaged in the manufacture and distribution of processed food products from meat and seafood, restaurants and swine farm.

The registered office of the Company is at 259/13 Soi Pridi Banomyong 13, Sukhumvit 71 Road (Pridi Banomyong), Phrakonong Nuer, Vadhana, Bangkok.

1.2 Basis of preparation of interim financial information

These interim financial information are prepared in accordance with Thai Accounting Standard No. 34 Interim Financial Reporting, with the Company choosing to present condensed interim financial statements. However, the Company has presented the statements of financial position, income statement, comprehensive income, changes in shareholders' equity, and cash flows in the same format as that used for the annual financial statements.

The interim financial information are intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events and circumstances so as not to duplicate information previously reported. These interim financial information should therefore be read in conjunction with the latest annual financial statements.

The interim financial information in Thai language are the official statutory financial statements of the Company. The interim financial statements in English language have been translated from the Thai language financial information.

1.3 Basis of the preparation of consolidation interim financial statements

These consolidated interim financial statements include the financial statements of S. Khonkaen Foods Public Company Limited and its subsidiaries and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2020. There have been no changes in the composition of the group during the current period.

Details of subsidiaries included in the consolidated interim financial statements are as follows:

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			31 March 2021	31 December 2020
			%	%
S. Pasusat Company Limited	Breeding and sales of finishing swine	Thailand	100	100
S.K.K. Food Company Limited	Distribution of processed products	Thailand	99	99
Mahachai Foods Company Limited	Manufacture and distribution of ambient seafood	Thailand	99	99
S. Khehakarn Company Limited (Formerly known as "3D Food and Beverage Company Limited")	Selling and lease of investment properties	Thailand	100	100
S. Training Center Company Limited	Training and seminar service	Thailand	100	100
S. Khonkaen Foods (Netherlands) B.V.	Distribution of processed food products	The Netherlands	100	100

1.4 New financial reporting standards

a) Financial reporting standards that become effective in the current period

During the period, the Group has adopted the revised financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2021. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements.

b) Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2022

The Federation of Accounting Professions issued amendments to Thai Financial Reporting Standard 16 Leases that provide temporary exemptions from the impact of interest rate benchmark reform for a lessee, provided that all specified conditions are to be met.

The management of the Group believes that adoption of these amendments will not have any significant impact on the Group's financial statements.

2. Significant accounting policies

The interim financial statements are prepared by using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2020.

3. Related party transactions

During the three-month periods ended 31 March 2021 and 2020, the Group had significant business transactions with related parties. Such transactions, which are summarised below, were concluded on commercial terms and bases agreed upon between the Company, subsidiaries and those related parties.

(Unit: Thousand Baht)

	For the three-month periods ended 31 March				
	Consolidated		Separate		
	financial statements		financial statements		
	2021	2020	2021	2020	Pricing Policy
<u>Transactions with subsidiaries</u>					
(Eliminated from the consolidated financial statements)					
Sales of goods	-	-	3,589	5,147	Cost plus margin
Service income	-	-	184	1,671	As stipulated in agreements
Sales equipment and supplies	-	-	-	3	Cost plus margin
Dividend income	-		15,575	-	As declared
Interest income	-	-	1,191	879	Average cost of debt 2.664% - 3.250% per annum (2020: 3.697% - 4.500% per annum)
Purchases of goods	-	-	23,240	19,379	Cost plus margin
Other expenses	-	-	86	155	Cost plus margin

Balances of the accounts as at 31 March 2021 and 31 December 2020 between the Company and those subsidiaries are as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March 2021	31 December 2020	31 March 2021	31 December 2020
<u>Trade and other receivables (Note 4)</u>				
Subsidiaries	-	-	17,107	2,141
<u>Trade and other payables (Note 13)</u>				
Subsidiaries	-	-	4,332	1,061

Loans to the subsidiaries

As at 31 March 2021 and 31 December 2020, the balances of loans to the subsidiaries and the movements are as follows:

(Unit: Thousand Baht)

	Separate financial statements					
	Balance as at 31 December 2020	Increase during the period	Decrease during the period	Balance as at 31 March 2021	Less: Short-term loan to subsidiaries	Long-term loan to subsidiary
Loans to subsidiaries						
S. Pasusat Co., Ltd.	83,000	-	-	83,000	-	83,000
S. Khehakarn Co., Ltd.	80,000	-	-	80,000	(80,000)	-
Total	163,000	-	-	163,000	(80,000)	83,000

Those loans bear interest at rates of 2.664% - 3.250% per annum (31 December 2020: 2.664% - 3.250% per annum). The due date for repayment of principal and interest by 30 January 2024.

Directors and management's benefits

During the three-month periods ended 31 March 2021 and 2020 the Group had employee benefit expenses payable to their directors and management as below.

(Unit: Thousand Baht)

	For the three-month periods ended 31 March			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Short-term employee benefits	12,572	10,895	7,408	5,827
Post-employment benefits	1,081	1,061	693	670
Total	13,653	11,956	8,101	6,497

Guarantee obligations with related parties

The Company has outstanding guarantee obligations with its related parties, as discussed in Note 20.2 (2).

4. Trade and other receivables

Balances of trade and other receivables as at 31 March 2021 and 31 December 2020, aged on the basis of due dates, are summarised below.

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2021	31 December 2020	31 March 2021	31 December 2020
<u>Trade accounts receivable - related parties</u>				
Aged on the basis of due dates				
Not yet due	-	-	855	997
Total trade accounts receivable - related parties	-	-	855	997
<u>Trade accounts receivable - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	371,802	400,559	285,096	308,191
Past due				
Up to 3 months	7,715	12,993	6,601	12,169
3 - 6 months	365	687	183	640
6 - 12 months	364	469	295	432
Over 12 months	295	590	3	227
Total	380,541	415,298	292,178	321,659
Less: Allowance for expected credit losses	(825)	(1,304)	(338)	(834)
Total trade accounts receivable - unrelated parties, net	379,716	413,994	291,840	320,825
Total trade accounts receivable, net	379,716	413,994	292,695	321,822
<u>Other receivables</u>				
Other receivables - related parties	-	-	16,252	1,144
Other receivables - unrelated parties	4,671	4,022	4,314	3,751
Others	59	-	59	-
Total	4,730	4,022	20,625	4,895
Less: Allowance for expected credit losses	(432)	(603)	(432)	(432)
Total other receivables - net	4,298	3,419	20,193	4,463
Total trade and other receivables - net	384,014	417,413	312,888	326,285

5. Allowance for diminution in value of inventories

Movement in the allowance for diminution in value of inventories account during the three-month period ended 31 March 2021 is summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Balance as at 1 January 2021	3,387	2,349
Add: Allowance made during the period	313	118
Less: Allowance reversed during the period	(360)	(57)
Balance as at 31 March 2021	3,340	2,410

6. Investments in subsidiaries

Details of investments in subsidiaries as presented in separate financial statements are as follows:

(Unit: Thousand Baht)

Subsidiaries' name	Paid-up capital	Shareholding percentage	Cost		Allowance for impairment loss		Cost - net	
			31 March	31 December	31 March	31 December	31 March	31 December
			2021	2020	2021	2020	2021	2020
		%						
S. Pasusat Co., Ltd.	Baht 45 million	100	44,968	44,968	-	-	44,968	44,968
S.K.K. Food Co., Ltd.	Baht 120 million	99	119,225	119,225	-	-	119,225	119,225
Mahachai Foods Co., Ltd.	Baht 245 million	99	286,919	286,919	-	-	286,919	286,919
S. Khehakarn Co., Ltd.	Baht 10 million	100	10,000	10,000	(5,000)	(5,000)	5,000	5,000
S. Training Center Co., Ltd.	Baht 0.5 million	100	500	500	-	-	500	500
S. Khonkaen Foods (Netherlands) B.V.	EUR 100	100	4	4	-	-	4	4
			<u>461,616</u>	<u>461,616</u>	<u>(5,000)</u>	<u>(5,000)</u>	<u>456,616</u>	<u>456,616</u>

7. Investment properties

Movements of investment properties account during the three- month period ended 31 March 2021 are summarised below.

(Unit: Thousand Baht)

	Consolidated	Separate
	financial statements	financial statements
Net book value at the beginning of the period	637,186	371,242
Acquisitions during the period	1,582	1,582
Disposals - net book value	(1,772)	-
Transfer to property, plant and equipment	(10,714)	(10,714)
Depreciation for the period	(957)	(957)
Net book value at the end of the period	<u>625,325</u>	<u>361,153</u>

The Group has pledged investment properties with a total net book value of Baht 427 million as at 31 March 2021 (31 December 2020: Baht 437 million) (The Company only: Baht 361 million, 31 December 2020: Baht 371 million) as collateral for credit facilities granted by bank.

8. Property, plant and equipment

Movements of the property, plant and equipment account during the three-month period ended 31 March 2021 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Net book value as at 1 January 2021	984,567	461,831
Acquisitions during the period - at cost	41,929	25,948
Transfer from investment properties	10,714	10,714
Transfer from right of use assets	1,095	1,095
Disposals during the period - net book value at disposal date	(101)	(27)
Depreciation for the period	(22,462)	(8,798)
Allowance for impairment	(4,978)	(4,978)
Net book value as at 31 March 2021	1,010,764	485,785

The Group has mortgaged land and building constructed thereon and machinery with a total net book value of Baht 608 million as at 31 March 2021 (31 December 2020: Baht 606 million) (The Company only: Baht 257 million, 31 December 2020: Baht 249 million) as collaterals against credit facilities received from financial institutions.

During the period, the subsidiary has reversed allowance for impairment from write-off of buildings and improvements by Baht 0.5 million.

9. Right of use assets

Movement of right of use assets for the three-month period ended 31 March 2021 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Net book value as at 1 January 2021	116,014	96,843
Increase during the period	2,109	2,109
Transfer to property, plant and equipment	(1,095)	(1,095)
Depreciation for the period	(4,132)	(3,453)
Net book value as at 31 March 2021	112,896	94,404

10. Biological assets

Movements of the biological assets during the three-month period ended 31 March 2021 are as follows:

	(Unit: Thousand Baht)
	Consolidated financial statements
Balance as at 1 January 2021	77,261
Increase due to feeding costs	65,405
Decrease due to sales	(62,444)
Depreciation for the period	(1,380)
Gain on changes in fair value less cost to sale of biological assets	8,533
Balance as at 31 March 2021	87,375
Current portion	
Breeding stocks	76,997
Total current portion	76,997
Non-current portion	
Stud swine	10,378
Total non-current portion	10,378
Total	87,375

11. Intangible assets

Movements of the intangible assets during the three-month period ended 31 March 2021 are summarised below

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Net book value as at 1 January 2021	10,864	7,569
Acquisitions during the period - at cost	1,200	1,200
Amortisation for the period	(787)	(684)
Net book value as at 31 March 2021	11,277	8,085

12. Bank overdrafts and short-term loans from financial institutions

(Unit: Thousand Baht)

	Interest rate (% per annum)	Consolidated financial statements		Separate financial statements	
		31 March 2021	31 December 2020	31 March 2021	31 December 2020
Bank overdrafts	-	-	1,007	-	1,007
Short-term loans from financial institutions	1.90 - 2.13	460,000	420,000	410,000	360,000
Total		460,000	421,007	410,000	361,007

The above credit facilities of the Company are secured by the mortgages of land and building constructed thereon and machines of the Company.

The above credit facilities of subsidiaries are secured by the mortgages of subsidiaries' land and building constructed thereon of subsidiaries and guaranteed by the Company.

13. Trade and other payables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2021	31 December 2020	31 March 2021	31 December 2020
Trade accounts payable - related parties	-	-	4,248	1,061
Trade accounts payable - unrelated parties	140,894	161,237	91,710	95,962
Other payable - related parties	-	-	84	-
Accrued sale promotions	44,851	66,708	35,621	55,791
Accrued expenses	69,199	82,668	51,230	60,086
Payable from purchase of equipment	18,904	14,745	13,195	11,322
Others	678	851	459	448
Total trade and other payables	274,526	326,209	196,547	224,670

14. Lease liabilities

Movement of lease liabilities for the three-month period ended 31 March 2021 are summarised below:

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Balance as at 1 January 2021	111,789	93,728
Increase during the period	2,020	2,020
Payment for the period	(3,308)	(2,960)
Balance as at 31 March 2021	110,501	92,788

(Unaudited but reviewed)

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Lease liabilities	110,501	92,788
Less: Portion due within one year	(11,244)	(9,370)
Net	99,257	83,418

15. Long-term loans

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	31 March 2021	31 December 2020	31 March 2021	31 December 2020
Loans from banks	470,934	490,655	284,236	295,317
Less: Portion due within one year	(126,929)	(112,983)	(73,188)	(64,121)
Net	344,005	377,672	211,048	231,196

Movements in the long-term loan account during the three-month period ended 31 March 2021 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Balance as at 1 January 2021	490,655	295,317
Less: Repayments	(19,721)	(11,081)
Balance as at 31 March 2021	470,934	284,236

The long-term loans of the Company is secured by the mortgage of land and building constructed thereon and investment properties of the Company.

The long-term loans of the subsidiaries are secured by the mortgage of land, building constructed thereon, machinery, investment properties of subsidiaries and guaranteed by the Company.

The loan agreements contain several covenants which, among other things, require the Group to maintain debt-to-equity ratio and debt service coverage ratio at the rate prescribed in the agreements. Also, the Group has to maintain shareholding proportion in the parent prescribed in the agreement.

As at 31 March 2021, the long-term credit facilities of the Group which have not yet been drawn down amounted to Baht 64 million (31 December 2020: Baht 64 million) (The Company only: Baht 64 million, 31 December 2020: Baht 64 million).

16. Income tax

Interim corporate income tax was calculated on profit before income tax for the period, using the estimated effective tax rate for the year.

Income tax expenses for the three-month periods ended 31 March 2021 and 2020 are made up as follows:

	(Unit: Thousand Baht)			
	For the three-month periods ended 31 March			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Current income tax:				
Interim corporate income tax charge	4,270	8,531	-	3,515
Deferred tax:				
Relating to origination and reversal of temporary differences	1,031	(1,783)	(931)	(552)
Tax expense (income) reported in profit or loss	5,301	6,748	(931)	2,963

17. Earnings per share

Basic earnings per share is calculated by dividing profit for the period attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the period. The weighted average number of ordinary shares used in calculation of earnings per share for the three-month period ended 31 March 2020 have been adjusted as a result of the change in par value of the ordinary shares from Baht 10 per share to Baht 1 per share in accordance with the resolution of the annual general meeting of the Company's shareholders held on 14 July 2020.

The following table sets forth the computation of basic earnings per share:

	For the three-month periods ended 31 March			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
		(Restated)		(Restated)
Profit attributable to equity holders of the Company (Thousand Baht)	34,420	33,406	14,831	11,736
Weighted average number of ordinary shares (Thousand Shares)	323,400	323,400	323,400	323,400
Earnings per share (Baht/share)	0.11	0.10	0.05	0.04

18. Provident fund

The Company and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both the Company and employees contribute to the fund monthly at the rates of 3% and 2% - 15%, respectively of basic salary. The fund, which is managed by Bangkok Capital Asset Management Company Limited, will be paid to employees upon termination in accordance with the fund rules. The contributions for the three-month period ended 31 March 2021 amounting to approximately Baht 0.5 million (31 December 2020: Nil) were recognised as expenses.

19. Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance.

The Group are organised into business units based on its products and services. Their operating segments are classified into four reportable segments as follows:

1. Processed food from pork
2. Processed seafood
3. Restaurants
4. Swine farm

(Unaudited but reviewed)

The revenue and profit information regarding the Group operating segments for the periods of three-month ended 31 March 2021 and 2020 is presented below.

(Unit: Thousand Baht)

For the three-month periods ended 31 March 2021 and 2020	Processed food		Processed seafood		Restaurants		Swine farm		Total segments		Elimination entries		Total	
	from pork													
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Revenue from external customers	325,038	379,422	242,090	245,360	17,884	31,457	70,223	62,703	655,235	718,942	-	-	655,235	718,942
Inter-segment revenue	3,589	5,147	23,240	19,379	-	-	-	-	26,829	24,256	(26,829)	(24,526)	-	-
Total sales	<u>328,627</u>	<u>384,569</u>	<u>265,330</u>	<u>264,739</u>	<u>17,884</u>	<u>31,457</u>	<u>70,223</u>	<u>62,703</u>	<u>682,064</u>	<u>743,468</u>	<u>(26,829)</u>	<u>(24,526)</u>	<u>655,235</u>	<u>718,942</u>
Gross operating profit	80,635	102,780	63,674	65,328	10,296	17,214	11,168	9,543	165,773	194,865	-	-	165,773	194,865
Other income													4,030	3,499
Gain (loss) on changes in fair value less cost to sale of biological assets													8,533	(5,719)
Selling and distribution expenses													(52,855)	(70,990)
Administrative expenses													(77,970)	(72,146)
Finance cost													(7,682)	(9,229)
Income tax expenses													(5,301)	(6,748)
Profit for the period													<u>34,528</u>	<u>33,532</u>

20. Commitments and contingent liabilities

20.1 Capital commitments

As at 31 March 2021, the Group had capital commitments in respect of construction of building and acquisition of assets of approximately Baht 78 million (31 December 2020: Baht 73 million), (The Company only: Baht 53 million 31 December 2020: Baht 70 million).

20.2 Guarantees

- (1) As at 31 March 2021, the subsidiaries pledged their bank deposit to secure against a fuel credit card of Baht 1 million (31 December 2020: Baht 1 million).
- (2) As at 31 March 2021, the Company had obligations in respect of guarantees provided to banks for loan facilities of the subsidiaries of Baht 323 million (31 December 2020: Baht 323 million).
- (3) As at 31 March 2021, there were outstanding bank guarantees of approximately Baht 8 million issued by the banks on behalf of the Group to guarantee utility charges (31 December 2020: Baht 8 million) (The Company only: Baht 6 million, 31 December 2020: Baht 6 million).

21. Fair value hierarchy

As at 31 March 2021 and 31 December 2020, the Group had the assets that were measured at fair value or for which fair value was disclosed using different levels of inputs as follows:

(Unit: Million Baht)

As at 31 March 2021								
	Consolidated financial statements				Separate financial statements			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Assets measured at fair value								
Land	-	289	-	289	-	198	-	198
Biological assets	-	34	53	87	-	-	-	-
Assets for which fair value is disclosed								
Investment properties	-	973	329	1,302	-	170	329	499

(Unit: Million Baht)

As at 31 December 2020								
	Consolidated financial statements				Separate financial statements			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Assets measured at fair value								
Land	-	289	-	289	-	198	-	198
Biological assets	-	16	61	77	-	-	-	-
Assets for which fair value is disclosed								
Investment properties	-	976	329	1,305	-	170	329	499

22. Events after the reporting period

On 27 April 2021, the Annual General Meeting of the Company's shareholders approve the annual dividend payment to the Company's shareholders by cash at the rate of Baht 0.20 per share or totaling of Baht 64.68 million. The Company scheduled to pay such dividend on 25 May 2021.

23. Approval of interim financial information

These interim financial information were authorised for issue by the Company's Board of Director on 13 May 2021.